New trouble brewing at OMB

By DAVID S. BRODER

WASHINGTON — A rumor that swept through the Executive Office Building, next door to the White House, a few weeks ago is a symptom of a problem for President Carter that many administration insiders consider far more serious than the drug-talk spurred by the resignation of his assistant, Dr. Peter Bourne

The rumor concerned the possibility that a man little known outside the tight Carter circle, Hubert L. (Herky) Harris, Jr., will be named as deputy director of the powerful Office of Management and Budget (OMB). Harris is an amiable young bank official Bert Lance brought with him from Atlanta to handle OMB's congressional lobbying when Lance became director of the OMB at the start of the adminis-

James T. McIntyre, Jr., who succeeded Lance as director of OMB, told me last week that he "never seriously considered his fellow Georgian, Harris, for the job, but was aware of the rumors.

AND THOSE RUMORS themselves

are evidence of a serious problem. It is a the doubtful condition — or what one senior Carter appointee called the "disintegration" — of the professional cadre at OMB.

Although one of the smallest and least publicized parts of the government, OMB is crucial to the success of any president. Its few hundred professionals pride them-selves on both their top status in the civil service and their loyalty to the man in the Oval Office. They represent the president in continual dealings with the departments in questons of budget, management and organization. When it is functioning well,
OMB is the president's strong right arm in

running the government.
Carter signaled his awareness of the importance of OMB when he named his close friend Lance to the director's post as virtually his first step after the election. Lance used his clout with the president to make OMB judgments count, even though he never troubled himself to learn the de-

greatest power. McIntyre, 37, was budget director of Georgia under Carter and his successor, Gov. George Busbee. As Lance's deputy, he was the inside man who ran the OMB store while Lance cut a wide swath through Watshington.

WHEN LANCE WAS forced to resign, Carter named McIntyre as acting director, and last December he gave him the job on a permanent basis. But McIntyre has had a hard time convincing some people that he is up to the job. The financial press and the business community — which believe a strong OMB director is as important as a strong Federal Reserve chairman in the fight against inflation — have been particularly critical. One senior business executive, with long experience on past White

tails of budgets and operations that ultimately provide an OMB director with his intimate with a plea to "do one thing for intimate with a plea to "do one thing for the president; get him to replace Jim McIntyre.

But there is no sign of this happening. Meantime, McIntyre has let months go by without naming a deputy director — thus creating the climate in which rumors of

strange appointees are bound to circulate. Even though McIntyre is as busy outside the office as Lance had been, testifying on administration bills before Congress, attending White House meetings, conferring with Cabinet and agency heads and making speeches to various groups, he insists he has no need for filling his old job as an inside administrator.

"Quite frankly, I haven't felt the pressure to move hastily or make the decision quickly," he told me. "I don't think we've let anything slip through the cracks; we've held our own. I feel like the structure

we've set up has worked well, and I don't think OMB has suffered."

AT PRESENT, he has two executive associated distances. We have the control of the contro

sociate directors, W. Harrison Wellford for management and reorganization and W. Bowman Cutter for budget, reporting to himself. While McIntyre suggested in the interview that he may seek legislation permanently eliminating the deputy director's job and just keep the structure he has, other insiders see the rivalry between Wellford and Cutter as itself a source of some OMB problems

There are professionals all over the city who challenge McIntyre's view that OMB has not "suffered" a decline of influence and effectiveness

With a few phone calls, I found no less than five former senior officials in OMB who echoed my original source's view about the "disintegration" of the agency. One former director of OMB (when it was still called the Bureau of the Budget) said he had had a lunch the previous day with two former colleagues, specifically to discuss what they might do about "the horrible condition of program implementation and the disarray in OMB."

I ALSO FOUND some Carter political advisers worried that the president has not reckoned how much the troubles in OMB may cost him as he heads into a tough budget battle over the next 12 months. In his drive for a smaller budget deficit next year, Carter is trying to cut \$13 billion to \$15 billion from what it would cost just to maintain existing federal programs at their present levels, let alone expand or improve any of them or start any new initia-

That stiff economy effort will provoke the strongest resistance imaginable from the agencies and their client interest groups. It is no time for a president to have an undermanned OMB, unless he wants to invite the kind of rebellion within the ranks of the bureaucracy that will cause fresh questions to be raised about his ability to command.
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Cruise missiles earning more respect

WASHINGTON missiles, which a year ago were the downfall of the B1 bomber, now are beginning to make fighter pilots nervous about their jobs.

Less than 20 feet long, the highly accurate, pilotless jets are already well on their way to becoming a major strategic weapon in the 1980s. Between 3,500 and 7,000 of them would be carried by B-52 bombers, and possibly aboard adaptations of wide bodied jetliners.

Nuclear-armed versions are also being developed for ground, ship and submarine launching. Beyond that, defense officials are now looking at still another potential use in nonnuclear warfare

Last April a fillip was added to the computerized terrain "map" that guides the Tomahawk, one of two cruise missile types that will compete for the bomberlaunched role. It was a photo of a desert airstrip "target" that could be matched up with the actual view seen by an electronic eye in the missile's belly. Nicknamed "Smack" (for Scene Match-

ing Area Correlation), the photo system enabled the Tomahawk to zero in on the airstrip after an 800-mile flight with greater accuracy than ever before, dumping dummy bombs squarely across it.

It was the sort of precision bombing normally done by skilled fighter pilots. It brought raves of "remarkable" from senior officers. And it also started shock waves

Defense

among military power groups who remember President Carter's decision to cancel the B-1 in favor of cruise missiles.

'People who fly airplanes are nervous, said one source involved in the program, because it points to the direction of at least reducing their jobs, if not someday eliminating them."

As one example, the source said, there had been "quite a bit of support for the ground-launched cruise missile in the Tactical Air Command until some beancounters in (Defense Secretary Harold) Brown's office suggested they might replace two wings of F-111 fighter-

Far-reaching effects wouldn't involve the Air Force alone. Sources say the Navy, spearheaded by its senior weapons expert, undersecretary James Woolsey, is starting to look into using the small missiles with aircraft or possibly even launching them directly from aircraft carriers, a potential space and money saver.

The subject is sensitive enough that Woolsey declined to discuss it at a time when Congress is considering another large-deck supercarrier for the Navy. The Air Force's chief of staff, Gen. Lew Allen, isn't as reluctant.

Allen sees no wholesale threat to piloted planes, which fly much faster, do many jobs that include fighting other airplanes, and can be used more than once. But he also considers "massive" Soviet air de-fenses are now deadlier in Europe than the strategic attack route across the northem borders of Russia.

'If the defenses are heavy and we're going to be losing men and \$15 million airplanes, the expense of \$1 million cruise

missiles may not be so bad," he says. "The cruise missile is almost bound to find some regions of non-nuclear, tactical applicabil-

General Dynamics, maker of the To-mahawk, won't fly its missile in competi-tion with a model being built by Boeing until next year, and there are still unanswered questions about ground-launched

But cruise missiles are considered a sure enough bet that the company is already setting up a sprawling Detroit-style assembly line at a San Diego plant. It has also "borrowed" a giant B-52 bomber from the Air Force, taken it apart to bring indoors, and is now assembling it again to

test the air-launch system.

Close in the future, decisions loom in August on whether the ground-launched version may supplant the Army's Pershing

Further ahead, study work is being enemy harbors, fly reconnaissance runs, or carry a supersonic tip that would break

off at high speed to carry out a mission. The pilots are watching closely.

Argentine labor uniting

By JOHN REICHERTZ

United Press International
BUENOS AIRES, Argentina — Argentina's once-powerful labor force is moving to rediscover the unity and strength that it had found previously only under the guidance of one man, former President Juan

Peron's charisma lingers despite his death on July 1, 1974, and is playing an important role in the resurgence of labor. On the fourth anniversary of Peron's

death, 3,000 people gathered outside a church where a mass was held in his mem-

The crowd chanted "Viva Peron," "We Shall Return" and "Neither Yankees nor

Commentary

Marxists — Peronists" as labor leaders emerged from the church after the serv-

Police then intervened, bringing an abrupt end to the demonstration with tear

Before its end, however, the mass had brought together a diverse group of labor leaders who over the last 30 days have been increasing their contacts and activity in search of one goal: to bring unity to the

Argentine labor unions, once the most powerful in Latin America, have been hog-tied by anti-labor regulations ever since the armed forces ousted President Isabel Peron, Peron's widow, in March-

President Jorge Videla's government stripped labor of a wide variety of contract privileges won during the Peronist era, prohibited strikes and held wages down in its fight against the world's highest infla-

The General Labor Confederation, the 2.9 million-member congress that had been the citadel of Peronism, was given a military director.

Independent unions, at least those not affected by military intervention, have petitioned the government for the restoration of basic rights, wage increases and the

release of imprisoned union leaders and Isabel Peron, jailed since the coup.
Without the support of the Peronist

labor confederation, however, the independent unions represent at the most only 30 percent of the labor force and do not have the necessary backing to speak with

The International Labor Organization met in June at Geneva and the Argentine government went seeking to improve its image abroad.

Representatives of the Commission of 25, a group of the unions that have been forced to accept military directors, represented Argentina's labor sector at the

Labor Minister Horacio Tomas Liendo poke and promised a gradual return of labor rights

The first advance already has been made. Argentine labor is represented abroad by a labor organization that was not under government control and is recognized by the International Confederation of Free Trade Unions.

But at home labor is split into different factions. Col. Jose Hipolito Nunez, the military official in charge of the General Labor Confederation, on July 3 ordered an end to the unauthorized meetings being held by union leaders in their search for

The warning was issued because the meetings had begun to take on a definite "political tinge," labor sources said.

The warning also came two days before the Commission of 25 was to hold a meeting that was to have been followed by a news conference, a rare occurrence

A labor observer said recently that Argentine labor, if it manages to achieve unity, would find it only under the umbrella of the Commission of 25, the only organization with the freedom to truly represent labor.

For the moment, however, the government has indicated that it is still in control of labor and that when advances are made they will be advances that have been granted by the government, not won by





"HURRY... THE MICKEY MOUSE CLUB'S ON ..."

Jail doesn't end crime

By ED ROGERS United Press International

WASHINGTON - An ex-mobster being used by a Senate committee to expose organized crime says that going to prison did not stop his narcotics racket. It meant new customers — fellow inmates of the Atlanta Federal Penitentiary.

Gary Bowdach, 35, confessed murderer, arsonist, loan shark and bodyguard for a narcotics racketeer, told the Senate

Crime

Permanent Investigations Subcommittee smuggling and "contract murders" occur in prison as well as outside.

Bowdach, under a 15-year sentence for loansharking and a firearms violation, has been given immunity for crimes he confessed to since he began cooperating with authorities last fall.

Sen. Sam Nunn, D-Ga., says the subcommittee wants to learn what went wrong at the Atlanta penitentiary, where nine inmates have been slain since November 1976 — two of them apparently suspected of being police informants.

"Given the type of persons that com-

prise an inmate population, it is no doubt impossible to maintain an atmosphere free from fear, retribution and illegal ac-tivities," Nunn said.

"On the other hand, we must seriously question whether the Bureau of Prisons is doing all that it can to assure that all of our federal institutions are operated as effi-

ciently as possible."

Bowdach began cooperating with authorities because he feared a fellow inmate had a "contract" to kill him with a homemade knife — the way most of the other inmate victims died, a subcommittee staff report said.

As a result, the subcommittee has taken extra precautions to protect its chief source of new information about organized

crime operations.

Trained bomb-sniffing dogs check the big hearing room before each session, 60 police guard the area while Bowdach is testifying, and U.S. marshals sit with their backs to Bowdach as he testifies — his face turned away from cameras.

Top of the News

STATE

Jarvis to visit Texas

Howard Jarvis, who lobbied for successful passage of Propositi 13 in California, will make an appearance in Texas next week, the executive director of the Texas Taxpayers League said Wednesday Austin. Royal Massett said as many as 10,000 persons were expected to hear Jarvis speak Aug. 17 at the Tarrant County Convention Ceter at the invitation of the Taxpayers Association of Fort Worth.

Horse chow contaminated

A contaminated lot of Ralston-Purina's Horse and Mule Chow, which was linked to deaths of 14 horses, was recalled recently, the Food and Drug Administration in Washington said Wednesday. The lot, manufactured June 21 at a feed mill in Gonzales was distributed between June 21-30 only in southeastern Texas, FDA press office Nancy Glick said. FDA said the feed was contaminated inadvertently with monensin sodium, a drug which is highly toxic when fed to

Flash flood victim found

Bandera County sheriff's deputies Wednesday found the body of a 6-year-old girl, the 24th victim of last week's hill country flash floods Deputies said the young girl was identified by her parents as Lisa Torres of San Antonio. Torrential rains triggered by Tropical Storm Amelia sent the Medina and Guadalupe rivers over their banks last week, flooding nine hill country communities. Twenty-four persons died at Bandera, Center Point, Comfort and Kerrville. Four others remained missing.

NATION

Pregnant waitress loses job

Cynthia Logan, a 7-month pregnant topless-bottomless nightche waitress, has gone to court in Denver for motherhood and beauty in the eye of the beholder. Logan said Tuesday she filed suit to regain her job at Sid King's Crazy Horse Bar and to obtain compensation for the alleged violation of her rights as a woman. "What constitutes be at the control of the state of the control of the c beauty and sex appeal is a subjective matter," said Logan, 24. King, owner and manager of the downtown nude bar, said he dismissed Logan because he said she didn't look good. He also expressed a chivalrous concern for her condition.

Jury awards explosion survivors

A state district court jury in Cleburne Tuesday awarded \$900,00 in damages to 18 persons in connection with the 1973 chain-reaction explosion that killed four workers and injured 33 at the Gearhart Owens munitions plant. The suit was filed against Penguin Indus tries, a Pennsylvania firm which manufactured machinery used assemble hand grenade fuses at the Cleburne plant. "We think that probably there is an error in the verdict and probably we will appear it," said company attorney Rufus Garrett.

Tank explodes

An oil storage tank being repaired by a team of welders exploded outside Temple, Okla., Wednesday, killing three workmen and injuring two others. Cotton County Sheriff Paul McKown said the m were working in an empty slush pit and using an acetylene torda weld a line leading from a well to the tank about 40 to 50 feet from pit. "It was a real bad explosion," McKown said. "There wasn't ap fire, but they were killed instantly. It was just one of those things you hope you never see.

WORLD

Record gold value fixed

Gold was fixed at a record level of \$208.00 on the London bullion market Wednesday, up \$1.125 from the overnight close of \$206.875 That mark tops the previous record fix set on Aug. 1 by 50 cent Dealers reported active trading conditions as buyers, concerne about continuing U.S. trade deficits and worsening inflation, turned to gold because of the slump in the dollar's value. Shortly after the price was fixed the metal was trading in a range of \$208 to \$208.50.

Defection confirmed

Administration officials in Washington confirmed Wednesday that a high-ranking Romanian security officer, Lt. Gen. Ion Pacepa, ha defected and is in the United States. State Department spokesm were under instructions not to discuss the case and refused to con ment publicly. A West German newspaper, Die Welt, reported tha Pacepa disappeared 12 days ago while on a business visit to Cologne He contacted the CIA, according to the report, and administrati officials said he is now being questioned in the United States.

Cosmic chemists explain flu

The announcement, concerning the influenza epidemic that hi Britain last winter, came from two prominent astronomers, but it sounded more like the title of a science-fiction flick. They said, "I came from outer space." The London Daily Telegraph Tuesda quoted Prof. Fred Hoyle and Prof. Chandra Wickramasinghe at conference on cosmic chemistry at Gregynog, Wales, as saying statistical breakdowns of absenteeism from Welsh boarding schools during the epidemic showed the pupils caught the flu last year while in the open air and not in dormitories.

WEATHER

Partly cloudy and warm with slight thundershowers for this evening and Friday. High today in the upper 90s and lowin the mid-70s. South wind at 5 to 10 mph. Probability of rain 20% today and tonight and 30% Friday.

THE BATTALION

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