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Money Warnings at the White House

A major reason why the Western White House has finally begun displaying a sense of urgency about the economic crisis was a secret warning from President Nixon's favorite pollster that a serious money panic really does impend.

Albert Sindlinger, the Philadelphia-based consumer opinion analyst whose daily national telephone polls regularly go to the White House, was stunned by the turn his surveys took two weeks ago.

About two months ago, Sindlinger added this question to his survey: Have you heard rumors that leading corporations and banks may be in trouble? At first, only about 20 per cent said yes. But two weeks ago, that figure jumped to 60 per cent. What's more, 15 per cent indicated a desire to withdraw their personal deposits.

A highly agitated Sindlinger descended on Washington to button-hole anybody he could find: White House communications chief Kenneth Clawson (his normal contact), officials at the Office of Management and Budget (OMB), several sub-cabinet members and a long, bipartisan list of senators (with Sindlinger sitting in on a Capitol Hill luncheon of conservative pro-Nixon senators last Tuesday).

Sindlinger's message was desperate: The American people, having lost confidence in their politicians and institutions, have little left but faith in the dollar. If that also goes, we may be vulnerable to a man on a white horse.

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Consequently, it behooves the administration to do *something* and do it quickly.

Sindlinger's panic is credited by high officials as helping to end the inexplicable do-nothing mood in the administration, where there seemed so little prospect to action that William Simon, Secretary of the Treasury, felt safe enough to take a two-week mission to Europe and the Mideast. Early last week, OMB was finally ordered to crank up options for the President, and his top economic policymakers (minus Simon) were summoned to San Clemente for emergency conferences.

So high is the priority that the Nixon administration puts on decontrolling petroleum that Treasury Secretary William Simon last Tuesday sent a cable from Cairo to Sen. Henry M. Jackson pleading with him not to take quick action extending the allocations act.

"There has been only a few months of experience with the act and we believe the act has been creating distur-

tions," cabled Simon, who asked for "thorough hearings."

Simon's persuasiveness, often compelling in person, failed at trans-Atlantic distance. Jackson will ask his Senate Interior Committee to quickly extend the authority without hearings at tomorrow's meeting. Without controls, Jackson believes, independent refiners and markets will be driven out of business by the major oil companies.

A footnote: Simon's intense desire to decontrol petroleum is not shared by bureaucrats inside the Federal Energy Administration (FEA). Since their jobs might be eliminated by decontrol, they are secretly lobbying against the administration policy. Furthermore, congressional Democrats believe FEA chief John Sawhill, while loyally supporting decontrol, has private misgivings.