



H. R. Haldeman Diaries Collection, January 18, 1969 – April 30, 1973

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Wednesday, July 28.

We had a pretty good flap on Arthur Burns last night and this morning, as a result of leaking some stories that President was being advised to expand the Fed and to bring it into the Executive Branch and eliminate its independence. Also that he had refused Arthur Burns' request for a huge salary increase. This got Arthur pretty upset, as it was intended that it would, and he's now trying to find out ways to get in and around the problem for himself.

The VP returned from his 32 day around-the-world tour. President asked Bill Rogers and some of the Cabinet people to meet him at the airport, and then Rogers rode in with him. The President met with him for about an hour at the White House, with a photo on arrival, as being the best way to do it. After the meeting, the President was pretty discouraged, because apparently, he had to spend most of the time bucking the Vice President up who ha-- because of his distress about his press coverage, which of course, he had brought upon himself to begin with. After the meeting, he called Bill Rogers and commiserated with him some about the fact that there really was a problem there, and wondering what we could or should do about it.

He got into a number of PR things during the day. He's got a plan now where he wants to mobilize a team to really get out and talk on the economy, including Agnew. But with particular emphasis on Connally, Stans, Hodgson, Flanigan, Peterson, and Shultz. He wants McCracken and Colson to work with them on a planning basis and then get them out, attacking the doom criers and building up economic confidence. He also covered quite a bit on speech guidance. He's still trying to find his pattern for the radio talks, and makes the point that he doesn't want to do them for news; he just wants to do them for a pep talk and a little schmaltz. And so he's covered several times with me various items of guidance as to what he wants Price to try and work towards. He doesn't really know what it is he's after, but he's looking for getting an upbeat quality and faith in America, and that sort of thing, into not only the radio speeches, but all the remarks that he gives. He went back on several China follow-up items, particularly the need to



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get some Congressional support and to maintain the enthusiasm level, not just let it die down: basically, the same general approach he's been taking.

I met with Mitchell today and reviewed the Finch and Rumsfeld questions. He feels definitely we should try to get Finch to take OEP, as long as we have a good operator and a good political man in there under him. He feels equally strongly that Rumsfeld should stay on the White House staff as counselor and be used for political speaking and operations, reporting to Mitchell. So we'll go ahead with those. The President decided that Flanigan should not go over to the State Department to take the economic post. He needs him at the White House, and as a political man, and Mitchell feels we need him here to keep an eye on Finch at OEP also. So I've discussed this with Pete, and I think he's very pleased.

We had a stir today also, because the conservative group—Bill Buckley and his troops, plus the other *Human Events*-types—met on Monday and decided to issue a statement of non-support of the President, and they did that today. We had some discussion as to how to deal with that. President not too concerned, although he wants answers gotten to them, but he makes the point that we don't need to worry too much about the right-wing nuts on this. We do need to be concerned about Buckley getting off the reservation, and he wanted Henry to talk to Buckley, as well as having Mitchell talk to Mahoney, to make sure the Conservative Party doesn't get off the track in New York.

End of July 28.