

Connally's Role Probed In Big Dairy Donations

Washington

The name of former Secretary of the Treasury John B. Connally reportedly was invoked in a hurried effort by dairy-cooperative leaders

to raise \$200,000 or more overnight for President Nixon's re-election campaign after a White House meeting in 1971 on milk price supports.

D. Paul Alagia, former executive director of Dairy-men Inc., has told Senate Watergate investigators that Connally's name was used by other leaders of dairy farm cooperatives when they flew to Louisville, Ky., for a 4 a.m. airport meeting in March, 1971, at which they asked Alagia to put up \$200,000 to \$300,000, a source close to him said yesterday.

The other leaders were said to have linked their trip in search of the money to meetings they were having with then-Secretary Connally.

Although Alagia's report of references to Connally is hearsay, it is part of a framework that is focusing Senate investigators' attention on the former Treasury secretary's role in dealings between the Nixon administration and three large dairy farm cooperatives.

Another element that has drawn the investigators' attention is relations between Connally and a long-time friend, Jake Jacobsen, who, facing a felony trial in Texas, has reportedly told friend, Jake Jacobsen who, prepared to testify — if new testimony will ease his legal problems — that he swore falsely when he told a grand jury that the former secretary twice refused milk money offered as campaign contributions.

Sources close to the case say that data in the possession of both the Senate Watergate committee and the special Watergate prosecutor's office support part of the new testimony that Jacobsen is said to be prepared to give.

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