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Diplomat Called

Nixon's 'Buffer' Between Top 2 Economy Aides

Washington

President Nixon will name Kenneth Rush, the No. 2 man in the State Department, as his chief economic coordinator today in an effort to deal with deepening inflation problems and squabbling between other economic aides, high administration officials said yesterday.

Rush, who is 64, is deputy secretary of state. He previously served as deputy secretary of defense and ambassador to West Germany.

Mr. Nixon was described by aides as being increasingly gloomy about negative economic developments, chiefly the domestic inflation rate of ten per cent and worldwide inflationary trends.

The aides also said the President is concerned about frictions that have developed between newly appointed Secretary of the Treasury William E. Simon and Roy L. Ash, the director of the Office of Management and Budget.

Mr. Nixon was said to have intervened several times in recent weeks to smooth relations between the two. He was described as wanting Rush to apply his diplomatic skills mediating between Simon and Ash.

A White House official familiar with the situation remarked: "To leave the situation as it was would have meant a lot of elbowing around, and to put a super-economist at the top would have made somebody unhappy. Rush is a noncompeting element, with a delicate but firm hand — strong but nonirritating."

His appointment as economic coordinator is to be announced by Mr. Nixon today in a nationwide radio



AP Wirephoto

KENNETH RUSH
A delicate but firm hand

broadcast from Key Biscayne, Fla.

Although the exact title and scope of Rush's job has yet to be disclosed, an administration official said his tasks would cover both domestic and foreign economic policy. He is expected to move over to the White House from the State Department as soon as Secretary of State Henry A. Kissinger returns from the Middle East, probably at the beginning of next week.

Rush's new appointment was said to have been under consideration since George P. Shultz quit as treasury secretary on May 8.

Shultz had also acted as senior economic adviser as head of the council on economic policy from December 1972 onward. He had a special office in the West Wing of the White House.

A high State Department official said that no successor for the post of deputy secretary has been found yet.

New York Times