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Texts of Documents Sent to White House to Justify

Special to The New York Times

WASHINGTON, May 2— Following are documents sent to the White House on April 19 by lawyers for the House Judiciary Committee outlining the reasons for seeking tape recordings and documents that bear on President Nixon's decision to raise milk price supports and on the settlement of Government antitrust action against the International Telephone and Telegraph Corporation in 1971:

Justification of request for Presidential tapes and documents regarding the 1971 milk price support decision.

In August, 1969, Associated Milk Producers, Inc. (AMPI) made political cash contributions and pledges of financial support to Herbert W. Kalmbach, a political fund raiser for the President. (Depositions) filed in *Nader v. Butz*; other material in possession of a committee.) Thereafter dairy representatives met with White House officials regarding matters affecting the dairy industry. (Material in possession of the committee.) In the spring or summer of 1970, AMPI pledged to presidential aide Charles W. Colson, who as AMPI's White House contact, a \$2-million contribution to support the President's re-election. (Material in possession of the committee.)

On or about March 5, 1971, the President reviewed the Department of Agriculture's and the Office of Management and Budget's recommendation to set milk price supports for the marketing year April 1, 1971, through March 31, 1972, by approximately 79 per cent of parity. (Material available to the committee.) On March 12, 1971, Secretary of Agriculture Hardin formally set milk price supports for 1971-1972 at approximately 79 per cent of parity. (U.S. Department of Agriculture press release, March 12, 1971.)

The President's Gratitude

From March 12, 1971, through March 25, 1971, representatives of the dairy industry, including former White House aide Murray M. Chotiner, contacted White House and Administration officials, including Mr. Colson and Secretary of the Treasury Connally, to urge that the President set aside the decision of the Secretary of Agriculture and increase milk price supports for 1971-1972 to 85 per cent or 90 per cent of parity. (Material in possession of the committee.) During several of these meetings, pledges of financial support from the dairy industry to the President's re-election campaign were discussed. (Material in possession of the committee.)

On the morning of March 23, 1971, the President and other Administration officials met with representatives of

the dairy industry. (White House "white paper," The Milk Support Price Decision, Jan. 8, 1974, Pp. 5-6.) The President, who had previously been informed of the dairy industry's \$2-million campaign commitment, stated his gratitude for dairy organizations' support. (Material in possession of the committee; see also White House "white paper," supra, P. 10.) Later in the afternoon of March 23, 1971, the President met with seven of his advisers, including John D. Ehrlichman, and determined to increase milk price supports. During this meeting, the political and financial support of dairy interests, as well as Congressional pressure for an increase in support levels, was discussed. After the President announced his decision to increase price supports, there was a brief discussion about someone at the meeting contacting Mr. Colson. (Material in possession of the committee; see also White House "white paper," supra, P. 5.)

Immediately following the President's afternoon meeting of March 23, 1971, with his advisers, Mr. Ehrlichman contacted Mr. Colson, who then contacted Mr. Chotiner. (Material in possession of committee.) Later in the night of March 23, 1971, AMPI officials and other dairy representatives engaged in all-night meetings (one of which took place after an early dawn flight to Louisville, Ky.) at which they agreed to make political contributions to the President's re-election campaign and to contribute \$25,000 by the evening of March 24, 1971. (Material in the possession of the committee.)

During the evening of March 24, 1971, Mr. Chotiner stated to several dairymen that Mr. Ehrlichman expected the dairy industry to reaffirm its \$2-million "commitment" in light of a forthcoming increase in milk price supports. The dairy leaders did so. (Material in the possession of the committee.) Thereafter on March 25, 1971, an increase in the price support level for milk to slightly above 85 per cent of parity was officially announced. (White House "white paper," supra, P. 14.)

Contributions by Industry

During the succeeding months, the dairy industry contributed several hundred thousand dollars through approximately 200 political committees set up solely for the purpose of handling the dairy contributions. (Material on file with clerk of the House of Representatives; other material in the possession of the committee.) During this period, high-ranking White House officials and dairy industry leaders referred to the dairy industry's "committee" to support financially the President's campaign in particular dollar amounts. (Material in the possession of the committee.)

In light of the foregoing,

communications between the President and the following persons, or among the following persons, during the period March 12, 1971, through March 25, 1971, are relevant to ascertaining the nature of the relationship between AMPI and the White House, the role of the President in this relationship, and the basis for the President's decision to set aside the Secretary of Agriculture's determination and to increase milk price supports to 4.95 per hundredweight:

(1) **Charles W. Colson.** As the White House liaison with the dairy industry, Mr. Colson communicated frequently with the dairy industry representatives from 1970 through 1971 regarding political contributions to the President's re-election. (Material in the possession of the committee.) Between March 12, 1971, and March 25, 1971, Mr. Colson spoke frequently with the President. (Material in the possession of the committee.) On March 23, 1971, Mr. Colson spoke twice with dairy industry lawyer Chotiner. (Material in the possession of the committee.) The all-night meetings of dairy leaders on March 23-24, 1971, and the dairy leaders agreement to make immediate campaign contributions followed Mr. Colson's second conversation with Mr. Chotiner. (Material in the possession of the committee.)

(2) **John D. Ehrlichman.** As the President's principal adviser on domestic affairs, Mr. Ehrlichman participated in the White House review of the Secretary of Agriculture's milk price support decision. (Material in the possession of the committee.) During the period March 12, 1971-March 25, 1971, Mr. Ehrlichman spoke frequently with the President. (Ehrlichman appointment log.) During the afternoon meeting of March 23, 1971, the President either directed Mr. Ehrlichman to contact Mr. Colson, or approved Mr. Ehrlichman's doing so. (Material in the possession of the committee.)

During the evening of March 24, 1971, dairy industry lawyer Chotiner told dairy industry leaders that Ehrlichman "expected" the dairy industry to reaffirm its "commitment" in light of the milk price support decision. (Material in the possession of the committee.)

(3) **John B. Connally.** Beginning in early March, 1971, dairy industry representatives communicated with Secretary of the Treasury Connally to urge an increase in milk price supports. (Material in the possession of the committee.) Thereafter, Mr. Connally spoke with the President on several occasions. (Material in the possession of the committee.) During a telephone call to the President on the morning of March 23, 1971, and during the President's afternoon meeting of the same date, Mr. Connally stressed the dairy industry's potential for making political

contributions and its political influence. (Material in the possession of the committee.)

(4) Murray M. Chotiner.

As a lawyer representing the dairy industry who on March 5, 1971, resigned his White House position, Mr. Chotiner communicated on several occasions with Mr. Colson and other White House officials to urge that the President increase milk price supports. (Material in the possession of the committee.) On March 23, 1971, Mr. Chotiner met twice with Mr. Colson, first before and then after the President's meeting with his advisers. The late night meetings of dairy industry representatives on March 23-24, 1971, at which the dairy leaders agreed to make campaign contributions, followed closely Mr. Chotiner's second meeting with Mr. Colson. Mr. Chotiner also met with the dairy industry leaders on the night of March 24, 1971, and told them that Mr. Ehrlichman expected them to reaffirm their "commitment" in light of the milk price support increase. (Material in the possession of the committee.)

In requesting the above conversations, the committee is seeking to determine:

Whether any of the conversations in any way bear upon the knowledge or lack of knowledge of or action, or inaction by the President and/or any of the following officials: Mr. Ehrlichman, Mr. Colson, Mr. Connally or Mr. Chotiner with respect to a plan, or course of action to obtain political contributions from organizations representing portions of the dairy industry in return for influencing official acts by the President or other Government officials.

Justification for request for evidence as to Presidential conversations

In 1969, three antitrust suits were filed by the United States against the International Telephone and Telegraph Corporation (I.T.T.), each seeking to prevent a corporate acquisition or to require a corporate divestiture. During 1970 and 1971, particularly in August of the former year and April of the latter, officials of I.T.T. made numerous contacts with Administration officials for the purpose of attempting to persuade the Administration that the suits should be settled on a basis consistent with the interests of I.T.T. (Documents supplied to the committee by the White House; memo C.W. Colson to H.R. Haldeman, March 30, 1972, Senate Select Committee (SCC) Exhibit 121, SSC 3372.)

Late in December, 1970, I.T.T. won in the District Court one of the three suits. Brought in connection with its acquisition of the Grinnell

Judiciary Panel's Bid for Tapes on Milk and I.T.T. Cases

Corporation. The once-postponed deadline for the United States to file its appeal in the United States Supreme Court in the I.T.T.-Grinnell case was April 20, 1971. (Petition of Government filed in Supreme Court on March 19, 1971, and granted by Mr. Justice Harlan on March 20, 1971.)

On April 19, 1971, the President, in the course of a meeting with John D. Ehrlichman and George P. Shultz, telephoned Deputy Attorney General Kleindienst and ordered that the appeal not be filed. The President has said that he took this action because in his opinion the further prosecution by Assistant Attorney General Richard McLaren of the suit was inconsistent with the antitrust policy approved by the President in consultation with his senior economic advisers. During the meeting, the President expressed irritation with McLaren's failure to follow Administration policy. (White House "white paper," The I.T.T. Antitrust Decision, January 8, 1974, P. 5.) On the following day, the Solicitor General's office obtained from the Supreme Court an extension of the time in which to file the I.T.T.-Grinnell appeal. (White House "white paper," supra, P. 5; Griswold testimony, Kleindienst confirmation hearings (KCH) 2 KCH 389; application for extension of time filed in the Supreme Court.)

On April 21, 1971, the President met with Attorney General Mitchell. The Attorney General said that in his opinion it was inadvisable for the President to order no appeal in the Grinnell case, that there would be adverse repercussions in Congress and that Solicitor General Griswold might resign. The President agreed to follow the Attorney General's advice. (White House "white paper," supra P. 5.)

Sometime during the spring of 1971, I.T.T.-Sheraton, an I.T.T. subsidiary, made a pledge to the San Diego Convention and Visitors Bureau in support of a bid by the city of San Diego to attract the 1972 Republican National Convention. (White House "white paper," supra, P. 7.) Evidence indicates that sometime in May or June of 1971, Attorney General Mitchell became aware of the pledge. (Documents supplied to the committee by the White House; memo C. W. Colson to H. R. Haldeman, March 30, 1972, SSC exhibit 121, SSC 3372.)

During June, 1971, the Antitrust Division of the Justice Department decided to try to settle the three I.T.T. antitrust cases. (McLaren, 2 KCH 111-112.) The final settlement was announced on July 31, 1971. (McLaren, 2 KCH 113.) Several authorities have stated that the settlement, calling for the largest antitrust-related corporate divestiture in history, was a good one from the Government's standpoint. (See, e.g., Gris-

wold, 2 KCH 374.) It did, however, enable I.T.T. to retain its Hartford Fire Insurance subsidiary, a matter of paramount importance to the company.

On Feb. 15, 1972, the nomination of Richard G. Kleindienst to become Attorney General was forwarded by the President to the Senate for confirmation. (Weekly Compilation of Presidential Documents, Vol. 8, P. 440.) Mr. Kleindienst was to replace John Mitchell, who was leaving the Justice Department to head the Committee for the Re-election of the President. The Senate Judiciary Committee held hearings on this nomination and quickly agreed to recommend confirmation to the Senate. (Report of the Senate Judiciary Comm. on the nomination of Richard G. Kleindienst, 92d Cong., 2d Sess., Executive Rep. No. 92-19, Feb. 29, 1972.)

Before the Senate could act, however, beginning on Feb. 29, 1972, a series of three articles by Jack Anderson was published alleging a link between the I.T.T.-Sheraton pledge and the antitrust settlements and purporting to involve Messrs. Mitchell and Kleindienst. (2 KCH 461-465.) Mr. Kleindienst immediately asked that the Senate Judiciary Committee hearings be reopened so that he could respond to the charges. (2 KCH 95.)

On March 14 and March 15, 1972, John Mitchell appeared before the Senate Judiciary Committee. He testified that there had been no communication between the President and him with respect to the I.T.T. antitrust litigation or any other antitrust litigation. (2 KCH 552; 2 KCH 571.)

In early March, a White House task force, including Messrs. Ehrlichman, Colson, Fielding, Johnson, Mardian and others, was established to keep track of the Kleindienst hearings, and its activities continued throughout the month. Members of the task force met from time to time with Messrs. Mitchell and Kleindienst. Mr. Fielding was given the responsibility of reviewing White House files to collect all documents which related to I.T.T. (Staff interviews with Wallace H. Johnson and Fred Fielding.)

On March 24, 1972, the President held his only press conference during this period. He said that:

"... as far as the [Senate Judiciary Committee] hearings are concerned, there is nothing that has happened in the hearing to date that has in one way shaken my confidence in Mr. Kleindienst as an able, honest man, fully qualified to be Attorney General of the United States." (Weekly Compilation of Presidential Documents, Vol. 8, No. 8, Pp. 673-674.)

He also said that, "in this Administration we moved on I.T.T. We are proud of that record." He said that Administration action had pre-

vented I.T.T. from growing further and quoted Solicitor General Griswold as to the excellence of the I.T.T. settlement. "We moved on [I.T.T.] and moved effectively . . . Mr. McLaren is justifiably very proud of that record . . . [and he] should be." (Id. at P. 675)

On the morning of March 30, 1972, Messrs. Colson, Haldeman and MacGregor met. That afternoon, Mr. Colson sent a memorandum to Mr. Haldeman indicating his disagreement with Mr. Haldeman's view, apparently presented at a meeting that morning, that the White House should continue to support Mr. Kleindienst's nomination. His reasons included the possibility that documents would be revealed suggesting that the President was involved in the I.T.T. situation in 1971 and contradicting statements made by Mr. Mitchell under oath. (SSC exhibit 121, 8 SSC 3372.)

On April 4, 1972, John Mitchell returned to his office after about two weeks in Florida. (Mitchell logs.) That afternoon, he met with the President and Mr. Haldeman at the White House and, according to Mr. Haldeman's testimony before the Senate Select Committee, they discussed the Kleindienst hearings. (7 SSC 2281.)

On April 19, 1972, Ed Reinecke, Lieutenant Governor of California, testified that he had not told then Attorney General Mitchell about the I.T.T.-Sheraton financial pledge until September, 1971. Clark MacGregor and Mr. Mardian had met with Mr. Reinecke the morning he testified. (Staff interview with Wallace H. Johnson). On April 3, 1974, Mr. Reinecke was indicted by a District of Columbia grand jury for perjury in connection with that testimony. (Indictment, April 3, 1974, U.S. v. Reinecke, Crim. No. 74-155.)

On April 27, 1972, the last day of the hearings, Mr. Kleindienst referred to his earlier testimony about communications with the White House and said:

"I tried to make it clear, Senator Fong, that in view of the posture I put myself in, in this case, I could have had several conversations but I would have had a vivid recollection if someone at the White House had called me up and said, 'Look, Kleindienst, this is the way we are going to handle that case.' People who know me, I don't think would talk to me that way, but if anybody did it would be a very sharp impact on my mind because I believe I know how I would have responded. No such conversation occurred" (3 KCH 1682)

The committee needs to examine certain conversations during the period between Feb. 29 and April 5, 1972, to aid in determining the participation or nonparticipation, knowledge or lack

of knowledge of the President and his senior advisers with respect to testimony before the Senate in the Kleindienst hearings.

The specific conversations referred to in the letter to Mr. St. Clair were the following:

A

Paragraphs 1, 2 and 3 of the letter refer to conversations between the President and Messrs. Haldeman, Ehrlichman or Colson on Monday, March 6, 1972. This was the day the President returned from a weekend at Key Biscayne, four days after the I.T.T. document or documents had been delivered to White House aide Johnson. The Kleindienst hearings had resumed the previous Thursday and were continuing. On the same day Mr. Ehrlichman contacted the chairman of the S.E.C. to discuss I.T.T. documents.

B

On the evening of March 14, 1972, the President and Mr. Mitchell had a telephone conversation. It was their only phone conversation during the month of March of which we are aware. This was the evening of the first day of Mr. Mitchell's testimony during which he twice denied ever having discussed antitrust litigation with the President. Materials respecting the conversation are requested in Paragraph 4 of the letter.

C

According to Mr. Colson's calendar, he spent the morning of March 18, 1972, on "I.T.T." matters. He had three telephone conversations with Mr. Mitchell during the morning. That afternoon, the President and Mr. Colson met for over two hours. The Kleindienst hearings were still continuing. Paragraph 5 of the letter covers this conversation.

D

In a memorandum from Mr. Colson to Mr. Haldeman dated March 30, 1972 (Exhibit 121, 8 SSC 3372), he indicated that the subjects of discussion among senior White House aides on that date were the Kleindienst hearings, the possibility of withdrawing his nomination, documents relating to the Senate Judiciary Committee hearings, and testimony by Mr. Mitchell before the committee. The President met with Mr. Haldeman and Mr. Colson on March 30. Paragraphs 6, 7, 8 and 9 of the letter request material respecting those conversations.

E

On April 4, 1972, the President met with Messrs. Mitchell and Haldeman. According to Mr. Haldeman's testimony, they discussed the Kleindienst hearings. At about this time the President apparently made the decision not to withdraw the Kleindienst nomination. Paragraphs 10, 11, 12 and 13 of the letter call for materials relating to these meetings.