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Bungling Said to Cut Dairy Gifts

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The milk producers would have given more than \$2 million for President Nixon's re-election if White House aides and fund-raisers hadn't "bungled" plans for taking the money according to Senate testimony.

Harold S. Nelson, the former general manager of Associated Milk Producers, Inc., said repeatedly in sworn testimony before the Senate Watergate committee that there was no real limit on the amount of money the dairy farm co-ops were prepared to contribute for Mr. Nixon's 1972 campaigns. They wound up giving more than \$500,000.

Nelson blamed White House fumbling over the establishment of dummy committees to accept the money in bite-sized installments as the principal reason for the dairymen's failure to give more than they did.

"We told them from the word go that we would make large contributions," Nelson said in executive-session testimony released by the Senate committee this week.

"At various times, \$1 million, \$2 million, or even more money was discussed. And had they given us the names of the committees, they could have gotten much more money from us."

Nelson said he frequently pressed the White House to set up conduits for the milk money months before the President approved a controversial 1971 increase in milk-price supports.

But he said he never got much action until many weeks after Mr. Nixon granted the higher price supports—a decision that was publicly announced on March 25, 1971.

By then, Nelson indicated, he was rather embarrassed that the milk producers'

See MILK, A6, Col. 5

MILK, From A1

promised contributions had yet to start piling up in the President's campaign coffers.

"... It was a constant thing in the back of my mind that if we didn't get the names of these committees," he testified last December, "we might be read off just because of some inept—for want of a better term, I will say 'bureaucrat'—within the party hierarchy not coming forth and giving us the names of the committees."

According to testimony and disclosure from various investigations and lawsuits involving the Nixon campaign's "milk money," the names of the dummy committees—which had high-sounding titles such as "Americans Concerned"—were concocted by Robert F. Bennett, the head of a Washington public relations firm that has also figured in several aspects of the Watergate scandal.

The standard charter for the committees, committing whatever money they collected for Mr. Nixon, was developed by White House counsel John W. Dean III.

The dummy committees, however, soon proved a disappointment, Nelson said. The first batch had barely picked up \$2,500 each, in the summer of 1971, when The Washington Post and The Wall Street Journal publicized them as conduits.

Two of the so-called committee "chairmen," for example, told The Post they hadn't even been asked—much less consented—to serve on the organizations credited to them.

"... Even when they gave us the committees, they bungled it," Nelson said. "Now this may seem extra harsh, but it is established fact that they did. For instance, one of the committee's address was a ballroom. We didn't know that until we got down to it. Another one, the chairman was a Washington lawyer whose name I cannot tell

you. He had not even been consulted... and it made him so mad that he blew his stack and called the clerk of the House."

Nelson's testimony conflicted sharply with White House attempts to pass off the dairy lobby's \$2 million pledge as an idle jest.

The former AMPI official made plain that he not only took it seriously, but also that he considered it a "continuing commitment" into 1972 that was waiting only for the creation of "other committees of a more solid basis, a more credible basis." Nelson said he was "shocked" when Herbert W. Kalmbach, then the President's personal attorney, told AMPI officials in the spring of 1972 that the Nixon campaign "did not wish" to take any more milk money, at least for the time being.

Nelson even expressed annoyance when his Senate staff questioners kept referring to \$2 million as the most the milk producers ever planned to contribute.

"Or more," he interjected at one point. "I don't know why people do not want to accept that fact."