

Milk Price 'White Paper' Seems to Contradict Nixon

Statement Indicates President Received Information About Campaign Pledges Before Raising '71 Price Supports

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WASHINGTON, Jan. 9 — The White House explanation of President Nixon's decision to raise milk price supports apparently contradicts a recent declaration by Mr. Nixon that he refused all information about campaign contributions prior to the 1972 election.

At a news conference on Oct. 26, the President asserted in response to a question on his campaign finances that he had always refused to accept contributions himself, that he had refused to have any discussion of contributions and that "he did not want to have any information from anybody with regard to campaign contributions."

However, the White House paper, issued yesterday, disclosed that the President had received information from two sources about campaign contribution pledges by milk producers before he decided to grant the producers' wishes and raise milk price supports in 1971.

The White House reported that Charles W. Colson, former counsel to Mr. Nixon, had written memorandum to the President informing him of a \$2-million pledge from Associated Milk Producers, Inc., and suggesting that the President acknowledge the producers' pledge. The White House said that the President declined to bring up the subject of the campaign pledge during a meeting on Sept. 9, 1970, with two officials of AMPI.

Briefing for President

The "white paper" also disclosed that a briefing paper had been prepared for the President prior to a meeting with milk industry representatives on March 23, 1971, and a later meeting that same day with his advisers, informing him of a plan by the "dairy lobby" to make campaign contributions. It was at those meetings that the President decided to reverse a decision made by his Secretary of Agriculture only two weeks before and raise milk price supports as the dairymen requested.

The White House said allegations that the campaign contributions had influenced the decision to raise the price supports were totally false. But the White House material gave no indication that the President had rejected or even had been annoyed about receiving infor-

mation about the promised contributions—or, for that matter, did not expect such information as a matter of course.

The White House material raised questions for some lawyers involved in the complex litigation arising out of the milk industry political efforts. One question was about the role played by Mr. Colson as a conduit between the President and potential contributors in the milk industry. Mr. Colson could not be reached today for comment on the White House disclosure about his memorandum to the President.

Questions on Admission

Questions were also raised about the candid White House admission that political considerations had played an important part in the decision to raise milk price supports from 80 to more than 85 per cent of parity in 1971.

Parity is the price that will give an agricultural commodity the same purchasing power or buying power, in terms of goods and services farmers buy, that it had in a specified base period.

Ralph Nader, the consumer advocate, who is suing the Government for raising milk price supports for reasons other than the purely economic considerations, could not be reached for comment. But a lawyer familiar with the milk litigation, Kenneth Guido of Common Cause, said that the White House admission of political considerations should be enough to win the case for Mr. Nader.

Mr. Guido also asserted that now that the White House has disclosed that Mr. Nixon was informed of the campaign pledges before he raised price supports, a simple denial that the pledges influenced the decision probably would not satisfy litigants and investigators.

Mr. Guido said that the President probably would be asked to substantiate the denial with documents and perhaps even to submit to questioning on the reasons for his decision.

Challenge from Congress

Meanwhile, members of Congress sharply challenged the White House contention that Congressional "pressure"—particularly the likelihood that Congress would legislate higher price supports, was a major factor in the President's decision.

"It's ridiculous for President Nixon to claim that he was forced to increase the dairy support price because Congress otherwise would have pushed the price still higher," said Senator William Proxmire, Demo-



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crat from Wisconsin. Mr. Proxmire was one of the legislators listed by the White House as supporting legislation for higher support prices and thus pres-

But Mr. Proxmire said "those of us in Congress who earnestly desired a higher support price were consistently unable to persuade our colleagues to enact such legislation over the past 15 years. In any event, it would have been impossible for the Congress to override a Presidential veto."

Another Democrat listed in the White House paper, Senator Edmund Muskie of Maine, said that he could not "buy" the White House argument.

"I supported milk price increases but I don't see what that has to do with the issue," Mr. Muskie said in a statement from Maine. "I was also the principle author of the Water Pollution Act of 1972, which President Nixon vetoed. There is nothing in the President's record to indicate that he is sensitive to the Congress's point of view."

The aides of several Congressmen pointed out that even the White House version of the matter contradicted the President's assertion that Congress had put a "gun" to his head to force him to raise price supports.

If anything, the aides say, the White House account suggests the President felt that if there were going to be higher price supports he ought to be the one to receive political credit for raising them.

Lansky Gets New Delay

LAS VEGAS, Nev., Jan. 9 (UPI) — Another delay was granted yesterday in the trial of Meyer Lansky, reputed Mafia financial figure, on Federal charges of involvement in a \$36-million casino "skimming" scheme. Mr. Lansky's lawyers asked for another delay on grounds of poor health. He has suffered several heart attacks and strokes recently. The trial, originally set for this month, has now been rescheduled for May 7.