

Dear John . . .

Post 9/13/72 →

It is always a pleasure to hear from the President's spokesman and assistant for domestic affairs, Mr. John Ehrlichman, and even more of a pleasure to reply. Today, in a letter appearing elsewhere on this page, Mr. Ehrlichman takes us to task for our recent observation that the administration's promise of no tax increases for the next four years is fundamentally incredible. He attributes this conclusion of ours to dishonesty and concealed conflicts of interest and general facelessness on our part. It might be best to dispose of these insinuations at the outset—although there is no way to dispose of what Mr. Ehrlichman has revealed about himself in making them.

Perhaps this is just a temporary condition brought on by Mr. Ehrlichman's reading too many installments of the Watergate mystery series; but it does him little credit to suggest that Mr. Hobart Rowen, this newspaper's financial and business editor, is controlled in his judgments of the administration's economic policy, by the fact that five years ago his son, then 22 years old, married Senator McGovern's 21-year-old daughter. And it does him even less credit to identify Mr. Rowen as an "adviser" to Mr. McGovern, a charge so patently untrue as to be hardly worth denying. As readers of this paper will recall, Mr. Rowen has been fully as critical of some of Senator McGovern's economic policies as he has been of some of Mr. Nixon's. We noted with interest Thursday that one of Mr. Nixon's Republican surrogate campaigners, Senator Saxbe himself, said: "I don't think the President is being altogether honest with the people when he says there won't be any new taxes." Is Mr. Ehrlichman investigating Senator Saxbe's familial ties? Does he suspect him of being an undercover McGovern adviser, as well?

Surely there must be a simpler explanation for our doubts, and Mr. Rowen's and those of Senator Saxbe concerning the reliability of President Nixon's tax pledges to the electorate. The fact is that last week the White House offered the country a spate of contradictory statements on tax policy, which conflict not only with each other but with the obvious requirements of the economy, and Mr. Ehrlichman need look no further for an explanation of our editorial policy. "Faceless" we may be—editorials, after all, are supposed to represent the position of this newspaper. But that is not what bothers Mr. Ehrlichman, we suspect, as much as the fact that we don't believe that anybody can safely put much stock in the President's assurances that there will be no tax increase in a second Nixon ad-

ministration—and the White House wants terribly to be believed.

That is the issue, and it became even more of an issue last week when Mr. Nixon sent his press secretary, Mr. Ziegler, out to tell the press categorically that there would be no tax increase in a second Nixon administration. When Mr. Ziegler proved unable to answer the obvious questions raised by the reporters, the President sent Mr. Ehrlichman out to take care of them. In the course of the afternoon he led his pursuers on a long

chase through a thicket of hedges and double negatives. The passages of this conference that he quotes in his letter today are by no means unambiguous. One notes the emphasis on phrases like "reasonable foreseeability," and "dependent upon a certain measure of congressional responsibility." The strategy is, apparently, to blame the coming fiscal crisis on a certain measure of congressional irresponsibility. But the press conference included passages that Mr. Ehrlichman did not quote:

Question: You are not ruling out that the President might propose a value-added tax?

Mr. Ehrlichman: I am not ruling out anything. And again:

Question: Is it fair then, to say that your goal is to reduce property taxes by some other means other than a change in the taxes?

Mr. Ehrlichman: No.

Question: You talk about reallocation or cutting spending.

Mr. Ehrlichman: I wouldn't rule out reforms in the tax system which might achieve both an increase in equity to the taxpayer, a simplification to the taxpayer, and the creation of a pool of money not otherwise allocated which could be devoted to this goal.

Question: And would it not consist of some selected tax increases?

Mr. Ehrlichman: That is not what I said, no.

Question: But that is the question.

Mr. Ehrlichman: Beyond that, I am getting into reading you the President's option paper, and that I will not do.

Mr. Ehrlichman objects to our characterization of this kind of talk. We are happy to invite our readers to characterize it for themselves.

In any event the central dispute here is not over who is related by marriage to whom. It is over President Nixon's decision to coast through the

next two months with no hint of the very large changes in economic policy that he must necessarily undertake within the next year. Mr. Nixon finds it extremely exasperating that newspapers, including this one, keep asking how he intends to come to terms with his hugely inflationary budget deficit, by far the largest since World War II.

The alternatives come down pretty much to either a stiff tax increase or a massive budget cut requiring large layoffs of federal employees. Mr. Nixon is understandably reluctant to discuss this choice before the election. In the opinion of the White House the proper behavior for any uncorrupt and, as Mr. Ehrlichman might put it, full-faced American is to sit down, shut up, and wait until next winter. That is why the President sends his assistants out to make large pacifying promises, with various escape clauses, about taxation.

If Mr. Ehrlichman wishes people to believe him, he must learn to confine himself to statements that are believable. In the meantime his inaccurate and personal abuse of his critics only degrades further a campaign that is already remarkable for its unbroken mediocrity of spirit.

Taking Exception...

A White House Aide Files a Protest

I KNOW just how the American Olympic basketball team feels. Having had my recent statement on new federal taxes judged by your Hobart Rowen and a nameless, faceless editorial writer (perhaps the same fellow?) in the Sunday Post. I hasten to file a protest at the officiating. Compared to you folks, that Eastern European basketball referee is Oliver Wendell Holmes.

As a matter of fact, Hobart Rowen and the referee have a good deal in common. Everyone knows the referee is from Eastern Europe

The writer is Assistant to the President for Domestic Affairs.

and probably has a bias a mile wide in favor of the Russian basket-makers. But how many of your readers know of Mr. Rowen's personal family relationship to Senator McGovern?

The Post is often very pious in its support of truth in labeling and other consumer protection. Why not label each of the Hobart Rowen articles with a short, italicized paragraph showing that he is an advisor to the Senator and has a family relationship to him? Then let the reader judge, on that set of facts, the weight which should be given to his assertions. Both Mr. Rowen and Mr. X (the editorialist—who is he related to?) contend that the administration is saying it opposes any new federal taxes but doesn't really mean it because the pledge is "qualified" by things I have said.

The editorial was too cute for words, with all the small-print-qualifiers and the crude cartoon. It was also very dishonest.

Your clear implication was that I had, sub rosa, made the many qualifications contained in your small type. Here is what I actually said in answer to a question by your reporter and others:

Post reporter's question:

How can you say you will not impose tax reforms over a four-year period when you

By John D. Ehrlichman

may have wars or deflation or inflation that may require adjustment up or down?

Mr. Ehrlichman:

I think maybe you misspoke. You said "reforms", and I imagine you mean "increases."

Post reporter:

Yes, I did.

Mr. Ehrlichman:

I think the only thing one can do in this situation is to state what the administration's policy is for the foreseeable future, obviously. If there were some very drastic change in national circumstances, such as you suggest, which I think is very hypothetical at this point, then any fairminded individual would certainly relieve us of our commitment.

But we have to talk in terms of reasonable foreseeability. That is the basis on which we have said what we have said. I think the best thing we can do for you, the most meaningful thing we can do, is to tell you what the President desires and intends, and what his thrust of purpose is. . . .

Question:

Have you promised now that there will be relief of the property tax?

Mr. Ehrlichman:

We have set that as a goal. Now obviously, the President is in no position to promise any more than he can deliver. He can deliver a proposal. He can't make the Congress pass it any more than he could get them to pass the minimum income tax. . . .

Question:

We are asking because we were given a flat denial that there would be any tax increase for anybody at all this morning.

Mr. Ehrlichman:

That is the President's stand. That is correct.

Question:

Are you sure that you can deliver on that promise?

Mr. Ehrlichman:

As I say, I can't deliver anything. The Congress has to adopt a law.

Question:

Then why was the promise made?

Mr. Ehrlichman:

Obviously, the administration can promise within the context of the three coordinate branches. For instance, we say we don't want any tax increase. That, of course, is dependent upon a certain measure of congressional responsibility. If the Congress goes out and runs up a \$400 billion bill—

Question:

That is an unforeseeable circumstance.

Mr. Ehrlichman:

No. Wait a minute. It is not unforeseeable that the Congress would send down here in the next four weeks a lot of legislation that will go way over the President's budget.

Question:

Can we, for our purposes here, talk about what you would like to do?

Mr. Ehrlichman:

We would like to operate this federal government at less cost, and we think we know how to do it. We would like to achieve significant savings in the cost of the federal government. We are for lower costs, for less function in the federal government, for more function at the local level, and for lower taxes.

Question:

Given X-number of prior conditions over which you don't necessarily have any control—

Mr. Ehrlichman:

You have been around this town longer than I have, Henry. Now, what the realities are, there has never been a President elected who can warrant to you what the Congress will do. We have to present to you what our goals, objectives and policies are."

Those were the only qualifiers made and, I submit, they are realistic and straightforward. Why you invented the other material in the editorial you will have to explain.

Doubtless the basketball official will get an oak leaf cluster for his Bulgarian Referee's Medal as a reward for his biased call. Perhaps you all can think up something nice for Mr. Rowen, too.

(See editorial on this page.)