

Kalmbach Said to Detail Milk Fund Talk

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Herbert W. Kalmbach has given secret testimony of a 1971 meeting in his hotel suite at which a leading dairy co-op official was asked to reassure the White House of a \$2 million campaign pledge according to informed sources.

Kalmbach, the sources said, told Senate Watergate investigators that the request was made—and the assurances given—on March 24, 1971, at a late-night meeting in his suite in the Madison Hotel here.

Mr. Nixon ordered the milk price increase on March 23, but no announcement was made until March 25.

Besides Kalmbach, who was the president's personal lawyer and chief fund-raiser at the time, those attending the meeting, several sources said, were Harold S. Nelson, general manager of Associated Milk Producers Inc., the nation's biggest dairy co-op and Murray M. Chotiner, a longtime confidant of President Nixon who had just left the White House staff to practice law on a \$60,000-a-year retainer from AMPI.

According to the accounts of Kalmbach's testimony, Chotiner told Nelson that White House domestic adviser John D. Ehrlichman expected the milk producers to confirm their \$2 million "commitment" for Mr.

Nixon's campaign in light of a forthcoming increase in milk price supports.

Kalmbach said that Nelson renewed the promise, the sources reported.

Mr. Nixon has said he personally approved the higher support level on March 23, 1971 after a series of White House meetings that day—first with dairy co-op leaders and then with Ehrlichman and other ranking advisers—on the issue.

The White House has acknowledged that Mr. Nixon knew of the \$2 million campaign pledge at the time

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of the controversial decision. It was first made to White House special counsel Charles W. Colson sometime in 1970 by Nelson and his top aide at AMPI, David Parr.

Colson informed the President of the commitment in a memo prepared for a "courtesy meeting" that Mr. Nixon had with Nelson and Parr in September of 1970.

The White House has said that the President was affected by "traditional political considerations" in ordering the controversial 1971 increase in milk price supports.

At the same time, the White House has denied that Mr. Nixon was influenced in any way by the milk producers' promise of early contributions to his re-election campaign.

Kalmbach's conflicting report is contained in more than 3,000 pages of sworn but still secret testimony taken by investigators for the Senate Watergate committee over the past eight months and recently turned over to the House Judiciary Committee for its impeachment inquiry.

That testimony is the keystone for the Judiciary Committee's recent request for the White House tapes of 46 conversations bearing on the dairy industry's contributions and promises of support for Mr. Nixon's 1972 campaign.

Sam Dash, chief counsel for the Senate Watergate committee, had no comment on the Kalmbach account, which was given several weeks ago to committee investigators David Dorsen and Alan Weitz.

Dash did say, however, "Our investigation, which has been going since September, has obviously disclosed important information which we expect to disclose" in the Senate Watergate committee's final report. He indicated that the report will contain still other details about events leading up to the administration's March 25, 1971, promulgation of higher price supports for the dairy industry.

The White House has in-

sisted that all the House Judiciary Committee needs to know about the milk-fund controversy is contained in the "white paper" it issued Jan. 8. Presidential press secretary Ronald L. Ziegler said yesterday that some "additional material" was provided last week to Watergate prosecutors, who are also investigating the dairy farm lobby's dealings with the administration, but he continued to maintain that the "white paper" was more than adequate.

However, the testimony taken by Senate investigators sharply disputes the White House account, sources said.

Although Mr. Nixon ordered the higher price supports on March 23, 1971, according to the House impeachment staff's summary of that testimony, the White House immediately passed word to the milk producers that they were expected to confirm their \$2 million campaign commitment. Meanwhile, public announcement of the President's decision was held up.

With Mr. Nixon's approval, Ehrlichman, according to the House summary, contacted Colson who then met with Chotiner. Later in the night of March 23, the House summary said, AMPI officials and other dairy industry representatives launched a series of all-night meetings at which they agreed to make political contributions to the President's campaign and to come up with \$25,000 by the evening of March 24.

The Trust for Special Political Agricultural Community Education (SPACE), which was the political arm of Dairymen, Inc., another big co-op that had been lobbying for higher price supports, contributed \$25,000 by that deadline.

The reported meeting of Kalmbach, Nelson and Chotiner, who died in January, took place on the night of March 24, 1971, following a big Republican fund-raising dinner that drew dozens of dairy co-op officials who had been in town lobbying for the higher price supports.

The increase was an-

nounced the next day by Secretary of Agriculture Clifford M. Hardin, who had earlier that same month ruled that none was justified.