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Nixon's Mineral Sale

In 1973, then-President Richard Nixon made a multi-billion-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, Englehardt Industries, General Electric, Kaiser, Reynolds Metals, U.S. Steel and Westinghouse.

The sales came at a time when strategists were warning that the U.S. 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 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 determine 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 U.S. is dangerously short, for example, of chromium, which is a critical alloy in high-strength steel. Yet the U.S. is dependent for its chromium on such uncertain suppliers as Rhodesia, Russia, South Africa and Turkey.

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 now have to be repurchased at premium prices.

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. Brooks told us all stockpile sales were made on merit, pursuant to GSA procedures.

Condor Controversy—A confidential General Accounting Office (GAO) report has raised serious questions about the quality of the Condor missile which, according to the Navy, is their "most viable air-to-surface weapon system."

The Condor is an air-launched missile in the development stage. It is designed for conventional attacks on high-priority land targets protected by "intense" local defenses.

Yet the confidential study reveals that even the Pentagon is concerned because the missile is "very susceptible" to enemy defenses. The Navy contends the Condor would normally receive the necessary tactical support to overcome the enemy defenses and that, in any event, the missile is less susceptible to enemy countermeasures than other systems.

The study charges that the Condor is supposed to be launched from planes in all weather but that it has turned out to be a fair weather, daylight weapon. The report also cites several other technical problems which have plagued the missile.

Footnote: Several Pentagon sources have told us the Condor is the pet project of the Pentagon's research director, Dr. Malcolm R. Currie. It has had "outstanding success," he told us, from a "technical standpoint."