

3D CONNALLY GIFT HINTED AT TRIAL

Jacobsen Concedes Doubts About Amount of Alleged Milk Industry Payoffs

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The key prosecution witness at the bribery trial of John B. Connally conceded under cross-examination today that he was uncertain whether he had given the former Secretary of the Treasury \$10,000 or \$15,000 in alleged 1971 payoffs.

Jake Jacobsen, a one-time dairy industry lawyer, testified in United States District Court last week that he twice gave Mr. Connally \$5,000 in illegal gratuities in return for Mr. Connally's help in increasing Federal milk price supports.

But under cross-examination today by Edward Bennett Williams, the chief defense attorney, Mr. Jacobsen confirmed that he told investigators last year he might have given Mr. Connally a third \$5,000 payment but could not remember doing so.

Mr. Jacobsen's uncertainty on the witness stand today about the total amount of the alleged 1971 payments was expected to be a central ingredient in defense efforts to portray him as an embezzler who pocketed the money he later accused Mr. Connally of accepting.

At the prodding of the defense attorney, Mr. Jacobsen

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verified records of 1974 grand jury proceedings that showed he had once acknowledged "an inkling" of recollection that the Associated Milk Producers, Inc., had given him a third \$5,000 to forward to Mr. Connally.

"The only thing I don't have a firm recollection of is giving it to Mr. Connally," Mr. Jacobsen told the jury of seven women and five men in the courtroom of Chief Judge George L. Hart Jr.

In the first of what may be several days of defense cross-examination, Mr. Williams sought to convey to the jury the impression that Mr. Jacobsen was an inveterate perjurer who would incriminate political associates — perhaps even former President Lyndon B. Johnson—to evade criminal prosecution himself.

Mr. Jacobsen, peering intently at Mr. Williams over the top of low-cut reading glasses and answering questions in a low voice and calm manner, did the following in five hours of questioning today:

¶He confirmed that between May, 1971, when he accepted \$10,000 from A.M.P.I. officials, ostensibly to give to Mr. Connally, and the middle of 1972, his various banking ventures in Texas soured, leaving him bankrupt and about \$8-million in debt.

¶He affirmed that the prosecutors had met with him 17 times over the last year and that, in some of the meetings, they had prepared him for the trial by acting the part of Mr. Williams and conducting cross-examination.

¶He conceded that he had been "mistaken" in telling prosecutors at one point last year that on May 14, 1971, the date of the first alleged payment to Mr. Connally, he had placed half the \$10,000 in a Washington bank box before meeting with the former Treasury Secretary. Mr. Jacobsen testified last Thursday, on direct examination, that he deposited \$5,000 in the bank box

after meeting with Mr. Connally that day.

Two Gifts in Charge

The charges against Mr. Connally are that he accepted \$5,000 on Sept. 24, 1971. The Government has not accused Mr. Connally of accepting a third \$5,000 payment.

Accordingly, in an effort to undercut Mr. Jacobsen's testimony as to payments on May 14, and Sept. 24, Mr. Williams asked the prosecution witness to account for testimony of other A.M.P.I. officials that they had provided a third \$5,000 to Mr. Jacobsen in late 1971.

As Mr. Connally, seated at the defense table, gently shook his head, Mr. Jacobsen told Mr. Williams he had to infer from the testimony and various records that he had made the third payment.

Referring to conversations between Mr. Jacobsen and prosecutors last year, Mr. Williams asked if Mr. Jacobsen had been "able to infer that you made the third payment." "Yes, sir," the witness said softly.

"And it was the product of 'an inkling'?" Mr. Williams went on.

"It was the product of having looked at the records" of bank transactions on Dec. 14, 1971, Mr. Jacobsen answered, "and a certain meeting at the Austin airport that day. The only thing I don't have a firm recollection of is having given it to Mr. Connally."

Questions on Bank Venture

Mr. Jacobsen appeared to bristle at questions put to him by Mr. Williams about a series of Federal investigations into Mr. Jacobsen's Texas bank ventures last year.

"Didn't you offer to give

evidence against former President Lyndon Johnson if you could plea bargain your way out of those charges?" Mr. Williams asked.

"No, sir," Mr. Jacobsen replied.

"Do you deny you offered to give evidence to the Department of Justice against a former President of the United States whom you had once worked for?" Mr. Williams asked, gazing the length of the jury box at the witness.

"Yes, sir, I deny it," Mr. Jacobsen said firmly.

Neither the prosecutors nor the defense attorneys elaborated on the line of questioning and Mr. Williams dropped it, having evidently implanted with the jury the possibility that Mr. Jacobsen would incriminate a friend to save himself.

Shared Interest in Birds

Mr. Jacobsen was once a special assistant to President Johnson and he has known Mr. Connally for 25 years. The witness agreed with Mr. Williams today that he and Mr. Connally had occasionally discussed a "common interest"—birds.

The blond-paneled courtroom on Constitution Avenue was filled to capacity with spectators anticipating the sort of rigorous cross-examination for which Mr. Williams has become noted. The spectators included Ben Barnes, a former Lieutenant Governor of Texas, and, for a time, Benjamin Bradlee, the executive editor of the Washington Post, a corporate client of Mr. Williams's.

Most of the defense questioning today, however, consisted of laborious legal block-building by Mr. Williams. The defense attorney introduced

into the trial record portions of testimony Mr. Jacobsen had given to Federal grand juries, Congressional investigators and lawyers for the dairy industry since the milk fund scandal emerged as part of the Watergate inquiry in 1973.

In each instance, Mr. Williams introduced testimony in which Mr. Jacobsen initially testified that Mr. Connally twice turned down an offer of \$10,000 to use as political contributions and that Mr. Jacobsen kept the money for more than two years in bank deposit box in Austin, Tex.

Mr. Jacobsen testified last week, under questioning by Frank M. Tuerkheimer, an associate Watergate special prosecutor, that the account of the untouched \$10,000 was a story Mr. Connally had devised in late 1973 in an attempt to cover up the payoffs.

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