

order for the first time institutionalized the Federal Government's response to post-World War II energy shortages. Nixon assigned to the Federal Energy Office the task of allocating reduced petroleum supplies to refiners and consumers and of controlling the price of oil and gasoline. By January 1974 the Federal Energy Office had established a comprehensive allocation program, including gasoline, aviation fuel, propane, butane, residual fuel oil, crude oil and refinery yield, lubricants, petrochemical feedstocks, and middle distillates. Under the leadership of William Simon, former deputy secretary of the treasury, the office became the center for energy policy and planning at the White House. In this role the Federal Energy Office replaced the Energy Policy Office in gathering data, coordinating policy, and carrying out "Project Independence."<sup>12</sup>

Simon picked John Sawhill, formerly at the Office of Management and Budget, to be his deputy. Together they drafted personnel from energy offices throughout the federal establishment, the core of the staff being recruited from the energy office of the Treasury Department. Simon and Sawhill obtained staff from four offices at the Department of the Interior: Petroleum Allocation, Energy Conservation, Energy Data and Analysis, and Oil and Gas. They also received assistance from the Oil Import Administration in the Department of the Interior, the energy division of the Cost of Living Council, and Internal Revenue Service personnel who enforced allocation and pricing regulations.<sup>13</sup>

A Gallup public opinion poll released in January 1974 indicated that the administration's energy planners would have a difficult time convincing Americans that energy shortages were real. Although only 7 percent of Americans blamed the Arab nations for energy shortages, 25 percent blamed the oil companies, 23 percent criticized the Federal Government, 19 percent specifically held Nixon or his administration responsible, and 16 percent thought American consumers were at fault. Virtually no one believed that depletion

of national or worldwide petroleum reserves had contributed to the winter's crisis. Thus, as they fashioned emergency plans, Simon and Sawhill faced great public skepticism that identified the government itself as a major cause of the energy problem.<sup>14</sup>