MEMORANDUM
THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Nixon
Vice President Agnew
Elliot Richardson, Attorney General
Peter J. Brennan, Secretary of Labor
Earl L. Butz, Secretary of Agriculture
Frederick B. Dent, Secretary of Commerce
Rogers C.B. Morton, Secretary of the Interior
James T. Lynn, Secretary of Housing and Urban Development
Anne Armstrong, Counsellor to the President
Amb. George Bush, Ambassador to the UN
William E. Simon, Deputy Secretary of the Treasury
Frank C. Carlucci, Under Secretary, Department of Health, Education and Welfare
Major General Brent Scowcroft, Deputy Assistant to the President for National Security Affairs

DATE AND TIME: Friday, March 18, 1973
8:30 a.m.

PLACE: The Cabinet Room

SUBJECT: Cabinet Meeting

[The President invited each Cabinet member to review his or her activities:]

Armstrong: [Discusses minority hiring, a property review board, Commission on Organization of the Government for Foreign Policy. Francis Wilcox, the Executive Director, is getting started in a good way.]

The President: Anne, you are responsible for it.

Armstrong: Foreign Policy -- this is a new field for me.
Richardson: [Discusses the problems with his charter and finding a prosecutor.]

Lynn: The new act, the "Better Communities Act," has gone to the Hill to replace seven separate acts. [He described other legislation being proposed.]

By the end of the year I will control 254,000 housing units. My relations with Congress are good.

There are problems in Detroit, Cleveland and other big cities.

Bush: Mayor Perk of Cleveland is a good man, a Republican. He thinks he will be reelected.

Brennan: Meany may be willing to improvise on the minimum wage, unemployment insurance, etc. Picketing is a problem not only between business and labor but between labor groups.

Dent: The fallout of the President's trip to the Soviet Union is one of the most exciting things going on. The East European countries are standing in line for trade.

The President: On MFN, we can't bring Brezhnev over here and threaten him that if he doesn't give in, our relations with the Soviet Union will go down the tube. We need to proselytize on this.

Dent: There is a high level of prosperity in the country.

Brennan and I co-hosted a dinner for eight businessmen and eight labor leaders. They all see things the same way.

On Merchant Marines, there is the highest level of building ever.

There is a fishing problem. The Northeast area is overfished and we are about to take some actions. The Russians and Europeans are overfishing.

Butz: The plantings are going pretty well despite the floods. The new Farm Bill -- the Senate Bill will cost us more than the present one.

The appropriations bill is bad. We may ask for cuts.
The President: The new Attorney General will have sweeping responsibility.

Richardson: Yes. They tie in closely with HEW and HUD. That is a good kind of meeting to know what is going on.

The President: Yes. These are areas the people don't read about.

Carlucci: On Health, the reorganization is to create a line, mission-oriented organization. We are having trouble with Congress. We wanted to phase out some bad programs and the Congress keeps passing more.

Education is moving. The most significant in this area is grants for freshmen. If we get this through for four years, the students will be able to go to college irrespective of income. This will tie aid to the student, not the educational institution.

Looking at the whole area of welfare reform, across all government agencies, this will be a massive undertaking. We hope to have a plan by September.

Morton: Energy is the current primary concern. We hope to have the Pipeline Bill on the Senate floor by the end of May. The House bill is different and the conference will be difficult. If we are lucky, we can build this winter; if not, there will be a year delay.

[He discussed mine safety.]

Whitaker is doing a good job.

The Indian budget is 25% of the Department budget. We hope to end the fragmenting of Indian matters.

Simon: There is too much prosperity. Inflation is 6.1 percent, growth eight percent. The budget deficit is being cut to about $18 billion. For FY '74, the deficit looks about $3.5 billion.

There is an intense interest in Congress on energy. We should move ahead. Congress is responsive. The energy message was favorably received.

We need action in the Middle East. The Japanese are taking our markets away.
Mandatory oil imports is probably potentially necessary -- it won't work any better than voluntary.

The President: We will have this type of meeting monthly or every three weeks. In Paris, Dr. Kissinger has said we can't enforce the agreement if we have neither a carrot nor a stick.

The problem in Southeast Asia is blown out of proportion because of Cambodia. Article 20 clearly provides for their withdrawal from Cambodia and Laos. But that has not been done, and that is the problem.

The purpose of bombing is not to get into a war in Cambodia, but to enforce the peace in Vietnam. We don't want to encourage the Communists to go on the rampage again.

We have a carrot. I know the tremendous unpopularity of North Vietnamese aid, but most of us agree that if we get North Vietnamese cooperation, the best way to proceed is to help in reconstruction in Southeast Asia. The meetings are going forward and if they don't succeed, Congress is responsible for the failure. This is restricted to this room.

The North Vietnamese have other disincentives:

-- They don't want a long war.
-- They want a relationship to the U.S.
-- They have problems with their major allies.

I don't discuss it, but put yourself in the Chinese and Soviet Union's shoes. Why would they risk a relationship to the U.S. for the purposes of a small irrational ally?

So it all fits together -- our relations. The Soviet Union is very important in what happens in Asia, the Middle East, and Europe. The Chinese too in Asia.

We shouldn't over-react to demonstrations against Rogers. The trip was successful but the press plays it up negative.

As we approach the summit, this is a watershed in world history. Either we move forward on a constructive basis as we began last year, or we stop. If it is the latter, the world will be a dangerous place. If we have no influence with the Soviet Union, the Chinese will have no use for us.
We are working on a trade agreement and SALT. Brezhnev is putting...

We will meet in Camp David and then San Clemente. A lot is riding on the visit.

In Vietnam, there is a vigorous economy and the South Vietnamese will survive a long time.

What happens in Cambodia and Laos, however, affects the states of Southeast Asia and also the PRC. If we fail there, the PRC will see us as a paper tiger.

In the Middle East, the problem of Israel. Israel's lobby is so strong that Congress is not reasonable. When we try to get Israel reasonable, the excuse is an Israeli election, the U.S. election, or something.

This is my primary occupation. Please don't take an all-out Israeli line. The Israelis are attractive and efficient, but the stakes are big.

We are trying to get this difficult issue off dead center.

The basic point is Israel can defeat the Arabs with our aid. But if our relationship with the Soviet Union collapses, and the Soviet Union aids the Arabs, Israel will be swamped. This is why we need to have movement on trade with MFN. We have to have policies which don't allow an obsession with one state to destroy our status in the Middle East.

These are problems -- but when we came into office, we weren't talking to the PRC and not really to the Soviet Union. There was war in the Middle East and there were high casualties in Southeast Asia.

We have come a long way, but we must realize we never would have gotten here if we had had the thinking which dominates the Senate and much of the press. A weak U.S. which can't command respect, we will find. So if we need three billion to balance it, the easy thing is to squeeze it from DOD. But if the cost is to make the U.S. the second strongest power, having the cleanest cities won't matter because we won't be able to enjoy them.

I stand for a strong U.S. because no one else can keep stability in the world. Do you want a world where there is a prosperous U.S. but a leaner, tougher country decides the issues of peace and freedom in the world? You are...
going through a tough period. Most of the people in this Administration are fine. We have come a long way and the improvement is because of us. [War in the cities, etc.]


degnew: In the provinces, there is not the focus on Watergate like here. People come up to tell me of their confidence in the President.

The President: I am not Pollyanish. It is rough and will get rougher. They will go after us. My concern is not myself but all our family. The crap will fly, but don't think we have to deny every charge. Most of the charges will come from those who don't want us to succeed. Don't be deflected from your purpose. Be proud of our record and work to make it better.

Our major problem is with the politicians -- ours too.

Agnew: Not even here.

The President: Go to the press -- don't hide. But don't comment on the charges because of the legal processes. Just say you don't believe the President is involved. Express confidence in the judicial system.
Cabinet 18 May

- Have a meeting w. me on Daniel Young's proposal.
- Getting a word on a trip to Kissingen.

Review by different members of the cabinet.

Anne Armstrong - Ministry hiring
  - Report - Review board
  - From Commonwealth Dept for Foreign Policy
  - From Wallace - style centers
  - Writing started an accord
  - Anne is step for it
  - "It's the way ahead here."

Richardson - Problems of the Chancellor's pandemic.
  - "Better communicate.
  - Hogan - New attempt to fill the gap, 7 separate acts.
  - Financial advice being sought.
    - By end of year, he will control 50% of the country.
  - Relations with Congress good.
  - tourist pressures Cleveland often by Whis
  - Bush - Major Beuke (Cleveland) good known Republican, think he will be recalled.

Bennett - War may be willing to compromise on revenue wage, unemployment insurance, etc.
  - Problem - it is not only but becomes a lot
    - but not 100%.

Cabinet Reg
8:30 am
21 May 75
Don't. Fallout of P&L trip to S.U. is only a part of the

Things are going. The E. Europe countries are

planning on being off trade

P - on MCO. Can't bring Bushy any more to threaten

him that if he doesn't give in, our relations

of go will go down a tick. We realized that

proceed with this.

High level of prosperity once again.

Bureaucrats & technicians for & businessmen

& labor leaders. They all see things

cornering.

Memorandum has made level of

building now.

First trip - N.E. states is suggested.

We are about to the Lake commission

(Russians - Europeans Anglophobes).

But - Plan things going pretty well despite

War from both - Senate bill will get no more

than a perusal.

Agree bill bad - many not fit for taste

P - is taking will have strong reply.

R - Yes. They think highly H.D., D.D.

This good kind of reading. To know what is going on.

P - Yes. Three, at least, don't care much about.

Carluccio - Health - Morgan. Rent more than

average apt. Doing things in Cuba. Will wonder

to pressure some bad papers & Cuba keep

peace with...
Education is very heart felt in this area as grants for foreign. If we get this thing, students will be able to go to college regardless of income. This will be and is a student, not a student institution.

Looking at a whole area of welfare reform across all state agencies. We will see massive similarity. Hope to have plan by Sept.

Morton: Energy is current priority. Vision, pipeline will have Senate floor by end of May. House bill is different - energy will be different. If that's the case, we can build this winter. If not, we can delay.

Unemployment:
- Witches doing good job.
- Problem budget 1/2% of dept. budget. Hope to and fragmentation of leadership 50 million.

Service - Too much prosperity. Participation 6.6% growth 2%. Budget deficit being cut for about 1%. For EY 74, deficit was about 3.5 bld.

Energy - Intense interest vested in Cap. We should remember. Conspired - Energy may run formally well.

We will action in M.E. Juggled taking some market away. "Unbelievably oil is pretty probably probable. "We may not work any further than" 

"Unbelievably"
We will have to start an effort monthly or every 2 weeks.

Paris - R has had some success with agreements
if written early in the week.

Put on SET for Remainder of presentation because
1. It can be done.
2. It can be done in

Ant to clearly provide a "chance" for a
change in pace. That was there.

Proper timing is very important in
combination with a "punch" such as VN.

Don't want to seem as abrupt as you
mentioned earlier.

In any case, any

grounds can be

Non-human documents:

- Don't send
- "Win at a time by VN
- further with their major allies.
  I would envision that but not necessarily
in the US alone. See distance
   US for purposes of a small
   "international" ally?

So it all falls together over time.

I look to important so what
happened in Deux, etc. etc.

PR to in area
We should use unit tests and simulations against bugs. They're useful for predicting
performance and behavior.

As we approach the end, this is our final draft on World War II. It's taken us some time
and patience. We can't afford to make any mistakes now. We step into history with a
dangerous degree of confidence. We have no softness in our attempts to
make a difference.

We are working on the agreement. The

urgency is justified.

Will meet in Davos, Switzerland, all lost
is sinking in the mind.

The event of the century, PRC
will survive a long time.

What happens in China? Will democracy,
in a country of ancient and later PRC.

If we fail there, PRC will see this as
a failure too.

It is the fate of Spain, Brazil, letting the
whole. That Brazil is not sustainable.

When not to quit Brazil, sustainable, China
is.

This is my primary occupation. Please
dead into an adjacent street. France
and attraction is expected, late submissive
trip.

We are trying to put this difficult retreat
off the beaten track.
Basic point - 2kV can deflect outward.

Artificial intelligence at 2kV, collapse, 25% failure, failure will be unusual.

This is why we need to have some nonlinear wind.

We need to have nonlinear stuff allow us to wind and build stuff. We need to deploy nonlinear stuff.

There are problems - but when we can't a reply, what is really going to be the rest of it.

There will be some in ME + high momentum

WE have come a long way, but cannot

Many of us were wound up by non-creation.

We had a thing which demonstrates

Furnace 6 much of power. A whole US which

Can't command, execute, we will fail.

So we need it both to balance, a long time
to squeeze from expanding. But if we want is
to make US 2D forget power, having
current critics want matter because
we want them to enjoy it.

@ turn for a small US decrease to conduct
can help stabilize a world. Do you want
to understand German system US but on
become German community the other awesome
to present problem and could

you understand them a tough problem of

design in this area many bad too bad

You are correct - the environment in

because free (in the world, etc)
VP - In a previous, there is not a focus on
Washington like here.
I may come up to tell you of some confidential
information in this.

P - I am not legislative. It is strange and will get
something. They will go after us. Second, you
will know, because it is not myself but a known
family. They will tell my, but don't think we
think they won't change. Next changes will
come from those who don't want us to succeed.

Don't be deflected from your purpose - be
proud of your hardwork. Stand on it.

Our major problem is with politicians - ones
who.

VP - Not every time.

P - Go to press. Don't hide. But don't announce
an changes because of legal processes. Just
tell your hard work is much needed. Essay
improving an judicial system.