

Gibson Sees Ford Aides; Won't Quit

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Andrew E. Gibson said as he left a White House meeting last night that he was not withdrawing as President Ford's nominee to head the Federal Energy Administration.

The selection of Gibson has provoked controversy since it was disclosed that he will receive \$88,000 a year for the next 10 years from the oil company he left last May.

Sen. George McGovern (D-S.D.) said yesterday that the payment to Gibson amounted to the oil industry having a "ring through his (Gibson's) nose" and that Gibson's nomination to the FEA post was "an insult to every patriotic American."

But Gibson, former president of the Interstate Oil Transport Co. of Philadelphia, told reporters as he hurried down the White House driveway last night that he felt he still had the confidence of President Ford.

Asked if he had been requested by White House officials at last night's meeting to withdraw, Gibson replied: "No, I was not."

Did he feel he still had the confidence of President Ford? "I'm confident I have," Gibson replied.

Mr. Ford announced on Oct. 29 that he had decided to nominate Gibson to replace John C. Sawhill as administrator of FEA. Since then, Gibson has been attending meetings at FEA in an unofficial capacity.

White House press secretary Ron Nessen told reporters yesterday that Gibson would not return to FEA "for the kind of familiarization process that he's been going through in recent days."

Nessen added that FBI checks of Gibson—a routine Nessen said had not been carried out before Gibson's selection was announced—were now "going ahead."

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"The matter is being reviewed diligently," Nessen added. "We hope to resolve the matter in the near future."

The formal nomination of Gibson has not gone to the Senate. One White House official, who declined to be identified, said "I'll be surprised" if the nomination ever does go forward. But White House officials indicated no decision on Gibson's future in the administration would be announced this weekend.

Besides the conflict of interest problems stemming from his severance payment from Interstate Oil, a Washington Post check of government and court records indicated that

other Senate challenges are virtually certain to arise from the ship subsidy program Gibson ran as maritime administrator and assistant secretary of commerce for maritime affairs.

He served as maritime administrator from March 25, 1969, to Dec. 8, 1970, when he became assistant secretary of commerce for maritime affairs—the job he held until July 7, 1972, when he took another Commerce Department job outside the ship subsidy field.

On Jan. 11, 1972, according to Maritime Administration records, Bethlehem Steel Corp. Shipyard applied for government money to help pay the cost of building six oil tankers. The application was later

amended to a request for three tankers.

Gibson, in his maritime job, chaired the Maritime Subsidy Board, which decides which applicants get government money to help pay for ships.

Although a Maritime Administration spokesman said the minutes of the subsidy board meetings show Gibson stopped attending them on May 10, 1972, he was in charge of the program while the Bethlehem application was pending.

Court records from an environmental lawsuit include a Maritime Subsidy Board document dated April 13, 1973, which shows that Maritime Fruit Carriers Co. was one of the participants in the Bethlehem tanker deal. The document describes that company

as "an Israeli corporation."

Subsidies are supposed to go only to American firms. Also, the lawyer who represented Maritime Fruit Carriers Co. was Roy G. Bowman, former general counsel of the Maritime Administration and former deputy administrator under Gibson.

The same Maritime Subsidy Board document—entitled "Economic Viability Analysis"—said the tankers were to be chartered "for a period of 20 years" to "an affiliate of Interstate Oil Transport Co."

Bethlehem received the subsidy under a project called "Boston Tankers Inc." on June 30, 1972. The government agreed to pay \$90.6 million of the \$210.2 million construction cost of the tankers.