

# 'Privilege' Claimed on Milk Meeting

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The White House has claimed executive privilege to block former Agriculture Secretary Clifford Hardin from testifying about a 1971 meeting with President Nixon and top White House aides on a controversial increase in milk price supports.

Hardin has told Senate Watergate committee investigators, however, that the White House Office of Management and Budget dropped its opposition to higher price supports shortly after the March 23, 1971, meeting.

Now vice chairman of the Ralston-Purina Co. in St. Louis, Hardin said he believes he had "some contact" with George Schultz, then OMB director and now Secretary of the Treasury, following the session, and that "Schultz removed his opposition to the increase."

The step left Hardin free to order the higher price supports, which he did on March 25, 1971. He told The Washington Post yesterday in a telephone interview that he had no idea of the reasons for the turnaround by Schultz.

"For the life of me, I don't know," Hardin said.

Schultz, who also attended the private meeting with Mr. Nixon, declined through a spokesman to comment.

The March 23 session evidently was held immediately after the President heard from more than a dozen representatives of three big dairy co-ops from whom the

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White House was expecting \$2 million in campaign contributions for Mr. Nixon's re-election effort.

White House lawyers could not be reached for comment on the reasons for invoking executive privilege for oral testimony about the meeting, but it apparently was claimed in hopes of heading off forced production of a tape-recording of the session.

In its Oct. 12 ruling ordering surrender of Mr. Nixon's secret Watergate tapes, the U.S. Circuit Court of Appeals here held that the President's claims of confidentiality had been effectively waived by the public testimony of former White House aides about those conversations.

Hardin was asked about the meeting with the President about milk price supports in an interview with a Senate Watergate committee investigator on Oct. 16. According to a memo on the interview, a copy of which was obtained by The Washington Post, White House lawyer Douglas Parker, who was present during the questioning, asserted executive privilege for the discussions.

Also present at the meeting with Mr. Nixon, Shultz and Hardin were Under Secretary of Agriculture Phil Campbell and former White House domestic adviser John D. Ehrlichman, among others.

A member of the Council of Economic Advisers at the time, Hendrik S. Houthaker, said in a telephone in-

terview that he felt sure the higher price supports were granted "under pressure from the White House." He said that he, as the CEA member with responsibility for agriculture, recommended strongly against the increase because milk consumption was declining and there was, as he saw it, consequently no need to stimulate production.

He said he believed that Paul McCracken, then chairman of the three-member CEA, concurred in his objections to higher milk price supports.

Hardin said that the claim of privilege for his recollections of the meeting with Mr. Nixon was "purely academic," since he couldn't recall any of the details anyway.

But when asked by a reporter whether dairy industry political contributions had been mentioned at the session, Hardin said: "Someone may have made an offhand remark, but it wasn't pertinent."

The promise of \$2 million in dairy industry contributions for Mr. Nixon's re-election campaign was contained in a Dec. 16, 1970, letter addressed to Mr. Nixon by Patrick J. Hillings, a lawyer for the Associated Milk Producers, Inc., the biggest co-op involved.

Hillings, a former Republican congressman from the same district Mr. Nixon once represented in California, mentioned the plans in asking the President to implement proposed import

quotas on ice cream and other dairy products.

"We write you both as advocates and as supporters," Hillings wrote. "The time is ripe politically and economically to impose the recommended quotas." He also

said that "we are now working with Tom Evans (then co-chairman of the Republican National Committee) and Herb Kalmbach (then the President's personal lawyer) in setting up appropriate channels for AMPI to

contribute \$2 million for your re-election."

Mr. Nixon proclaimed imposition of the import quotas two weeks later, on Dec. 31, 1970.

Hillings could not be reached for comment.