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Watergate Causes Nixon to Lose Large Share of Business Support

By TERRY ROBARDS

The Watergate affair has caused President Nixon to incur a major loss of allegiance among the nation's leading businessmen, who traditionally are strong and highly influential supporters of Republican administrations.

This is the principal finding in a poll of the presidents of hundreds of major corporations conducted by The New York Times over the last three weeks. The poll also indicated that the President would receive substantially less financial support if the election were held today.

The poll was mailed to the presidents of the 1,453 corporations whose shares are listed on the New York Stock Exchange — perhaps the best available representation of Big Business in the United States.

Replies were received from 760 of the individuals who were polled. The response of 52 per cent is considered a highly reliable sampling. The poll was anonymous, although many respondents wrote comments on their questionnaires.

A strong majority (67 per cent) of those who responded indicated they would still vote for President Nixon if the election were held today, but this majority was sharply lower than the 90 per cent who said they had actually voted for him last November. In a New York Times poll of the same group of corporate officers last fall, just prior to the national election, 91 per cent said they planned to vote for Mr. Nixon.

The President's theoretical loss of financial support among the business leaders could not be quantified in terms of dollars. However, the recent poll indicated that 31 per cent of those who gave money to the Nixon re-election campaign last year would not contribute if the election were held today.

And whereas a majority of the businessmen (57 per cent) said they had contributed financially to the Nixon campaign last year, only 42 per cent indicated they would contribute if the campaign were under way today.

The business executives also

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indicated that they felt the Watergate affair was having an impact on the Administration's economic policy. A majority (53 per cent) of the respondents answered positively when asked if the Watergate matter had raised doubts in their minds about the Administration's ability to deal effectively with the economy.

Another question asked: "Has the Watergate affair had a negative impact on your confidence in the Government?" An even large majority (61 per cent) answered "Yes."

Yet another question was: "Do you feel that the economy might have been managed differently if the Watergate affair had not occurred?" Again, a majority (60 per cent) answered "Yes."

These findings were especially significant, since domestic economic policy was clearly the central campaign issue for the respondents in last October's poll, with 61 per cent listing it then as more important than foreign policy.

The latest poll also indicated that great dissatisfaction exists in the business community with the Administration's program of economic controls. The corporate presidents were asked: "Are you in favor of the various measures the Administration has adopted this year to combat inflation?" Two-thirds (66 per cent) answered "No."

Among the comments written in by many respondents were numerous expressions of concern over the damage done to public confidence by the publicity that has surrounded the Watergate hearings.

"Trial by television as conducted by the Watergate committee tends to make me lose faith in our systems of justice," wrote one respondent. The committee should be reprimanded and then dissolved."

Overemphasis Is Cited

"Another wrote: "Excessive publicity and gross overemphasis by the Watergate committee have caused an insignificant unscrupulous act of a few high officials to become a national tragedy."

Another said: "Believe Watergate far less important than as blown up by the media and the politicians."

"And another commented: "The Watergate episode has to be stopped if the United States expects an ongoing effective role in world affairs. We should handle domestic affairs in a more subdued manner instead of putting on a lewd show for the world of other nation to use for propaganda."

Dozens of respondents made it clear that they would again

vote for President Nixon today only if his opponent were assumed to be Senator George McGovern, the Democratic nominee who ran against him last fall.

One corporate president wrote: "I couldn't vote for George McGovern under any circumstances."

Another said: "I voted Republican for the first time in my life because of George McGovern. I would still vote against him."

Another commented: "While I am unhappy with the Watergate and associated developments, I would still choose Nixon over the McGovern crowd."

One more said: "Nixon has made mistakes—he's also had some great accomplishments. The thought of McGovern as President gives me chills."

Virtually all of the respondents who took the time to add their personal comments to the questionnaire expressed antagonism to President Nixon and to Senator McGovern, as well as to the Administration's economic policies.

Other than the respondents who blamed the entire Watergate affair on the news media, there were few comments favorable to President Nixon. "President Nixon is a victim of some stupid men, the left press and the Democrats," wrote one.

Another asserted: "Good man trying to do a good job under very trying circumstances. If the media would give him a break occasionally, his job would be easier and more good would be done."

Lack of Cooperation Seen

A Nixon supporter wrote: "The effectiveness of the Government to manage the economy has been hurt not by the inability of the Administration to choose the best measures, but rather by the unwillingness of the nation to accept and cooperate with the required program—probably aggravated by the Watergate affair and the excessive publicity and overdramatization given it."

Nearly all the comments pertaining to the Administration's economic program, however, involved condemnations of wage and price controls in any form and calls for a return to free-market forces of supply and demand.

"Phase 3 was the biggest economic blunder," wrote one executive.

Another wrote: "Watergate has undermined our dollar. Exports must be a matter of concern, but controls, then lifting the lid, causes great distortions. I prefer free law of supply and demand."

QUESTIONNAIRE

1. Has the Watergate affair raised doubts in your mind about the ability of the Nixon Administration to deal effectively with the economy?

Yes 399

No 353

2. a. Would you vote for President Nixon if the election were held today instead of last November?

Yes 482

No 233

b. Did you vote for Mr. Nixon last November? Yes 671 No 73

3. a. Did you contribute financially to the Nixon campaign for re-election last year? Yes 437 No 318

b. Would you contribute financially to a Nixon re-election campaign if it were held today? Yes 306 No 415

4. Has the Watergate affair had a negative impact on your confidence in the Government? Yes 460 No 289

5. Do you feel that the economy might have been managed differently if the Watergate affair had not occurred? Yes 447 No 291

6. Are you in favor of the various measures the Administration has adopted this year to combat inflation? Yes 233 No 465

Response to survey of businessmen by The New York Times