## Runaway Inflation and Presidential Indecision

the White House. whether to tighten up the disastrous has become dangerously clear in once more under top-level review at Phase III anti-inflation program, now gate crisis on the Nixon administration the on-again, off-again indecision over The paralyzing impact of the Water-

minute action would be delayed. the worst inflation in this century. In nomic and political, on how to handle each case, they were told at the last to prepare various estimates, both ecobeen instructed by presidential agents weeks, outside economic advisers have Time and again in the past five

White House adviser John B. Connally already lost has eroded consumer contion. Bust even so, the valuable time clearly enhances the prospects for ac-Laird as White House domestic chief appointment of the activist Melvin R. and tougher price controls, so often defidence in Mr. be announced at any moment. The layed by a distracted Mr. Nixon, could True, a decision for a new gas tax Nixon and brought

nearly to the point of quitting.

So isolated has President Nixon become from the workaday business of

> Nixon and Rep. Wilbur Mills. Federal Reserve Board, has been unathe economy and his failing anti-infla-tion program that even the illustrious ble to arrange a meeting between Mr Dr. Arthur Burns, chairman of the

anti-inflation program pegged to a the President in confidence: a new what he normally would have given floor of the House to lay out publicly and Means Committee, finally took the Mills, chairman of the House Ways

tial omissions apparently forced on him by White House preoccupation with the Watergate scandal. tirely consistent with other presidenthe rising crisis of the economy is en-Mr. Nixon's refusal to see Mills on

time consultant: John B. Connally. visers was the President's new partanti-inflation plan for the President's study—and presumed approval—when carte blanche to come up with a hard he returned. Included among the ad-Nixon gave his top economic advisers Thus, before leaving the country for his summit meeting in Iceland, Mr.

ing duly took place last Thursday. Sit-With Herbert Stein, chairman of the Council of Economic Advisers presiding, this presidentially ordered meet-

> politics as well as the economics of inwith a shrewd understanding of the price controls, Simon is an activist George Shultz was Deputy Secretary ting in for Secretary of the Treasury sez-faire Shultz, always a hater of Street investment banker. Unlike lais-William E. Simon, the former Wall

of Phase III following the Monday yet another session be held Tuesday meeting, the President ordered that Still unwilling to order a tightening-up White House, this one last Monday to call another top-level meeting at the Nixon once again did nothing-except But on returning from Iceland, Mr

inflation as much as Watergate. dence in Mr. Nixon today derives from What makes this agonizing for politi-cal activists like Connally is irrefutable evidence that lack of voter confiwith himself present.
At this writing Mr. Nixon's adminisbreak the vicious cycle of inflation stalemate tration appears to be trapped in a making it impossible to

cently reported to his clients that conied in the White house Oval Office, relinger, whose surveys are avidly stud-Consumer pollster Albert Sind-

> sumer confidence reached "recession levels" by the end of May—the first stop it. Mr. Nixon was not doing enough to The reason: inflation and the fear that time it struck bottom in 19 months.

yond dispute. and almost every other economic voice immediate presidential action is flicts between the Shultz-Stein team, Whatever the merits of economic conup to 78 per cent, now insist on a rethat an overwhelming ratio of voters, Sindlinger's surveys, plus others, show Mr. Nixon hears, the political case for II anti-inflation controls program turn to some form of Phase I or Phase The White House is well aware that

up his mind. As a result, Connally is suasive talents seem humbled by known to be deeply disillusioned. President's apparent inability to make fact. Yet, even Connally's vaunted the master politician, understands that More than any one else, Connally, per-

tide brought on by runaway inflation. to reverse the anti-Nixon Watergate crisis that it may be too late so much time has been lost to gress now hope a break may come. But vast majority of both parties in Con-Simon, Connally, Burns, Mills and a

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