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Gibson nomination dropped

WASHINGTON (AP) — Moving to end a week of controversy, President Ford dropped the nomination of Andrew E. Gibson as federal energy administrator Tuesday but said he wants to name Gibson to another responsible position in government.

Gibson, former federal maritime administrator, asked in a letter to Ford that his nomination be withdrawn because of the furor over his \$880,000 severance agreement with Interstate Oil Transport Co., a Philadelphia firm he headed until last April.

In accepting Gibson's request, Ford said he intends to announce a new nominee for the energy post soon.

White House Press Secretary Ron Nessen, in releasing the exchange of letters between Ford and Gibson, acknowledged "the matter was handled imperfectly" by presidential aides.

He said Gibson told officials in the White House personnel section of his 10-year agreement with the Philadelphia firm prior to Ford's announcement of the nomination, but "there were no amounts mentioned."

Ford did not learn of the severance agreement until reading news reports about it some days after disclosing his choice of Gibson to succeed John Sawhill as energy administrator, Nessen said.

In his letter to Ford, dated Tuesday, Gibson said the severance contract "would not inhibit the discharge of my official responsibilities" as energy administrator.

"Nevertheless," he added, "because of its existence it seems apparent that any hearing on my confirmation will be a lengthy matter ... I am reluctantly compelled to conclude that a lengthy confirmation hearing would not be in the best interests of the nation."

Gibson said he was confident an FBI investigation, begun after Ford announced his nomination, would clear his name and asked that it be completed promptly.

Ford responded that "it would be unfair to you to leave unanswered the charges made against you. I, therefore, intend to have the FBI investigation ...

run to its completion, and, when appropriate to appoint you to another responsible position in government."

Nessen refused to identify the White House aide who had knowledge of the severance contract but failed to report it to Ford or to top presidential aides.

Nessen said that Donald Rumsfeld, because he is in charge of the White House staff, "wants you to know he has volunteered to take the blame."

Rumsfeld knew nothing about the Gibson severance agreement, Nessen said, but "he's all dressed up in sackcloth and ashes."

In another development, Nessen disclosed that Ford has decided to go along with the Nixon administration's controversial move to force the resignation of Barbara M. Watson as administrator of the State Department's Bureau of Security and Consular Affairs.

He said Leonard F. Walentynowicz, a Buffalo, N.Y., lawyer, would be nominated to succeed her. Walentynowicz also had been former President Richard M. Nixon's choice for the State Department post.