Conversation No. 649-1

Date: January 17, 1972
Time: 3:46 pm - unknown before 6:38 pm
Location: Oval Office

The President met with Rose Mary Woods.

The President's schedule
- Cabinet dinner, January 20, 1972
  - Seating
  - Protocol
- Tables
  - Shape
  - Cabinet officers, White House staff, former Cabinet members
- Seating
  - The President's table
    - Kathleen (Carmoody) Stans
    - Sally Peterson
    - Maurice H. Stans
    - Thelma C. (“Pat”) Nixon
    - Protocol
  - Cabinet officers
    - The President's table
      - Smoking
      - Kathleen Stans
      - Sally Peterson
      - Martha Love (Woods) Hardin
      - Clifford M. Hardin
      - Maurice Stans
      - White House staff
    - Protocol
      - Cabinet
        - William P. and Adele (Langston) Rogers
        - Melvin R. and Barbara Laird
        - John N. and Martha (Beall) Mitchell
      - The President's table
        - Martha Mitchell
        - John Mitchell
        - Forthcoming resignation
          - Timing of announcement
        - John Mitchell
-Martha Mitchell  
  -John Mitchell's resignation  
  -Mrs. Nixon's views  
  -Reception in White House family quarters

BEGIN WITHDRAWN ITEM NO. 1  
[Personal Returnable]  
[Duration: 42s]

END WITHDRAWN ITEM NO. 1

-Woods’s forthcoming talk with unknown person  
-The Hardins  
  -Clifford Hardin's resignation  
  -Timing

Clifford Hardin  
  -Resignation  
    -Christmas  
    -Ford's Theater event  
    -Woods's attendance  
    -Patricia R. and Robert J. Hitt's attendance  
    -The Hardins  
      -Reception

The President's correspondence  
  -Allen S. Drury  
  -Don Shula  
  -Herbert Hill  
    -Previous correspondence  
    -Articles  
    -Previous relationship with the President  
    -Form of address  
    -Articles
-Views of Mrs. Nixon, Tricia Nixon Cox and Julie Nixon Eisenhower

Manolo Sanchez entered at an unknown time after 3:46 pm.

Refreshment

Sanchez left at an unknown time before 3:55 pm.

Cabinet dinner
- Arrangements
  - Woods
    - Lucy A. Winchester
    - Thelma C. (“Pat”) Nixon

Dinner for DeWitt and Lila (Acheson) Wallace, January 28, 1972
  - Musical entertainment

H. R. (“Bob”) Haldeman entered at an unknown time after 3:46 pm.

  - Lawrence Welk
  - Ray Conniff
  - Army Chorus
    - Possible selections
      - Medleys
    - Members

Woods left at 3:55 pm.

The President's forthcoming speech on Vietnam peace plan
  - William L. Safire's work
    - Henry A. Kissinger's view
    - Kissinger’s draft
      - Length
    - Television presentation
      - Kissinger's view
      - Kissinger's role in negotiations
        - References to Kissinger in draft

Speechwriting
  - The President's efforts
    - Raymond K. Price, Jr.'s work
- The President's method
  - Compared with Franklin D. Roosevelt's method
- Kissinger's and Price's effort on the President's speech
  - Substance compared to form
- The President's method
  - Outline
    - Price's reworking
  - Compared with Roosevelt's method
    - Draft from speechwriters
    - The President's State of the Union addresses
    - Fireside chats
    - Campaign speeches
- Speechwriters' methods
  - Cabinet Room
    - Samuel I. Rosenman
    - Robert Sherwood
    - Harry Hopkins
    - Interaction with Roosevelt
- Foreign policy

The President's schedule
  - Meeting with John B. Connally
  - Meeting with Arthur F. Burns
    - Pay Board
    - Connally's and George Shultz's views
    - The President's State of the Union Address

Stephen B. Bull entered at an unknown time after 3:55 pm.

Connally's arrival

Bull left at an unknown time before 4:05 pm.
Connally entered at 4:05 pm

Greetings

Seating arrangements

Oval Office furnishings

Connally's European trip
  -Reception

Sanchez entered at an unknown time after 4:05 pm.

Refreshment

Sanchez left at an unknown time before 6:33 pm.

European meeting
  -Progress
    -William D. Eberle's talk with Paul A. Volcker
    -Eberle’s schedule
      -Forthcoming meeting with Connally
    -Japanese
    -Grain Pricing
      -As issue
      -Price increase
- US position
- Devaluation of dollar
- Citrus and tobacco
- Japan

Peter G. Peterson

Burns
- Possible meeting with the President
  - Connally's views
  - Connally's possible participation
- Pay Board
- Spending ceiling
  - Burns's conversations with Volcker and George P. Shultz
  - Congressional action
    - The President's State of the Union address or budget message
    - Deficit
- The President's previous record
- State of the Union address
- The President's budget message
- Shultz
  - Forthcoming talks with Connally and Haldeman
- Timing
  - Congress
- Deficit
- Scheduling

The President's schedule
- State of the Union address
- Meeting with Burns
- Safire's draft
- Connally's schedule
- Meeting with Burns
  - Connally
  - Herbert Stein and Shultz
- Quadriad
  - Schedule for meeting, January 26, 1972
    - Timing
    - Burns
  - Troika
  - Budget and economic messages
-Connally's schedule
-[Barend W. Biesheuvel]
-Photograph
-Publicity

-Burns

Economy
-Money supply
-Interest rates
 -Prime rate
 -Short term Treasury Bills
 -Refinancing
 -Long term compared to short term loans
-Prime rate
 -Hubert H. Humphrey
 -Banker's Trust
 -First National Savings
 -Compared to 1964
-Money supply
 -December figure
 -Connally's conversation with Burns, January 15, 1972
 -Burns's meeting with Open Market Committee
   -Increase of money supply
 -New Federal Reserve Board [FRB] member [John E. Sheehan]
   -Compared with other members
   -Connally’s and the President’s view
   -Possible relationship with administration

Peterson
-Secretary of Commerce position
-Announcements
 -Stans's resignation
 -"Council for Competition" idea
   -The President’s view
   -Possible effect on confirmation
 -Stans
 -Connally's knowledge
 -Peter M. Flanigan
-Work with James D. Hodgson
-Unemployment issue
 -Speeches across nation
- Compared with west coast operation
  - Unknown man from Pennsylvania
  - Reorganization plans
  - Compared with Stans's work with Hodgson and Shultz
  - Hodgson's view

Unemployment
  - Criticism of administration actions
    - Compared with inflation issue
    - Humphrey
  - John F. Kennedy administration
    - Studies
    - Administration strategy
      - Arthur J. Goldberg's previous actions as Secretary of Labor
  - Combined effort by Commerce and Labor Secretaries
  - State of the Union address draft
    - Connally's perusal
    - Statistical analysis
      - "Outlook" column in *Wall Street Journal*, January 17, 1972
      - Connally's and Peterson's views
      - Current figure
        - Application of monetary or fiscal action
        - Social compared to economic problem
          - Employment of young people
            - Universal service
        - Peterson's possible role
        - Categories
      - Peterson's role
  - Work by Peterson and Hodgson
    - Stein and Council of Economic Advisors [CEA]
  - Commerce Department
  - Labor Department
  - Employment offices
  - Possible meeting
  - Shultz
  - Forthcoming administration actions
    - Connally's coordination
      - Hodgson
      - Director of Census Bureau [George Hay Brown]
    - Shultz
    - Study
- Publicity
  - Connally's coordination
    - Hodgson
    - Peterson
  - Commerce and Labor Departments
  - Employment offices
    - Statistics
    - Possible meeting with the President
  - The President's schedule
    - Peterson
    - Forthcoming People's Republic of China [PRC] trip

Economy
  - International economic policy
    - Peterson
      - "Camp David operation"
    - Flanigan
      - Conversation with Haldeman
    - Council on International Economic Policy [CIEP]
      - Role
        - Monetary and trade policy
        - Secretary of Treasury
        - Volcker Committee
        - Implementation and execution
        - Shultz's and Kissinger's view
        - Connally’s control
          - State and Commerce Department
        - Connally’s role
        - Flanigan’s talk with Connally
        - Monetary compared to economic policy
        - Economic policy
          - Military and political policy
        - Peterson's previous actions
          - Monetary policy
        - Trade compared to monetary policy
          - Treasury Department role
          - State Department role
          - Ash Council
            - Roy L. Ash
        - Trade
          - Balance of payments problems
-Defense Department
  -Laird's actions
    -Offset agreements
      -Effect

-Monetary policy
  -Flanigan’s talk with Connally
    -Treasury Department
    -CEA
    -Kissinger
    -Shultz
    -State Department
    -Peterson
    -FRB
  -Diplomatic policy impact
    -State Department
    -Trade
      -Balance of payments

-Realignment
  -Responsibility
    -Treasury Department

-Connally's cable during European trip
  -State Department's actions
    -Nathaniel Samuels
    -Volcker's and Connally’s calls
    -Rome meeting
    -Finance Ministers of France, West Germany, Great Britain
      -Trade representatives
      -Samuels

-Flanigan

-Peterson
  -Relations with Connally

-Monetary policy
  -Secretary of Treasury
    -Peterson's role
      -Currency realignment
      -Possible meeting

-Need for expertise
  -Burns

-Need for unity
  -Gold prices
  -Currency realignment
- Absence
  - Effect on negotiations
- Georges J.R. Pompidou's view
  - Private agreement
    - Announcement
      - Possible effect on French exchanges
        - Speculation
- Peterson, Burns and Shultz
  - Flanigan
  - Speechmaking
    - Flanigan
      - Compared to Peterson
- Connally's role
  - Negotiations
- Need for unity
- Treasury Department role
- Flanigan
- Treasury Department role
  - 1971
    - Rogers
    - Trade
      - Burden-sharing
    - Defense and State Department
      - Rogers and Laird
    - The President’s approval
- Trade
  - Cordell Hull
    - State Department
  - Commerce Department
  - Treasury Department
  - Eberle's role
    - The President
    - State Department
    - Special Trade Representative
    - Congressional statute
      - Independence from State Department
  - Powers
  - Delegation of responsibility to Connally
    - Monetary policy
    - Philosophy
    - Eberle
- Commerce Department
- State Department commercial representatives
  - Rogers
    - Contact with Connally
    - Contact with Stans
    - Future contact with Peterson
- Treasury Department
  - Monetary crisis
  - Secretary of State
  - The President
  - David M. Kennedy
  - Connally's role
    - Monetary policy
    - Burden-sharing
    - National Security Council [NSC]
- Eberle
  - Negotiations
- Meeting with Japanese at San Clemente
  - Kakuei Tanaka
    - Eberle
    - Stans
    - Conversation with Eberle
      - Connally
      - Stans
    - Mikio Mizuta
    - Europeans
- Talks with Connally
  - Monetary policy
  - Revelation of intentions
- US unified position on trade
  - Eberle
  - Peterson
  - Samuels
  - Eberle
  - Connally
    - Authority
      - Peterson
  - Meetings with the President
  - Flanigan
    - Role
- CIEP
-Trade
  -Jurisdiction
    -Treasury compared to State Department
  -CIEP
  -Chairmanship by the President
    -Rogers
      -Vice chairmanship
    -Organization
      -Meetings
    -Vice President Spiro T. Agnew
    -Peterson
  -Commerce Department
    -Reorganization
      -Prospects
  -State Department
    -Reorganization
      -Under Secretary for Economic Affairs
        -Rogers
        -Flanigan
        -Possible role
        -Embassies
        -Commerce Department
  -CIEP
    -Flanigan
    -Chairman
      -Appointment by the President
      -Delegation of authority
        -Connally
          -Treasury Department
          -Paper
          -State Department
    -Role
      -Flanigan
        -Desire for job
        -Frederic V. Malek
        -Relations with Connally
          -Staff for Connally in White House
        -Relations with State Department
      -Restructuring of State and Commerce Departments
        -Timing
        -1972 election
-State Department
  -Flanigan
  -Responsibility for economic matters
    -Monetary policy
    -Treasury Department
    -Commerce and State Departments
  -Rogers
  -Flanigan's role
    -Reorganization
      -Connally’s forthcoming talk with Flanigan
  -Flanigan
    -Efficiency
    -Compared with Peterson
    -Loyalty
    -Relations with Connally
    -Commerce and State Departments
      -The President’s role
  -Peterson, Stans, Flanigan shifts
    -Announcement
      -Timing
    -Flanigan
      -Possible talk with Haldeman
      -Opportunity
  -CIEP
    -Peterson's tenure
      -The President
      -Connally
      -Kissinger
      -Shultz
  -Peterson
    -Compared with Flanigan
    -New relationship with Flanigan
  -Flanigan
    -Role
      -Trade
    -State Department
      -Under Secretary position
      -Credibility
      -Recommendations
  -International monetary policy
    -CIEP
- Peterson
  - Relations with Connally
- Trade
  - Eberle
    - Relations with Connally
    - Peterson
- Flanigan
  - Possible relations with Connally
    - Connally’s schedule
    - Volcker

Treasury Department
  - Departure of officials
  - Reorganization
  - World Bank
  - International Monetary Fund [IMF]
  - Inter-American Development Bank [IADB]

Robert S. McNamara
  - Trip
    - The President’s forthcoming trip to the PRC
    - Report to the President
      - Meeting with the President, Connally and Kissinger
    - The President’s talk with Kissinger
    - Foreign policy commitments
      - India
      - Bangladesh
      - Kissinger's dinner with McNamara
    - Coordination with Administration foreign policy
      - Possible frequency

International monetary policy
  - Export-Import [Ex-Im] Bank
  - World Bank
  - International Monetary Fund [IMF]
    - McNamara
  - World Bank
  - Ex-Im Bank
  - Other banks
    - Votes
    - Heads
- Latin Americans
- Asians
  - Japan
- Possible meetings
- IADB head
- Peru
  - Antonio Ortiz-Mena
    - Expropriation of IPC
      - Standard Oil of New Jersey
      - John N. Irwin II
      - Treasury Department
      - Finance minister, ambassador
      - Possible payment
        - Copper company concession
- The President's meeting with McNamara
  - Henry Kearns
  - World Bank
  - Unknown bank
  - IADB
    - Ortiz-Mena
- World Bank, IADB, IMF
  - Impact on foreign policy
- IMF loans
  - Compared with World Bank
    - Accommodations of governments
      - Credit ratings
- McNamara meeting
- Ortiz-Mena meeting

Raw materials development
- Connally's plan
  - Latin America and Asia
  - Japan
- Flanigan
  - CIEP
    - Forthcoming talk with Connally

Peru

Chile
- Elections
-News summary
-Salvador Allende Gossens
-Administration posture

Paris meeting
-Chilean credit
-Connally's memorandum
-Renegotiation of debts
-Treasury and State Departments
-Sidney Weintraub
-Conversation with Chilean Ambassador
-The President's instructions to Kissinger
-Memorandum
-Kissinger

BEGIN WITHDRAWN ITEM NO. 9
[National Security
[Duration: 4m 10s]

INTELLIGENCE

END WITHDRAWN ITEM NO. 9

-Weintraub

International economic situation
-McNamara meeting
-US influence
-US military power
-Effect
-India
-State Department
-World Bank
Conv. No. 649-1 (cont.)

-McNamara
-Conversation with Connally, January 14, 1972
-Views on Chilean debt renegotiation
-Chilean renegotiation
-Paris Club
-Default
-Maturity date
-Connally’s view
-Sanction
-Kissinger
-State Department
-Flanigan
-Kissinger
-Rogers
-Weintraub's response
-US policy

Cuba
-US policy
-State Department
-PRC
-Criticism

William B. Camp
-Reappointment as Comptroller of the Currency
-Connally's recommendation
-Malek's view
-Tenure
-Support from banks
-Malek's view

Robert S. Ingersoll
-Appointment as Ambassador to Japan
-Borg-Warner Corporation
-Forthcoming confirmation by Senate
-Forthcoming meeting with Connally
-Father, Roy Ingersoll
-New appointment

Camp's reappointment
-Connally's memorandum
- Malek's view
- Possible partisanship toward Democrats
  - Bank charters
    - Southern Republicans' views
- Connally's direction
  - Bank charters
- Bank charters
  - Wells Fargo
  - Richard P. Cooley
  - Federal Deposit Insurance Corporation [FDIC]
- Appearance
- Confusion with Wofford B. (“Bill”) Camp
  - California
  - South Carolina
  - Agricultural field
  - Conservatism
- Bankers
- Background
  - Lyndon B. Johnson appointment
  - Possible relation with Wofford Camp
    - Democrat
    - South Carolina
    - Cotton business in San Joaquin Valley, California
    - Conversation with Haldeman in 1968
- Possible meeting with the President
- Loyalty
- Method of operation
  - Political loan made by unknown bank
    - Indictment by US attorney
    - Common practice
    - Legality
    - Bank examiners
      - Report to Justice Department
      - New law

The President's State of the Union speech draft
- Status
- Tone
- Strategy
Drugs
- As issue
  - Marijuana
- Compared with environment issue
  - Julie Nixon Eisenhower, Tricia Nixon Cox
- Compared with capital punishment
- Previous work by administration
  - Public impression
- Pushers
  - Incarceration
    - Demonstrators in Washington, DC
    - Japanese in World War II
- Courts
- Pushers
  - Arrest
    - Likelihood of conviction

Federal court system
- Judges
  - School integration
  - Richmond, Virginia judge [Robert R. Merhige, Jr.]
    - Appointment by Johnson
- Accountability
  - Need for change
- Mandatory reconfirmation
- Limited terms
  - Possible criticism
- Accountability
- Mandatory retirement
The President's stand on issues
-Drugs
-Court appointment
  -Clement F. Haynsworth
  -G. Harrold Carswell
-Public relations
-Busing
-Drugs
-Pushers
NIXON PRESIDENTIAL MATERIALS STAFF

Tape Subject Log
(rev. 10/06)

Conv. No. 649-1 (cont.)

-Administration stand
-Arrests
-Sentencing
-The French Connection

BEGIN WITHDRAWN ITEM NO. 14
[Personal Returnable]
[Duration: 12m 26s ]

END WITHDRAWN ITEM NO. 14

The President's schedule
  -Florida
    -Fishing
    -Invitation to Connally
    -Robert H. Abplanalp's island
    -Charles G. (“Bebe”) Rebozo, Abplanalp, Connally and George A. Smathers
    -Connally's itinerary
      -Speech at National Investment Conference Board [NICB]
    -Abplanalp's invitation to Connally
    -Key Biscayne
      -Helicopter
    -Lincoln's Birthday weekend
    -Itinerary
    -Connally's schedule
      -Speech to NICB
      -Alfalfa Club
      -Fishing
The President's schedule
- Florida
- Number of invitees
- Abplanalp's home
- Invitation to Connally
- Visit with Connally in Texas
- Idanell B. (“Nellie”) Connally

Flanigan
- Forthcoming conversation with Connally

Connally left at 6:33 pm.

Request of an unknown person to come in

The President and Haldeman left at 6:33 pm.

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Date: January 17, 1972
Time: Unknown between 6:33 pm and 11:59 pm
Location: Oval Office

Unknown people [Secret Service agents] met

Manolo Sanchez
[An unknown man talked with an unknown person at an unknown time.]

[Conversation No. 649-2A]

The President’s location
-Residence

[End of telephone conversation]

The conversation was cut off at an unknown time before 11:59 pm.