

SCANDALS

A Feeling of Betrayal

From the start of Richard Nixon's presidency, big businessmen had been convinced that they had a friend in the White House. It was a relationship they cultivated with warm statements of support and exceptionally generous contributions to Nixon's re-election campaign. But in the wake of Watergate, many executives feel betrayed. "I am disappointed. I feel that I've been had," says Richard Wright, chairman of Pittsburgh's Richard Wright Corp. and a fund raiser for Nixon last year. "I gave \$5,000 to the campaign, and now I get a picture of my money going somewhere in a suitcase. I don't like that."

At times, the outrage turns to de-

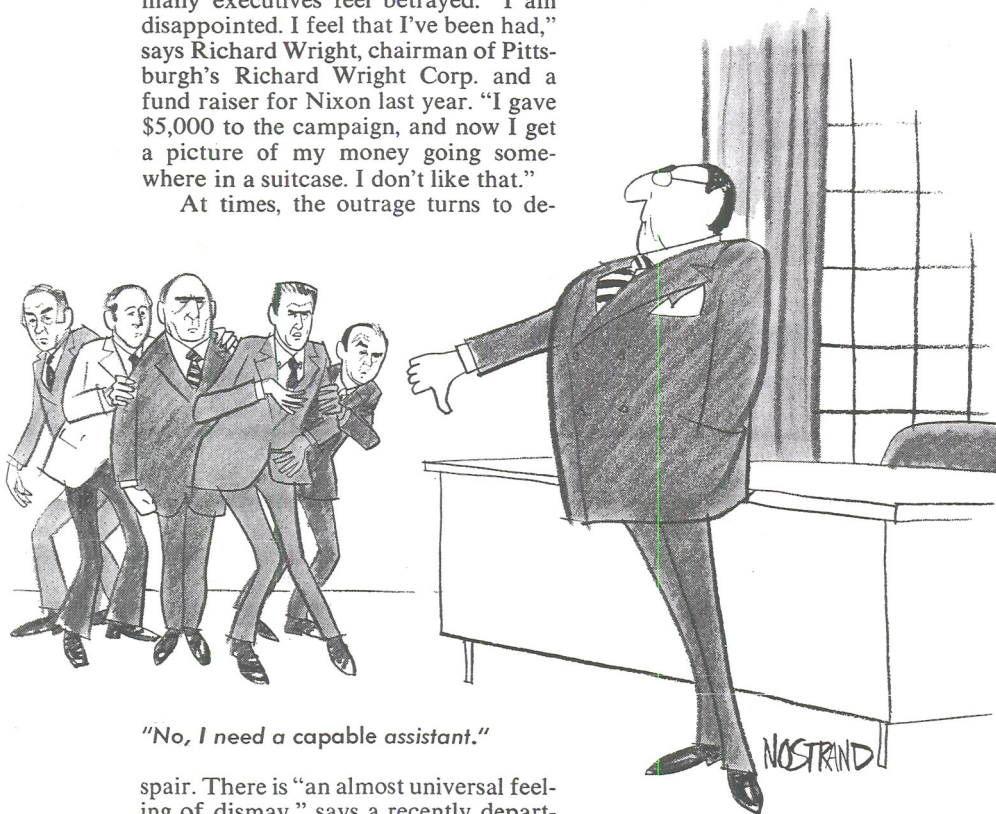
ed, businessmen think, by an administrative scheme that kept the President isolated and uninformed—something no corporate executive could afford. "The thing that amazes me is the methodology of communications," says E. Stanley Enlund, a Chicago banker who voted for Nixon in 1972. "Apparently there was no cross verification of information, and in that kind of system it is very easy to feed into the pipeline erroneous information."

"Any businessman who is at the top of his company has to be able to figure out what's going on," says Donald Frey, chairman of Bell & Howell, a Republican who now considers himself "neutral." In corporations as in Government, several officials note, executive assistants sometimes give orders in the chief's name without his knowledge—but if an assistant gets his superior in

minding the store, you go broke."

That kind of attitude may ultimately diminish businessmen's willingness to make big contributions to future Republican campaigns. Last year Sam and Charles Wyly, of the Dallas-based computer company, Wyly Corp., gave \$179,000 to Nixon's campaign. Now, says Sam, he is convinced that American presidential races are both too long and too expensive, and that the abundant sums available to the President's campaign gave rise to the scandal. "I don't have the answer, but you sure have to start by making it cost less and spending less time at it," he says.

Yet, Nixon still has many business supporters who believe that he will ride out the present storm. Few executives, even among those who are most shocked by the revelations of corruption and espionage, are willing to entertain thoughts of impeachment, which they believe would be disastrous for the country. Time may prove them right—but it will be a very long while before the cliché about the businesslike atmosphere of Republican Administrations is re-established in the executive suite.



"No, I need a capable assistant."

spair. There is "an almost universal feeling of dismay," says a recently departed Administration official who has returned to the business community. At a Chicago banquet 2½ weeks ago for top executives of companies listed in the FORTUNE 500, the talk about Watergate was reminiscent of an S.D.S. meeting; words like "fascist" and "arrogance of power" were used to describe the atmosphere in the Administration.

Especially troubling to the business community is the suspicion that the President, who came to power with a reputation as an effective manager, has bungled the affair so badly as to prove himself an incompetent executive. Many businessmen feel that he chose his key subordinates unwisely and gave them too much power. "The people around Nixon were goddam fools," a California retailer was overheard to mumble. The mistakes were compound-

trouble by taking the boss's name in vain, he is booted out immediately, with no expressions of regret. Says a New York textile maker, who once discovered that an overzealous assistant was tapping other employees' telephones in an attempt to expose a thief: "I gave him 15 minutes to get the taps off—and then I fired him."

At minimum, most businessmen are convinced, the scandal has temporarily sidetracked actions on tax reform, the energy crisis, balance of payments and other matters that demand immediate attention. Says Jenó Paulucci, a Duluth executive who was vice chairman of Independents for Nixon: "I just wish everybody would cleanse their souls enough to get back to running the country. In business, when nobody is

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