



# Smell of Scandal

Jack Anderson

**I**N 1973, then-President Richard Nixon made a multibillion dollar decision, keeping it as quiet as possible, to sell off strategic metals from the national stockpile.

We have now established that the decision was followed by pressure from the White House to sell valuable minerals to Nixon's friends and contributors.

Officially, the White House explained in 1973 that the huge strategic stockpile was no longer needed for the nation's security. There is now reason to believe Nixon's real motive was to reward his friends in the metals industry.

★ ★ ★

**F**OLLOWING Nixon's orders to reduce the stockpile, the General Services Administration (GSA) has sold more than \$3 billion worth of metals. Most of the scarce metals have gone to the industrial giants such as Alcoa, Bethlehem Steel, Englehart Industries, General Electric, Kaiser, Reynolds Metals, U.S. Steel and Westinghouse.

The sales came at a time when strategists were warning that the United States will run short of many vital minerals in another decade. At the same time, the countries that own the mineral deposits, taking their cue from the oil potentates, have been forming cartels to jack up the prices.

The alarmed strategists have charged that the national stockpile is dangerously depleted. This has resulted in a top-secret study, at the direction of the National Security Council, to deter-

mine whether the stockpile should be replenished.

Although the secret, interagency task force hasn't completed the study, we can report they have tentatively concluded that stockpile levels should be raised for certain critical materials.

The \$3 billion sale of strategic minerals, meanwhile, has the sour smell of scandal. At least some of the minerals, which were sold to U.S. corporations at bargain-basement prices, will have to be repurchased at premium prices.

The winners were the companies; the losers will be the taxpayers. And for some companies, it appears that more than luck was involved.

★ ★ ★

**W**ITNESSES have told us that Nixon aides called former GSA chief Arthur F. Sampson, pressuring him to sell materials from the GSA stockpile to White House friends. Sampson "filtered the word" to his stockpile officials, according to our sources, that "the White House was very interested" in making certain their favorite companies could buy the critical materials.

Louis Brooks, the stockpile disposal director, received several calls from Sampson's personal aides, citing White House friends who should get favorite treatment. Our sources say that Brooks, an honest man, resisted the pressure.

**Footnote:** Sampson denied receiving calls from the Nixon White House or pressuring his subordinates to give special favors to Nixon's friends.

Smell of Scandal

WE



Jack Anderson

WXP FILED W/6

IN 1973, then-President Richard Nixon made a multibillion dollar decision, keeping it as quiet as possible, to sell off strategic metals from the national stockpile.

We have now established that the decision was followed by pressure from the White House to sell valuable minerals to Nixon's friends and contributors.

Officially, the White House explained in 1973 that the huge strategic stockpile was no longer needed for the nation's security. There is now reason to believe Nixon's real motive was to reward his friends in the metals industry.

★ ★ ★

FOLLOWING Nixon's orders to reduce the stockpile, the General Services Administration (GSA) has sold more than \$3 billion worth of metals. Most of the scarce metals have gone to the industrial giants such as Alcoa, Bethlehem Steel, Englehart Industries, General Electric, Kaiser, Reynolds Metals, U.S. Steel and Westinghouse.

The sales came at a time when strategists were warning that the United States will run short of many vital minerals in another decade. At the same time, the countries that own the mineral deposits, taking their cue from the oil potentates, have been forming cartels to jack up the prices.

The alarmed strategists have charged that the national stockpile is dangerously depleted. This has resulted in a top-secret study, at the direction of the National Security Council, to deter-

mine whether the stockpile should be replenished.

Although the secret, interagency task force hasn't completed the study, we can report they have tentatively concluded that stockpile levels should be raised for certain critical materials.

The \$3 billion sale of strategic minerals, meanwhile, has the sour smell of scandal. At least some of the minerals, which were sold to U.S. corporations at bargain-basement prices, will have to be repurchased at premium prices.

The winners were the companies; the losers will be the taxpayers. And for some companies, it appears that more than luck was involved.

★ ★ ★

WITNESSES have told us that Nixon aides called former GSA chief Arthur F. Sampson, pressuring him to sell materials from the GSA stockpile to White House friends. Sampson "filtered the word" to his stockpile officials, according to our sources, that "the White House was very interested" in making certain their favorite companies could buy the critical materials.

Louis Brooks, the stockpile disposal director, received several calls from Sampson's personal aides, citing White House friends who should get favorite treatment. Our sources say that Brooks, an honest man, resisted the pressure.

Footnote: Sampson denied receiving calls from the Nixon White House or pressuring his subordinates to give special favors to Nixon's friends.