



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

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Going back to August 15, one other thing worth recording was, at our general briefing at 4:00 Sunday afternoon, Arthur Burns made a very good statement. He started out by saying the future looks better today than it has for a long time. A proposal of this scope has not been put forward by an American President since Franklin Roosevelt and even then, he put out a series of programs, not such a sweeping, overall proposal. We have the problems of unemployment, rising prices and inflation—which we needed to administer a shock treatment—a balance of trade problem to restore, a balance of payments to restore equilibrium. Not a small step-- not small steps at the margin, but major action. Productivity, new and faster path of economic growth. Proliferation of government, the President called a halt to the expansion of bureaucracy and actually is pulling it back. The new economic policy has been evolved over a period of time. This is a program for the first time that's been thought through, thoroughly integrated so that the pieces fit together. There's been a lot of talk about gold. Very few people understand it. Any questions on this should be referred to the Treasury and the Fed. There's been talk about devaluation. This is a word that's used loosely, especially by laymen. The answer is, the President has stabilized the dollar. Regarding the freeze, it'll be followed by another stage. We have not embarked on a policy of controls. This is not the policy. We're trying to speed the transition from inflation to price stability. We continue to believe in free markets and will return to free markets. There's a lot of foolish talk in the press about differences between Burns and the President. You can quote me as saying I support this program fully.

End of Burns notes on August 15.