



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

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Friday, October 22.

Shultz got going this morning on-- in the staff meeting on his concerns re: the economy. He's extremely worried about the money supply, because he feels that the only changed factor that we have now, to account for the third quarter being so much slower than the first and second, is the turning off of the money supply. He points out that the arguments were made before that the problem was confidence and that, if we could build that up, everything would be all right; but now we have confidence built up and still don't have an up-swing in business, and his argument is that's because Burns has held the money supply down too much. Also, he's concerned about the international economic situation, because he feels that Connally is just not paying attention to it and that, in the process, Volcker is snatching it up. As a result, he thinks that we're on the verge of snatching th-- snatching defeat from what could be a great victory. He thinks Connally agrees, but tends to discount it. And he makes the point that Connally scorches anyone who writes a memo on the economy to the President, or does anything like that, and the way they kill it is for the Treasury to leak the memos to the press. This has got him quite disturbed, and I discussed it with the President who shares some of his concern and is going to meet with Connally first of next week, when he gets back from Texas and before he leaves for his Asian trip.

President spoke this morning to the Republican Women and did a great job in following up on his Court announcement last night by opening saying he felt lonely up there on the platform with-- as the only man on the platform, but that he wasn't nearly as lonely as a woman Supreme Court nominee would be at an ABA meeting. The Court appointment reaction today has been basically very good, although there's some carping about the process and the names that have been floated prior to the final selection. I left this afternoon for the Disney World opening in Florida. The President's having his meeting with Kishi this afternoon and then the dinner for Kishi tonight, a small stag dinner.

End of October 22.