

# Jaworski Reported Investigating Possible Favors to

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## Campaign Donors Under White House Pressure

WASHINGTON, April 24—The Watergate special prosecutor's inquiry into illegal campaign donations has broadened into an investigation of Federal officials who might have done favors for the big donors, according to sources close to the investigation.

The inquiry began by focusing mainly on businessmen who gave money. Its aim has now changed to one first suggested last August under former special prosecutor Archibald Cox: Studying whether Federal departments and regulatory agencies tempered their rulings in response to White House pressure generated by campaign contributions.

The general change in direction, unannounced by the present special prosecutor, Leon Jaworski, was made several months ago, the sources said.

Staff members for Mr. Cox drew up last year a list of items in which it was thought "undue influence" might have been brought to bear by the White House. One list showed more than 20 items relating to at least half a dozen Federal agencies and departments.

Mr. Cox approved the plan to set up a study group to handle the subject but the plan was never pressed, the sources said, because of a lack of staff and because it seemed to overlap with existing efforts.

A number of the items on the original list were studied and then dropped for lack of evidence, one source at the special prosecutor's office said. But early this year the campaign contributions group, under Thomas F. McBride, began

moving in the direction of "undue influence."

The campaign contributions group adopted an early policy of making an example of the first few corporate donors. The idea was to show others who might have given illegal donations that the law was after them and perhaps snowball a dozen more corporations into coming forward voluntarily and admitting their guilt.

In the last three months of 1973, nine corporations and eight corporate officers were taken to court, the last on Dec. 19. Then there seemed to be a pause as the strategy shifted.

On Feb. 21, Jake Jacobsen, an Austin, Tex., lawyer, was indicted by a Watergate grand jury on perjury charges involv-

ing \$10,000 in cash that he said had been set aside untouched in a safe deposit box.

The special prosecutor contended in the indictment that the money, from the Associated Milk Producers, Inc., "was to be paid to a public official for his assistance in connection with the price support decision."

A major impact of the indictment was to point out the unnamed public official rather than going after the donor of the money — in this case the dairy farmer group. Former Treasury Secretary John B. Connally has said that Mr. Jacobsen made \$10,000 available to him for political purposes but that he never used it.

Four days after Mr. Jacob-

sen's indictment, Herbert W. Kalmbach, Mr. Nixon's personal lawyer and one of his top campaign money raisers, pleaded guilty to charges of setting up an illegal campaign committee and illegally promising an Ambassador a better assignment in Europe for a \$100,000 contribution.

Like Mr. Jacobsen's indictment, the charge against Mr. Kalmbach was also instigated by Mr. McBride's group and once again was not aimed at the man who gave the money.

In this case, the money was given by J. Fife Symington Jr., Ambassador to Trinidad and Tobago, who failed to get the new post and declined an offer to get his money back.

Mr. Kalmbach is cooperating

with the special prosecutor and is in a key position to identify a number of "undue influence" deals that might have been attempted.

For example, Mr. Kalmbach is personally mentioned in a case involving the Associated Milk Producers who faced antitrust action in early 1972.

In a report prepared by an outside law firm at the request of Associated's board of directors and dealing with its past political activities, a lawyer quotes Associated officials as saying Mr. Kalmbach had agreed that the antitrust suit "would die a natural death" if a \$300,000 campaign contribution were made to the Republican party.

An Associated official in-

involved denied the Kalmbach quote and the lawyer said the money had never been paid.

He said the International Telephone and Telegraph Corporation case had broken open with allegations of a favorable antitrust settlement for I.T.T. in exchange for a \$400,000 pledge to the Republican National Convention. The resulting publicity made Mr. Kalmbach cautious, the lawyer said.

But if there is any truth to the story, Mr. Kalmbach is now in a position to tell the special prosecutor just how such a matter could be arranged.

The campaign contributions study group has not abandoned its actions against money givers, however. Last March 7 a case was brought against the

Diamond International Corporation and one of its officers on misdemeanor charges.

And in its strongest action to date against a political donor, a 14-count felony indictment was brought last April 7 against George M. Steinbrenner 3d, chairman of the American Ship Building Company and principal owner of the New York Yankees baseball team.

The Senate Watergate committee also took a look at undue influence. A staff member prepared what he termed a "quid pro quo" list of 26 items that ranged over a dozen Federal agencies and departments.

Many of the items on the lists overlap. However, the general area has not been a matter on which the two investigat-

ing bodies have been cooperating, a source at the special prosecutor's office said.

A lawyer who worked on campaign contributions for the Senate committee said his list was an early working document "to help us decide whether to commit our resources." Some items were extensively studied, others were studied only lightly and some were discarded.

Other indications of possible misuse of Federal power that might lead into Federal agencies are involved in separate investigations by the special prosecutor. These include wiretapping and the so-called White House enemies list, both being studied by a separate group assigned to the so-called "plumbers" operation.