ECONOMY

Thurs. July 19-73.

The re^action today to President Nixon's new Phase four economic policy - good, bad and, Semp yes, even indifferent.

Perhaps the most reasoned analysis though from Treasury Secretary George Shultz. "I think people are tired of hearing" - said he - "how it's going to be **hes** 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 ultimately with the inflation problem." Shultz also taking note of farmers' complaint

saying: "I know the farmers are trying - me everybody's

crying but the farmers are crying all the way to the

bank. "

BETHESDA

At Bethesda Naval Hospital - President Nixon today was pronounced fully recovered - from his bout with **entry** pneumonia. The President's personal physician - Dr. Walter Tkach - saying the President has now been given an okay *«* to return to the White House tomorrow morning.

Dr. Tkach adding that the President will still be going to Camp David - later on in the day. Weat Noting, however, "he's now more eager than ever - to jump into a work program." The doctor met also saying that when he tells the President to take it easier - "he smiles and says 'yes' and then does it his own way."

WATERGATE

Like being caught in quick sand - that's the way a former key aide to John Mitchell - today described his involvment in the Hunters 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 of unbearable situation. A situation in which I ax xx was precluded - from acting according to the dictates of my personal duration desires or interests - a situation in which ultimately my menn only hope was the seles selfish one of much not becoming implicated in the conduct of others."

Mardian **as** then attempting to refute a **Mardian as** then attempting to refute a **Mardian as** then attempting to refute a **Mardian as** then attempting to refute a White House Aide deb Stuart Magruder. Denying that he was a close friend - of convicted Watergate mastermind **Guik** G Gordon Liddy; denying that he

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had ever attempted to intercede - in behalf of another Watergate defendant - James McCord. Further saying that, true or not, Liddy 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 **conversations** announcement was the result of a hoax.

Senator Ervin observing, a bit sadly: "My trust in humanity - has been grossly abused." ZIEGLER FOLLOW BETHESDA

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 Arnings Ervin. Her suggested though that

He said this may be managed announced early next week.

SIRICA

From Federal Judge John Sirica - an order today creating a new grand jury. xhtxxx Its assigned task - that of probing 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 - ix entirely separate from those the Watergate Grand Jury is considering. SEOUL

At Seoul - Secretary of State **Filltain** Rogers conferred for more than an hour today - with South Korea's President Park Chung Hee. Park's office saying **that** Rogers again endorsed Park's proposal = for joint admission of both North and South Korea to the UN.

Earlier, Rogers **making** 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 US and Red Chinese relations - could mean peace in Asia for the **xet** rest of this century.

BENGHAZI

That Libyan protest "march" from Tripoli to Cairo - went rolling through Benghazi today. Along the way - picking up an additional ten thousand demonstrators. The "markers" - now totalling around thirty thousand, in all; **t**ipping 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 Egyptits President Anwar Sadat. MERSA Matruh follow Benzhazi

And now this: The vanguard of the Libyan toda, a vinef at procession of 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. M UR UR OA

In the South Pacific - the new Zealand protest frigate Otago - moved up today to within twenty miles of Mururoa atoll; close enough that the crew could see a giant balloon - that the French are planning to use shortly the detonating 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." CAPE KENNEDY

At Cape Kennedy - a dress **rakk** rehearsal today for the scheduled launch of America's second sky lab crew. The real thing - as you know -**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 - caid to at have been the result of an engineering oxecut oversight. ROME

In Rome today - Christmas in July. With Roman furriers displaying their upcoming collections for next winter. The House of Fendi - perhaps drawing the most applause ; displaying a line of **s** so-called "morning-to-evening furs". These coming in chincilla, ermine, and pekan - which 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 Bief ties. In the search for conquest, the new ultimate weapon? CHICAGO

The benevolent and protective order of Elks was meeting in annual convention today in Chicago; there 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 non-Communist." Blacks obsey. But thumbs down on Reds.