

\$1.8 billion asked

# Energy plan aired

WASHINGTON—President Nixon asked Congress Wednesday to spend \$1.8 billion for energy research and development in 1975. He also proposed to trim the oil companies' tax break, label "energy efficient" products and relax auto emission standards for two more years.

Breaking from tradition by outlining his energy legislative proposals prior to the State of the Union message Jan. 30, Nixon also repeated earlier "highest priority" requests for passage of the emergency energy act, a windfall profits tax, a job security assistance proposal, mandatory inventory reporting by energy firms and creation of the Federal Energy Administration.

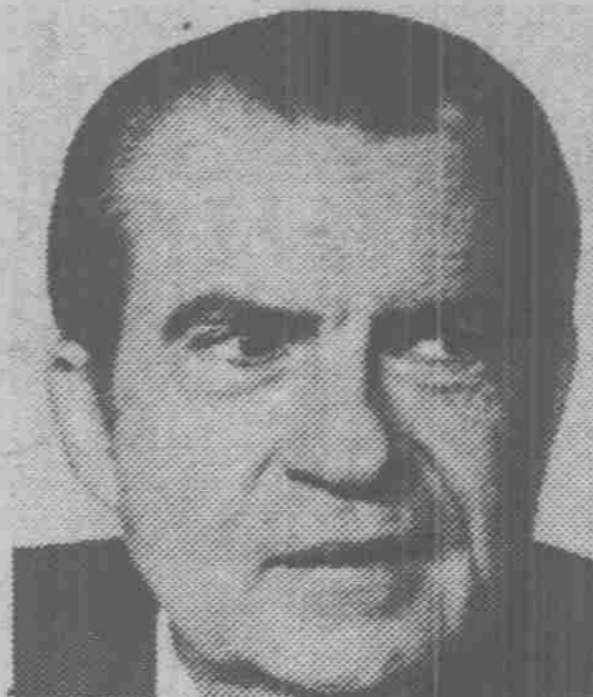
The President's five new legislative proposals, which he promised to send to Congress within "the next several weeks," were:

- A change in the law to eliminate foreign depletion allowances and modify the system

of foreign tax credits for U.S. firms that produce oil overseas.

- Accelerated licensing and construction of nuclear facilities.
- Mandatory labeling of all major appliances and automobiles sold in the United States to indicate their energy use and efficiency.
- Changes in the Clean Air Act to temporarily relax industrial emission standards where clean energy supplies are inadequate and to extend the less stringent 1975 auto emission standards for two more years. Pending legislation would extend auto standards for one year.
- An energy facilities siting act to coordinate government approval of sites for energy facilities.

Nixon noted that his request for \$1.8 billion for energy research and development was the first step in a \$10 billion, five-year program and nearly double the level spent a



Richard M. Nixon

year ago. He said he also would request an increase of \$216 million for supporting programs in basic and environmental effects research.

Calling on Congress to pass a bill which he submitted last April to improve the unemployment insurance program, he said he soon will propose amendments to that measure to further expand benefits for people put out of work by the energy crisis.

He described these extra energy-related unemployment benefits as "an integral part of the same philosophy which has led me to seek a windfall profits tax that prevents a few people from benefiting unduly from the energy emergency."

Nixon appeared to get tough on the oil industry in references to proposals for a tax on windfall profits, mandatory reporting of inventories and an elimination of the foreign depletion allowance.

"We must not permit private profiteering at the expense of public sacrifice," he said. "The sacrifices made by the American people must be for the benefit of all the people, not just for the benefit of big business."

The President said his proposal to eliminate the 22 per cent depletion allowance for U.S. companies who produce oil overseas would stimulate domestic production. A similar 22 per cent allowance for domestically produced oil would not be eliminated.

# Nixon-Dean confrontation thickens; Krogh may talk

WASHINGTON—President Nixon told a group of Republican House members he is "gonna fight like hell" against impeachment, one of the congressmen reported Wednesday.

Rep. Peter H.B. Frelinghuysen, R-N.J., one of 18 GOP congressmen who met with Nixon Tuesday, quoted the President as saying:

"There is a time to be timid. There is a time to be conciliatory. There is a time to fly and there is a time to fight. And I'm going to fight like hell."

Frelinghuysen reported the President's position as Nixon called in about the same number of Democratic House members, presumably to give them the same message.

Frelinghuysen's account was the first time Nixon's views on impeachment were made known. In a related development on Capitol Hill, Senate Republican Leader Hugh Scott said Wednesday he has seen material at the White House which could warrant "several indictments" against former presidential counsel John W. Dean III.

"I saw enough to convince me the person involved Dean who gave testimony before the Ervin committee testified to matters that had not occurred at the dates and times he said they occurred," Scott told reporters.

Dean, ousted by President Nixon last April 30, said during lengthy sworn testimony to Sen. Sam J. Ervin's Watergate committee last summer that he believed the President knew of the cover-up of the break-in-bugging.

Dean pleaded guilty Oct. 19 to one count of obstructing justice, and Watergate prosecutors gave him formal notice no other charges would be brought unless it developed that he had committed perjury.

Questioned as to the White House material he examined, Scott said "I'm not going to say what I saw." But he said of Dean: "I would feel there is enough evidence to indict him."

"Several indictments," he added when pressed further on the point.

But in another development Wednesday, a former aide to President Nixon predicted convicted Watergate conspirator Egil "Bud" Krogh will soon "spill his guts" in a confession that could lead to President Nixon's impeachment.

Edward L. Morgan, who resigned his Treasury Department post Friday voicing despair over Watergate's impact on the government, made the prediction in an interview with *The Wall Street Journal*.

Morgan said he thought Krogh, a close friend of his, would "spill his guts" about the White House "plumbers" operation that led to his conviction on a guilty plea of one conspiracy charge. Krogh faces sentencing Thursday.

"Bud's confession and the tape erasures will probably do the President in," Morgan told *The Journal*. He said he considers impeachment inevitable.

"The tanks are coming...right down Pennsylvania Avenue and into the Oval office," he said. "If you think 1973 was bad, wait until Christmas 1974 rolls around."

You'll think last year was a holiday."

Morgan, 35, an Arizona lawyer, was hired as a presidential aide in 1969 and moved through a series of White House assignments before becoming an assistant Treasury secretary, the job he quit Friday.

In April, 1969, Morgan was deputy White House counsel and signed the deed that allegedly transferred Nixon's vice presidential papers to the government a gift under investigation as to whether it was tax-deductible.



John W. Dean III

**The Daily Tar Heel**

**On The Outside**

from the wires of United Press International

Compiled by Tom Sawyer  
Wire Editor

## Presidential tax deduction 'improper'

WASHINGTON—Sen. Russell B. Long, D-La., said Wednesday that President Nixon almost certainly will be asked to pay back taxes because he was not entitled to the \$576,000 deduction he claimed on the gift of his vice presidential papers.

Long, chairman of the House-Senate committee that is investigating Nixon's taxes at the President's request, said everything he has seen so far indicates the deduction was improper.

## Oil crisis not contrived—Jackson

WASHINGTON—Sen. Henry M. Jackson, D-Wash., said today his three days of Senate hearings had not produced any hard evidence that the major oil companies contrived to produce the energy crisis, although he said they profited from it.

Jackson, whose subcommittee on investigations has been grilling oil company executives since Monday, was one of several congressional leaders who were briefed this morning at the White House by President Nixon and his energy chief William E. Simon on a new energy message being sent to Congress by Nixon.

## U.S. auto sales down 30 per cent

DETROIT—U.S. automakers, feeling the squeeze of the energy crisis and a consumer stampede from big cars, said Wednesday they sold 155,004 passenger cars in mid-January—a drop of 30.6 per cent from last year.

Overall, the industry decline was the sharpest for any 10-day period since mid-September.

The smallest of the major four car companies, American Motors Corp., said its sales in the Jan. 1-10 period hit a 14-year high for the period.

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Answer to Yesterday's Puzzle

ACROSS

- Sand bar
- Free ticket
- Crowd
- One opposed
- Lamb's pen name
- Mature
- More contemptible
- Note of scale
- Born
- Wife of Geraint
- Boundaries
- Grapes
- Compass point
- Wash lightly
- Dude
- Knock
- Man's nickname
- Eccentric
- Symbol for calcium
- Openwork fabric
- Total
- Arrives
- Tautonic deity
- Wanders aimlessly
- Pertaining to the nose
- Skidded
- Emmal
- Man's nickname
- Baker's product
- Suffix: native of
- Hind part
- Ireland
- Conducted
- Force
- Winter vehicle

DOWN

- Male sheep
- Compass point
- Greek letter
- Bridge term

5 Danger  
6 Man's nickname  
7 Pose for portrait  
8 Go by water  
9 Way  
10 S-shaped molding  
11 Insects  
12 Goes in Calumet  
13 Calumet  
14 Preposition  
15 Singing bird  
16 Be some measure  
17 Drunkard  
18 Pleasant experience ( slang)  
19 Genus of moles  
20 Go by  
21 Alcoholic  
22 beverage  
23 Fondles  
24 Tried  
25 Pronoun  
26 Sun god  
27 Widesawake  
28 Metal fastener  
29 Poker stake  
30 Fat of swine  
31 Hawaiian wreath  
32 Be ill  
33 Anger  
34 Communist  
35 Indefinite article

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