

# JACOBSEN PLEADS GUILTY TO BRIBERY

AUG 8 1974

Admits He Paid \$10,000 to  
Connally in Bid to Raise  
Milk Price Supports

NYTimes

By ANTHONY RIPLEY

Special to The New York Times

WASHINGTON, Aug. 7—

Jake Jacobsen, a former aide to President Johnson who later became a lawyer for the nation's largest dairy farmer cooperative, pleaded guilty today to charges that he bribed former Treasury Secretary John B. Connally.

Mr. Jacobsen is expected to be the key Government witness in Mr. Connally's trial on charges of perjury, accepting a bribe and conspiracy. The two men, both Democrats for Nixon in the 1972 Presidential campaign, have been long-time Texas political associates.

Mr. Jacobsen's plea today before Chief Judge George L. Hart Jr. in United States District Court here was the product of an arrangement worked out last May with Henry S. Q. Ruth Jr., the deputy special prosecutor in the Watergate investigations.

Mr. Jacobsen, who is 55

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years old, walked slowly, his head slightly bent, into Judge Hart's courtroom this morning with his lawyer, Charles A. McNelis, for his arraignment on the charge, which carries a maximum penalty of two years in prison and a \$10,000 fine.

"How do you wish to plead?" Judge Hart asked him.

"I plead guilty, Your Honor," Mr. Jacobsen replied.

Judge Hart then asked Mr. Jacobsen if he had paid \$10,000 to Mr. Connally, who at the time was President Nixon's Secretary of the Treasury, in return for Mr. Connally's recommendations for an increase in milk-price supports that were announced on March 25, 1971.

"Yes sir," Mr. Jacobsen replied, after taking off his glasses.

Mr. Jacobsen had faced a seven-count indictment, including bank fraud and perjury in connection with a savings and loan scandal in Texas, but the agreement announced today wiped out that indictment.

Mr. Jacobsen's possible re-indictment on perjury charges was also dropped. He had been indicted earlier for allegedly lying to a grand jury when he testified that the \$10,000 had lain "untouched" in a safe deposit box. However, Mr. McNelis won dismissal of the indictment when he showed the court that Mr. Jacobsen had

Mr. Jacobsen was one of a number of lawyers of high political connections who were hired by the Associated Milk Producers, Inc., in 1970 as it attempted to win higher price supports for milk products.

Both Mr. Connally and Mr. Jacobsen were indicted July 29. The plea-bargaining arrangement made last May with Mr. Jacobsen was not announced, however, until today. The two cases are closely entwined, and the special prosecutor's office wished to complete its investigation of Mr. Connally before announcing it arrangement with Mr. Jacobsen.

In last week's indictment, the special prosecutor alleged that the money was actually paid to Mr. Connally and that a separate \$10,000 was then placed in a safe deposit box in a Texas bank to show to anyone who might investigate the matter.

The indictment also alleged that Mr. Connally and Mr. Jacobsen agreed to say that the milk money had been offered to Mr. Connally for his political use but that he had turned it down and that Mr. Jacobsen merely set it aside in case Mr. Connally changed his mind.

Mr. Connally, who is to be arraigned Friday before Judge Hart, has denied that he ever received the money, although he did say it had been offered to him.



The New York Times/Mike Lien

Jake Jacobsen, a Texas lawyer, leaving District Court in Washington after pleading guilty in milk case.