Carter Appoints Califano to HEW, Sorensen to CIA

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PLAINS, Ga., Dec. 23—In the last of a two-week series of news conferences, President-elect Jimmy Carter completed his Cabinet today by naming Washington attorney Joseph A. Califano, a former special assistant to President Johnson, as Secretary of Health, Education and Welfare.

Carter also named Theodore C. Sorensen, one of the closest of those aides of President John F. Kennedy who were dubbed "the best and the brightest," to be both director of the Central Intelligence Agency and director of central intelligence.

And he picked one of his own close pre-election advisers, former Ford administration Defense Secretary James R. Schlesinger, to fill a newly created job, coordinating all federal energy policy from within the White House.

The choice keeps Schlesinger, whom Carter passed over as perhaps too controversial for his own Defense Secretary, close to the President-elect and handy for a number of possible assignments. It also makes Schlesinger the prime candidate for the new Cabinet-level energy department that Carter said he wants to create.

As usual Carter said little about why he chose these particular men, other than declaring his confidence in them and praising their past records, and their acceptance of his policy positions

At the morning news conference where all three were introduced, Sorensen drew the bulk of the reporters' questions, including two asking him to explain why he was qualified to head the CIA.

As had Carter earlier, Sorensen

pointed out that he had attended meetings of the National Security Council in the Kennedy administration and was Kennedy's direct representative in dealing with the CIA. Sorensen also cited his experience as a lawyer representing U.S corporations abroad and the governments of foreign nations, including Zaire, Sierra Leone, and Iran.

Sorensen, who is 48, said he did not ask for the job. "Because this assignment is central to the maintenance of a secure peace in the world, I did not feel I could turn him (Carter) down," he said.

In response to a question, Sorensen said the report of the Senate intelligence committee makes it clear that the CIA must retain its ability for covert activity. But such activities, he said, "should be relied upon only under the most extraordinary circumstances, when the vital interests of the United States are truly at stake, and when the activity is carried on in a manner that is accountable to Congress, and which has been approved by the President on the grounds that the chances of success are high, and that the cost of doing the same job in a public, overt manner would be too high."

That, he said, would rule out assassinations, overthrowing governments,

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domestic surveillance and other past abuses of CIA authority.

He said he thinks the budget total for the CIA now estimated to be about \$750 million annually, could be made public. And he said his background includes law and "a sensitivity to civil liberties" that he hopes "is not inappropriate to this agency's position".

Schlesinger delivered a warning on energy consumption similar to those repeatedly voiced by energy advisers under the Ford and Nixon administrations. The United States, he said, must reduce its dependence on foreign oil.

"We must as a nation face up to a responsibility which we had hoped would go away," he said.

American dependence on foreign oil has increased at least 10 per cent since the Arab oil embargo of 1973. At that time 22 per cent of America's oil was imported; it now varies between 32 and 40 per cent.

Schlesinger said the Ford administration will continue to make decisions on whether to deregulate gasoline prices until Jan. 20, Inauguration Day. Critics have charged that the Ford administration's deregulation proposal will add 8 or 9 cents a gallon to the retail price of gasoline in late January unless Congress acts to head deregulation off by Jan. 19.

Carter said Schlesinger's first priority would be energy conservation, to "reduce the dependence that presently exists on an overuse of oil and natural gas and shift toward enhanced uses of coal," with nuclear power making up the difference.

Carter was a bit vague when asked how strictly HEW should enforce guidelines that cut off federal funds to school districts that do not desegre-

"I would hope that the HEW guidelines would be compatible with the Supreme Court ruling, and the laws of this country," he first said, without making clear whether he meant the guidelines were too strict, or not strict enough. Then he said he would "comply completely" with the law. He also criticized HEW for issuing "10 times more regulations" than all the laws passed by Congress. One of the priorities of the current HEW Secretary, David Mathews, has been to simplify the agency's regulations.

And Califano said there is "nothing incompatible between desegregation and excellence." He will try, he said, to "bring a measure of excellence back to our education system so that the public schools that were available that my mother taught in for 35 years in Brooklyn are the kinds of public schools that are once again available to the kind of people that are living in the neighborhoods where I came from."

As he has once before this week, Vice President-elect Walter F. Mondale sat with the nominees during the news conference.

Mondale said, in answer to a question, that he supports Carter's controversial nomination of former U.S. Appeals Court Judge Griffin B. Bell for Attorney General, that he was consulted in advance and that the Carter administration's commitment to justice, human rights and the Constitution will be "as high, if not higher, than any administration in American history."

At the close of the news conference, Carter said he would give "the American people and the press corps a Christmas present" by not making any more public statements until after Christmas.

Then he delivered a short Christmas message:

"My wife and I, and my three sons, and my three daughters-in-law, Amy, my mother, and my mother-in-law, and Billy, all wish you and the American people a very happy and prosperous Christmas. I think the spirit of peace, the spirit of brotherhood and love, that binds us together during this holiday season transcends even any religious differences. And I hope that we can enter the new year with a commitment to being closer together, to sharing our problems and our opportunities in the greatest nation on earth."