

Nixon Hints Economic Policy Shift

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By Lou Cannon

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ORLANDO, Fla., June 8—President Nixon attempted today before the friendliest of audiences to demonstrate that his administration is not paralyzed by the Watergate scandal.

Without ever mentioning the Watergate issue, Mr. Nixon called upon the graduating class of Florida Technological University to join in "building the spirit of America" by tackling issues of "great enterprise."

The President hinted at possible forthcoming changes in the administration's economic policies. And he sounded a familiar

1972 campaign theme when he said that the United States must go to the international bargaining table "second to none" in military strength.

But he broke no new ground. In a 27-minute speech to an audience described by a Nixon aide as a "solid, middle America student body" the President was content to restate themes from his speeches of the past year and a half.

Much of his speech was devoted to a recitation of first-term accomplishments in obtaining agreements with China and the Soviet Union, agreements which the President said he hoped

to convert into "a lasting structure of peace in the world."

He said several times that the United States must not reduce the incentive for further negotiations either by unilateral disarmament or by turning inward and foregoing a role of world leadership.

"No nation can be an island, and particularly the United States cannot bug out of its responsibilities to the world because we are a power for peace," Mr. Nixon said. "... The last few years have demonstrated, we have proved, that we deserve respect and that the world can have our confidence."

The President spoke to an audience of 750 graduating seniors, their parents and several thousand other students at this 7-year-old "commuter college" built on sandy scrubpine land east of Orlando. He had received the invitation for the commencement address two years ago, but accepted only Tuesday.

Aides said the speech was a convenient one for the President to make because Orlando is less than an hour's flight from Key Biscayne, where Mr. Nixon is again spending the weekend. But the speech was also

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viewed as a part of an emerging attempt by the President to demonstrate that he can still govern despite Watergate.

This effort to emerge from the shadow of Watergate has been the dominant administration theme ever since the President on Wednesday brought Melvin R. Laird back into the government as his chief domestic adviser. On Thursday the President told his Cabinet that the government was "alive and working" and that the administration would be judged by its long range foreign and domestic decisions rather than by Watergate.

In the days ahead, according to administration sources, the President will move rapidly to complete the reshuffle of his Water-

gate-damaged administration. He also will make carefully selected public appearances intended to portray a picture of restored administration self-confidence.

His speech today was his first before a campus audience since his commencement address at West Point two years ago.

The President chose as his audience a student body where 90 per cent of the students work full time or part time and where more than one-third of the male students are military veterans.

"We are veterans; we have served in the armed services," Mr. Nixon told his audience. "So, I begin with why this is a good time to be alive and why it is a good time to be alive in America by pointing out how this class, the class of '73, has some enormous advantages that your predecessors have not had for many years."

The President said it was

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1st college speech 11/2 yrs.

President Nixon shakes hands with some of the new graduates of Florida Technological University, where he spoke yesterday.

United Press International



the first graduating class in 12 years that did not face service in Vietnam, the first class in 32 years that was not subject to a draft, and the first class in 21 years that could "look to the future with the thought" that the People's Republic of China is no longer isolated from the world.

Mr. Nixon conceded that the United States has economic problems, but he said these are primarily the problems of rising demand in the world and could be solved by technological improvements causing improved production. It was at this point the President hinted he may act to restore at least some economic restraints to curb domestic inflation.

"Government of course can act, and we shall act where we think it responsible to do so and where it will be effective to hold down the inflation," Mr. Nixon said.

There has been speculation throughout the week that Mr. Nixon would announce new anti-inflation policies, particularly after the Labor Department reported that wholesale prices had jumped up another 2 per cent in May.

White House acting press secretary Gerald L. Warren said Thursday that the President considered inflation the No. 1 problem facing the nation, but attached no "sense of urgency or crisis" to administration action.

Warren ruled out any action on economic policy over the weekend, but he did not preclude an announcement of new economic restraints next week.

The audience that Mr. county where he received country where he received 80 per cent of the vote last November, was warm and friendly, but only occasion-

ally interrupted by his speech with applause. The loudest applause came when the President declared: "Keep America strong and never send the President of the United States to the negotiating table as the head of the second strongest nation in the world."

A dozen persons protesting against continued U.S. bombing in Cambodia said they were kept out of the area where the President was speaking. However, another small group in the back of the audience hoisted a large banner throughout the President's speech. The banner said: "We don't believe you."

Still another group in the audience responded with a handlettered smaller banner

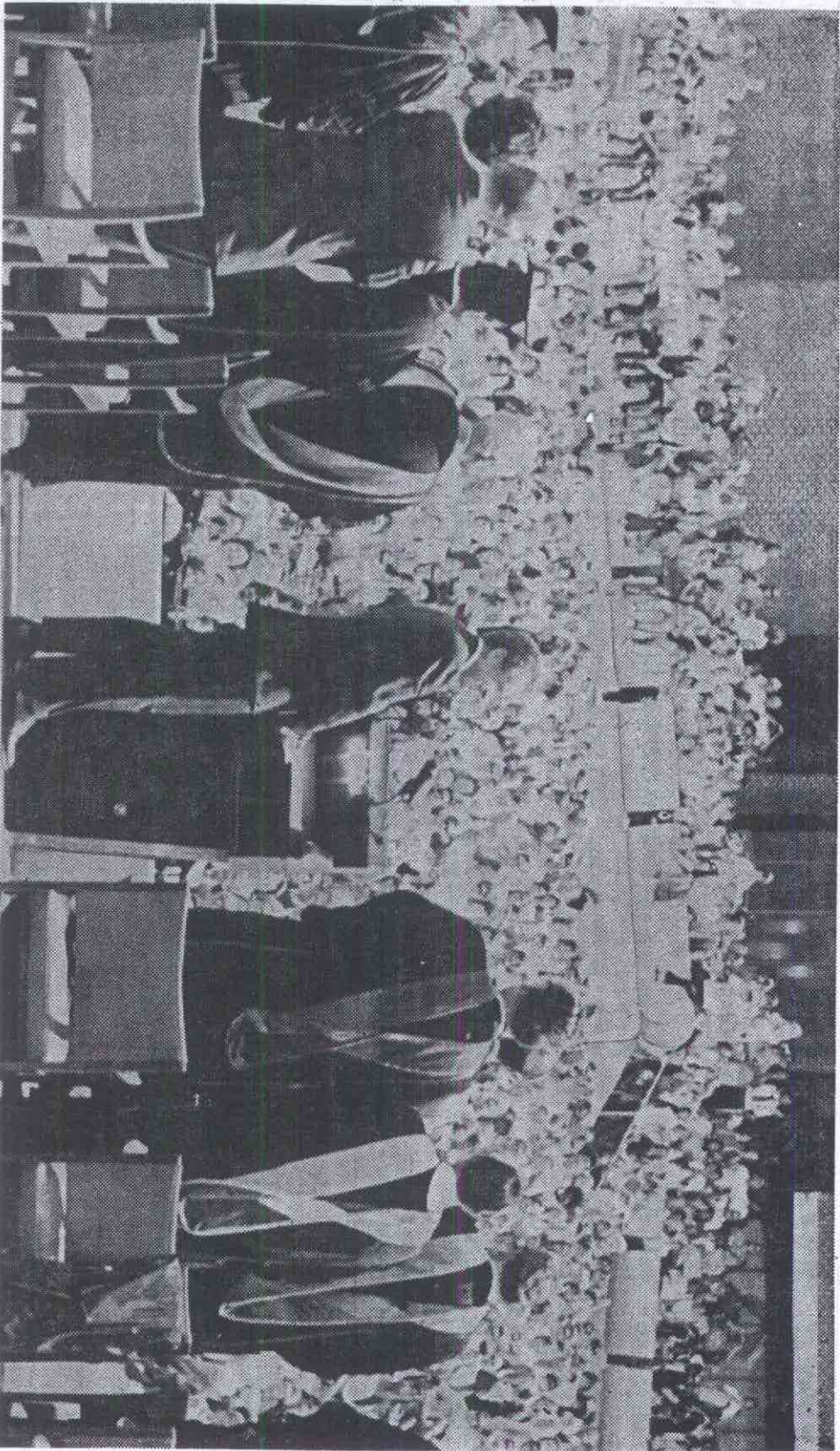
that said, "We believe in you."

Early in the President's speech there was a shout of "Resign!" but Mr. Nixon gave no sign of having heard it.

The President's speech was also a subject of controversy in Orlando. The Orlando Sentinel-Star ran a cartoon today which showed

Mr. Nixon saying to the graduating class: "And if any of you are looking for a job, there are a number of vacancies on my staff."

Mr. Nixon flew to Key Biscayne immediately after the speech, accompanied by his wife, his newly named chief of staff, Alexander Haig, and other staff members.



Florida Technological University students applaud President Nixon during his commencement address at the Orlando school yesterday.

Associated Press