

James Lynn H.U.D. Chief; Morton Stays at Interior

NYTimes

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Special to The New York Times

DEC 6 1972

WASHINGTON, Dec. 5

President Nixon announced today that he would appoint James T. Lynn, Undersecretary of Commerce, to be Secretary of Housing and Urban Development in Mr. Nixon's second-term Cabinet, and that Rogers C. B. Morton would stay on as Secretary of the Interior.

The announcements, which leave only four Cabinet positions officially open, were made by Ronald L. Ziegler, the White House press secretary, as Mr. Nixon conferred with George P. Shultz, Secretary of the Treasury, about "economic matters."

Mr. Lynn will succeed George Romney, who resigned early last week.

Mr. Ziegler tied his appointment to what he said was the President's frequently expressed "expectation that the next four years will afford an opportunity to make some of the same kind of dramatic progress in domestic affairs that we have made in international affairs during the past four years."

Later in the day, the White House announced the resignation of two top Treasury Department officials at their own request. They are Deputy Secretary Charls E. Walker, who has handled the department's relations with Congress and has been a policymaker in the

Continued on Page 29, Column 5

Continued From Page 1, Col. 7

domestic area, and Eugene T. Rossides, Assistant Secretary for enforcement, tariff and trade affairs and operations. Mr. Nixon, the White House said, "deeply regrets" their departure.

Informed sources said that it was expected that Paul A. Volcker, Under Secretary of the Treasury for monetary affairs and the chief United States international monetary negotiator, would remain in his present position.

Mr. Ziegler referred to Mr. Nixon's "conviction that what is often called the urban crisis can be turned into urban opportunity if we have the right kind of public policy and leadership in this field."

Although Mr. Romney's differences with the White House were well-known, Mr. Ziegler said "the President feels that the Department of Housing and Urban Development has made major strides in this direction under Secretary Romney's leadership, and he expects those strides to continue and accelerate under Mr. Lynn."

Mr. Lynn's "impressive combination of youth and energy and outstanding management abilities have been amply demonstrated during his service at the Department of Commerce," Mr. Ziegler said. Mr. Lynn, who is 45 years old, is a lawyer who specialized in corporate law in his native city of Cleveland before becoming general counsel to the Commerce Department in March, 1969. He became Under Secretary in April, 1971.

Mr. Lynn, at a brief meeting with newsmen after his nomination was announced, declined to answer questions about his plans for the housing agency but read a statement saying "I

look forward to devoting my full energies" to meeting the challenge of the post.

Mr. Morton, who had generally been expected to remain at the head of the Interior Department, has held that post since the end of January, 1971, when he replaced Walter J. Hickel. Hickel. He was chairman of the Republican National Committee for nearly two years before that after representing Maryland's First Congressional District since 1963.

Mr. Ziegler said "the wide range of responsibilities entrusted to the department in the nineteen seventies, including conservation and the management of the nation's lands" calls for "strong and vigorous leadership" such as that demonstrated by Mr. Morton.

Mr. Morton later issued a statement saying that he planned changes in programs and personnel.

He said that the Bureau of Indian Affairs, which was recently invaded by a group of Indians protesting its policies, would be reshaped from its "role as a paternal and custodial agency into a technical service organization."

Further Cabinet or sub-Cabinet appointments will be announced tomorrow, Mr. Ziegler said, but he refused to comment on what he termed "speculation" about possible appointees. One report that he was asked about concerned Peter G. Peterson, the Secretary of Commerce, who was said to be in line for a new top-level job in the area of international economic policy.

Mr. Ziegler also refused to comment on the continuing reports that Richard Helms, Director of Central Intelligence, planned to resign and would be replaced by James R. Schles-

inger, chairman of the Atomic Energy Commission.

Another high-level Administration official rumored to be leaving is Charls E. Walker, Deputy Secretary of the Treasury.

Mr. Nixon, who returned yesterday from a four-day stay at his Key Biscayne, Fla., residence, plans to remain at the White House tonight and through tomorrow, Mr. Ziegler said.

Last night was only the sixth that Mr. Nixon spend at the White House since his reelection. He has spent most of his time at Camp David, in Thurmont, Md., where he is expected to return later this week.

In addition to doing with Mr. Schultz and going other work today, Mr. Ziegler said,

Mr. Nixon remained in close and continuing contact by cable, and indirectly by telephone, with Henry A. Kissinger, his assistant for national security affairs who is in Paris for negotiations with the North Vietnamese.

The four Cabinet posts whose second-term holders have not yet been named are those of Attorney General and the Secretaries of Agriculture, Commerce and Transportation.

John R. Volpe, the present Secretary of Transportation, is believed likely to be named Ambassador to Italy.

Among the lower-level officials expected to be leaving to return to private careers is Robert Pitofsky, the director of the Federal Trade Commission's Bureau of Consumer Protection.