



NIXON PRESIDENTIAL MATERIALS STAFF

Tape Subject Log (rev. 10/08)

Conversation No. 72-1

Date: September 10, 1971

Time: 10:13 am - unknown before 12:39 pm

Location: Cabinet Room

The President met with I[lorwith] W. Abel, Joseph A. Beirne, John H. ("Jack") Lyons, George Meany, Leonard Woodcock, Frank E. Fitzsimmons, [Joseph] Lane Kirkland, John B. Connally, James D. Hodgson, George P. Shultz, Arthur F. Burns, Paul W. McCracken, and Willie J. Usery, Jr.; Ronald L. Ziegler and photographers were present at the beginning of the meeting

[General conversation/Unintelligible]

Program

The economy

- Phase I, forthcoming Phase II
 - Herbert Stein's group
 - Objectives
 - Meetings
 - Formal consultation
 - Congress
- Workable solutions
- Form, extent, duration of Phase II
- The President's role
 - Development of follow-up program
 - 90-day freeze
 - Consultations
 - Schedule and time span
 - Business group
 - Agriculture group
 - Congressional group
 - Consumer groups
 - Cost of Living Council
 - Deadline
 - Span
 - General consultations
 - Ideas
 - Cooperation necessary
 - Government sanctions
 - Freeze
 - Preferable program

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- Necessity of consultation
- Effectiveness of present meeting
 - Notes of meetings
 - Labor views
 - Business views
- Public view of freeze
 - Labor leaders' view
- Suddenness of freeze imposition
 - Effect on prices
- Board or councils
 - Rules and regulations
 - Future policy
 - Announcement of future action
- Wage price controls
 - Permanent versus temporary imposition
- Free collective bargaining
- Free market system
- Flexibility of policy
 - Voluntary compliance
 - Minimum government compulsion
- Informal consultations
 - Standards
- Government sanctions and controls
 - Present situation
 - Opposition of wage-price control
 - Exceptions to action
 - Government sanctions
 - Effectiveness of voluntary action
 - Examples
 - Steel company
 - Price raise and government action
 - Construction
 - Davis-Bacon Act
 - Stockpiles
 - Jawboning
 - Labor and business leaders
 - Wage-price controls
 - Bargaining
 - Economic patterns and areas
 - Voluntary action
 - Free market
 - Freeze

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- War Labor Board example
 - Duration
 - Policies
 - Labor
 - Management
 - The President's role
 - Pledge
 - Labor
 - History of War Labor Board
 - Voting
 - Unanimity
- December 1941
 - National Defense Mediation Board [NDMB]
 - Pearl Harbor attack
 - US reaction
 - Franklin D. Roosevelt
 - Frances Perkins
 - Labor and management
 - Will Davis
 - Vice Chairman, NDMB
 - Moderator of meeting with Elbert D. Thomas of Utah
 - Meeting in Federal Reserve building
 - Burns
 - Rules and regulations
 - Letter to Roosevelt
 - Subjects
 - No strikes, lockouts during the war
 - Settlement of disputes by agency
 - Roosevelt's role in issuing executive order
 - Roosevelt's response
 - War Labor Board
 - 12 members
 - Presence of government officials
- Fringe benefits
 - Effect on inflation
- Decisions with voluntary method
 - Comparison with controls
 - Views of industry and labor

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- Present economic situation
 - Phases I and II
 - The President speech, September 9, 1971
 - Limits of Phase I
 - Follow-up
 - Government control
 - Sanctions
 - Need for discussion
 - Price control
 - Internal Revenue Service [IRS]
 - New York City
 - Extent of price control
 - Success of voluntary methods
 - Labor's cooperation with the President
 - Control of business and labor
 - Increase of productivity
 - Interest rates
 - Effect on inflation
 - Equitable nature of possible action
 - Deferred wage increases
 - Legal contract
 - Binding nature
 - Public interest
 - Money supply
 - Inflation
 - Amount of products versus money
 - Voluntary controls versus government controls
 - Strikes
 - History
 - Effect of wartime situation
 - 1941
 - Cessation of strikes
 - Korean war period
 - Guidelines
 - Handling of strike issues
 - World War II
 - Wage and price control
 - IRS
 - Employees
 - The public's view
 - Cooperation of construction industry
 - Trade

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- Management's view of the future
- West Coast strike
 - Employees, operators
 - Issues
 - Independent contractors
 - California
- Phase II
 - Situation
 - Machinery involved in freeze
 - Inequities
 - Duration of freeze
 - Public acceptance
 - Comparison with end of World War II
 - Phase II
 - Christmas 1971
 - Construction industry stabilization program
 - Lyons
 - Stability of program
 - Executive order
 - Effect of wording
 - Relief of inequities
 - Production of inequities
 - Labor management group
 - Voluntary nature
 - Labor Department building
 - Wage Stabilization Board
 - Court orders
 - World War II programs
 - War Labor Board
 - Owensboro, Kentucky plant
 - Wages paid employees
 - Flexibility
 - Establishment of Wage Stabilization Board
 - James F. Byrnes
 - 1972
 - Forthcoming wage settlements
 - Automobile workers, steelworkers, railroads, coal industry workers, longshoremen
 - Airline employees and aerospace workers
 - Oil workers
 - Tripartite nature of action
 - Voluntary cooperation

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- Cost of living protection
 - Cap
- Automobile prices
 - Hodgson, Shultz
 - Edward N. Cole's speech in Philadelphia
 - General Motors
 - 1945-65
 - Productivity, labor costs
 - Automobile price increases
 - Wage price increases
 - Contracts
 - Ground rules post-November 14, 1971
 - Personal savings
 - Handling by the public
 - Contracts
 - Initial versus successive years
- Price guides
- "Meet the Press"
- Phase I
- Contracts
- Federal Mediation and Conciliation Service [FMCS]
- Government sponsorship
- Phases I and II
- Enforcement machinery
- Price review board
 - McCracken's comments
- Productivity
 - Prices, wages
- Organizational structure or form
 - Tripartite board
 - Status of automobile industry
 - Wages versus productivity
- Post-November 1971 phase
 - Steelworkers
 - Cleanup operation
 - Grievances
 - Steel
 - Recent negotiations
 - Court
 - Freeze
 - 1946
 - Philip Murray

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- Strikes
 - Editorial in *Life* magazine
 - [Forename unknown] Berle
- Steel industry
- Wage and price increases
 - Inequities
 - 1968 agreement
 - Productivity improvements
 - Arbitration
 - Will Sinton [?]
 - Steelworker benefits
 - Effect of Phase I and II action
 - Productivity goals
- Railroad development
 - Archaic work rules
- Wage-price freeze
 - Duration
 - Phase II
 - Examples in Washington, DC
 - Printing industry
 - Washington Post* labor action
- Voluntary and tripartite approach
 - World War I
 - Preordained formula
 - Congress
 - Executive order
 - Guidelines
 - Bureaucracy
- Non-organized industries
- World War II examples
- Wages, salaries, executive compensation
- Prices
- The President's August 15, 1971 speech
 - Policing by consumers
- Executive order
- Interests of different groups
 - Universities
 - [Forename unknown] Davies [?]
 - George Taylor Martin [?]
- James P. Mitchell's tenure as Labor Secretary
- [Walter W.?] Heller
 - Effect of guidelines set

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- Bureau of Labor Statistics
- Contracts
 - Cost of living
 - Executive order
- Difference between formula and objective
- Present objectives
 - Moderation of inflation
 - Control of wages, salaries, compensation
- World War I
- World War II effects
- Korea effects
- Effects of set formulas
- Cost of living increases
- Airlines, machinists
- Missile Sites Labor Commission
- The administration's instructions to public members
- Construction of stabilization machinery
 - Executive order
 - Deferred increases
 - Commission's role
 - Contractors
 - Renegotiations
 - Kansas City settlement
 - Connecticut
 - Meany
- Trade unions
 - Clause in the President's executive order
 - Deferred wages
 - Commission's authority
 - Situation
 - Abel
 - Woodcock
 - Consumers
 - Renegotiation clauses
 - Freeze
 - Cost of living increases
 - Management
 - Establishment of price and rate structure
 - Wage increases
 - Price levels
 - Industry
- Effect of contracts

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- Non-organized workers
 - Low paid industries
 - Grievances
 - Company unions
 - The South
 - Freeze
 - Results
 - Wage settlement
- World War I
- Phase II
 - Length of time
 - 1971
 - Projected working of program
 - Public acceptance
 - High prices
 - Inflation
 - Relation to reality
 - Productivity
 - Salaries
 - Unions and stable prices
 - Free market, collective bargaining
- Shultz
 - Howard W. Johnson
 - Automobile industry
 - James M. Roche
 - Meany
 - Issues with automobile industry
 - Automobile as utility
 - Regulation
- Controls
 - World War I
 - Wage stabilization
 - Korea
- Freezing of wages and prices
- Voluntary moves
 - Free enterprise
- Deferred wage issue
- Industry
 - Price increases
 - Anticipated wage increases
- Need of cooperation
- Equitable and voluntary system

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- Wages and salaries
- Interest rates
 - Capital Controls Act
 - Treasury Bills
 - Three-year notes
 - Decrease
- Controls
 - Need to decrease interest
 - Prices, rents, interest
- Interest rates
 - Burns
 - Controls
 - Banking analogy
- Government controls
 - Extent
 - Permanent system
 - Voluntary controls
 - US wage and price control system
 - US public's view
 - Wage and price controls
 - World War II era Office of Price Administration [OPA]
- Rising cost of living since 1969
 - Effects
 - Majority consensus for wage and price controls
- Economy's future
 - Public demand
- Effect of election on public
- Congress's view
 - Actions on majority view
- Control's effects
- Accomplishment of result
 - Convincing public of results from action taken
- Voluntary cooperation
 - Labor
 - Business
 - Pacesetters
 - Major businesses and labor
- Time table
 - Submission of views of group
 - October 1
 - November 13, 1971 expiration date
 - Phase II

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- Guideline
- Mechanism for handling control
 - Government board
 - Ordinances
- Consultation
 - Labor, business, Congress
- Implementation of Phase II
 - Announcement
 - Need for time lag for preparation

[General conversation/Unintelligible]

The President left at 12:12 pm; Abel, *et al.* left at an unknown time before 12:39 pm

Conversation No. 72-2

Date: September 10, 1971
Time: Unknown between 12:12 pm and 12:39 pm
Location: Cabinet Room

Unknown men met

BEGIN WITHDRAWN ITEM NO. 1

[Non-historical]

[Duration: 9m 1s]

END WITHDRAWN ITEM NO. 1

Recording was cut off at an unknown time before 12:39 pm