

How the Milk Scandal Developed

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THE DAIRY lobby's \$2 million pledge to help reelect President Nixon was originally timed to influence his decision on dairy import quotas, rather than price support.

The offer was put in writing on December 16, 1970, after the White House hatchetman, Charles Colson, had threatened to "put the screws" to the dairymen for contributing to Democrats.

Here is the chronology of the milk scandal, which we have put together from our own investigation:

The milk producers began talking to the White House about campaign contributions in the early autumn of 1970. At a September meeting in Colson's office, the milk producers agreed to put up \$10,000 apiece for the Senate races of 11 conservative candidates whom the White House favored.

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BUT THE dairy people also contributed to the campaigns of Democrats, who had influence over dairy legislation. When Colson learned about this, he fired off a sharp memo to another White House aide, the late Murray Chotiner, who had been dealing with the milk producers' lawyer, Marion Harrison.

"Would you please check with your friend, Harrison, and tell him if he wants to play both sides, that's one game: if he wants to play our side, it is entirely different," wrote Colson. "This would be a good way for you to condition him before we

put the screws to him on imports, which we are about to do."

True to Colson's threat, the White House held up dairy import quotas which the Tariff Commission had recommended. Harrison complained to us that "Colson wanted a one-way street. He wasn't interested in doing anything for our clients."

This upset Harrison and his legal associate, Pat Hillings, who had served briefly as Mr. Nixon's successor in the House. Hillings, dictated a scorching letter to the President, attacking Colson.

The letter reminded the President that the dairymen had contributed "about \$135,000 to Republican candidates in the 1970 election" and were now preparing "to contribute \$2 million for your reelection."

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THIS WAS the famous December 16, 1970, letter which put the \$2 million dairy pledge in black and white. The President adopted the dairy import quota on Jan. 1, 1971, only 15 days after receiving the Hillings letter.

The White House claims that the President never saw the Hillings letter and that the \$2 million pledge had nothing to do with his action on imports.

The following March, President Nixon, overriding the Agriculture Department, ordered increased milk price supports as well. The public announcement was held up, according to sworn testimony, until the White House received a renewal of the \$2 million campaign pledge.