

chron

April 8, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

Subject: Note from the President (Action item)

In his daily news summary the President focused on some of Hugh Sidey's recent barbs concerning the state dinner held at the White House in honor of Canadian Prime Minister Trudeau. He referred to this problem as one of a recurring nature, and said that henceforth the rule shall be "no press at White House dinners" except at the very beginning, and then only for the purpose of taking photographs. /

ALEXANDER P. BUTTERFIELD

cc: Mr. Haldeman
Mr. Ziegler

chron

April 10, 1969

MEMORANDUM FOR:

THE ATTORNEY GENERAL

In a recent analysis of domestic news items, the President read of a David Brinkley report which said that of all the motion picture theaters in New York, at least one of every four is now showing "erotic films". The news item went on to say that the Swedish film, "I Am Curious (Yellow)", is the worst ever to be shown in this country, yet is playing to a full house morning, noon and night ... "a vast money maker".

The President wants to know -- by way of a short memorandum -- if we have any way of insisting (legally) that foreign motion pictures shown in this country comply with the Hollywood code ... as weak as it is. He suggests that we "just might get some support from Hollywood on this kind of censorship".

Alexander P. Butterfield
Deputy Assistant to the President

cc: Mr. John Ehrlichman

Chen

April 10, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

Subject: Notes from the President (Action item)

The President would like for you to get together with the 5 o'clock group and come up with a way to put EMK "squarely on the spot". (For example, he favors student demonstrations yet opposes actions intended to deal with them.)

Additionally, the President wants the 5 o'clock group to see to it that Teddy's support of all-out integration and bussing is widely publicized.

ALEXANDER P. BUTTERFIELD

cc: Mr. Keogh

chen

April 12, 1969

MEMORANDUM FOR: DR. KISSINGER

Subject: Notes from the President (Action Item)

In an analysis of recent news, the President read that the U. S. Army is seriously concerned about the rapid growth of aggressiveness in anti-war militancy within the enlisted ranks. The particular article on which he focused goes on to say that the "anti-war soldier may soon become the most disruptively effective peace activist in our society."

The President would like for you to query Secretary Laird on this matter. He wants to know specifically (1) if this is a really serious problem ... and (2) if so, what we can do about it.

Thank you.

ALEXANDER P. BUTTERFIELD

Chiron

April 12, 1969

MEMORANDUM FOR: MR. HERB KLEIN

Subject: Notes from the President (Action Items)

The President has just heard that "a female reporter" -- using appropriate tone of voice, commentary, and ABC-TV film footage -- recently kicked off a campaign to thwart the Administration's plan to transfer Headstart to HEW. Allegedly she urged "Congressional supporters" to put forth, long and loud, a cry of public outrage. He would like for you to "get the girl's name" right away ... then see to it that our people talk to reporters "other than her".

Additionally, the President asked for a report as to what we are doing to get equal time and film footage ... not simply to counter the volley of charges being directed at us by the opposition, but more for the purpose of explaining clearly the soundness of our decisions.

ALEXANDER P. BUTTERFIELD

cc: Rm Ziglar

Please Treat as VERY CONFIDENTIAL

April 12, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

Subject: Notes from the President (Action Item)

The President read the following paragraph in his Saturday morning News Summary:

"Close connections of Pan Am with the White House seem to be paying off in crucial decisions for the company. Pan Am president Halaby urged the President to prevent Resorts International from taking over the airline. Meeting 'in back rooms' with Congressional leaders, White House aide Ellsworth was able to secure legislation which would prevent the takeover. It has now been discovered that the Pacific routes decision is being studied by Asst. Secy of Transportation Cherington who was influential in Ike's rejection of a CAB recommendation in 1960 calling for further competition. Cherington has worked for Pan Am in the past. Also noted is Robert Anderson's closeness to the President -- he is a Pan Am director."

With reference to this item, the President addressed the following comment to you:

"John -- I hope we were not so stupid as to do anything to help Pan Am. They are not our friends. Please give me an analysis of this charge."

ALEXANDER P. BUTTERFIELD

cc: Mr. Hofgren

Please Treat as VERY CONFIDENTIAL

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 12, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

Subject: Note from the President (Action Item)

An article in the latest issue of the "New Republic" discusses the recent hearings on the Office of Federal Contract Compliance and contrasts Senator Dirksen's "clowning performance" with Ted Kennedy's "cool and clever handling" of both himself and the situation. The article's author, TRB (Dick Strout), goes so far as to say (about Kennedy), "If we had been political scouts, and had never heard of his brothers, we'd have made note of him."

The President suggests that you and the 5 o'clock group get something out on how "very amateurish" Teddy was when he (the President) briefed the leaders on the Safeguard System.

lit
ALEXANDER P. BUTTERFIELD

cc: Mr. Keogh
Mr. Klein

chun

April 14, 1969

PLEASE TREAT AS VERY CONFIDENTIAL

MEMORANDUM FOR: MR. EHRLICHMAN

Subject: Note from the President (Action Item)

On his copy of the attached memorandum, the President wrote in the strictest of confidence the following note to you:

"John -- I have decided to go ahead on this program. Please do not tell Finch, Moynihan et al; but get a plan ready for implementation by the first of next week."

ALEXANDER P. BUTTERFIELD

Attachment

chron

April 15, 1969

MEMORANDUM FOR: THE STAFF SECRETARY

Evidently Sunday's Washington Post had a story in the Style section saying that the student president of a St. Louis Job Corps Center recently sent a letter to the President asking him to send Tricia to St. Louis so that she can "live in this environment and situation for a period of time." According to the article that particular Job Corps Center is slated for closing on July 1st and the letter was sent in the hopes that it would persuade the President to "change his mind".

The President wants to be certain that this letter is not answered -- that it is ignored completely.

ALEXANDER P. BUTTERFIELD

Chron

April 16, 1969

MEMORANDUM FOR: THE PRESIDENT'S FILE

Subject: Late-Afternoon Meeting in the Cabinet Room with Honorable David Kennedy, Secretary of Treasury; Mr. Charls Walker, Under Secretary; Mr. E. S. Cohen, Assistant Secretary (Tax Policy); Mr. John Nowlan, Deputy Assistant Secretary; Mr. Lloyd Dennis, Assistant to the Under Secretary; Mr. James Smith, in charge of Congressional liaison; Mr. Robert Mayo, Director, Bureau of the Budget; Mr. Sam Hughes, Deputy Director, BoB; Mr. Herbert Stein, Member of CEA; and Dr. Arthur Burns (5:20 p. m. - 7:05 p. m.)

Also present: Mr. Ehrlichman, Mr. William Safire, and Mr. Ziegler (for approximately two-thirds of the time)

This appointment appeared on the President's schedule as a "meeting with Dr. Charls Walker, Under Secretary of the Treasury". Thus, when the President entered the Cabinet room and saw Secretary Kennedy he expressed mild surprise, saying, "Well, I didn't know you were going to be with us today, Dave." Secretary Kennedy replied that although he hadn't expected to be able to break loose for the presentation he had found a way at the last minute, and that he was anxious to listen to the recommendations developed by his staff during the period of his just completed 8-day visit to Australia.

Grinning broadly and appearing to be in a good mood, the President sat down and assumed a relaxed posture as though relieved that this was to be the last meeting of the business day ... and that it was to be among trusted professional staffers on a subject with which he had more than a passing familiarity.

Charlie Walker (who was sitting next to Secretary Kennedy and opposite the President) opened the discussion without formality -- stating that he wanted to review for the President those recommendations concerning tax reform and tax relief which the Administration was prepared to present to the Ways and Means Committee on April 22. He said that as drawn up the package would result in no substantial net revenue change, i. e. that the revenue increase of the reform measures would

be offset by the revenue losses of the relief measures. He added that after covering the tax reform program the various representatives of BoB, Treasury and CEA would like to discuss views pro and con vis-a-vis elimination of the investment credit (the 7% credit for new business investment in productive equipment).

Of the fourteen relatively significant recommendations of the tax reform program Charlie Walker mentioned first the granting of a Low Income Allowance. Together with Secretary Kennedy, he suggested that Mr. E. S. Cohen, the provision's chief architect, outline the supporting rationale and the benefits to be derived. Then Mr. Cohen, who also was seated opposite the President, but off to the President's left, said that the prime purpose of this particular recommendation was to take off the tax rolls completely all persons at or below the "poverty level". He said that step #1 would be to give an additional \$800 tax free allowance to a single person ... thus raising from \$900 to \$1700 the maximum income one could earn in a calendar year without having to pay a tax to the federal government. He went on to say that rather than tax the fellow who makes \$1701 in accordance with the standard tax rate, i.e. \$112, the new provision would tax him at a phased rate for every \$2 of income he earns over \$1700 ... and the phase out would be completed at an income of \$3300. So even though tax on income between \$1700 and \$3300 would be at 21% rather than at 14%, single persons in that bracket will be paying considerably less tax than they do under the current rates. This "low income allowance" (built into the tax tables) would exempt slightly over two million families from the annual federal income tax ... effective for 1970 and thereafter at the following income levels:

<u>No. of Exemptions</u>	<u>Income</u>	<u>No. of Exemptions</u>	<u>Income</u>
Family of 1	\$1,700	Family of 5	\$4,100
2	2,300	6	4,700
3	2,900	7	5,300
4	3,500	8	5,900

Mr. Cohen concluded that the revenue loss from this tax reform provision would be about \$700 million. Dr. Burns admitted those under the \$3300 level would be better off, but reminded the group that "people have short memories" -- that next year "they'll want more". The President agreed with Arthur in principal but saw merit to the measure and said, "Let's get at it."

Covered in less detail, and discussed at less length, the remaining thirteen provisions are listed below along with the essence of Charlie Walker's comments with regard to each.

- (1) Limit on Tax Preferences (LTP). A 50% ceiling would be imposed on that amount of an individual's total income which is considered to be in "tax preferred" status. Total income for this purpose would be determined:

- (a) By including tax-exempt municipal bond interest;
- (b) By including appreciation on gifts to charity;
- (c) Before deducting intangible drilling expenses and percentage depletion in excess of cost depletion;
- (d) Before deducting certain excessive farm losses; and
- (e) Before deducting the excess of accelerated over straight line depreciation on real estate.

The five preferences could not exceed half of one's total income, and there would be a \$10,000 minimum on "allowable preferences". Thus, an individual with \$100,000 of salary income and \$210,000 of tax-exempt interest would have a taxable adjusted gross income of \$150,000. (In effect, \$50,000 of the tax-exempt interest would become taxable.)

A five-year carryover of disallowed tax preferences (an averaging device) would restrict the effect of this limit to persons who consistently have an excessive amount of these preferences. A three-year transition period, establishing the ceiling at 80%, 65%, and 50%, respectively, would phase in the limit gradually. Once the phase-in is completed, the revenue increase would be \$200 million.

- (2) Allocation of Deductions. An individual with more than \$10,000 of tax preferences would be required also to allocate his itemized (non-business) deductions between taxable income and the non-taxed portion of tax preference amounts. This would stop the present objectionable

practice of applying all itemized deductions against taxable income ... even though there is substantial non-taxable income. For this purpose, the excluded one-half of capital gain income would be included in tax preferences; the result is not to affect the present 25% rate (actually 27.5% with the surcharge) on capital gains but merely to prevent undue benefit from itemized deductions.

The allocation would be phased in gradually over a three-year period. Thus, in the first year, only one-third of the total itemized deduction would be required to be allocated. When fully phased in, the revenue increase would be about \$500 million.

- (3) Mineral Production Payments. This provision would change the tax treatment of mineral production payments. Such "production payments," sold by oil companies and other mineral producers, represent in effect advance payment for future extraction of the minerals. They are sold to accelerate income artificially in order to avoid the statutory limitations on credits and deductions ... such as the depletion allowance. Henceforth, under the reform package, they would be treated as loans, which is their true substance. Bona fide production payments pledged for exploration or development would not be affected. The revenue increase after the first year would be roughly \$200 million.
- (4) Private Foundations and Exempt Organizations. Here certain specific abuses by private foundations would be prohibited; things such as self-dealing between the foundation and related parties; failing to distribute real income annually to charity; controlling of operating business corporations (with a 10-year transition period for existing holdings); and engaging in certain political activities (e.g. voter registration drives).

Penalties would be levied for these abuses, and power would be given the United States District Courts, acting at the insistence of the Justice Department in the absence of state action, to impose appropriate sanctions.

(Several other points were mentioned relating to this provision, but only briefly. I believe one was the extension to churches and other now tax-exempt organizations of the present law taxing income received from the direct operation of a business.)

The revenue increase from this recommendation cannot be estimated.

- (5) Charitable Contributions Deduction. Here certain abuses would be rectified -- abuses such as: contributing inventory-type ordinary income assets to charity (which result in a tax profit to the giver); the creation of charitable trusts lasting only two years (solely to avoid income tax); and the understatement of taxable gain on bargain sales to charity. The present so-called "unlimited charitable deduction" of certain qualifying individuals would be limited so that not more than 80% of their income could be offset by itemized deductions, including such charitable contributions.

It was admitted that the revenue increase from these changes in the charitable contribution deduction would not be substantial.

- (6) Conglomerates. Here there would be a significant reduction in the encouragement of mergers and acquisitions accomplished with convertible debentures and other debt instruments (which presently create an interest deduction in lieu of non-deductible dividends). The installment sale "tax deferral privilege" for sales in which such debentures are issued would be rescinded, and the tax treatment of convertible debentures and debentures with warrants attached would be clarified. (This particular set of measures is to be followed by a deeper study of abuses of the interest deduction.) The revenue increase cannot be accurately determined, but without doubt the provision would prevent serious revenue losses.
- (7) Multiple Corporations. This reform would put an end to the undue advantage now taken by a number of large corporations of certain tax relief provisions for small business (whereby a reduced corporate tax rate of 22%

is applied to the first \$25,000 of taxable income). Hundreds of corporations would be consolidated into one for this purpose, the change being phased in gradually over five years -- and after the change is fully effective, the revenue increase would be approximately \$235 million.

- (8) Farm Income. This provision will prevent the use of farm deductions as a device to convert non-farm ordinary income into capital gain. The "hobby loss rules" which are designed to prevent the consistent deduction, by those such as gentlemen farmers, of very large losses would be strengthened. The revenue increase from this proposal has not been determined.

- (9) Accelerated Depreciation: Public Utilities and Others.

Tax-free dividends presently being paid out of accelerated depreciation reserves, principally by public utilities but also by some other corporations, would be made taxable after a three-year adjustment period. Also federal and state regulatory commissions would be prevented from requiring public utilities to compute their net income after taxes for rate-making purposes, as if they had taken accelerated depreciation, whether or not they actually did so. Utilities would thereby be forced to claim accelerated depreciation in order to reduce their taxes, and the benefits would flow through to the consumer at the expense of the Federal revenues generally. At the same time, the commissions would not be prevented from requiring flow-through by a company voluntarily adopting accelerated depreciation. This reform would preserve the status quo and thus halt the dangerous trend by regulatory commissions toward the "flow-through" concept. If left unchecked this trend could result in annual revenue losses in excess of \$1.5 billion.

- (10) Stock Dividends. The practice of a number of corporations issuing dividends in stock which increase the stockholder's interest and thus serve as substitutes

for cash dividends would be discouraged by making such dividends taxable. This provision would prevent substantial losses of revenue.

- (11) Mutual Savings Banks. The virtual complete exemption from tax of these organizations would be ended by limiting their artificial "bad debt reserve deduction" so that it may not offset more than 60% of taxable income. In effect the mutual savings banks would become taxable at an effective rate of 16% to 18% ... about the current level of the tax rate of savings and loan institutions. The revenue increase would be approximately \$40 million.

NOTE: At this point Dr. Arthur Burns spoke up and voiced some skepticism; and despite the fact that Secretary Kennedy supported the measure, the President said, "Somehow it appears a little too political. Since it's only good for a \$40 million increase let's not push it too hard. In fact, I think I'd just drop it."

- (12) Moving Expenses. Here the deduction for moving expenses would be substantially liberalized to include certain indirect costs (such as house-hunting trips) up to a maximum of \$1,000. The proposal would also increase the limit on direct costs (such as the cost of selling or buying a house) up to an additional \$1,500 over the original \$1,000. The revenue loss from this change would be about \$100 million.
- (13) Small Business Corporations. Here the existing rules which permit small business corporations to be taxed similarly to partnerships (in order to avoid the double tax on corporate earnings) would be liberalized by the expansion of sizes and types of income limitations.

With the review completed, Charlie looked up from his paper and said, "So that's the tax reform package. There are one or two other goodies, but they're fairly minor." In that there was general agreement and thus little need for discussion, Charlie moved quickly to the more controversial "investment credit" issue.

He obviously saw no need for reviewing pros and cons, so merely solicited comments from the other experts around the table. A very general resume' of the more significant remarks made appears below.

In Opposition to Elimination of the Investment Credit
(Arthur Burns and Bob Mayo)

The President (referring back to the tax reform program just discussed) --

Well, we help the poor and hurt the rich but do nothing for the middle-income man. He's right where our political heart is ... where our friends are, yet we do nothing for him. Of course, eliminating investment credit would allow us to scale down the surcharge and that would benefit the middle-income family.

Bob Mayo --

I think we'll need the investment tax credit. We should fight to keep it even though the Democrats are going to use it to apply pressure for reduction of the surcharge.

The President --

There's no doubt about it, we're going to have a rough time on the surcharge issue. Even Republicans are talking about keeping it only 'til January. We can't stake Presidential prestige on an impossible fight. I don't mind fighting under conditions which give at least some evidence that the fight will be worthwhile, i.e. if it's really necessary, but there's not much percentage in sacrificing the prestige of the Presidency when the odds are heavily against you.

Bob Mayo --

I'd like to say just this -- the investment tax credit has stimulated and encouraged long-run business investment. Its continuation will supply the economy with some very vital long-range needs.

The President --

I'm interested in helping those in the middle-income bracket. The business world is doing all right now and I just feel there has to be a redirection of priorities from business investment to social needs.

Arthur Burns --

Well now, you've got to remember you have a vulnerable stock market. It's declining gradually now and the only thing that's keeping it from collapsing altogether is the anticipation of increased inflation. It's a psychological matter.

The President --

I don't know about that, Arthur. I think you might be approaching it more cautiously than is necessary.

Arthur Burns --

Well, that's just my feeling. I think that repeal of the investment credit might well lead us into a recession.

Bob Mayo --

I have to go along with that. And if you do go for repeal, you can't really be sure that you wouldn't have to go right back to the Congress a little later and ask for reinstatement. It seems to me that would be pretty embarrassing.

Arthur Burns --

I think our present combination of fiscal and monetary policies is about right. If we're going to change anything I would like to feel certain that we're going to gain some real anti-inflation benefits.

In Favor of Elimination of the Investment Credit
(Charls Walker and Herb Stein)

The President --

I think it's only realistic to think now of reducing the surtax. If we were to cut the surtax in half, how much would it cost?

Charlie Walker --

It would cost about \$4.8 billion. But repeal of the investment credit would immediately release about \$3 billion and the revenue raising aspects of our tax

reform proposals would gain another billion, so we'd end up pretty much even.

The President --

We pledged revenue sharing and we must take a step toward achieving it. What are your thoughts on this, Herb (to Mr. Stein)? Incidentally, I thought your analysis of the economics of the investment credit was excellent.

Herb Stein --

Well, Mr. President, as you know I'm in favor of eliminating it. I do not believe that we should continue to subsidize private business investment. Elimination of the tax credit will assist the government in serving national objectives that to my way of thinking are of much higher priority than the stimulation of business investment.

The President --

When do we have in mind this tax reform message?

Charlie Walker --

No later than Monday. We go on the Hill Tuesday.

The President --

Yes, let's be sure to get the message out before the hearing. I'll make a decision in plenty of time. But I'll tell you what I want you to do. (Here the President was addressing Charlie Walker and Arthur Burns.) I want you to work this thing out both ways. Prepare two messages and we'll be ready to go either way. I'll tell you what I think. I think the Congress will end up kicking the business community and the budget, and we'll still have inflation. I know the Congress. That's one thing I do know. Well, we'll talk about this again tomorrow. You work out a plan both ways but the more I think about eliminating the investment credit, the more I like it. And I'd like to talk some more about cutting the surtax down to 5% next January 1st.

As the President got up to leave John Ehrlichman attempted to set a timetable for completion of the package. He asked Charlie Walker to confirm the fact that the message would go on Monday. When Charlie provided the confirmation, John Ehrlichman asked when he (Mr. Walker) would have the draft Presidential message in the hands of the White House Staff Secretary. Charlie said it would be turned in by the following noon (Thursday, April 17).

The President returned to his office and the meeting was adjourned.

ALEXANDER P. BUTTERFIELD

Chen

April 22, 1969

PLEASE TREAT AS VERY CONFIDENTIAL

MEMORANDUM FOR: MR. EHRLICHMAN

The President has just read a summary of mail trends prepared by Marguerite Mondlock. He understands that she is a "holdover" and wants to make certain that only his own people are serving in these "evaluating positions". He would appreciate a report from you with regard to Miss Mondlock ... and the degree to which she actually evaluates mail trends and other matters.

Thank you.

ALEXANDER P. BUTTERFIELD

PLEASE TREAT AS VERY CONFIDENTIAL

Chron

April 22, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

While reading a summary of mail trends for the period April 10-16, the President noted that Mr. William C. Boehm, President of the Northern Ohio Children's Performing Music Foundation, Inc., and about 100 others from the Cleveland, Ohio area, have requested the White House (and the President personally) to invite the "Singing Angels" to sing at some appropriate White House function. The "Singing Angels" is a chorus composed of boys and girls from 5-18 years of age.

The President likes this idea and wishes you would check it out.

ALEXANDER P. BUTTERFIELD

April 24, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

Subject: Note from the President (Action Item)

Today, in a prepared summary of recent news the President read about the group of demonstrators at American University who evicted the college president yesterday noon ... and about the fraternity men who stormed the Administration building last night and forced out the unruly SDS protestors. Noting that this raid against the dissident group was led by three fraternity presidents, he asked why we don't invite them in for a brief visit. If you agree that the idea is a good one, the President will be glad to see and talk to the three college men briefly.

ALEXANDER P. BUTTERFIELD

Chen

April 28, 1969

MEMORANDUM FOR: MR. HALDEMAN
MR. HARLOW
MR. EHRLICHMAN

The President's recent news summaries have been riddled with stories and reports of stories concerning the inept handling of the ABM issue by Administration officials. Most of these news items predict victory for the ABM opponents and some of them have gone so far as to print statistics of alleged Senate polls which indicate a sharp trend in favor of the liberal vote.

With reference to all of this anti-Safeguard publicity, the President stated very forcefully that it was high time we moved ahead on getting some optimistic forecasts in print, i.e. some really positive statements by men of stature. He would like to see an affirmative story which predicts victory ... one which announces to the nation that the "tide has turned" etc. The President feels that Dirksen, Russell or Scott, or all three, should be authoring such stories and participating actively in this campaign. He says that it isn't enough for some "unidentified Administration official" to pooh-pooh the propaganda of the liberals. It must be a leading Senator or several of them who rally to the cause and speak out loudly and clearly in support of the President's decision.

Because he has mentioned all of this many times before, he is particularly displeased with the state of our campaign at the present time and the trend indicated by the aforementioned news items.

ALEXANDER P. BUTTERFIELD

April 28, 1969

MEMORANDUM FOR: THE STAFF SECRETARY

A UPI press report of April 22 said that Merriman Smith had called on newspaper publishers to help stop the "smut explosion." Smith said, "I think it is high time we really tell it like it is ... filth, toilet-wall philosophy, and the four and five-letter word junk that creeps across the Nation in the name of art. I say to hell with Phillip Roth and Norman Mailer and the New York Review and the producers of 'I am Curious (Yellow).' If these people want to get their kicks - and the profits - from all this lousy film, then let them. But we don't have to be the redistributors."

Smith went on to say more, but the point is made with the above quotation, and the President would like a letter prepared for his signature ... to read along the following lines:

Dear Smitty,

This is just a short note to offer my compliments and congratulations for the superb manner in which you put it on the line to the smut peddlers. I completely agree, etc.

The President does not want the letter marked "Personal."

ALEXANDER P. BUTTERFIELD

chron

April 28, 1969

PLEASE TREAT AS CONFIDENTIAL

MEMORANDUM FOR: MR. HALDEMAN
 MR. HARLOW

In an April 25th memorandum concerning the history of Vietnam negotiations Henry Kissinger told the President that a study of the internal U. S. Government considerations and views of the bombing halt decision would raise serious problems in that it would require interviewing the key personalities involved and reopening the serious differences of opinion which exist within the bureaucracy. Henry went on to say that there was always a good chance that one or more of the personalities involved would leak to the press the fact that the Administration was conducting such a study.

The President approved Henry's recommendation that we not undertake the writing of an internal history of U. S. Government views on this subject ... but only with the understanding that all persons who had any recollections whatever on the topic (Wheeler, Goodpaster, etc.) would put such recollections down in a memorandum to him.

With reference to the above the President asked that each of you provide a memorandum (or one jointly prepared paper) of all you heard during the campaign about "bombing halt plans".

Meanwhile, for your general information, the President has asked Henry to obtain similar papers from persons at State and Defense.

ALEXANDER P. BUTTERFIELD

PLEASE TREAT AS CONFIDENTIAL

Chrou

May 1, 1969

PLEASE TREAT AS CONFIDENTIAL

MEMORANDUM FOR: MR. EHRLICHMAN

The President has just received a letter, dated April 29th, from the Reader's Digest Co-Chairman, DeWitt Wallace. Its brief content is quoted below:

"Dear Mr. President:

You have no doubt considered the advisability of a White House luncheon with a crowd of important business men to hear Whitney Young, Jr. speak. As you know, few men talk more effectively or more sensibly on the current unrest among blacks. Business men would find such an occasion amply rewarding and Negroes would be pleased. With warmest regards,

Respectfully,

DeWitt"

With reference to this letter, the President addressed the following comments to you:

Acknowledge
"John -- (1) Ask warmly; (2) But don't do it."

ALEXANDER P. BUTTERFIELD

PLEASE TREAT AS CONFIDENTIAL

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THE WHITE HOUSE

WASHINGTON

May 1, 1969

MEMORANDUM FOR: THE PRESIDENT

Subject: Safeguard Campaign

Today I assumed additional duty as action coordinator for our Safeguard campaign to allow Ken BeLieu more time to concentrate on target Senators. However the total program remains under Ken's supervision.

Personnel listed on the organizational chart (opposite) total 18 and comprise our Safeguard Campaign Planning Committee. Members meet each Tuesday and Friday at 8:30 a. m. to discuss the conduct of the campaign and actions necessary to achieve smoother coordination and greater effectiveness.

Messrs. BeLieu, Butterfield, Klein, West and Dent comprise the Safeguard Steering Committee. It meets each week day at 8:30 a. m. This smaller group is responsible for reviewing results of past actions and determining (on this day-to-day basis) what our priorities are and in what areas current and future emphasis should be placed.

There are only two printed copies of the organizational chart in addition to the one enclosed, and committee members understand that there is to be no open recognition or public admission of its existence.

Two periodically updated briefing books will be maintained for your ready review. This book (Book #1) will contain a compilation of "significant past actions" and "programmed daily actions for the coming week" as reported by Fryklund, Whitaker, West, Dent-Sears-Morton, and Klein. It will be current as of 6:00 p. m. each Thursday and on your desk by Friday morning at 8:00. The other book (Book #2) will contain Ken BeLieu's game plans on target Senators, with prime and secondary targets specified. It will be a bi-weekly report current as of 6:00 p. m. each Monday and Thursday and on your desk the following morning at 8:00.

All of us understand that briefing books and periodic reports alone are not going to get the job done ... that simultaneously there must be a well coordinated and concerted effort throughout the Administration to convince the nation of the wisdom of your Safeguard decision, and ultimately, to gain support of that decision by the Congress. Favorable results will be forthcoming.

ABT
ALEXANDER P. BUTTERFIELD

~~PERSONAL/CONFIDENTIAL~~

Ch...

May 5, 1969

MEMORANDUM FOR: MR. HALDEMAN

On May 1st, Ray Price sent a memo to John Ehrlichman which concerned Governor Reagan. It said in essence that Reagan's nose is a bit out of joint -- not because of any matters of policy, but simply because he feels personally ignored by the President.

The President saw a copy of this memorandum on May 5th and said that he would like for you to arrange for Mitchell and Morton to call Reagan from time to time. He went on to say that he, himself, could do it ... but no more frequently than about once a month -- thus it would be best to assign the task to Mitchell and Morton.

With reference to this whole business of calling key Governors from time to time, the President added that we should set them up -- in some organized fashion -- on our call list.

ALEXANDER P. BUTTERFIELD

cc: Mr. Chapin

THE WHITE HOUSE

WASHINGTON

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Not National Security Information
By J43 NARA Date 2/18/2006

May 9, 1969

PERSONAL/CONFIDENTIAL

MEMORANDUM FOR: THE PRESIDENT

Subject: Safeguard Campaign

This Book #1 status report updates that of May 1 which Bob Haldeman took with him to Key Biscayne Wednesday evening.

Jim Keogh was inadvertently excluded from the organization chart last week, but is now shown as a member of the Support Group (opposite). He will sit as a participating member of both the Planning Committee (raising that membership total to 19) and the Steering Committee (raising that membership total to 6).

(My wife and children will be arriving from Canberra Saturday afternoon - and although, with Bob Haldeman's "okay," I will not be working normal hours Monday-Wednesday, I will be seeing to it that Safeguard campaign actions are reviewed and coordinated by the Steering Committee ... and that reports due are timely submitted.)


ALEXANDER P. BUTTERFIELD

PERSONAL/CONFIDENTIAL

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

May 15, 1969

PERSONAL

MEMORANDUM FOR: MR. HALDEMAN
MR. EHRLICHMAN

The President has just read that CBS and ABC have considerable film footage of Abernathy denouncing his Tuesday meeting in the White House as "the most disappointing and fruitless of all such meetings ever held in Washington." According to CBS, the good reverend delivered "the strongest dressing down of any President on his own doorstep in the memory of veteran White House correspondents."

He (the President) wanted each of you to know that news items such as this bear out the wisdom of his judgment that he should "not see such people." He went on to say, "No more of this!"

ALEXANDER P. BUTTERFIELD

PERSONAL

May 19, 1969

MEMORANDUM FOR: MR. HALDEMAN

On May 11th, Thomas Ottenad wrote in the St. Louis Post-Dispatch that a dispute had erupted among high Administration officials over the President's initial reaction to the recent shooting down of the EC-121. Ottenad said that a secondary area of disagreement existed over the President's alleged dissatisfaction with military intelligence operations, and that the in-house controversies had cast a cloud over "how Mr. Nixon wants to be viewed by foreign nations."

After reading the resume' of the Ottenad news item, the President jotted a short note to you in which he said that he had told Ron Ziegler not to permit our people to talk to the Post-Dispatch, the New York Times, or the Washington Post. He directed that all contacts with these news agencies (no matter how slight or how infrequently) be terminated immediately.

ALEXANDER P. BUTTERFIELD

cc: Mr. Ehrlichman
Mr. Klein
Mr. Ziegler

Chen

May 21, 1969

PERSONAL

MEMORANDUM FOR:

Dr. Thomas O. Paine, Administrator
National Aeronautics and Space Administration

This is just a short note to tell you how much the President enjoyed reading his daily news summary account of your recent straight-from-the-shoulder comments concerning Senator Kennedy's "dispirited vision" of America's destiny in space. The President liked the way you stood by your guns without flinching and put the facts squarely on the line.

Alexander P. Butterfield
Deputy Assistant to the President

cc: Vice President Agnew
Dr. DuBridge
Col. William Anders, Executive Secretary of
the National Aeronautics and Space Council

PERSONAL

chm

May 21, 1969

MEMORANDUM FOR: DR. MOYNIHAN

There was a short item in today's news which said that Abernathy, openly complaining about his rude reception by President Nixon, had announced plans for a new poverty caravan leading from Alabama to the Nation's Capitol.

After reading the article the President addressed this comment to you:

"Pat -- I thought you were the rude one!"

ALEXANDER P. BUTTERFIELD

chron

May 22, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

The following item appeared in the President's morning news summary:

"The House put college administrators on notice to start punishing campus rioters or face the possibility of tough new laws that could cut off all their Federal aid. Moving almost eagerly on the first measure of the year aimed at the rioting, the House voted to deny certain construction funds to colleges that fail to enforce an existing law affecting campus disorders. 'This Amendment would put a little starch in the backbone of weak-kneed administrators,' said its author Rep. Scherle, R-Iowa. Major opposition to the Amendment melted when Rep. Edith Green supported Scherle and said, 'There's nothing repressive, nothing punitive about this. It simply serves notice that we're sick and tired of this rioting and that this Congress is determined to do whatever is necessary to stop it.'

"George Wallace called on President Nixon to withdraw Federal funds from colleges where administrators either could not or would not end student disorder. 'President Nixon should refrain from providing financial support to any institution whose students or any faculty engage in disruptive activities and whose administrators fail or refuse to take preventive actions,' he said in his monthly newsletter."

After reading this account the President addressed the following question and comments (which I believe pertain chiefly to the underlined portions) to you:

"John -- What is our position on this? We'd better not oppose it if it is sure to pass. I don't want to be boxed into having to veto it."

ALEXANDER P. BUTTERFIELD

Chuan

May 23, 1969

MEMORANDUM FOR: DR. KISSINGER

Thomas Fenton, reporting from Paris, had the following account in a recent issue of the BALTIMORE SUN:

Harold Kaplan, a U.S. spokesman, confirmed that the Administration has not ruled out replacement of the Thieu government by a caretaker coalition government which could conduct new elections in South Vietnam. The political arrangements of the Vietnamese settlement are for negotiation between the South Vietnamese concerned.

After reading this, the President addressed this comment to you:

"Henry -- have this knocked down flatly, and right away."

ALEXANDER P. BUTTERFIELD

cc: Klein
Ziegler

Chv

May 23, 1969

MEMORANDUM FOR: DR. KISSINGER

The following account appeared in a digest of recent news items prepared for the President:

"The issue in Vietnam and in Paris which was avoided by the President in his speech is that 'of telling the bargainers in Paris one thing and the military commanders another thing.' Mr. Nixon made it clear that our objectives were limited but still 'the objectives of Paris must square with the military policy' being carried out in S. Vietnam. As Harriman has said 'we can't expect Hanoi to de-escalate the fighting at the same time that we are escalating it.' (Robert Healy in 5/16 Boston Globe)"

After reading this, the President addressed this comment to you:

"Henry -- this line -- that we are escalating -- must be knocked down, and kept down. Healy, of course, is a doctrinaire leftist -- but we must get busy and get out the other line."

ALEXANDER P. BUTTERFIELD

cc: Klein
Ziglar

Chen

May 23, 1969

MEMORANDUM FOR: DR. KISSINGER

Hedrick Smith is reported to have said, in a recent NEW YORK TIMES, that a controversy is developing within the Administration over how to maintain battlefield pressure on the enemy without arousing a political reaction in the U.S. over high American casualty rates. The Smith item goes on to say that privately these officials express impatience with the Saigon command for undertaking such a costly operation as the assault on the Apbia Mountain in which nearly 50 Americans were killed and some 270 wounded. They (the Administration officials) want the President to sharpen his orders to field commanders to get them to use greater discretion.

After reading this in his daily news summary, the President was curious as to precisely who was putting this out. He would appreciate your looking into the matter right away and responding directly to him.

ALEXANDER P. BUTTERFIELD

cc: Klein
Ziegler

Chen

PLEASE TREAT AS CONFIDENTIAL

May 29, 1969

MEMORANDUM FOR: MR. EHRLICHMAN
COLONEL HUGHES

SUBJECT: Mr. A. Ernest Fitzgerald

It has just come to my attention - by word of several mouths, but allegedly from a senior AFL-CIO official originally - that a civilian named A. Ernest Fitzgerald, presumably employed by the Department of the Navy, is about to blow the whistle on the Navy by exposing to full public view that service's "shoddy purchasing practices." Evidently, Fitzgerald attended a recent meeting of the National Democratic Coalition and, while there, revealed his intentions to a labor representative who, fortunately for us, was unsympathetic.

I believe that this information has been passed already to Bill Sullivan at Justice (FBI), but I thought I should alert each of you to the facts as they were presented to me.

ALEXANDER P. BUTTERFIELD

NOTE: Elmer Juanich has just brought to my attention the fact that an A. E. Fitzgerald is listed in the current Pentagon telephone directory as being assigned to SAFFM (Office of the Assistant Secretary of the Air Force/Financial Management.)

PLEASE TREAT AS CONFIDENTIAL

May '69

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

May 29, 1969

PLEASE TREAT AS CONFIDENTIAL (When With Attachment)

MEMORANDUM FOR: MR. CHAPIN
MR. WARREN
MRS. WHITE

I am attaching to this memorandum a copy of the Preliminary News Forecast for the week June 1-7 which we prepared jointly last Monday evening. Please make additions, deletions, and amendments -- as appropriate -- in the columns for which you are responsible ... either typewritten or longhand, and return the news plan to me by 3:00 p.m. this afternoon. If in your opinion any of your changes affect the major news focus on a particular day, be certain that you so indicate at the bottom of the page.

Thank you.

bla
ALEXANDER P. BUTTERFIELD

Attachment

PLEASE TREAT AS CONFIDENTIAL (When With Attachment)

chron

THE WHITE HOUSE
WASHINGTON

May 28, 1969

Memo for Mr. Ehrlichman

John:

We are already looking into a cross-sectional ABM poll and Harry Dent has the action. You may want to check with him prior to initiating a separate poll compilation project.

Alexander P. Butterfield

May 28, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

An account in the May 25th Washington Star said that 40,000 replies to a poll taken by J. Glenn Beall, Jr., in his relatively conservative Maryland district, indicated the following statistics:

- (1) 69 percent of those polled were opposed to our present course in Vietnam
- (2) 47 percent of those polled were in favor of the ABM
- (3) 29 percent of those polled were opposed to the ABM
- (4) 60 percent of those polled were opposed to Federal funds for the US/SST
- (5) 78 percent of those polled were opposed to the "guaranteed annual income"
- (6) 58 percent of those polled were in favor of banning cigarette ads from radio and TV
- (7) 43 percent of those polled were in favor of space spending reductions
- (8) 46 percent of those polled were in favor of continuing our space efforts at the present pace

With reference to the over-all news item the President asked this question: "John -- Why don't we get a compilation of such polls ... by Congressman and Senator? "

With reference specifically to the fifth item in the poll (concerning opposition to a guaranteed annual income), the President asked if this doesn't represent a danger signal for family security.

ALEXANDER P. BUTTERFIELD

cc: Mr. Dent

Chen

May 28, 1969

MEMORANDUM FOR: MR. DENT

Wallace Turner had an article in the May 25th issue of the New York Times. It said, in essence:

Inflation seems to have replaced the ABM as the key issue in the Montana June 24 election between GOP William Mather and Democrat John Melcher ... to replace Jim Battin. The situation appears similar to that involving the Laird seat, in which case the former Congressman garnered strong personal support while the GOP itself was relatively weak.

After reading this, the President addressed the following comment to you:

"Harry -- The GOP candidate may have to lean harder on the ABM issue."

ALEXANDER P. BUTTERFIELD

cc: Mr. Ehrlichman

chron

May 28, 1969

MEMORANDUM FOR: DR. BURNS

I am attaching a copy of your May 22nd Memorandum for the President. His brief self-explanatory remarks appear in the lefthand margin (under my check marks) beside subparagraphs (1), (3) and (4).

It may be that the President has discussed these items with you already.

ALEXANDER P. BUTTERFIELD

Attachment

Chen

May 28, 1969

MEMORANDUM FOR:

THE ATTORNEY GENERAL

The President wanted the attached memorandum
passed on to you for your consideration.

Alexander P. Butterfield
Deputy Assistant to the President

Attachment

chron

May 28, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

This is just a short note to pass on the fact that the President took very calmly the many news reports of "violent reactions pro and con" to Rita Hauser's persistent public campaign against sex discrimination in "jobs and other areas". He said simply, "Much ado about nothing."

ALEXANDER P. BUTTERFIELD

cc: Mr. Klein
Mr. C. Wilkinson
Mr. Ziegler

May 28, 1969

MEMORANDUM FOR: MR. EHRLICHMAN

In a recent news summary prepared for the President by Pat Buchanan & Company there was a short piece subtitled "Armed Forces Week". It read:

"The President's efforts 'to bolster the morale of his troops received little notice and therefore failed.' The letter to the Virginia Army private was 'a hollow response compounded a day later during ... the Medal of Honor ceremony and visit to the Saratoga.' His remarks appeared to indicate that 'there has been no Pueblo, no Vietnam, no bloated Pentagon budget, just the same good old Sonny Tufts values of the U.S.O. keeping the peace and all that.' Soon he'll have to explain how the U.S. 'lost its first war (a perilous procedure) ... and will need the help of everyone involved in a military controversy, from the ABM to ROTC."

The President would like to know whether or not you agree with this ... and particularly, how you feel about the effort put forth. (Was it worthwhile?)

ALEXANDER P. BUTTERFIELD

May 27, 1969

MEMORANDUM FOR: MR. CHAPIN

~~Please~~ ^{Dwight-} Consider, if only for a minute, the possibility of the President's attending the Medal of Honor Society's national convention to be held October 10th of this year in the Houston Astrodome. It might well prove to be a worthwhile event, and a trip to the Southland on which other (political) objectives might be accomplished.

Please telephone your final or interim response to this request to Colonel Burke (U.S. Army) at 225-3809. Burke is a Medal of Honor winner, himself ... as a result of some fantastic exploits in the Korean war. He is also a former chairman of the Medal of Honor Society and a good friend of mine. He will relay whatever information you pass to him to Mr. James Fields, the designated chairman of this year's convention.

Many thanks.

ALEXANDER P. BUTTERFIELD

chron

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By 345 NARA Date 3/18/2006

May 27, 1969

PERSONAL/CONFIDENTIAL

MEMORANDUM FOR: MR. DENT

It would be very helpful to us if you would contact someone you know well at the Republican National Committee and assign to that person the project of discreetly digging up the names of major contributors to the recent (1968 election) campaigns of Senators Aiken, Cook, Gravel, Inouye, Magnuson, Mathias, Saxbe and Schweiker.

Thank you.

ALEXANDER P. BUTTERFIELD

PERSONAL/CONFIDENTIAL

May 27, 1969

MEMORANDUM FOR: MR. FLANIGAN

In the format to which you are now accustomed -- and in your inimitable style -- please submit to the Staff Secretary a Memorandum for the President's File outlining your observations at each of the following meetings in the President's office:

- (1) With Walter Thayer -- 5:15 p. m. on May 16th
- (2) With Bob Mayo and Dwight Ink -- 3:05 p. m. on May 22nd
- (3) With the President's Business Council Liaison Committee -- 4:45 p. m. on May 22nd

Thank you.

ALEXANDER P. BUTTERFIELD

chin

May 27, 1969

MEMORANDUM FOR: MR. HALDEMAN

Subject: Item for the Suggestion Box

It seems to me that unless John Ehrlichman relays the political ramifications of each significant topic discussed at the 8:00 a. m. weekday meetings to Harry Dent, he (Harry) should sit in on that meeting as a regular participant.

ALEXANDER P. BUTTERFIELD

Agree _____, inform HD.

Disagree _____

Will consider _____

chr

May 27, 1969

MEMORANDUM FOR: DR. KISSINGER

The President asked that you note the attached article by Roscoe Drummond.

ALEXANDER P. BUTTERFIELD

Attachment

Chiron

May 27, 1969

MEMORANDUM FOR:

THE ATTORNEY GENERAL

Although you may have seen already the attached talking paper prepared by Secretary Volpe, I am forwarding it to you (for filing and probable future reference) in compliance with the President's request.

Alexander P. Butterfield
Deputy Assistant to the President

Attachment

chron

May 26, 1969

PLEASE TREAT AS CONFIDENTIAL

MEMORANDUM FOR RECORD

In compliance with ~~the~~^a recent request by Ted Braun I talked to Herb Klein today and asked him to talk in turn to Alex Troffey ... in an effort to generate within Troffey some increased motivation toward his job and its importance. I told Herb that Braun had received reports (from various sources) which pretty well verified a generally uncooperative attitude and manner toward reporters and other representatives of the press on the part of Troffey.

Herb assured me that he would get with Troffey right away and provide the necessary guidance and counsel.

ALEXANDER P. BUTTERFIELD

Additional Note: Ted Braun informed me sometime ago that he had serious doubts about the all-around ability, and especially the PR effectiveness, of Alex Troffey at Interior. According to Ted's most recent assessment -- made about two weeks ago -- Troffey is "not quite bad enough to get rid of ... but he's close". Now, in view of these most recent reports concerning Troffey's lack of cooperation with the press, Braun is on the verge of recommending his dismissal from the post he now holds.

PLEASE TREAT AS CONFIDENTIAL