The reaction today to president Nixon's
new Phase four economic policy -good, bad and, Bomb
yes. ever, indifferent.

Perhaps the most reasoned analysis though -
from Treasury Secretary George Shultz. " Ithink people are tired of hearing" - said he - "how it's going to be six months from now; they want to know what you're doing today to help the problem -and we're taking that approach.

Shultz adding, however, the fundamentals
of the problem -are still budget and monetary policy.
"We will have as our objective this year" - said he"that old-time religion -let's balance the budget?

We can do it and if we do it" he continued- "that's the kind of thing that's going to deal ultimatelywith the inflation problem."

## ECONOMY-2

Shultz also taking note of farmers' complaint
saying: "I know the farmers are trying - everybody's
crying but the farmers are crying all the way to the
bank."

## At Bethesda Naval Hospital - President

Nixon today was pronounced fully recovered -from his bout with pneumonia. The President's personal physician -Dr. Walter Tkach-saying the President has now been given an okay to return to the White House tom or row morning.

Dr. Tach adding that the President will
still be going to Camp David -later on in the day.

## that

Noting, however, "he's now more eager than ever

- to jump into a work program." The doctor also saying that when he tells the President to take it easier - "he smiles and says 'yes' and then does it his own way."

Like being caught in quick sand - that's the way a former key aide to John Mitchell - today described his involvement in the mater ger Watergate affair.

Robert Mardian saying: "Information was imparted to me, bit by bit, much of it contradictory - which drew me inexorably into an intolerable and at times $\qquad$
unbearable situation. A situation in which $I$ gross was precluded -from acting according to the dictates of my personal dormer desires or interests - a situation in which ultimately my mon only hope was the ado selfish one of not becoming implicated in the conduct of others."

Mardian as then attempt ry to refute a number of previous statements - by former White House Aide debturt Magruder. Denying that he was a close friend - of convicted Watergate mastermind G Gordon Liddy; denying that he

WATERGATE -2
had ever attempted to intercede - in behalf of another

Watergate defendant - James McCord. Further saying
that, true or not, tidy had once told him - he was
operating under the express authority of the President
of the United States."

All of this - in testimony before the
Senate Watergate Committee -during a session which was also enlivened - by two brief interruptions.

The first - when committee chairman Sam Erwin
announced that he had just been informed -that

President Nixon was prepared to release his taped
conversations. The second, when Erwin later disclosed that his previous announcement
was the result of a hoax.

Senator Erwin observing, a bit sadly:
"My trust in humanity - has been grossly abused."

Meanwhile, an announcement today that the President will draft a reply this weekend -to the Senate Watergate committee's request for Presidential tapes. Press Secreary Ron Ziegler refusing to indicate however, whether the answer will be yes or no. Adding
only the President's reply will be made public early next week.

Ziegler also saying no date has been set
as yet - for the planned meeting between the President
and Senator Ifwingex Ervin. Howsugeoted-thongh-that He said this may he Anta os anaryoter anted early next week.
From Federal Judge John Sirica - an order
today creating a new grand jury. xbetsx Its assigned task - phot prob possible violations of federal election campaign laws. The judge's action -coming at the request of special Watergate prosecutor Archibald Cox. An aide to Cox saying the new Grand Jury will deal with alleged violations - entirely separate from those the Watergate Grand Jury is considering.

SEOUL

At Seoul - Secretary of State wharton Rogers conferred for more than an hour today -with South Korea's President Park Chung Hes. Park's office saying Rogers again endorsed Park's proposal = for joint admission of both North and South Korea to the UN.
Earlier, Rogers made a public pledge

- that there will be no hasty cuts in US troop strength in South Korea. At the same time noting, however, that improved $U S$ and Red Chinese relations - could mean peace in Asia for the ret rest of this century.


## That Libyan protest "march" from Tripoli

 to Cairo - went rolling through Benghazi today. Along the way -picking up an additional ten thousanddemonstrators. The "markers" - now totalling around thirty thousand, in all; zipping along - in more than a thousand cars, trucks and busses.

The Libyans - as you know - carrying
petitions supposedly written in blood; petitions demanding immediate implementation -- of a planned merger
between Libya and Egypt. Hoping to make a formal
presentation this weekend - to meydutis Egypt's President

Anear Sadat.

MERSA Matruh follow Benzhazi

And nav this: The vanguard of the Libyan titan a vines at
procession reaching the Egyptian border. One car -- way in advance of all the others - driving right on through - into Mersa Matruh with Egyptian border guards - apparently failing to force a threatened confrontation.

In the South Pacific - the new Zealand protest frigate Otago - moved up today to within twenty miles of Mururoa atoll; close enough fora the crew round see a giant balloon that the French for
are planning to use shortly dakaxaing detonating a nuclear bomb.

A New Zealand spokesman said the Otago was then "closed down". The ship sealed and its crew below decks - breathing filtered air - as a protection against radio activity. The spokesman adding: "they are expecting the blast - at any moment."

At Cape Kennedy - a dress rah rehearsal
today for the scheduled launch of America's second sky lab crew. The real thing -as you kn ow - ho now less than ten days hence.

Back in Washington - an announcement today
as to the cause of that launch accident 4 that left first
the, sky lab for a time nearly powerless. Space
officials blaming an air pressure build-up-rata to Q
have dy the result of an engineering axacur oversight.

ROME

In Rome today - Christmas in July. With

Roman furriers displaying their upcoming collectionsfor next winter. The House of Fendi-perhaps drawing the most applause; displaying a line of ss so-called "morning-to-evening furs". These coming in chincilla, ermine, and pekan - when are said to be "noncontroversial" furs.

But the hit of the show -we are told -
a red and grey fox variation on the old Ike battle
jacket; complete with shawl-collar--and long ribbon Bill
ties. In the search for conquest, seems - the new ultimate weapon?

CHICAGO

The benevolent and protective order of Elks
wets meeting in annual convention today in Chicago, e thews voting almost three to one - to admit blacks for the first time ever.

This - we are told - in "recognition of changing social attitudes - and a recent Supreme Court action." Officials adding that from now on, the only requirements for membership in the Elks - are that an applicant be male, over twenty -one, and a noncommunist." Blacker aby. But thumbs clown on Leda.

