

MILK PAPER SPURS MORE QUESTIONS

Nixon Appears to Contradict
Hardin Affidavit on Why
Price Supports Rose

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WASHINGTON, Jan. 10—A

White House explanation that political considerations and Congressional pressures contributed to President Nixon's decision to raise milk price supports in 1971 seemingly conflicts with a sworn statement by the Secretary of Agriculture at the time, Clifford M. Hardin. Mr. Hardin's affidavit filed at the United States District Court here last March 12, said that he had reconsidered his earlier decision to hold the price support line and had ordered an increase solely "on the basis of statutory criteria."

The affidavit, filed in a suit brought by Ralph Nader, the consumer advocate, against the Government for allegedly basing its price support decision on political considerations, specifically denied that any considerations other than those provided by law were involved in Mr. Hardin's actions.

The law requires that decisions on price supports be made by the Secretary of Agriculture solely on the basis of supply, costs and farm income-exclusively economic criteria.

Decision Reversed

Mr. Hardin decided on March 12, 1972, to keep the Federal price support level for milk at \$4.66 per 100 pounds. On March 25, however, he announced that the support level would be raised to \$4.95 a hundredweight.

The announcement of the increase was made two days after President Nixon and his aides met with milk industry representatives who requested an increase.

Mr. Nader and other have charged that promises by milk producer cooperatives to contribute large sums of money to Mr. Nixon's re-election campaign influenced the decision to raise the price supports. It was subsequently disclosed that one milk cooperative pledged \$2-million to the campaign.

A total of \$427,000 was officially reported as having been contributed. In addition, it was disclosed that \$100,000 was delivered earlier from milk interests to Mr. Nixon's personal lawyer, Herbert W. Kalmbach.

The White House statement Tuesday on the milk price support decision rejected as "utter-

ly false" the allegations that campaign pledges had played a role.

However, it conceded that the President had decided that "traditional political considerations," along with Congressional pressures and economic evidence, dictated that the wishes of the dairymen be granted and the price supports be raised.

Connally Role Cited

The "white paper" disclosed, for example, that John B. Connally, then Secretary of the Treasury, had impressed upon Mr. Nixon the political importance of raising price supports at a meeting March 23, 1971, at which the President made the decision to do so.

The paper stated that Congressional pressures and "the political advantages and disadvantages of making a decision regarding a vital political constituency," were "fundamental themes of the meeting."

A motion filed by the Department of Justice on behalf of the Government in the Nader suit noted that Mr. Hardin had categorically denied that "improper political considerations" prompted his decision to raise price supports.

Mr. Hardin, who is now vice chairman of the Ralston Purina Corporation, could not be reached for comment at his office in St. Louis. His secretary said he was out of town. No comment could be elicited from the White House either.

Mr. Hardin, who is now vice chairman of the Ralston Purina Corporation in St. Louis, said that he did not believe there was a conflict between his affidavit and the White House statement. He noted that he had stated in the affidavit that he was aware of Congressional sentiment as well as the contention of the dairy industry that price supports should be increased.

He said in a telephone interview that his awareness of such sentiments had led him to "inquire" whether "sufficient weight" had been given to evidence already at the department that price supports should be raised.

Meanwhile, several lawyers familiar with the milk litigation pointed out that while the law requires the Secretary of Agriculture to decide on price support actions, the White House had disclosed that it was the President who had personally made the decision.

Mr. Hardin did not refer to any Presidential decision in his affidavit. But if the White House version is correct, these lawyers said, then the increase in milk price supports in 1971 may have been illegal.

However, Mr. Hardin said that, while he had been "the agent in fact as required by statute, everybody in Washington knows that in these decisions you first go to the Budget Bureau and if it is important enough, the decision goes to someone else."