

# Shultz, Love Clash Over Oil Policy

By Jack Anderson

An angry blow-up between Treasury Secretary George Shultz and energy czar John Love has resulted in cutting off the Treasury's superb energy staff from oil policymaking.

The Treasury experts had nettled the White House by issuing dire warnings about the oil shortage and calling for drastic measures that President Nixon didn't want to take. When the warnings turned out to be all too accurate, it seemed only to infuriate the White House more.

The Treasury experts are now warning that a prolonged Arab oil boycott will cause economic disruptions, which could plunge the country into a severe recession. Only unpopular controls, including gasoline rationing, can alleviate the downside, they insist.

But this isn't what the embattled Nixon wants to hear. The showdown came over a Treasury statement on Oct. 15, calling for energy conservation. The White House felt it was worded in a way that would antagonize the Arabs at a time of delicate negotiations.

At the showdown meeting, Love fussed and fretted over the Treasury statement. "You can't do this," he snorted, and he demanded that all energy statements be channeled through him. Agreeing, White House aides directed Shultz to clear all energy statements, hereafter, with Love.

Shultz angrily snapped at

Love that he was "absolutely incompetent" and swore that the Treasury would no longer work with him.

This has led to a breakdown in the relations between the two staffs. Shultz' chief energy expert, William Simon, and Love's chief of staff, Charles DiBona, will hardly speak to one another. The feud is hurting the vital planning for the energy crisis. As one source told us bitterly: "What has happened to our policy on energy is that it is run by one too arrogant to listen (meaning DiBona) and another too dense to understand (meaning Love)."

Footnote: A spokesman for Love said he is struggling with a big problem and a small staff to find the best solutions. Love is a mild-mannered man who doesn't blow up, said the spokesman. A spokesman for Shultz disclaimed any knowledge of the blow-up but acknowledged that Treasury "is keeping its nose out of the oil problem." He said Shultz is opposed to gasoline rationing except as a "last resort."

**Callous Consulate**—American families have complained to the Senate that U.S. diplomats in Chile timidly stood by while their loved ones were murdered by the military dictatorship.

Copies in our hands of the private statements given to the Senate Foreign Relations committee charge that the U.S. embassy in Santiago ignored the disappearance and abuse of

American citizens in order not to ruffle the epaulettes of the new Chilean junta.

For example, Mrs. Charles Horman, in a moving statement, described how she was given the runaround while the junta was murdering her American filmmaker husband. Charles Horman, a Ph.D. from Harvard, was dragged out of his home in Santiago.

His distraught wife had a friend notify the U.S. Consulate that Charles was missing; another friend reported it on his own. Though it was common knowledge that the military was hustling prisoners into the National Stadium, the consulate contented itself that day with a call to police headquarters and a few calls to various precincts.

When Mrs. Horman kept pressing the consulate, she was questioned about her husband's background. At one point, according to a friend's sworn statement, the consulate's rudeness drove her off "in tears and near hysteria."

Horman's alarmed father, Edmund, flew to Santiago and met with U.S. Ambassador Nathaniel Davis, Consul Frederick Purdy and others. The embassy tried to convince the Hormans that Charles was "in hiding." Not until a month later was his bullet-riddled body produced by the junta.

The statements of the two surviving Hormans charge the embassy with "negligence, inaction and failure." Mrs. Horman

declares bluntly she believes "rapid, forceful action" by the consulate and embassy "could have saved Charles' life." She claims the embassy was more interested in "possible damage to our relationship with this new Chilean government" than in whether the new government murdered American citizens.

Similar charges of neglect were made by the father of Frank Teruggi, an economics student, whose body was identified days before his family was told he had been slain.

In another case, attested to by a sworn statement, a young Puerto Rican American whose visa had expired came to the consulate seeking sanctuary. He was told, at the height of the killing, to turn himself into junta authorities.

Still other documents in the Senate Foreign Relations Committee protest rude treatment, callousness and inefficiency by the embassy toward American students, clergymen and tourists. The committee has held one secret session with Ambassador Davis about the charges.

Footnote: We spoke at length by telephone to Santiago with Consul Purdy who heatedly defended U.S. diplomats' handling of the crisis. "Frankly, I worked my tail off," he said. Asked about the calls to the consulate about Horman, Purdy snapped: "I don't remember the details. We don't have tapes like the White House."

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