

Charges of Favors

Nixon Denial in Milk, ITT Cases

White House Statement

San Clemente

The White House yesterday issued 26 pages of explanations — but not tapes or official papers — in branding as “utterly false” allegations that President Nixon had given favors to the milk industry and the International Telephone and Telegraph Corp. in exchange for political contributions.

In separate statements which presidential aides indicated marked the end of “operation candor,” the White House said Mr. Nixon raised milk price supports in March, 1971, mainly because of “intensive congressional pressure,” and not because of an industry pledge of \$427,500 in campaign donations made at the time.

As for the long-simmering controversy involving the ITT, the White House said the President ordered the Justice Department in April, 1971, to halt antitrust action against the giant conglomerate strictly as a matter of policy.

“The President was not aware at that time of any pledge by ITT to make a contribution toward expenses of the Republican National Convention, nor, in fact, had such a pledge even been made,” the White House said.

Lengthy Senate hearings sought to determine whether there was a link between a subsequent out-of-court settlement in the ITT antitrust case and a reported \$400,000

corporate offer to underwrite expenses of the 1972 GOP convention.

In the “milk fund” case, consumer advocate Ralph Nader has filed a lawsuit charging that the dairy industry won an increase in government price supports March 25, 1971, as a result of its contributions pledge. Mr.

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Nixon met with leaders of three milk cooperatives on March 23 at the White House. The industry donations were reported to have begun flowing into his campaign coffers March 22.

In the summary of a 17-page white paper on the price support decision, the White House said Mr. Nixon “had been informed of the dairy industry’s intentions to raise funds for the 1972 campaign, but he at no time discussed the contributions from the dairy industry and the subject was not mentioned in his meetings of March 23, 1971.”

The milk fund statement, together with a seven-page explanation of the President’s role in the ITT case, “support the President’s previous statements that his actions were totally proper,” the White House said in a summary statement.

It said the tapes, papers and other official documents relating to the milk and ITT cases would not be made public, as officials had indicated last November they would.

The White House said the tapes and other materials had been turned over to special Watergate prosecutor Leon Jaworski for use by the federal grand jury, and that Mr. Nixon was confi-

dent that their private nature would be safeguarded.

“In view of the fact that the documents are on file with the special prosecutor, it should be clear that the accounts published today are consistent with the basic facts contained in those documents and tapes,” is said.

High administration officials indicated earlier that the milk and ITT white papers would be the wrapup of Mr. Nixon’s release of documents as part of “Operation Candor,” his campaign to clear his name of wrongdoing in the scandal, and that he now planned to turn his attention to other pressing foreign and domestic concerns.

But the officials indicated Mr. Nixon would have more to say publicly in the future about Watergate.

These officials, explaining the decision to withhold the actual tapes and documents in the milk fund and ITT cases, said Mr. Nixon “does not want to interfere with the judicial process.”

In the ITT white paper, the White House said Mr. Nixon opposed Justice Department plans to press antitrust action against ITT in the courts because the suit represented an attack on conglomerate corporations and violated Mr. Nixon’s own antitrust views.

The paper said Mr. Nixon reversed himself two days after his April 19, 1971, telephone call to then Deputy Attorney General Richard G. Kleindienst when John N.

Mitchell, then attorney general, informed the President that Solicitor General Erwin N. Griswold would resign if the suit were not pursued.

ITT’s pledge for the GOP convention was a “separate and unrelated process” and had nothing to do with the

antitrust action, the White House said.

The White House attributed Mr. Nixon’s milk price support decision primarily to intensive pressure from Congress, mostly from Democrats, for an even higher increase. It also cited “the economic merits of the case itself” and “traditional political considerations relating to the needs of the farm states.”

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