MAY 2 7 1974 bility to Govern Disputed by

By Carroll Kilpatrick

Washington Post Staff Writer KEY BISCAYNE, Fla. May 26-The Nixon administration began to hit back today at reports that it has lost the power to govern.

A senior official here said that it is "patently unfair" to say that the President is not performing his duties.

And Alexander M. Haig Jr. White House staff chief, said in an interview published to-day in U.S. News & World Report that despite the impact of Watergate we've been able to move ahead at home and abroad."

The White House was particularly annoyed by a story in Friday's Wall Street Journal, which said Mr Nixon "already has lost effective control over ties we've made vast sectors of the federal establishment."

The President flew here Friday for a long weekend of rest and to prepare for what could be a double-header in foreign policy next month: trip to the Middle East as well as a summit meeting in Moscow.

The Middle East visit, on and off in recent weeks during the ups and downs of Secretary of State Henry A. Kissinger's shuttle diplomacy, is now back in the intensive planning stage, and it could begin in early June.

Mr. Nixon came here in part

to prepare for that trip in the event a Syrian-Israeli agree-ment is worked out in time to allow him to go to the Middle East prior to the Moscow summit, scheduled for the last week in June.

White House spokesmen have repeatedly said that the President has spent many hours studying reports and sending instructions to Kissinger in his nearly monthnegotiation between long Syria and Israel.

In addition, officials are saying that there will be a num-ber of accomplishments to nail down at the Moscow summit meeting with Soviet Commu-nist Party leader Leonid I. Brezhnev. Preparations for the meeting have occupied the President for many weeks, it is said.

official here insisted One that despite reports to the contrary Mr. Wixon is physically well and mentally acute.

"He's resigned to the slings and arrows," the official said, referring to the Watergate investigations. "He has regrets—on the other hand, he didn't have an easy first term. Vietnam may have been even in bringing back normalcytougher.

"He's not only coping, he's well beyond that. He's resigned to do his utmost to further his objectives—to establish an environment of stability in the international field to make it possible to achieve his ity in the international field to make it possible to achieve his objectives at home."

In the interview in U.S. News & World Report, Haig acknowledged that the Presi-dent has at times spent many hours on Watergate and that Watergate "has diverted a great deal of time and energy of the President and other key

Haig said. Notwithstanding the difficulment back to the people ..., within the general guidelines

the return to sanity, if you will, within our society."

Haig produced voluminous statistics to demonstrate that Mr. Nixon in recent months has been extremely active "in doing the business of the American people.'

Haig denied that there are proposals piled up on the President's desk awaiting decision. Instead, he declared that "your decision-making mecha-nism has been streamlined rather substantially in recent months."

To a criticism that no one is getting the benefit any longer of the President's long-range long-range thinking, Haig said that by the second term policies are generally understood, Cabinet ties we've made further prog-ress in bringing the govern-operate from day to day

been reduced from a high of 607 in November, 1972, to 541 today, he said. Of the 541, 21 include "lawyers" and clerical assistants" working on Watergate.

"We're operating with a minimum legal staff when compared with the array of legal talent that is placing burdens on us and demanding responses daily," Haig said.

He denied that there is diffi-influence in foreign policy."

already laid down and there is culty in obtaining qualified greater dispersion of power in the government.

The White House staff has qualified mally is.

An official here said that those who contend that the government isn't functioning are basing their arguments on

'a preconceived attitude."
The Wall Street Journal report said that Watergate "has nearly paralyzed" the President's ability to cope with domestic affairs. However, it said, he "still wields powerful

Haig