

A New Choice to Succeed Sawhill

Washington

Frank G. Zarb, a 39-year-old Wall Street management expert who has been shaping energy policy in recent weeks, was designated by President Ford yesterday to take on the added responsibility of heading the Federal Energy Administration.

Zarb, who is serving his second tour of duty in the government, will give up his present job as an associate director of the Office of Management and Budget but retain his present additional assignment as executive director of the Energy Resources Council.

The council, headed by Interior Secretary Rogers Morton, is a new cabinet-level interagency body that is supposed to shape energy-policy choices and recommendations for the President.

Zarb, a short, dark-haired, hard-driving man with a reputation as a good manager, expects the council will deliver a set of options to Mr. Ford by the end of the year and that they will lead to a major energy-policy declaration in January, probably in the State of the Union message.

In Zarb's view, according to those familiar with his thinking, diminishing this country's dependence on oil imports is of paramount importance and his job is to shape for the President an integrated set of recommendations that are analytically sound and politically practicable.

In his dual capacity as energy administrator and the council's chief of staff, Zarb will stand astride the energy policy-making process. The energy agency is seen as providing the principle

staff support to policy-planning. As director of the council, Zarb will be in a position, along with Morfon, to define the energy issues and choices that other agencies will be asked to evaluate.

Zarb's nomination, when it is formally sent to the Senate, will be subject to confirmation. There was no apparent reason to anticipate that he would experience great difficulty.

Presumably, the Senate Interior Committee will want to examine closely Zarb's affiliations and investments while in Wall Street. He had been executive vice president of Hayden Stone, Inc., a brokerage and investment banking firm, before he returned to government in July, 1973. Earlier, he had served the Nixon administration as an assistant secretary of labor.

Poor confirmation prospects led the White House to change its mind earlier this month about Mr. Ford's announced intention to nominate Andrew J. Gibson to succeed John C. Sawhill as energy administrator.

Gibson, who had been a maritime administrator, subsequently accepted a position with an oil tanker company that pays him an annuity of \$88,000 a year, a fact unknown to the White House when Gibson was hurriedly selected.

The haste arose from Mr. Ford's decision to ask for the resignation of Sawhill, another financial executive who joined the Office of Management and Budget early in 1973 and then moved into the energy field. Zarb succeeded Sawhill as the man who reviews the budgets of energy and scientific agencies.

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FRANK G. ZARB
'Uniquely qualified'