

# PRESIDENT MEETS BUSINESS LEADERS

Foreign Relations, Cambodia  
and Stock Market Topics  
at Closed Conference

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WASHINGTON, May 27 —

President Nixon asked 45 business and financial leaders to the White House tonight for a closed discussion of foreign policy, the stock market and Cambodia.

The discussion took place during and after dinner in the state dining room, against a backdrop of the first really encouraging economic news in weeks — the stock market's spectacular one-day advance of 32.04 points.

White House officials dropped a curtain of secrecy over the entire proceedings, refusing — except in the most general terms — to discuss even the agenda.

Even before the meeting, however, it was clear that Mr. Nixon would review and defend his recent decision to send

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troops into Cambodia, which has caused unrest in the nation and, in the view of many business analysts, contributed to nervousness in financial markets.

To soften some of these fears, the President was believed ready to reaffirm to his guests the Administration's pledge to remove all American troops from Cambodia by the June 30 deadline, and to assure them that the move did not signal permanent, large-scale American involvement in Indochina.

Mr. Nixon planned as well to review the economy and his efforts to stabilize the price level, another major source of concern to investors. The bulk of the evening, however, was left to his guests to toss their own ideas, prescriptions and remedies at the chief executive.

Some guests came prepared to urge Mr. Nixon to supplement present anti-inflation policies with more vigorous Presidential influence over wage and price increases — ranging from resurrection of the old voluntary wage-price "guidelines" to direct controls.

Paul W. McCracken, chairman of the President's Council of Economic Advisers, rejected mandatory wage and price controls at a news conference in Los Angeles yesterday. He said he saw little merit in voluntary measures. These sentiments are shared by the President and nearly all his top economic advisers.

## Top Level Advisers

Mr. McCracken was on hand for the dinner tonight, as were Secretary of the Treasury David M. Kennedy; Attorney General John N. Mitchell; Secretary of Commerce Maurice H. Stans; Arthur F. Burns, chairman of the board of governors of the Federal Reserve System; Peter M. Flanigan, an assistant to the President with many ties on Wall Street; Charles W. Colson, a special counsel to the President, and William L. Safire, special assistant to the President and his principal speechwriter on economic matters.

Mr. Safire has been working for some weeks on a major address on the economy that the President reportedly plans to deliver.

Most observers here had expected Mr. Nixon to deliver the speech by now, but there has been conflicting advice within the White House on the substance of the speech and its proper timing.

Tonight's dinner resulted from a suggestion by Bernard Lasker, chairman of the New York Stock Exchange. During a meeting last week, he asked Mr. Nixon to dispatch top aides to New York to explain the Cambodian decision and discuss Administration economic policies with financial leaders.

Mr. Nixon alerted Dr. Henry A. Kissinger, his national security adviser, and Robert P. Mayo, his budget director, but in the end decided that dinner at the White House, including a broader range of business leaders from various parts of the country, would be better.

The dinner was formally announced yesterday as the stock market dropped to a new 7-1/2 year low, interest rates and prices climbed another notch, and the staff of the joint com-

mittee on internal Revenue Taxation predicted that the Federal budget for the fiscal year 1971 would show a \$4.5-billion deficit instead of the Administration's projected \$1.3-billion. This was even if Congress approved all the President's revenue proposals.

During his meeting with the President, Mr. Lasker said he thought the Cambodian decision had been widely misunderstood and suggested the misunderstanding had contributed to the stock market decline.

Before today's sudden spurt of buying activity, the market had dropped, by the close of trading yesterday, to 631.16, the lowest point since Nov. 19, 1962. It had fallen more than 90 points since April 28, when Mr. Nixon told a group of visiting businessmen he would be buying stock if he had any money.

Earlier today, the President met with his "quadriad" of four top economic advisers—Mr. Kennedy, Mr. Burns, Mr. McCracken and Mr. Mayo—to discuss the economy and prepare for tonight's meeting.

The commercial planes and executive jets that arrived here today with Mr. Nixon's guests carried a cross-section of the nation's most influential corporate and financial leaders. Slightly over half came from New York, center of the financial markets. But the group included several Midwesterners and Californians, as well as Mr. Nixon's frequent companion and longtime friend, Charles G. (Bebe) Rebozo, Key Biscayne banker and entrepreneur.

Following is the list of business and financial leaders who attended the dinner tonight:

Robert O. Anderson, chairman, Atlantic Richfield Company, Philadelphia.  
John Bogle, president, Wellington Management Company, Philadelphia.  
Fred J. Borch, chairman, General Electric Company, New York, N. Y.  
Howard E. Buhse, Hornblower & Weeks-Hemphill, Noyes, New York, N. Y.  
Louis W. Cabot, president, Cabot Corporation, Boston.  
Alden W. Clausen, executive vice president, Bank of America, San Francisco.  
Isidore M. Cohen, Joseph H. Cohen & Sons, New York, N. Y.  
Richard P. Cooley, president, Wells Fargo Bank, San Francisco.  
James W. Davant, Pain, Webber,

Jackson & Curtis, New York, N. Y.  
Gordon Edwards, chairman, Kraftco Corporation, New York, N. Y.  
Frederick L. Ehrman, senior partner and chairman, executive committee, Lehman Brothers, New York, N. Y.  
Max M. Fisher, chairman of the board, Fisher-New Center Company, Detroit.  
Harold S. Geneen, chairman, International Telephone & Telegraph Corporation, New York, N. Y.  
Albert Gordon, chairman, Kidder Peabody & Co., Inc., New York, N. Y.  
Donald M. Graham, chairman, Continental Illinois National Bank & Trust Co., Chicago.  
Robert W. Haack, president, New York Stock Exchange, New York.  
Robert V. Hansberger, president, Boise Cascade Corporation, Boise, Idaho.  
Gabriel Hauge, president, Manufacturers Hanover Trust Company, New York, N. Y.  
Harry A. Jacobs Jr., Bache & Co., Inc., New York, N. Y.  
William M. Jenkins, chairman, Seattle First National Bank, Seattle.  
Edward C. Johnson 2d, chairman, Fidelity Fund, Boston.  
Frederick G. Larkin Jr., president, Security Pacific National Bank, Los Angeles.  
Bernard J. Lasker, chairman, board of governors of New York Stock Exchange, New York, N. Y.  
Salim L. Lewis, Bear Stearns & Co., New York, N. Y.  
John L. Loeb, Loeb, Rhoades & Co., Inc., New York, N. Y.  
Daniel Lufkin, Donaldson, Lufkin & Jenrette, New York, N. Y.  
Donald S. Macnaughton, president, Prudential Insurance Company of America, Newark.  
J. Irwin Miller, chairman, Cummins Engine Company, Inc., Columbus, Ind.  
Paul Miller, president, the First Boston Corporation, New York, N. Y.  
Harvey Mole, United States Steel

Corporation, New York, N. Y.  
William H. Morton, president, American Express Company, New York, N. Y.  
William B. Murphy, president, Campbell Soup Company, Camden, N. J.  
Robert S. Oelman, chairman, the National Cash Register Company, Dayton, Ohio.  
Peter G. Peterson, chairman of the board, Bell & Howell Co., Chicago.  
Charles G. Rebozo, Key Biscayne, Fla.  
Donald T. Regan, Merrill, Lynch, Pierce, Fenner & Smith, New York, N. Y.  
Dr. W. Kenneth Riland, New York, N. Y.  
James M. Roche, chairman, General Motors Corporation, Detroit.  
H. I. Romnes, president, American Telephone & Telegraph, New York, N. Y.  
William R. Salomon, Salomon Bros. & Hutzler, New York, N. Y.  
Ralph S. Saul, chairman, American Stock Exchange, New York, N. Y.  
Stuart F. Silloway, president, Investors Diversified Services, Inc., Minneapolis.  
V. J. Stuart, chairman of the board, National Omaha Company, Omaha.  
Holmes Stein, chairman, Dreyfus Corporation, New York, N. Y.  
Walter B. Wriston, chairman, First National City Bank, New York, N. Y.