Date: January 3, 1972
Time: 3:40 pm - 4:44 pm
Location: Cabinet Room


[Recording begins while the conversation is in progress]

Congress

John B. Connally
   -Schedule and role

Political decisions

The President’s January 5, 1972 speech in California

The US economy
   -Gold crisis
   -Volcker
   -Congress
      -Beginning of new session
      -The President’s State of the Union address on January 20, 1972
      -Time factor
      -Bill to be submitted to Congress
      -Russell B. Long
      -International negotiations
         -The price of gold
         -Trade
         -Quotas
         -Price of gold
      -Congress’ understanding of the issue
   -Congressional hearings
      -Gold, trade linkage or separation as issues
      -Legislative bill
         -Negotiations
         -Delays
      -Grain prices
         -Markets in Europe
- The President’s expectations
- Trade bill
  - Introduction in Congress
    - Latter part of January, early February
  - Congress
  - Complexity of bill
    - Price of gold
  - Introduction after convening of Congress
  - Congressional leadership
    - Meeting with European leaders week of January 10
    - Briefing by administration official
- Strategy
  - Congress
  - Congressional staff
- Complications regarding introduction
  - First week in February
- Effect on financial markets
  - Newspaper stories
  - Wall Street
  - Introduction of trade bill
    - Middle of February
- Grain and wheat
- Tobacco
- Negotiations
- February
- Stockpiling
- Re-valuation
- Trade bill
- Midwest
  - Reaction to trade action
- Grain, wheat
  - $4 billion in subsidies

Trade bill

[To listen to the segment (7m10s) declassified on 02/28/2002, please refer to RC# E-573.]
NIXON PRESIDENTIAL MATERIALS STAFF

Tape Subject Log
(rev. 10/08)

-US trade bill
  -Reaction of Congress
  -Submission to Congress
-Revenue sharing
-Health legislation
-Wilbur D. Mills
  -Ways and Means Committee
  -Congressional recesses
-US trade bill
  -Congressional deliberations
  -Meeting scheduled for January 4, 1972 with Volcker, Rogers, and others

*****************************************************************************

Latin America

[To listen to the segment (41s) declassified on 02/28/2002, please refer to RC# E-573.]

*****************************************************************************

-Congress
  -Ways and Means Committee
  -House of Representatives
  -Senate
  -US trade bill
-Japanese
  -Criticism
-Mills
  -Forthcoming meeting
-Administration’s handling of legislation
-Meeting with Volcker, Peterson, Connally
-US trade bill
  -Cost of Living Council
  -Comprehensive nature
  -Vance Hartke labor legislation
  -Export promotion
  -Jobs
  -Technological development
  -American competition
- Hartke labor bill
- David M. Kennedy round of trade negotiations
- International trade
  - Long-term goals
  - Short-term goals
  - Politics
    - Money markets
- The President’s State of the Union message
  - Economic statement
  - Protectionism
- The business community
  - In America
  - In Japan
  - Connally
  - Sources of raw materials
- “New Economic Policy”
  - Jobs, international monetary situation
  - Inflation
  - Wage-price freeze
  - Shultz
    - Budget
- US economic policy
  - Short-term goals
  - Role for Connally
  - Domestic expansion
- Exports
  - Jobs
  - 1973
  - Trade
    - Japanese
    - Items
- Volcker and Peterson
  - Informing Connally of issues and politics discussed
- Trade negotiations
  - Announcement
    - Gerald L. Warren
    - Eberle’s report on negotiations with Europeans

[General conversation/Unintelligible]

The President left at 4:44 pm
Conversation No. 87-2

Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Unknown men met

******************************************************************************
BEGIN WITHDRAWN ITEM NO. 1
[Non-historical]
[Duration: 5m 5s ]

END WITHDRAWN ITEM NO. 1

******************************************************************************

The unknown men left at an unknown time before 2:45 pm, January 20, 1972

Conversation No. 87-11

Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Unknown men met

Audio-visual equipment

The unknown men left at an unknown time before 2:45 pm, January 20, 1972
Conversation No. 87-3

Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Unknown people met

Cabinet Room
- Seating arrangements
- Cabinet meeting
- President, Vice President
- Unnamed book
- Photographers
- Lighting in the Cabinet Room
  - Effect on photography

State Dining Room
- The President’s signing of the Cancer Bill, December 23, 1971

Cabinet Room
- New table, old table, rug
- President
- Paintings
  - Availability for White House office use

The unknown people left at an unknown time before 2:45 pm, January 20, 1972

Conversation No. 87-4

Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Unknown men met
BEGIN WITHDRAWN ITEM NO. 1
[Non-historical]
[Duration: 9s]

END WITHDRAWN ITEM NO. 1

******************************************************************************

The unknown men left at an unknown time before 2:45 pm, January 20, 1972

Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Unknown people met

Cabinet Room
  -Seating arrangement
    -The President, Vice President
  -Table, chairs
  -Seating arrangement
    -Cabinet Secretaries
      -Stag Party in the White House
      -Presentation of chairs as gifts to departing Cabinet members
    -Cabinet meeting
    -Table

The unknown people left at an unknown time before 2:45 pm, January 20, 1972

Conversation No. 87-5

Conversation No. 87-6
Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Unknown men met

**************************************************************
BEGIN WITHDRAWN ITEM NO. 1
[Non-historical]
[Duration: _1m 10s_]  
END WITHDRAWN ITEM NO. 1
**************************************************************

The unknown men left at an unknown time before 2:45 pm, January 20, 1972

Conversation No. 87-7

Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Unknown people met

Cabinet Room
-Table
-Presidents
-Seating arrangement
-Preseident
-Secretaries
-Ownership of chairs
-President’s chair
  -Lyndon B. Johnson
    -Call buttons by his chair
      -Soda
      -Service request button
    -Cabinet Secretaries

Portraits

The White House Rose Garden
  -Wedding

The unknown people left at an unknown time before 2:45 pm, January 20, 1972

Conversation No. 87-8

Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Michael J. Farrell met with unknown people

  Cabinet Room
    -Seating arrangement
      -President
      -Vice President
      -Secretaries

  White House Rose Garden
    -Wedding
      -Tricia Nixon Cox and Edward R. F. Cox
      -President’s use

  Cabinet Room
    -Decor
    -Secretaries
    -Telephones

Farrell left at an unknown time before 2:45 pm, January 20, 1972
- The Secretary of the Treasury
  - John B. Connally
- Farrell
- Unknown Individual
  - Ambassador
  - Europe

[Unintelligible]

An unknown man entered at an unknown time after 4:44 pm, January 3, 1972

Identification
- Farrell
- Schedule

The unknown man left at an unknown time before 2:45 pm, January 20, 1972

BEGIN WITHDRAWN ITEM NO. 1
[Non-historical]
[Duration: 3m 33s]

END WITHDRAWN ITEM NO. 1

David N. Parker entered at an unknown time after 4:44 pm, January 3, 1972

Introductions

The President’s office

Parker left at an unknown time before 2:45 pm, January 20, 1972; the unknown people left at an unknown time before 2:45 pm, January 20, 1972.
Conversation No. 87-9

Date: Unknown between January 3 and January 20, 1972
Time: Unknown between 4:44 pm, January 3 and 2:45 pm, January 20, 1972
Location: Cabinet Room

Unknown people met

BEGIN WITHDRAWN ITEM NO. 1
[Non-historical]
[Duration: 33s ]

END WITHDRAWN ITEM NO. 1

The unknown people left at an unknown time before 2:45 pm, January 20, 1972

Conversation No. 87-10

Date: January 20, 1972
Time: Unknown between 2:45 pm and 11:59 pm
Location: Cabinet Room


[General conversation/Unintelligible]
The President entered at 3:05 pm

Appreciation of the President
   - Members of the Cabinet

Meeting agenda
   - US economy
     - Stein
       - Fourth quarter
     - Rumsfeld
     - Connally

US economy
   - Fourth quarter of 1971
     - 1971
       - Gross National Product [GNP] increase
         - Figure to be released January 21, 1972
       - Unemployment rate
       - Consumer Price Index [CPI] for December
         - Increase
           - Figure to be released January 21, 1972
       - Prices of industrial commodities
       - Civilian employment increases
       - Economic report
         - Recovery of economy in 1972
   - Fiscal policy
     - Expected returns
   - CPI increase
     - Magnitude
     - Inflation rate
     - Food price increases
       - Price controls
   - Cost of living
     - Wages
     - CPI
       - Magnitude
   - Employment figures
   - Unemployment rate
     - January, February, October
     - Method of computation
     - New jobs created per year
     - Influx of young job hunters
- New jobs created
- People entering job force each year
  - Married women
- The President’s conversation with Connally about unemployment
  - Unemployment
  - 1960s
    - John F. Kennedy administration
    - Unemployment rate
  - Political effects
  - Bureau of Labor Statistics breakdown of unemployment rate by categories
    - Married and unmarried men
    - Heads of household and unmarried women
    - Women
- Los Angeles Times
  - Job openings
- Jobs people don’t want
- Eighteen-year-olds in the labor force
- Married women in the labor force
- US population
- Increases in wages
- Family income
- Commerce Department
- Council of Economic Advisors [CEA]
- Comparison of current employment rate figures with ten years ago
- Want ads
- Rural America
  - Wages
  - Pockets of high unemployment
  - Unemployment rate in Birmingham, Alabama
  - Working women whose husbands are working
  - Computation of unemployment rate
    - Ten, fifteen years ago
- Connally
  - Definition of problem
- Young people
  - Minimum wage
- Points of view on unemployment
- Farm
- Labor
- Congress
- Business
-Young people
  -Leaving school
-Unemployment rate to be reviewed in a month
-Unemployment in various parts of the country
  -Midwest
  -Southern California
  -Texas
  -Florida
  -South
-Components of the unemployment figures
  -Voluntary unemployment
-Computation of the unemployment rate
-Number of Federal government workers
-Vietnam veterans
-Planning a meeting on unemployment
  -Commerce Department
  -Labor Department
  -CEA
  -Agriculture Department
  -Department of Health, Education, and Welfare [HEW]
  -Department of Defense [DOD]
-The Pay Board and the Price Commission
  -Regulations
    -Public reaction
  -Wages
  -Rental units
  -Retail establishments
  -Inflation
  -Internal Revenue Service
  -John Kenneth Galbraith
  -Congress
    -Working poor
  -Transportation industry
    -United Airlines
    -Labor contracts
-Judge George H. Boldt
-Connally’s remarks to businessmen
  -Response of businessmen
-Price controls
  -Duration
-Agriculture
-Controls
-Purpose
-Management
-Cost of Living Council
-Direct and indirect
-Time limits
-Dock strike
-Transportation
-Congressional legislation
-Organized labor
-Railroads
-Ships
-Docks
-Dock strikes

US Budget
-Deficit
-Size in fiscal year 1973
-Prosperity
-Inflation
-Deficit
-Size in fiscal years 1972 and 1973
-Last three years of the Lyndon B. Johnson administration
-1972 deficit
-Full employment budget
-Outlays
-Revenues
-Fiscal year 1973
-Full employment
-Outlays
-Inflation
-CPI figures
-1969 to the present
-Inflation
-Unemployment
-Decline in military personnel
-Civilian defense industry
-Wages
-Defense budget
-Revenue sharing
-The President’s State of the Union address
-The President’s budget message
-Tax rate
-Changes
-Effect on government revenues
-1976 increase in Social Security taxes
-Congress
-Tax reduction
-Galbraith
-Discretionary items in the government budget
-DOD budget
  -Increases
  -Congress
  -Edward M. (“Ted”) Kennedy
  -Strategic forces
  -Military personnel
  -Defense industry
  -Unemployment
    -Wages
    -Productivity
  -Congressional reaction
-Research and development outlays
  -Civilian
  -Military
  -Trends
-Resources for urban transportation
  -Highways
  -Mass transit
  -Airways
  -Congress
  -1973 outlays
  -Nelson A. Rockefeller’s comments about mass transit
  -Volpe
    -House appropriations committee
-Defense budget
  -1968 budget proportions
  -1973 budget proportions
-HEW budget
  -Size
    -Social Security benefits
-Defense budget
-HEW budget
  -Welfare
  -Medical
    -Price increases
-CPI
-Food aid to the needy
  -Food stamps
-Starving children
  -School lunches
    -Problems with the government program
  -Middle class families
  -Hubert H. Humphrey
-Hospital
-Congressional reaction
-Vietnam veterans
  -Medical care
  -Service connected disabilities
    -Benefits
-Drug addiction
  -Crime reduction
    -Law enforcement
    -Treatment, rehabilitation, and education
-Arrests
-Environment
  -Government spending in 1962, 1964, 1966
  -Pollution control
    -Rivers
    -Harbors
    -Dams
-Civil rights
  -E. M. Kennedy
  -Comments by Richardson
  -Food stamps
    -Number of recipients
-Jobs to minorities
  -1969, 1971
  -Federal government
-Deficit
  -Office of Management and Budget [OMB]
  -Economic expansion
  -Creation of jobs
  -Directors of OMB
-Budget analysis
  -Six-month comparison
  -DOD
  -Outlays
- Fiscal policy tools
- Spending all monies allotted in budget
  - DOD
- Secret message from the President to department heads
- OMB
- Fiscal policy
  - Spending all monies allotted in budget
- 1973 budget
  - Leap year
  - Gross outlays
- 1972 budget
- 1973 budget
  - Effects on the economy
  - Deficit
  - Increase in spending
    - Shortfall
  - Full employment revenues
    - 1972 budget
    - Full capacity
    - Balanced budget
    - Tax revenues
- Spending all monies allotted in budget
  - Fiscal policy
    - Monetary policy
    - Full capacity economy
    - Government budget deficit
    - Full employment
    - Deficit
    - Full capacity economy
    - OMB production of monthly report on expenditures from government departments
- Taxes
- Deficit
- Inflation
- Explanation of budget to the public
  - *Monday* magazine
- Food stamps
  - Revelation of amount spent by the administration
- Environment
- Civil rights budget
  - Increases
- Children
-Nutrition
-Spending

The President’s schedule
-Departure for another meeting
-Dinner party

The President’s appreciation of his staff and Cabinet

1973 government budget
-Deficit
-Shultz
-Weinberger
-Spending policy

The President left at 4:50 pm

[General conversation/Unintelligible]

Recording was cut off at an unknown time before 11:59 pm