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CALVIN COOLIDGE

REMARKS  
by the PRESIDENT to  
NEWSPAPER CORRESPONDENTS

VOLUME VI  
January 5, 1926 - June 29, 1926

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Tuesday, January 5, 1926.

Report of the Newspaper Conference.

Here is an inquiry about the new Mexican Land, Labor and Petroleum laws, as to whether they are in conformity to our agreements with Mexico. I am only partially familiar with these laws, and I am not certain whether this refers to the laws which have been in effect there for some time, or whether it refers to what I had understood was a proposed act and which I thought hadn't gone into effect, or whether it refers to an act that has been passed recently. I knew in a general way that there was a proposal to pass some laws there that the State Department was studying very carefully, but I don't know that the State Department has arrived at any definite conclusion about it, other than what has been already indicated in the public press and communicated to Mexico. It is a little delicate for me to comment on it, but I would like to make it apparent that I had assumed that Mexico of course would pass no laws that were contrary to the provisions of our treaties with that country. I understood that there were provisions in the law that was being proposed, and to which this question may refer, that it was thought were not in harmony with our treaties or might raise questions of whether they were in harmony. But again I want to say that I assume the Mexican Government would not sanction any violation of the agreements that we have with them.

There isn't anything that I can say about the situation in Tacna-Arica that is new. It is known that General Pershing is going to retire - from the field I mean - coming up here, and may - I make this suggestion not

for the benefit of the newspaper men in Washington but for the benefit of the press and of those that perhaps don't know General Pershing as you do, that any suggestion that he is coming home for any reason other than that which he alleges ought not to be entertained. It would be a reflection upon an intelligent and brave man that has always conducted himself with the utmost propriety and with the greatest of courage, and I should regret very much to see any suggestion in the press that he was returning for any other reason than because his health is in jeopardy. My own feeling is that he has stayed there perhaps too long and jeopardized his health too much, and certainly I should want to discredit the slightest imputation that he is coming home for any other reason than that his health compels him. I don't know what will be done about appointing some one to take his place. That is under consideration. I don't know whether it will be necessary for him to resign absolutely and another man be put in his place, and if he regains his health in time that the man put in his place may resign and General Pershing go back. That is something that I could only guess about, and I doubt if that would help to clarify the situation at all. The question of what can be done when he is absent is under consideration.

Mr. Gilbert, Parker Gilbert, the Agent General of the Reparations Commission, called yesterday, mostly as I understood it for the purpose of paying his respects to my office. I talked with him some about the situation abroad, especially that situation that comes under his particular jurisdiction, of the ability of Germany to maintain its payments, which he thought was demonstrated for the present. Mr. Gilbert is cautious and like everybody else will hesitate

very much to prophesy as to what the economic and financial condition of a great country like Germany might be in the course of a year or two. From such information as he gave me I gathered the thought that he expected that the present outlook was reassuring and promising, that Germany had reorganized itself and that its future outlook was bright.

So far as I know now I am not expecting to send any special message to Congress relative to the Alien Property and the attempt to make some settlements of our German claims. The Congress I think has practically all the information that is necessary, or such information as would naturally be supplemented not by a message but by a hearing before the Committee when Mr. Mellon would appear and representatives of the interested parties and some representative of the Alien Property. I don't know whether the situation will develop where legislation can be enacted at this session or not. If the plan, which is somewhat complicated, on being considered and presented to the parties in interest seems to meet with approbation, I should expect that there could be legislation at this session. If it develops that there must be changes made in it, so that it is necessary to consult the interested parties, many of which are in Germany and a large number scattered over the United States, ~~why~~ then it might not be possible to make a decision at the present session. But I hope very much that the matter might be decided during this session.

I haven't decided on any successor to General Pershing.

I couldn't indicate when there might be a decision on the Chilean appeal.

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It is my recollection that the 10th of January was set as the time in which the interested parties might file briefs and other papers, and immediately on their coming in of course we shall take up the matter of their consideration and attempt to make a speedy decision.

No decision has been made about the personnel of the American delegation that will go to the preliminary limitation of arms conference. I expect to use some people that are already in Europe, but which ones hasn't been decided on. Of course it would be natural that some representatives of the Army and Navy would go as advisers.

I am not enough of an expert on traffic laws and regulations to make any comment that would be of any value relative to their administration within the District of Columbia. Of course when I go out I usually go accompanied by a traffic officer, so I don't have an opportunity really to see how these regulations and rules work out in their relation to the travel of the private citizen. There are two main objects to be attained, safety and expedition. Those are difficult to harmonize.

This is the first meeting that we have had since the New Year came in. I forgot to wish you collectively a Merry Christmas. I am very glad to take this opportunity to express my sentiments as desiring that you may all have a Happy and Prosperous ~~X~~ year and also to express my deep appreciation of the care and candor with which you handle the news that affects me personally and the administration of the Government. I am sure it is very gratifying and must be very pleasing to those in whose employ you find yourselves, and very

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satisfactory to the public in general.

Friday, January 8, 1926.

Report of the Newspaper Conference.

I haven't arrived at any final decision about a successor to Mr. Lissner and Mr. Haney. There have been some recommendations made. They are under investigation. No final decision has been made.

I don't know of any amended appeal in the Tacna-Arica case. It is barely possible that some amendment has been filed at the State Department, but as I have had no notice of it I think it is very improbable. The Secretary of State was speaking to me this morning about the briefs coming in tomorrow. I am sure that if at that time, which was after 11:00 o'clock, any amendment had been filed, he would have mentioned it to me.

No final decision has been made about a successor to General Pershing, either temporary or permanent. We have a list of a dozen or fifteen names under consideration. No final decision has been made.

I don't know enough about the details of the fiscal relations between the District of Columbia and the Federal Government to make comment on it that would be helpful. About as far as I could go would be to express the very general principle that I should like to see something that was fair to both parties, and I should think that it could be arranged by a careful canvass of what the apparent needs are here in relation to the Federal Government and the apparent needs in relation to the citizens of the District, finding what expenditures are made for the benefit of each and then making an apportionment accordingly. That would need the consideration of a good many different

elements. I haven't those before me, but it seems as though something on that plan could be worked out, and no doubt that is the basis of the present arrangement.

Nothing has come to me about Porto Rico recently. I don't know of any indication that Governor Towner is thinking of resigning.

There are no new developments about the appointment of a United States Attorney for the District of Columbia. There are some things that are being worked out in relation to that which I think is satisfactory.

I haven't any information other than that which is general about differences of opinion among members of the Tariff Commission. I knew they had differences of opinion about procedure and so on, because when reports come to me there is oftentimes a divided opinion about matters of policy and matters of procedure. I don't know that it is anything more than what would be expected from a board that is made up, according to law, of what might be expected to be two somewhat conflicting elements, one taking one view of the tariff and the other another view.

I should doubt very much the advisability of making any loans by the United States Government for the development of American controlled rubber plantations by lending money to the planters. I should think that would not be a very wise policy. It would not be thought of except in the case of great emergency. I am not very much in favor of direct loans of that kind. I want to get as far out of that policy as I can. I don't know of any proposed plantings that would require anything of that kind. The men that are in the rubber business in this country and are the users of rubber, are men of resources

and undoubtedly able to secure adequate private capital.

Here is a question that shows how small a matter may start quite a large story, which I suppose is to the advantage of the newspapermen. Governor and Mrs. Sproul have been friends of Mrs. Coolidge and myself for some years. I was Governor at the same time that he was. I have been entertained at his house two or three times at Chester and visited him at the Executive Mansion at Harrisburg. We have kept up that friendship, and he usually comes down and makes a visit once or twice a year. So I have invited them to come down, reaching here tomorrow, and I suppose they will stay over Sunday. The only significance that the visit has is that which I have indicated. I don't imagine that he has any views he wants to express to me about the sesqui-centennial, though I should be glad to hear any views he may have in relation to that or any other matter affecting Philadelphia or Pennsylvania.

Here is a question about the holding of the Army and Navy game at Chicago next fall. We have constantly invitations extended to the students at the Naval Academy and the Military Academy at West Point to go and take part in different celebrations. It was the policy developed under Secretary Weeks to do that as little as possible. I think there was a good deal of pressure brought on me to have some or both of them sent up to the celebration at Cambridge last year. As I recall it, we weren't able to send any up there. There may have been a few. I don't know but what it was more in relation to the celebration at Concord and Lexington, and as I recall it we didn't send any

there. The difficulty about sending the young men out is this, - They attend these academies for the purpose of securing an education in military and naval matters, and those are intricate and technical and difficult subjects to master, and unless they stay at the academies and give their time and attention pretty carefully to their work they don't get the training that is necessary. Now, I should like, personally, very much to have the members of the naval and army football teams go to Chicago or go to any other place where they can without unreasonable interference with their school days. I don't know enough about the length of time that it would take and the period that would be necessary to be away from the Academies to express a settled conviction now as to whether it would be feasible or not. Undoubtedly it wouldn't be feasible if they were to make a long journey. It might be once in a while. Of course it would be of interest to the people of Chicago and the surrounding territory to see the Army and Navy game, and undoubtedly of some value. But practically the whole of the academies attend, both those that are on the team and those that are not, so I should want to advise with the Departments of War and Navy before making a final decision about it. I should be very much gratified if they said they thought it wouldn't be unwarranted interference with their studies.

I have the new draft of the railroad bill. It came to my desk this morning. I haven't been able to go over it, but so far as it has been explained to me on the part of the interested railroad interests and on the part of the interested employee's interests, I seem to be in harmony with the principle of it.

There is one thing that I am of course solicitous about, and that is that it should be so drawn as to give adequate protection to the public interest. The great thing about the measure is the fact that the employees and the managers have been able by a series of conferences to reach an agreement. I think that is a most significant fact in our industrial life, that both sides have sat down and understood that if either side was able to force through legislation that was not approved by the other side there would be difficulty in getting the legislation carried into effect; whereas if they agree on a bill and are both committed to it they will work in harmony to make a success. Some of the manufacturing interests want to confer with me about that. I am going to see them the first part of the week. They may have some new light on what they think the public interests require.

I haven't made any final decision about going to Indianapolis on January 28th, though I ~~then~~ told the committee that came in to see me I couldn't give them much encouragement about it, and I don't see any chance at all that I can go to the baseball dinner in New York on the 2nd of February. Whatever time I can give up to baseball, I think I ought to give it up by attendance on the games, rather than trying to encourage baseball during the winter season.

Tuesday, January 12, 1926.

Report of the Newspaper Conference.

There are no developments in the matter of the application for a commutation of sentence of Warren T. McCray, former Governor of Indiana. The report of the Department of Justice is before me. The District Attorney of Indiana makes a very strong objection to executive clemency. I am making some investigation about the health of the prisoner.

There isn't much that I can say about tax reduction that I didn't cover quite fully in my message and in my budget message. I saw that there was a proposal to reduce taxes some \$500,000,000. I think the reports that came to me indicated we would have a surplus of about \$290,000,000. The tax bill that came out of the House goes \$40,000,000 beyond that and makes a reduction of as near as we can show, \$<sup>3</sup>230,000,000. The Bureau of the Budget estimates that the surplus for the coming year would only be \$22,000,000 with a reduction of \$330,000,000. That means a very narrow margin on which to go and come, with a business transaction of some \$3,500,000,000, to take care of discrepancies that may arise in an expenditure of \$3,500,000,000. So I thought that \$330,000,000 was as far as we could go. I understand it would be expected that this increase would be taken care of by a reduction of the money that we now appropriate for the sinking fund. I referred to that in my message. Of course the matter of paying off the debt is a matter of judgment about the financial capacity of the country. If the financial capacity were equal to it, I should like to pay the debt tomorrow in order not to have to pay any more interest on it. But that

would disarrange the economic condition of the country, and therefore we can't do it. I think we are paying about \$400,000,000 into the sinking fund, which is about 2% of the debt which is at present \$20,000,000,000. Of course as the interest decreases, why the sinking fund will increase. I don't know just how it figures, but I had understood that under present expectations the debt would be retired in about 25 years. So that I didn't look with approval on undertaking to reduce taxes further by decreasing the amount that we are going to pay off on the debt. Of course, that is equivalent, really, to borrowing money to pay your running expenses. If you have a debt and don't pay it, it amounts to the same thing. Every dollar that you take out of the sinking fund at the end of the year has increased your debt by so much, so that the net result is the same as borrowing money to pay running expenses.

I have one or two inquiries here about the Court and tax bill. The World Court proposal has been before the Senate now for almost three years. It almost seems as though everybody there would have had a chance to make up their mind about what they wanted to do in relation to it, and that they might have a speedy determination to bring it to a vote and let it be decided. Today is the 12th. I think it has been up for discussion - of course there was a recess since the middle of December, so that there has been quite adequate opportunity for discussion and there will be some more opportunity. What I should like very much would be to dispose of the World Court in time to take up the tax bill when the Committee reports on it. I don't know whether that is feasible. I think it

is thought by the managers in the Senate that it isn't feasible. They have to assume the responsibility for the conduct of the business of the Senate, and I shouldn't want to interfere in their decision. I should very much like to have the Court disposed of soon enough so that there wouldn't be any delay in taking up the tax bill. If that isn't possible, the Senate will have to consider what plan it does want to work out. That is one of the reasons why I regreted that there was a proposal for tax reduction made on the part of the opposition party. The bill that came in was the result of cooperation between both parties in the House. The Ways and Means Committee sat down together, instead of as is sometimes done, <sup>of</sup> excluding the opposition party and the party in power taking the matter up and making their own determination of it. In this case they sat down together and every member of the Ways and Means Committee, of whatever party he belonged to, had a chance to make known his desires. I think the bill was reported out of the Ways and Means Committee with practically unanimity. It went through the House 390 to 25 - practically unanimity there. I hoped the Senate might proceed in the same way. I don't know that they will not. I noticed that there was a party division apparently in the Senate committee. It may be possible that different Senators thought they would present their views to the Committee and have them discussed, and when the time comes to report out the bill there may be a substantial unanimity on the part of the Senate committee. That would be very desirable, because it would obviate a long discussion in the Senate of this bill, and I am sure it would be very helpful to the country if they could have

the reassurance that a business proposal of this nature was taken up in the Senate as it was in the House, in a strictly business way, and disposed of without the party discord that sometimes attends discussions of this kind. So I hope that the Ways and Means Committee will reach a substantially unanimous agreement, report out the bill, and make such recommendations for amendment as they think are required, take it on the floor and have a speedy decision on it, and bring it to a vote if possible.

There isn't any basis for the report that this Government has asked Uruguay to intervene in the Tacna-Arica controversy.

No selection has been made about the personnel of the American delegation to the Geneva Conference. I scarcely expect to make any until the bill passes the House. Of course, in the meantime the question is being studied at the State Department and at the War and Navy Departments, in order to prepare the necessary data on which to make the instructions to our delegates.

No successor to General Pershing has been finally decided on. A number of names, as I reported at the last conference, have been under consideration.

I have already spoken about the World Court and the tax bill, and want to reiterate that that is for the Senate to decide. My hope was that the Court could be disposed of and the tax bill taken up.

Here is an inquiry about the purchase of commodities on the installment plan. I don't know as I can very well discuss that in a newspaper conference in a way that might not be misunderstood on one side or the other. The basis of installment buying is, I think, entirely sound. It is a provision of credit for

those that otherwise wouldn't be able to secure credit. So far as the installment buying goes, I think it is a little better than the old way that was customary around my neighborhood when I was young - of going to the store, getting a bill and having no plan or purpose as to when it was to be paid. When a commodity is bought on installments, it means that there is then laid out a plan on which it is to be paid, and installment buying is really a plan of financing and extending credit to people who otherwise wouldn't be able to secure credit for the purposes to which it is extended. I recognize that it might be over done ~~and~~ like any kind of credit, but I think it is a step in advance of the old kind of credit that was given without any plan of repayment. So far as I can ascertain, it has not been overdone at the present time. If we should run into an era of depression where employment was not so abundant as it is now, some difficulties might arise. But the financial corporations that have been organized, and the whole credit system that has been organized for the purpose of extending credit on the installment plan, have those things in mind and are pretty well fortified to take care of any situation that might arise. So I really come back to the conclusion that while this might be extended too far, like any other credit, it doesn't seem that it has been done at the present, and I think on the whole it is a step in advance and a very helpful step to people that otherwise wouldn't get credit or wouldn't make a plan at the same time it is extended for its repayment.

Everything that has developed in relation to Mexico has already been given to the press. We have to have a great deal of patience with that country.

The Government there has its difficulties and the people in this country ought to realize that Mexico is a different country from ours. The people have a different outlook on things. They haven't had the advantages that we have up there here, and ~~it~~ ought to be a general public expectation that we would in every way that we can be helpful to that country, and instead of trying to oppress them in any way or anything of that kind, that such actions as we take are taken with a view to being helpful. We do wish that they should keep their agreements when they make a treaty with us and that the terms of the treaty should be observed, and as I stated at another conference, I am sure the Government of Mexico recognizes that as a sound policy and expects to abide by the terms of its treaties. We have to recognize that they have a perfect right to pass laws affecting their internal affairs, their domestic affairs, whether it is in relation to property or in relation to persons. The question comes up of course when they attempt to pass a law that is retroactive and affects rights that have already been granted to Americans. It is under those conditions that we have interests that we have to protect and I haven't any doubt that the Government of Mexico wishes to protect them and cooperate with us in their adequate protection.

*Friday* January 15, 1926.

Report of the Newspaper Conference.

Here is an inquiry about leasing the Los Angeles to a private company for commercial use. I don't think there is any proposal pending at the present time. There was some talk about something of that kind last summer, but as I recall it, it was before the Loss of the Shenandoah which seemed to change the situation for the time being somewhat. The Los Angeles, as I understand it, was turned over to us on the condition that it was not to be used for war purposes, so it is confined entirely in its use to commercial or peaceful purposes. Unless some new angle is presented to me, I should rather expect it would remain for the present in the hands of the Government for experiment, trial and so on, rather than to be turned over to private enterprise. But if any one should present a plan that would seem to be practical and in the interests of the development of air aviation and would work more in that direction than the present operation by the Government, I should give it very careful consideration and might be inclined to approve it. Now I am, as often happens here, making a wing shot at this. I should want to consult with the Department of course, and have their recommendations and their approval of any proposed plan before I should want to approve it.

I don't know just what the bills are that are before the House and Senate Committees on Civil Service to liberalize Government employees retirement law. I think there was a bill pending last year that I had a good deal of sympathy for, but because of investigations that were being made at that time

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I was rather glad that it was not put up for its final passage. I referred to this very briefly in my message, suggesting that the investigations which are going on ought to be completed as a prerequisite to the passage of legislation, in order that there might be a little more adequate information. I don't know of any reason for changing my opinion on that. I expect that that information will be available in the near future and undoubtedly the House and Senate committees have that in mind. They are going ahead with the preliminary hearings, which would have to be held anyway, in order to take advantage of the report when the full investigation is made.

There isn't anything that I know of that I can say about the French debt, other than that which I have expressed a great many times. Perhaps as the new Ambassador is about to come over here - I haven't any official information about it but the general impression is that he is expecting to negotiate - it might be well to wait and see what he has to say before making any public expression.

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I don't know of any comment that I can make on the 6th anniversary of national prohibition.

There is nothing further in the matter of appointing a successor to Mr. Haney.

Here is a question about George Washington. (pointing out of the window) His monument is still out there.

I talked very briefly with Mr. French of the House Naval Affairs Committee about some ideas he had in relation to the use of the Lakehurst Air Station and taking care of the Los Angeles. I didn't talk with him about whether another airship should be constructed to take the place of the Shenandoah, and I haven't any information about any proposal to construct another airship for that purpose, other than what has already been expressed in the press. My general feeling about it has been that of course because we happened to lose an airship was no reason for our undertaking to abandon that means of the navigation of the air. Further experiments are being made in other countries and further studies should be pursued before we are ready to adopt a plan for the construction of a new airship. I understood that the tendency abroad is to build very large airships. There is a proposal pending here to build an all-metal airship that seems to me to have a great deal of promise - that is, to cover it with metal sheeting instead of with some textile fabric ~~as~~ as is now done. I think that the Navy Department has practically come to the conclusion that it will ask that a certain sum of their appropriation, not very large, I think about \$300,000, be allocated for that purpose.

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Press: For the building of a small ship?

President: Yes, a small one, entirely of metal covering. Some of the engineers interested in that, I think with Mr. - who was that engineer I had on the Aircraft Board?

Press: Coffin?

President: Yes, Coffin. I think he came in to talk with me about that one time, accompanied by several other people that were interested in it, and I at once took the matter up with the Navy Department. I think they have practically concluded that that would be a promising field of exploration and investigation and experiment.

I haven't any new ideas about a Mobile Air Corps with power to take command of the air forces of the Army and Navy and Post Office Department. I noticed a headline in one of the press dispatches this morning. I don't know where that idea did originate. My policy is expressed so far as I know in my message and in the report of the Air Board. That is as far as I have developed it, and in neither place did I make any suggestion that looked towards an independent Air Service and air command.

I have several questions here about the coal strike. There was no discussion about that in the Cabinet or afterwards. I almost always ask the Secretary of Labor whenever I see him in the Cabinet or otherwise, if there are any developments. I think I did that this morning. Nobody else discussed it, ~~xxxxxxxxxx~~ said, and he said there isn't anything except

what had already appeared in the press.

Senator Pepper, as far as I know, is not taking any action in relation to it, and certainly is not taking any action to represent me in any way. I can't see any way that the National Government can help at the present time towards a settlement of the strike. The legislature of Penna. has convened. I understand they are to take up the matter. It would be too early at this time to make any suggestions about the formulation of any plan for a permanent settlement of labor disputes in the coal industry. I think that it would be very difficult to get the parties to agree on anything while a strike is in progress. If anything of that kind could be, it could only be done I should judge after the strike was ended and there was a suspension of the present tension, in order that some permanent plan might be taken up and considered. I am not contemplating any action by the Government at this time in relation to the supply of coal. There has been a remarkably good supply of fuel in the north and east all the time, and I understand there is now, not so much anthracite as we like but plenty of fuel to keep up the necessary supply of warmth. I didn't know that the Secretary had any meeting with any of the Congressmen from the anthracite district.

Tuesday, January 19, 1926.

Report of the Newspaper Conference.

Here is an inquiry about the MacFadden National Bank Bill. I don't recall that I have seen that bill. I haven't seen it certainly this year. Perhaps it was brought specifically to my attention last year. I understand it is a bill to authorize branch banks. I rather think that something can be done in that direction. But it needs to be very carefully safeguarded, otherwise you will have just one great credit system built up here that will virtually control all the credits in the United States, and I wouldn't want to have that condition exist. We ought to have a reasonable competition in credits, and reasonable facilities for extending credits, so that borrowers can be accommodated. Oftentimes it happens that one kind of a bank is interested in doing one kind of business and another bank another kind of business. You will recall the names of banks that have been established in the past and there very names indicated that they were proposing to cater to a certain line of business - the Metals Bank, Commerce Bank and the Farmers' Bank, everything of that kind. A central bank, of course, with branches, tends to lend strength to the credit situation and provides opportunity to adjust resources. analagous to that which is done by the Federal Banking Board under the Reserve Act. But the main object to be attained here is to keep the avenues of credit open, so that no person can be denied credit in every quarter just because one quarter thinks it wouldn't want to extend credit to him.

Here is an inquiry about the estate taxes and the proposed abolition

in the Senate. I am very much in favor of the principle of taxing estates, or inheritance taxes. I think it is on the whole a method of taxation that can be as easily borne as almost any. Of course you have to realize that it is in its essence a capital tax, and also that it ought not to be made too high; otherwise, when a person dies leaving property rather than money or cash or securities that are easily marketable, it is found that in order to pay a very high estate tax it is necessary to sacrifice the property. Take the business that you are interested in, that of a newspaper. Newspapers are not very easily sold. They are coming to require more and more of an investment and if on the death of the owner it developed that his newspaper property is going to be assessed with a very large tax it might force a sale that would be really disastrous, so far as sacrificing the value of the property. If a person died with an estate made up entirely of Government bonds, why you can take a very large slice out of them because they are easily marketable and there wouldn't be any difficulty about it. Now, while I am very much in favor of estate taxes and inheritance taxes in principle, I recognize that they haven't been used by the United States except in the case of emergency, usually for raising money to meet war expenditures. Our war is over, but our war debt isn't over, so that I have thought it was wise to continue our estate taxes for a certain period in order that they might contribute to the expenses of the Government and the retirement of the war debt. Now, just how quick they can be abolished is a matter for the expert advice and investigation to be made by the Treasury Department. I think it was very much on that advice that the House bill was constructed. They made

their estimates. Now it may be that further information has developed to the Senate Committee that more could be done than the House bill provided, and more than the Treasury Department had thought wise. Now, I don't know whether I have finally answered this question. I have laid out my theory about it. I am in favor of abolishing this by the United States Government ultimately, in order that the states which have been burdened with increasing expenditures. They have gone on increasing as a result of general conditions that arose from the aftermath of the war, and the states are very much in need of all the revenue they can secure. I was very much impressed, of course, by the fact that a great many of the Governors came here, beginning along in the summer, to express to me their desire to have the National Government withdraw as soon as it could from this field, in order to leave the entire field for them in their raising of revenue. Now, I want the Government ultimately to withdraw. I don't understand that the Senate bill provides for an immediate withdrawal. They seem to consider it a practical question as to whether we can get along fairly well at a time, which now can be designated, without the use of this means for raising revenue.

I haven't received from the War Department Board of Review the case of Colonel William Mitchell yet.

So far as I have any information I had judged that neither I nor the Congress could do much in the way of legislation in relation to the mining of coal, pending the efforts that are being made by the State of Pennsylvania.

As I have stated before, I don't want to have the National Government take any

action that might embarrass the plans that are under way within that State. The digging of coal and bringing of it out of the ground is a matter that comes, if not entirely almost entirely and probably entirely, under the jurisdiction of the State laws. It isn't interstate commerce, as I understand the Supreme Court has held the mining of coal after it gets to the ground, the distributing of it, is interstate commerce. But the mining of it is performed under the jurisdiction of the state laws. The National Government has almost no power under our Constitution, to interfere with it. So that it is peculiarly the province of the Pennsylvania Government and I haven't wanted to take any action that might interfere with it. Now, I have some ideas about the general coal situation, the general carrying on of the coal business. I have spoken of hard coal, but of course the general coal business includes also the soft coal and I have made recommendations to the Congress about that. They have, or can easily have, access to the report that was made by the Fact Finding Commission, and in general I am in favor of proceeding along the lines laid down by that report. I have stated as definitely as I could my position in my message. There hasn't appeared to be anything that could be done by the National Government at the present time.

I haven't enough knowledge about the differences between the House bill and the Senate bill to give any discussion of that which would be of any value. All of you have more information about that than I have. I have seen some newspaper reports. The main thing about the Senate bill is the fact that it carries a considerable larger reduction than the House bill. I think in my budget message

or my general message to the Congress I stated that if that matter had been left to me I shouldn't have made the reductions quite so heavy, as I think we ought to observe a fair amount of caution and keep the Treasury in a position where it can respond to the needs of the nation. The Senate bill carries about \$30,000,000 more than the House bill. The House carried about \$30,000,000 more than the estimated surplus of revenue.(?) Now, if business keeps good and profits are large, so that the income taxes by that reason keep up, then we can undoubtedly get along some way. But if we should have a depression in business and the income of the people should diminish, then of course that affects the revenue. Those are questions of estimation to be made by the Treasury Department. Undoubtedly the bill in its final shape will take into consideration all the Treasury Department estimates, and I have no doubt that they will fairly well conform to what they want. I appreciate it won't be possible to get a bill that would be just what I should draw, or just what the House Committee would draw, or the Senate Committee would draw. There has to be some give and take in these things. I was delighted that the Senate Committee was practically unanimous and at the very fine disposition shown on the part of all the members of the Committee who took this up as a purely business question and settled it on its merits.

Senator Couzens came in this morning, partly as I understand it to pay his respects and incidentally he mentioned the matter of branch banking. I understood he was quite in favor of that.

Here is a question about the responsibility of Commissions to the

Executive or the Congress. I don't think that there would be an exact and legal statement about the position of any commission. The responsibility of a Commission is to the law that creates it and lays down its duties and powers. I don't think it would be possible to set up a Commission - I am quite certain that none are set up where it could be said they are solely responsible to Congress. Congress doesn't undertake to tell Commissions what they are to do. It lays out their powers and duties, and it is the business of the Commission to conform to the statute which creates it. We have some commissions that have legislative functions. The Interstate Commerce Commission, for instance. The power of dealing with rates on railroads is a legislative function. But it has become so intricate and technical that Congress can't sit as a body to determine rates, so they have had to delegate that power to the Interstate Commerce Commission. The Commission might be peculiarly representative, if you want to use that word, of the Executive Department. Of course the Cabinet positions and Bureaus will come under that designation. But of course there is a provision in the Constitution that makes the President the executive. I have forgotten just the wording of it. That is the theory. Now, that means that the President is the one that is responsible for the execution of the law, and it is his business to do what he can to see that that provision of the Constitution is carried out. The Commission is set up - they are set up under the law. I suppose it is the business of the Executive to see that that law is executed as much as any other law. So there is a kind of divided responsibility, if I may so state it.

I wouldn't say that I gave special consideration to the recommendation that the Air Service be given representation on the General Staff, which is one of the recommendations of the Aircraft Board. I did know, of course, that that recommendation was in there. It is approved by such experts as General Harbord and Admiral Fletcher. The organization of the Army and Navy is quite peculiarly a matter for experts. Because some one may know all about making airplanes, or all about flying them, isn't much of an indication that that person might be an expert at all on a military organization. I do consider General Harbord and Admiral Fletcher experts in that direction. It was ~~their~~ their opinion that this ought to be done, and until the contrary is shown to me why their opinion has my hearty approval. I understand that it is contemplated by the Army and the Navy that they are going to support that recommendation. I expect that an assignment of that kind will be provided for by law and made. I presume that I have had recommendations come in for positions of Assistant Secretaries in War, Navy and Commerce. It almost always occurs that whenever legislative positions are in contemplation there begins to be recommendations for possible appointments. I haven't any special names in mind.

Friday, January 22, 1926.

Report of the Newspaper Conference.

Here is a very long question about Americans that are making speeches in Germany relative to the German finances. I doubt very much if there is any comment I can make about that. If the nature of the speeches is not relished or is opposed by the press of the country, I think very likely that will afford its own remedy.

Here is another very long question about the sesquicentennial at Philadelphia. There isn't anything new that I know of that I can add to what I have already given out at one or two previous conferences. I can only reiterate that the National Government through Mr. Hoover has made some survey here as to what the different departments would do in the way of exhibits, as to estimates on the amount of space that would be required, and I think he is negotiating to secure such space and making such ~~such~~ compensation for it and getting such an appropriation here as will enable such an exhibition to be made. I have been very much helped in this by the Mayor of Philadelphia and by Senator Pepper, also some of the Congressmen from Philadelphia. Congressman Vare, I think, came in to speak to me about an appropriation. The amount of the appropriation I should think would be determined by those elements; the cost of space and the cost of the exhibition.

No report has been made to me by the Department of Justice ~~for~~ on any petition for the pardon of Marcus Garvey. He ~~wa~~ is the colored man that was convicted on some financial irregularities, as I recall, in relation to a steamship

company known as the Black Star Line. It had something to do with Liberia.

I think I have had some telegrams relative to his case, so I have assumed that a petition was pending and the telegrams have been referred to the Department of Justice where a careful investigation is made of any petitions for pardon. But no report has yet been made to me.

I haven't seen the bill that was introduced by Representative Bacon for the reorganization of the Shipping Board and the Emergency Fleet Corporation, so I don't know just what its provisions are nor what method is suggested in it for regional representation. I had thought that if some method of regional representation was wise it ought to be embodied in legislation if it could be worked out in such a way that it wouldn't seem to be in conflict with sound management. If the Fleet Corporation and the Shipping Board are very substantially separated, then I should think there would be very little difficulty about securing the desired regional representation.

The visit of John S. Lawrence, of Boston, who lunched with me yesterday, had no particular significance. He is an old acquaintance of mine. I know him as a prominent business man. I was interested to confer with him on the situation in the business he represents, some textile lines and some hosiery lines, and he reported that his business was in very good condition, though that of some of his neighbors wasn't very good.

I don't recall that I have seen any telegrams from Tacna-Arica since the arrival of General Lassiter, but the last telegram that I did know about came two or three days ago and was a request for the necessary clerical assist-

ance to carry on the registration and provide for the plebecite. I think that can be provided by some of the Government clerks that are now located in the Canal Zone. I believe also that some investigations were made here in some of the universities, or something of that kind, for young men who speak Spanish and would be qualified to engage in that kind of clerical work.

Here is another inquiry about loans to finance foreign government monopolies, such as rubber, coffee, etc. Now, you always want to keep in mind that every application made for a loan is decided on its own merits. It is impossible to lay down any general rule that would be applicable to all cases and which would fit all circumstances. It has been the policy of the administration to refuse to approve loans that were contemplated being made to foreign governments for the purpose of supporting a trade monopoly. Now it may be that some application might be made for a loan of that kind that would appear not to be inappropriate for our banking concerns to make. We haven't had any such applications up to the present time and as near as I have come to laying down a general rule, borne out by past experience, it is that so far as we know the Government does not look with favor on loans made for the purpose of supporting government monopolies maintained in foreign countries on materials that enter into the general consumption of our own people.

No information has come to me about any report from the Methodist Missionary Board Board in China that American Gunboats are not helpful there and ought to be withdrawn. Such information as I have has rather been in the other direction. I think that the last session of the Congress made a specific ap-

appropriation for the purpose of building a special gunboat, or gunboats, to run on the rivers in China, some of them. These have to be of light draft and of special construction, and I think the building of those boats is now going on in China. I know of no such recommendation as this. There may be something of that kind in the State Department that hasn't come to my attention.

There was a report that came into the office that the anthracite strike had been settled, but I think the report has not been verified, and so far as it has been verified it doesn't appear to be correct.

I am not familiar enough with the technical situation in the Senate to express any opinion as to what method ought to be adopted for the conduct of their business in relation to the tax bill and the world court proposal. That would have to depend on what was revealed when a canvass of the members of the Senate was taken and what they would be willing to support.

Tuesday, ~~Feb~~ January 26, 1926.

Report of the Newspaper Conference.

I have several questions today about the World Court and the reservations and the cloture. About all I can say about that is covered in my message, three messages. Of course the parliamentary situation of how to deal with that and how to secure a vote, I leave to Senator Curtis. The matter of reservations, I quite naturally leave to Senator Lenroot and Senator Swanson, Senator Pepper and Senator Walsh. They are looking after those details. I have indicated what reservations I thought ought to be made in my message. Now, these other gentlemen are on the floor of the Senate and know what the situation is there. I shall have to take, to a very large extent, their advice and counsel in relation to it. I should expect to take any action that the Senate might decide on and work it out the best way I could. I have indicated quite strongly, especially in the address I made at Arlington in 1924, that I didn't want something proposed that wouldn't be practical and within those limitations the Senate ought to make its decision as to how it will deal with the question, when it will vote on it, and what reservations it thinks necessary and desirable, and of course the language in which the reservations should be couched.

I have two or three questions about Lieut. Thompson who was convicted of murder in the Philippines. That case is before me. I haven't made any final decision on it.

I also have several questions about Colonel Mitchell. There is nothing further I can say about that case than what was said in the decision I made rela-

tive to it. I have been in conference with the Secretary of War about it for some days. After the report of the Judge Advocate General and the Board of Review it came to him. The papers were formally sent over to me Saturday noon. I examined the record which was sent here, which was a complete abstract of the case, the evidence, the law and the decision, and made my decision in accordance with the statement that was given out yesterday.

I don't know when a decision will be made about the Veterans Hospital near Boston. That has been under consideration by the Hospital Board and General Hines for some time. I think they have indicated once or twice locations that would be satisfactory to them, but on account of its taking considerable taxable real estate out of towns and cities where that has been proposed, there has been some opposition on the part of the local governments. I understood that conferences were being held in order to see if adjustments could be made. Now, when a decision will finally be reached, I don't know. I know General Hines is anxious to make the decision and start in on the erection of the hospital, reflecting my attitude in that respect, as soon as possible.

I have seen some reports in the press about the alien veterans of the American Army that remained in Europe to visit their old homes and now find that on account of the quota laws they are not immediately eligible for re-entry into this country. It would be my offhand impression that the Congress ought to deal very ~~lie~~ leniently with proposals of that kind and wherever possible make provision either by putting them entirely outside the quota, or if possible make them preferred under the quota, so that those who have served our country.

in the war might be eligible for re-entry as soon as possible.

I haven't any accurate information as to whether the estimate given by Chairman Green of the House Ways and Means Committee of the amount which he says the tax bill as reported to the Senate by the Senate Committee would reduce the revenue is accurate or not. If I had no other evidence, I should place a great deal of reliance on any statement of that kind that was made by Chairman Green; and I haven't had any information from the Treasury Department as to whether his estimate differs from theirs. It may be that the estimates that have been made to me represent the immediate decrease in revenue and that his estimate is the ultimate decrease, one referring to the present fiscal year or the next fiscal year and his referring to a fiscal year some time in advance, two or three years in advance, when the entire bill would become fully and completely effective. That may be the reason for the apparent discrepancy. I have no advice from the Treasury about any further opinion as to the expediency of the repeal of the estate taxes, as proposed in the present Senate bill.

No decision has been made about Governor McCray of Indiana. As I recall it there wasn't anything in his petition for clemency that set out that it should be granted on account of his present state of health. I understand that the suggestion is now made that if he wants to have that considered, he ought to make a petition based on that ground.

The Cabinet hasn't considered the matter of the development of the Colorado River in the late months. I think it was discussed in the Cabinet when I was there during President Harding's administration. I don't recall

that it has been taken up in the Cabinet at all since I have come in, though I wouldn't be certain about it. I am sure it hasn't been taken up recently. I have had a discussion about it with the Secretary of the Interior and also with the Secretary of Commerce. Mr. Hoover was quite instrumental as far back as 1921 or 1922 in conferring with the various interested states for the purpose of seeing if they could arrive at some agreement. All but two of the states ratified such an agreement. I think all but one ~~xxxx~~ ratified it at first, and then California made some changes in its ratification and Arizona has never ratified it. It is that lack of ratification that has held up the progress of the work. I think the Secretary of the Interior has made some suggestions about a possible basis for a bill that are now pending before the committee in the Senate.

There is nothing further developed about the appointment of a new member to the Shipping Board.

I told the gentlemen that came in and invited me to go to Charleston, S.C. on the 27th of March, that I could give them very little encouragement about it. I was in Charleston in 1922, I should say - well perhaps it might - yes, 1922, the 19th of December, and I enjoyed my visit there so much that I should be much pleased to make a visit there again. But the 27th of March is a time when Congress is going to be in session undoubtedly at that period, and if it is in session there will be a good deal of pressure for legislation, and I think I ought to be in Washington at that time. I have had a good many invitations

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to go out of town during the present session of Congress and I have had to make about that reply to all of them - that it is very difficult for me to get away. Of course, my father is ill. If I could leave town I should like to go up and see him. Even that hasn't seemed possible.

Friday, January 29, 1926.

Report of the Newspaper Conference.

I haven't any information about the criticism that was made of the appointment of Judge Anderson in the Western Tennessee District, nor have I any information about the charges alleged to have been made against District Attorney Murray of that District. So I don't know whether it is anything that requires investigation or not.

Here is a question about the action of the Farm Loan Board in relation to charging off 20% annually of the value of farm property obtained through foreclosure of mortgages. I haven't any information about that that has come from the Farm Board. I think I have had one or two letters from the West about it. I think the best way to get information about it is to apply directly to the Farm Board. They can tell you what their attitude is and the reason that they are taking action of this kind, if they are taking it, and the purpose they are serving and the result they expect to secure.

Mr. Warren, Charles B. Warren, of Michigan, was down here in order that the Secretary and myself might consult him about certain things that took place when he was one of the Commissioners or Ambassador to Mexico negotiating the agreement and trying to carry it into effect. The State Department secured considerable important information from him as to the details that are helpful to the State Department and to me in meeting certain questions that are arising relative to property in Mexico that is owned by American citizens.

I haven't made up my mind just what broader powers ought to be given to the Governor General of the Philippines. I think he ought to have more complete authority over securing such assistants as he needs. He has great difficulty in getting proper assistants, because he can't appoint men without the confirmation of the Senate, and that is not given unless certain members of the Senate make the appointments, so that it has been necessary to send over various Army officers to assist him in carrying on his duties when he should be able to make civil appointments. Now just how that can be worked out to his advantage and the advantage of the Philippine situation, I don't know, but it is quite evident that he ought to have more complete authority over appointing his own subordinates.

I wouldn't be able to give an opinion that would be worth anything about traffic management here in Washington. It is a technical question that has to be passed on by experts. I think, as I indicated once before, when I go out I am almost always attended by a bicycle policeman so that I don't have the ordinary difficulties that beset the public in general in traveling our streets.

The State Department will take whatever steps are necessary to secure the consent of the other nations to the reservations that have been made to our adherence to the protocol of the World Court. You will recall that the World Court is governed by a statute so-called, which statute is really the Constitution of the Court, and that statute was established by agreement between the different

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nations, and in order to have us become a party to the statute it will be necessary to have the consent of the other nations agreeing that we may become member of the World Court on the conditions that have been set out in the Senate reservations. So that the State Department will, either directly or indirectly, approach the other adherents to the protocol to secure the exchange of notes that is required in order that a condition may be created by which I shall have authority as President to signify our adherence.

There are no developments that haven't already been given to the public in the coal situation. The parties are in negotiation. Secretary Davis tells me that he hopes they will be able to secure an agreement.

Tuesday, February 2, 1926.

Report of the Newspaper Conference.

I regret very much that it seems necessary to have the preliminary Arms Conference in Europe postponed. I think you all know the intense interest I have had since I have been President in promoting something of that kind; so much so that while the proposal that was made wasn't exactly in line with what I had desired I thought we ought to undertake to cooperate as far as we could with the other nations that wanted to proceed in a somewhat different way from what I had thought was practical. So we at once accepted the invitation and were preparing to take part in the Conference. I hope that this delay will only be temporary. I haven't seen the official dispatch in relation to it, so I don't know just what that may imply. And I don't understand exactly the reason that has brought about postponement. I want to take that up as soon as it can be, and shall continue my desire to cooperate.

This is the season of the year when you expect weekly or semi-weekly statements to be given to the press about the Army and Navy. Sometimes they go out together; sometimes they alternate. The Army is represented one day as in very serious condition and the national defenses have entirely broken down. The next day or the next week it is the Navy. I have always regretted that it was thought necessary to represent that as the condition of our national defense in order to get an adequate appropriation from the Congress. I don't think that under the budget system that is necessary. But it is the old habit of those that have charge of the publicity of the Army and Navy to proceed in that method

and it is still going on. I hope the country will understand that statements of that kind are made for the purpose of influencing public opinion and getting the necessary reaction in Congress to secure an adequate appropriation, and that the public wont be unnecessarily disturbed about the condition of the national defense which I think is fairly adequate. In the past six years the Congress has appropriated and the Executive Departments have expended about \$4,000,000,000 for the Army and Navy, which I am sure, as I have expressed to you before, has been very wisely expended under the direction of exceedingly competent men in the General Staff of the Army and the General Board of the Navy and has resulted in a good Army and a good Navy and a very adequate national defense. I don't want to be understood in saying that as thinking it is perfect. We are working all the time on it in order to perfect it, but I don't want to have the country have the impression that the national defense is not in very good condition.

There are two sets of people in the country at the present time that I think have the wrong impression of our vote to become members of the World Court. One set thinks it doesn't mean anything and wont be helpful. I think it will be very helpful. It will be regarded all over the world as a helpful attitude, and an expression of the sentiment of desiring to cooperate, and a desire to put America on the side of having differences settled by orderly procedure and as near as they can be in accordance with international law, friendly conferences and settled rules, rather than to resort to force and have the question settled because one country or the other has a larger Army and Navy.

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There is another opinion that is being expressed; that this is merely preliminary to our country becoming a member of the League. I don't regard that as the case at all. You will recall that in my message to the Congress I differentiated the very marked difference between adherence to the protocol that established the Court and adherence to the Covenant of the League. They are two very separate and distinct things. One of them doesn't at all imply the other. I don't regard the action that has been taken as at all indicating that there is any difference in public opinion in this country in relation to any suggestion that America should become a member of the League. I rather regard it as an implication to be taken in the other direction, that we wanted to become identified with the Court, and a rather definite expression of the fact that we don't want to become identified with the League. One is a judicial institution; the other is a political institution. Their aims are different; their methods of procedure are different; and because we wanted to belong to the Court is no indication at all, but rather the contrary, that we want to belong to the League.

This is the season of the year of our political calendar when we can expect a good deal of political discussion and suggestions. I hope, too, that the country will bear that in mind and won't take too seriously speeches that are made in the country or made in the Congress relative to the administration of the business of the Government. So far as I know it is proceeding fairly well. The results in the country seem to be good. I don't mean there again that conditions are perfect. That is never the case. But so far as the national

Government can be helpful to make them perfect, why those efforts are constantly being made. There are always questions arising about the violation of the law. As those questions come up they are considered as best they can, and I think proper effort is always made to see that the laws are enforced. I think the country may be fairly well reassured that the National Government is making such effort as is possible in behalf of a prosperous condition of the people, an observance of the law and an orderly procedure of our civil functions.

Friday, February 5, 1926.

Report of the Newspaper Conference.

I don't know of anything that is being done by the Washington authorities relative to the officers and crew of the President Roosevelt for rescuing the British freighter Antinoo. They have been honored by the British Government. Whether that would be considered sufficient I am not certain, as it was a service rendered to the British. Perhaps it would be thought sufficient that the British should make proper recognition of it. I have no doubt that the Department of Commerce will consider it to see whether anything ought to be done here.

There isn't any new development in relation to the Arms Preliminary Conference.

I have no information except that which I have secured from the press relative to the investigation of the prices of coal in the District. I judge it is being adequately cared for and that an investigation will determine whether the prices are fair or not.

Representative Lehlbach came in to see me the other day about the retirement bill and advises me that he is waiting until some report of an investigation which is going on is made before a final ~~xxx~~ determination in relation to it. I don't think anything was said about legislation abolishing the Personnel Classification Board. It is true that I should look with favor on a moderate raise in the amount that is paid to the employees on their retirement.

I don't know about the resolution in the Congress relative to the investigation of the butter tariff. There were some investigations started at a time when pretty large importations of four to eight million pounds from Denmark were coming in. Those have almost entirely dwindled away until now I think the importations are down to 400,000 pounds from that source which has made necessary the shifting of the place of the investigations to find what was the chief competing market. I think there are now a large number of very small importations that trickle in over the northern border from Canada, and it is very difficult to ascertain costs in those cases of production abroad, and as they come in in small quantities it is difficult to see what effect, if any, they have on the market. When large amounts came in to one market, like New York, it was more easy to see what results were. Now importations come in from New Zealand, so it is necessary to broaden out the inquiry, which is made difficult on account of its extension.

I have here a statement about a bill authorizing a Federal appropriation for \$4,186,500 for the Federal participation in the Sesquicentennial. That is larger than I thought any one had proposed. I had some talk with Representative Vare about it and understood that \$2,500,000 would be enough to cover everything. I am not quite certain of course whether this is an appropriation. If it is reported from the committee on Industrial Arts and Expositions it isn't an appropriation. It is an authorization, which is quite different. The authorization might be for any sum. The outside sum would naturally be put in, and afterwards

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as it developed an appropriation would be made for the carrying out of the authorization. I haven't known exactly what amount ought to be appropriated. It has been left to the national commission headed by Secretary Hoover, and I know he thought it was necessary to have about \$500,000 to make provision for the necessary space that the Departments would use for exhibition purposes. How much it is going to cost for the Army and Navy to participate, I don't know. In all the conversations I understood arrangements had been made that the Army and Navy were not to make any expenditures, that they were to be borne by the Exposition. \$4,000,000 is quite a little more than I had thought was going to be necessary. So far as I have information now, it is more than I care to approve. I may have additional information in the future that will lead me to approve that amount, but of the things that have been presented to me there haven't yet been given me adequate reasons for expending that amount. Now, they may have enlarged the Exhibition in some way as to make that necessary, but I understood that \$2,500,000 was the outside.

There isn't any new development in the coal situation.

I haven't any very definite information about the location of a hospital to accommodate Mass., Maine, N.H. and Vermont veterans. I understood it was to be located within fifteen miles of Boston. I haven't any choice about it, nor any location that I desire to put forward. The process in those things is for the Hospitalization Board to study the situation and make a recommendation to me. I am very solicitous however that <sup>the</sup> hospital should be located in a place that will seem to the veterans around Boston to accommodate

them. That is the largest center of the veteran population that is in the District and if they are taken care of why the large center will be taken care of, and of course if it is a matter of a long distance to travel it doesn't make very much difference whether the start is made from Burlington Vt. or Bar Harbor. It makes very little difference when you get 15 miles or 40 miles from Boston, but those that are right in Boston I want to have very much pleased with the location of the hospital. That is the largest number and the largest element.

I have already spoken about the Sesquicentennial.

I have already spoken about the President Roosevelt.

I have been very much pleased with the progress of legislation in the Congress. The House very quickly passed several bills that were important, chief of which of course is the tax bill. The Senate has taken final action on the Court proposition and is rapidly nearing final action, so far as it is concerned, in this preliminary stage, on the tax bill. What I have been gratified about is the businesslike way in which both of those proposals have been treated and the absence of partisanship. The Senate seems to realize that in foreign ~~for~~ affairs there ought to be no partisanship, and in a business matter like taxation there wasn't much room for partisanship. Both parties in the House, both parties in the Senate, have cooperated very effectively to bring both of these questions to a speedy conclusion. It shows that the businesslike attitude on the part of Congress is exceedingly gratifying to me and it must be gratifying to the country.

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Press: Did cloture have anything to do with it, Mr. President?

President: The cloture of course speeded up the action on the World

Court.

Tuesday, February 9, 1926.

Report of the Newspaper Conference.

I haven't seen the statement of Representative Davey, of Ohio. If he did say that 100,000 civilian employees of the Government could be dismissed and \$500,000,000 annually saved without reducing the efficiency of the Government service, I don't think I should agree with him. We are making such effort as we can to have an efficient service. I think it is fairly efficient. We save something in efficiency constantly, but the statement that \$500,000,000 could be saved by any re-arrangement of the government business, I should think was too strong.

Congressman Vare came in yesterday to speak with me about the Sesqui-centennial celebration. I told him that I thought over \$4,000,000 was a little more than the Government ought to expend up there. He is going to investigate it carefully and keep the expenditure down as low as he can.

No decision has been made yet about the case of Lieut. Thompson. I am examining the record. It is quite long and I haven't quite finished it.

I knew about the Copeland resolution. Do you know whether it was adopted by roll call?

Press: 51 to 24.

President: Was it a roll call?

Press: Yes.

President: I expected that the Senate was going to adopt it in order to save time debating that and take their time debating the tax bill. Of course I shall give it such consideration as it ought to have. It is an opinion on the

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part of the Senate. Their opinions are entitled to consideration. Of course it wouldn't be binding on the President. I don't think it is expected to be binding. I don't see offhand how it changes the situation. Every one, I suppose, would like to have the coal strike settled. If I knew of anything I could do to settle it, I should have done it long ago. It seemed to me that for the Government to meddle in it would probably have made matters worse, so I refrained from undertaking to give advice about it.

I approved this morning the report of the Board of Hospitalization for a new Veterans Hospital to be located at West Medford, if a site can be secured there. Otherwise, at Bedford.

Press: Would you permit a question about the coal strike? Are we correct in understanding that Mr. Lewis is at liberty if he wishes to make public your answer to him last autumn?

President: Well, I would rather you ask Mr. Lewis that. I would rather you ask Mr. Lewis that.

I don't expect to spend the summer at Swampscott. Perhaps that report came out through some conversation I had with some one hoping the Congress would get its work done at an early date. I don't recall that I said anything about going away for the summer. I expect to be out of Washington some during the summer, but I don't expect to go to Swampscott. I haven't made any definite plans.

I did not direct Secretary Davis to order an investigation into the Aviation Service. That is a departmental matter that will be taken care of by the Department.

I haven't any expectation of making a visit to Plymouth in the near future.

Press: May I ask how your father is getting along?

President: My father is not suffering any pain. Mr. Stearns went up to see him at my request. He was up there Wednesday and Again Thursday. He said father was cheerful and contented and not suffering any pain, but of course is confined to his bed. I speak to him over the telephone nearly every day.

I haven't received the Peruvian and Chilean appeal in the Tacna-Arica matter. I think I saw a press report that an appeal had been made. I don't think it has been received at the State Department; otherwise I would have had notice of it.

I knew of the proposal that Secretary Mellon was making to establish a Bureau of Prohibition. He conferred with me about it and it had my approval.

I think it is quite desirable that we should have legislation during this session to provide for the development of commercial aviation. The Bingham bill has passed the Senate and I think that refers especially to commercial aviation and is now pending in the House. In relation to the general matter of aviation, I recommended in my message the adoption of the proposals that were made by the Aviation Board in their report. I don't know of any compromise that

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can be made in relation to them. If reference is made to whether ~~shew~~ there should be an independent Air Service, it has either to be independent or else under the Army and Navy. It is my opinion, insofar as I ought to have an opinion, that it should remain under the Army and Navy, and that I understand is the opinion of the responsible elements in those two services. I **mean** the General Board of the Army and of the Navy.

Friday, February 12, 1926.

Report of the Newspaper Conference.

I didn't have an opportunity to have any extended interview with General Pershing. I was pleased to see that he was looking fairly well, but he told me a little of his health and of the fact that he was going to be compelled to go to Walter Reed Hospital for some treatment that he had been anticipating for some time. The illness that he had has manifested itself, he told me, in his blood pressure and in his heart action. He didn't anticipate that it would not yield to treatment. He seemed to be hopeful of the favorable outcome of the effort to hold a plebecite in Tacna-Arica. While there have been difficulties that have already appeared in the press, those have been cleared up and the work is going forward and preparations are gradually being made for the finishing up of the effort to have the election. I shall make the announcement in the Tacna-Arica appeals as soon as I can. It may be a matter of five or six days.

I don't know of any new developments in relation to the Mexican situation. There has appeared to be, both there and here, a desire to make a reasonable adjustment of any possible differences. I feel very confident that that can be done.

I have several questions about the coal settlement. Of course I am gratified to have a settlement brought about and can't comment about the details of the settlement because they haven't yet been made public and I don't think they have all been worked out. It was brought about without my intervention.

The parties, as I thought would be necessary, got together and made their own settlement.

Press: On that point, Mr. President, it is my understanding that Secretary Davis spent several days in Pennsylvania in consultation with both sides and the Division of Conciliation was active in bringing them together?

President: Well, I am stating what I have done. There were men from the Department of Labor that kept in close observance of the developments and I have no doubt kept the Secretary informed of what was taking place.

I expect to appoint District Attorney Gordon of the District of Columbia again. There have been several small matters that I wanted to have cleared up there, which evidently are proceeding all right.

The tax bill is proceeding fairly well in its general outlines. It is evident, I think that as it now stands it carries more of a reduction than would be warranted. That is the opinion that I gathered from the expressions of the Treasury, but I think that that can all be adjusted when the final decision is made between the two Houses. The bill will go into conference and I haven't any doubt that a very good bill will be laid before me for my signature. I want to make as much of a reduction as we can make, but I don't want to jeopardize the balancing of the budget, and the amount of revenue that is derived from the tax bill of course is very largely dependent upon the business conditions of the country. If they are good and earnings are good, why the revenue is very much larger than it is if business conditions are bad and profits dwindle away. The amount of reduction ought to be on the safe side,

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so that there wont be any leopardizing of the balancing of the budget. We ought to be certain to provide enough revenue to meet the expenditures. Now, there are pending before the Congress a good many suggestions for increases in expenditures. What action can be taken on them will depend on the amount of reduction on the final tax bill.

It is rather difficult to comment on the feasibility of Federal arbitration Boards in the major industries. The very first thing that we have to consider about arbitration is whether the parties agree to adopt it. If they don't agree to adopt it, of course it breaks down at the start. Where they do agree, it seems to me it is a feasible method. That is practically the method that has been agreed to between the employees and the <sup>a</sup>mangers of the railroads and I think holds out very great promise of success. But there it is not the first method that is used; it is the ultimate method. The first method which I think is correct, is negotiation between the parties, to see whether they can agree on the terms and conditions of service. Where in those activities which are necessary for the public welfare negotiation breaks down, then I think voluntary arbitration is the next method that ought to be applied. I am not in favor of compulsory arbitration.

I haven't had any specific complaint about the administration of affairs in Porto Rico. I get those ~~xxxxxx~~ occasional complaints that always come from a situation like that which exists between the Government here and Porto Rico and the Government here and the Philippines. Complaint that arises partly by reason of the method of government, the local legislature elected

by the people and the Governor that is appointed by the people. That is what makes a situation that needs to be handled with great tact in order to be successful. If any one doubts that, I think they would be convinced if they would examine the outlying provinces of other countries and compare the difference in conditions - those that are under the American Government and those that are under the Government of other countries. I don't say that in any way of criticism. Other governments I know are doing very well and the best they can, but I say it rather in praise of our own system and the results that it has been able to secure.

Tues., February 16, 1926.

Report of the Newspaper Conference.

I have sent to the Tariff Commission for further information about the tariff on Linseed Oil. That has come about by reason of the development in the industry and more especially by the opinion of the Attorney General as to the relevancy of the cost of transportation as an element in the cost of production, the Attorney General having ruled that the law contemplated that the cost of transportation should be taken into account in determining the cost of production.

I haven't any information about the Tia Juana situation, other than what is in the press. I think that is the same subject that was brought up a year or two ago by one of the Representatives from California, and at that time the State Department did the best they could to afford a remedy. The difficulty comes from the fact that citizens of this country claim, and have, the right to go across the line if they wish to. I don't know of any way we can prevent their going into Mexico, if they wish, but amid such restrictions and regulations about it as the law states..

No decision has been made in the Tacna-Arica appeal.

I don't expect to withdraw the nomination of Judge McCamant .

I talked with Professor Ripley yesterday about the article that he had in the Atlantic Monthly (I think that was the magazine in which he published the article). I wanted to confer with him especially to see if he thought there was and abuse that ought to be remedied by Federal legislation. He didn't think that there was anything that Federal legislation could do in relation to the subjects

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that he discussed in the magazine. All of this is being done under the authority of state corporation laws. It isn't interstate commerce, and there is difficulty for that reason in reaching it by Federal legislation.

Press: What was the nature of the abuses?

President: That article you ought to read, if you haven't read it. It is a very interesting article in relation to the practice that is growing up of retaining control of large corporations in the hands of a very small amount of voting stock and then issuing to the public large amounts of non-voting stock. He said that there were certain phases of that that might be considered sound and helpful but that it could be used for improper purposes.

I am going to make an address, I think the press knows about that, the 22nd of February, before the Department of Superintendence of the National Education Association. That Superintendence is "ence". I am making an address on Washington. I think the copies have been distributed to the members of the press.

Press: What time of the day, Mr. President?

President: At 8:00 or 8:15 in the evening.

Friday, February 19, 1926.

Report of the Newspaper Conference.

So far as I have formed any opinion, it is unfavorable to the Government going into the ownership and distribution of medicinal liquors.

The Tacna-Arica appeal will be decided just as soon as we can look over the papers and come to a definite conclusion. I don't think that will take very long.

The Commission on the preparation of plans for commemorating the 200th Anniversary of the Birth of George Washington has had only one meeting. That was held last spring, in May I think. Detailed work has been going on under the immediate direction of ex-Senator Sterling, who was made Secretary. I have within two or three days received from him quite a long report. I have no doubt that that will be available at his office, if any of you wish to get it. I have no doubt that some of you have received it. That is about all that has been done at the present time.

I have a question here about the Italian debt settlement. I don't know that there is much more I can say about that in addition to what I have already said. I have no doubt you will recall that until the formation of the present Italian Government there didn't seem to be any disposition or any power or ability to meet the payment of the debt. After that Government was formed it was taken up and they sent a Commission over here to confer with the Commission that had been appointed by this Government, which acts under the authority of a law of Congress. It is an expert Commission, made up of the best

experts that we have in this country. It is bi-partisan, so that it represented I think sufficient business ability and different political points of view to <sup>very</sup> represent/fairly the sentiment of our country. They had at their disposal a large amount of information collected from original sources as to the capacity of the Italians to pay, and the settlement was made on that basis. If the men on that Commission with the information that they had aren't judges of the capacity of Italy to pay, I wouldn't know where to turn to get judgment on that question. It is desirable in order that Italy may arrange its finances, that there should be a settlement; and that it should be a definite settlement. If it is indefinite and indeterminate, to be reopened some time in the future, why then there isn't any basis on which you get a stabilization of international finances. That is desirable not only for Italy - it is desirable for us. And we have also taken into consideration, in all these debt settlements, the desirability to reestablish Europe and fix in a definite and determinate form the public finances of those countries. Some may think that our settlement with Italy is too liberal. I presume it will be recalled that the Congress ratified a moratorium to Austria of twenty years. Austria was not on our side during the war, but our country recognized that after the war was over the cause of humanity required us to help feed the Austrians, which we did. And when the question came up of paying that it was found that the Austrian finances were in such shape that nothing could be done at the present time, so we passed a moratorium of twenty years. The case of Italy comes before us in quite

different fashion, being one of the countries that fought with us during the war, and we ought to be willing to treat them as well as we did the Austrians. It is also a question of the economic reestablishment of the world, which we think will be for our benefit. We are a great producer of raw materials and a great exporter. We export abroad tremendous amounts. I think our exports in that respect in 1924 of the two great staple raw materials which we export, cotton and foodstuffs was \$2,445,000,000 and in 1925 it was \$2,602,000,000. That is 2245 and 2602. Of course our importations were large. In 1924 they were \$1,096,000,000; for 1925 \$1,238,000,000. The foodstuffs that we exported in 1924, the 1925 figures are not yet available, were \$615,000,000 and cotton in 1924 was \$842,000,000. Now it is greatly to the advantage of our foreign trade that these debt settlements be made. It results in stabilization of currency, stabilization of exchange. And we have here a settlement that has been made bi- and ratified by the/partisan commission of experts. It has my approval. It has been adopted by the House by a vote of 257 to 133 and is now before the Senate. I think it will pass because I am certain that it ought to pass. But suppose it shouldn't pass. The vote would be very large in favor of its passage. Where would that leave this country in future negotiations? Why, Italy would say, here is the approval of the Debt Commission, the approval of the President, the approval of the House almost two to one, and a very large vote in the Senate. We have done all that we can do and there is nothing more that remains for us. It seems to me that if the Italian debt settlement fails now of ratification it will simply relieve Italy from making any further effort to pay

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us. Of course, I am looking to the interests of the United States. I think that is my first duty and I don't want to bring any party consideration into this. I think that should not come in. But I assume it is generally understood in the country that the party I represent has been rather more diffident about extending favors than the other party. Now, if that is the case, I can't see that the other party should feel that they ought not to be willing to go as far as we are willing to go in making a settlement of this kind. That is not a matter of any importance, but a mere incident. Here is a party that has been criticized for not doing enough and those that have been criticizing us surely ought to be willing to go as far as we have been willing to go. But this is based on a bipartisan decision. It has no politics in it. It is an effort to settle our debt on a basis of all that we think Italy can do that is fair to the United States and for the general welfare of all concerned.

Tuesday, February 23, 1926.

Report of the Newspaper Conference.

Here is an inquiry about the possibility of the adjournment of Congress and what further important measures there are pending. I don't know when Congress can adjourn. I should think it could get out seasonably. Up to the present time I think the progress that has been made is better than that of any Congress with which I have had any experience. I judge from comments that have been made to me from the older members of the Congress that the expedition with which the business has been transacted may be said almost to be the record, so that that would indicate an early adjournment. The appropriation bills are going on very well. There is the tax bill to be finally passed. There are the debt settlements that will come up in the near future for consideration in the Senate. They have already passed the House. I think the farm legislation bill is pending in the Senate. That has already passed the House. That is especially to take care of some of the things that the cooperative farm organizations wanted, and there are before the House Committee and the Senate Committee some bills to provide general relief for agriculture which will probably come up for passage. Those are the principal things. There is the railroad bill. I presume there are some other things that perhaps are equally important, but don't now happen to occur to me. In addition to this there is of course the report of the Aircraft Board. I am anxious to have legislation that carries that out. I am almost equally desirous of not having legislation that goes beyond the report and recommendations of that Board. I feel quite confident that when the various committees come to study the subject

they will come to the same conclusion that the Air Board reached. You will remember that there was a great deal of confusion about our Air Service last summer. That was my state of mind. I presume that if you will hark back to it you will find it was your own state of mind. It was very well cleared up I thought by the report of the Air Board. The central thought of that was that our country was not in immediate jeopardy by reason of any lack of our Air Service or of any attack that could be made on us by any other country. Now, I want to have a good Air Service here, the same as I want to have a good Army and Navy, but I don't want to run to extremes about it. There is some pressure in the country, perhaps from people that haven't made a careful study of the subject and a careful perusal of the report of the Air Board, to build a very large air fleet. I don't think that is necessary. I am opposed to it because it would be an unnecessary expenditure of money and because the theory of it would be to go back to the theory of competitive defense. Of course if we arm ourselves with a great air fleet, the necessary reaction will be that other countries think they must do the same and then we are off again competing in armaments. There has been one development in relation to this which I think has been helpful, and that was to bring to the attention of men in the service that it is especially their business to be Army and Naval and military men and function in that direction, and not undertake to function in other directions. In our service there is the Army and Navy, the Reserve Officers Corps, the National Guard, althgether making I think about 550,000 men. Now it is quite obvious that if everybody in that service should start out to bring to bear great

pressure on Congress for everything that they might think they wanted at any time, the result wouldn't be good, and if as the result of our actions we should make a great Air Force there is a good deal of question as to whether after we did create it the same forces wouldn't be demanding that it be used in some direction or other, and we would have established here almost before we knew it a great military nation, which nobody that I think gives the subject careful consideration would want to have done. So we have had to bring it rather sharply to the attention of men in the service that they ought to obey that injunction of the service rules which requires that they shouldn't volunteer to influence legislation - give their opinions when they are asked of course; but to form any organization of a military nature for the purpose of influencing Congress would in the end be productive of embarrassing results.

I talked yesterday with the Secretary of the Treasury and Senator Smoot about the general financial situation - where we should be with the tax bill enacted and what we ought to do about the approval of the debt settlements, concerning all of which they took a hopeful view. The tax bill as you know carries rather more of a reduction than I had thought was desirable, but the Congress is making the reduction. If they finally make a larger reduction than I had thought was desirable, of course they will bear that in mind in keeping down appropriations for increasing expenditures.

There hasn't been anything further developed in relation to the meeting of the Preparatory Commission for an Arms Conference.

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I have not accepted any speaking engagements. I have several invitations. I was presented an invitation the other day to go to Kansas City. I have an invitation to go to Charleston, S. C. An invitation came in this morning to go to Louisiana. I have had to say that while the Congress was in session I doubted very much if I could make any trip of that kind. These are merely suggestions to go to a certain place and make an address as I did at St. Paul, Omaha, Chicago or New York. There are a great many places in the country that I should like to visit, especially some places in the South, and I haven't had any chance to go to Missouri since I was President. I was in Kansas City at the meeting of the Legion in 1922. I think it was '22, might have been '21; I guess it was '21. So I haven't any plan about going away to make any address. There are two or three things here in Washington. I think there is an Editorial Association of the South American Republics that is to meet here early in April. I expect to make a short address of welcome on that occasion. The Boy Scouts are going to have some kind of a convention here. And of course there is the address that I have to make Decoration Day and the dedication of the John Ericksson monument which is to come just about Decoration Day unless the date is changed. The 4th of July I suppose I am to speak in Philadelphia. Those are the only engagements that I have in mind.

Friday, February 26, 1926.

Report of the Newspaper Conference.

The reduction of taxes wouldn't make any difference in the amount of money that can be spent for reclamation, because that comes out of a revolving fund that doesn't arise from taxation. It is money that comes in from the sale of lands and the fees and charges that are made for the use of water that goes to the present reclamation projects, - sales of timber, royalties on oil, and several things of that kind. So that it doesn't come out of tax money, and the amount of taxes received makes no difference about it.

I haven't any personal information about Dr. B. A. Lyons, Collector of Internal Revenue for Louisiana. I think something arose in relation to that office a while ago. It isn't quite clear in my mind what it was. I don't know that he has tendered his resignation. It is possible that he has. But nothing has come over here from the Commissioner of Internal Revenue, and I should of course be governed very largely by the ~~own~~ recommendation that he might make to the Treasury Department. I don't know of anything that is pending in relation to that office or that officeholder at the present time.

I have received a report from the Tariff Commission relative to the tariff on butter. It came in this morning. I am examining it. I understand that one member of the Commission is going to file an additional report within a few days.

Of course I was very much gratified to see the revenue bill passed. It carries, as I have already indicated, a somewhat larger reduction than I had

thought was wise. I would rather err on the safe side than run a chance of not being able to balance the budget. But as I think I indicated the other day, the amount of revenue that is to be raised is peculiarly a question for the Congress to determine. They decide what taxes they want to lay and then when that is done of course they decide what expenditures they want to make. The President can do something in the way of preventing expenditures, but can't do very much in making them - can do almost nothing, perhaps absolutely nothing, without an appropriation being made by the Congress. Our indicated surplus was first stated to be \$290,000,000, and I think further developments indicated that it might be a little more than that, so that I thought about \$300,000,000 of tax reduction would be about right. This runs to \$380,000,000 odd, which is more than I had desired. But as I say, it is peculiarly a question for the Congress to decide. It does make it necessary, however, for the Congress to use very great care in the amount of appropriations. There wont be any trouble for the present year, because this tax bill only applies to a part - less than half of the present fiscal year. But the best estimates that I can secure from the Treasury indicate that for the fiscal year 1927 a deficit of nearly \$100,000,000 will occur, so that we shall have to be thinking of that when the appropriations are made this year, and especially we shall have to keep thinking of it when they are made for the next year. The appropriations made now run from the first of July 1926 to the first of July, 1927. The appropriations that are made next year will finish out the '27 year, and if the whole

of the '27 year ran at the rate of present indicated appropriations and present indicated receipts, we should be facing a deficit of nearly \$100,000,000. I have no doubt that the Congress can so make its appropriations as to avoid a deficit, but it would have to be in the exercise of great care. I think I spoke last week, or last Tuesday, about the effort that is being made to increase the cost of national defense. I think the Army and Navy this year get about \$660,000,000. There is a bill pending now for an increase of about \$30,000,000 each on the Army and Navy which would make an increase of about 10%, or \$60,000,000 a year. But those are authorizations. They are not appropriations. But Congress will need to consider very carefully what authorizations it wants to make, because when the authorization is once made of course it is in order on the floor to move that an amendment be put on an appropriation bill, whether it has been recommended by the Bureau of the Budget or the Committee or any one else. If the authorization isn't there, the money isn't in order for an amendment to a bill. This bill and the bill that I signed two years ago together I think carry a reduction in revenue of very close to \$700,000,000. That is a saving of nearly \$2,000,000 a day to the taxpayers. I was interested in an item that General Lord gave me this afternoon when he came in. He said that the figures for 1921 indicated the general cost of government throughout the country ~~1/2~~ was about \$9,500,000,000. That is 1921. The best figures we can get for 1925 show an estimated cost of government of about \$11,500,000,000. The first is for 1921, \$9,500,000,000 and the second is 1925, \$11,500,000,000. And that notwithstanding

the fact that the Federal Government has reduced its expenses during that time \$2,000,000,000. That means that the other government functions have increased their expenditures in the past four years \$4,000,000,000, or nearly 50% of the total. About 50% of 9-1/2. Close to that. Which indicates that government expenditures are increasing very fast and that we need to use a great deal of care in the making of appropriations. \$11,500,000,000 is nearly 4% on \$300,000,000,000, which is close to the total wealth of the country, usually estimated.

I was especially gratified at the way the bill went through Congress. I think the comment has already been made, but perhaps it won't do any harm if I reiterate that up to date this has been the most efficient Congress that we have had for a great many years. It has made its decisions, transacted its business and reached conclusions about the questions before it. I am very much pleased with the cooperation I have received from them. They have considerably more work to do. I mentioned three or four things the other day. Of course if any one wants a complete list of things that I think Congress ought to do, they will find that by referring to the message I sent to Congress on the 1st of December, and what Congress wants to do for the remainder of the session of course is very largely for them to determine. I am willing to advise and cooperate and help in any way I can, but the Congress after all is the legislative body. It is moving so well and so efficiently that I don't think I can help it very much. I have my own idea about the desirability of letting Congress

make its own decisions, so far as it can. There is a certain amount of help they can derive from the Executive which I try to extend. But the responsibility for legislation is theirs. They come in contact with a great many sources of information merely as a result of their large number that do not come to a single executive. Many questions have to be determined as a result of rather long and protracted hearings, which of course the executive doesn't have a chance to participate in, and for that reason the Congress out to be left with a pretty free hand to make its own determinations and reach its own decisions.

I don't think any further tax reduction will come for some time. Certainly not next year. And as I have indicated about 1927, I think we shall have to look very carefully for 1927 and 1928 to come within the present amount of revenue in making our appropriations. Ultimately we should of course have further tax reduction, as the debt is reduced, as the business of the country expands ~~revenue~~ and revenue increases and expenses decrease. But there is the natural growth of business. I don't know what bills there are pending that call for additional expenditures. I think I had them checked up one time last year and found there were proposals seriously made and actively pressed that would have called for expenditures yearly of about \$3,500,000,000 in addition to that which we already have, practically a doubling of the expenditures of the nation.

Tuesday, March 2, 1926.

Report of the Newspaper Conference.

I have a number of questions this morning about the details of legislation. I made a public statement of my position in relation to legislation in my message to Congress, and if you want to know about my position on legislative matters I can't state it any better than to refer you to that message.

I have here a question about a short session for Congress - to do away with the short session. That is especially a matter for the Congress to determine. It doesn't come before the Executive. It is a Constitutional amendment. On that I am entirely content to take the opinion of the Congress about it, as it affects them especially, rather than the Executive. It is a matter that they peculiarly ought to decide for themselves.

There isn't any statement that I can make about the butter investigation, other than that which I made the other day. One member of the Board is going to send me a report. I had a letter from him saying that he would send it in two or three days. That was about a week ago, I believe. No memorandum has come, but I assume it will.

I haven't any information at all about the attitude of the countries relative to the reservations that were made to the Protocol adhering to the Permanent Court of International Justice. Those would be sent out by the State Department to the various countries interested and action would come through the Department. When it does come, I suppose it will be referred to me. But up to the present time no information, so far as I know, has been received.

I don't see any reason why such differences as we have with Mexico relative to their land laws can't be adjusted. I don't think there is so much difference as perhaps the public has been led to suppose. A careful examination of the documents on file in the State Department would go a considerable distance to clear up a good deal of it.

The Cabinet discussed briefly the general business situation, which seems to be good. Production is going on, orders appear to be numerous for new materials. Our imports have increased more in value than in the amount of commodities. There was especially an increase in January of the value of rubber. I think in January, 1925, the imports were about \$25,000,000 and in January, 1926, some \$92,000,000. A considerable amount of that was due to the increase of price. And then the imports of were very largely of raw materials, and the reason for that as you can see is a larger consumption of goods in this country. Where the consumption increases, why it is necessary to increase the imports of raw materials with which those goods are manufactured. Also the imports of jute, with which sacking is made, increased considerably in price, though the amount increase was not so very large. That is, the amount of material was not much larger than last year, but the price of it was larger owing to the failure of the crop, I think in India.

I haven't reached any decision about another member for the Shipping Board. I very much want to have some legislation in regard to the Shipping Board and I am waiting to see what the attitude of Congress may be in relation to

that before taking any action about making further appointments. I am quite convinced that the operation of the Fleet ought to be divorced from the Shipping Board. As to regional representation, I haven't any special desire about that one way or the other. Regional representation on the Board I think is all right. I have no great desire to change that, but I do think it is very desirable that the operation of the Fleet should come under a single executive head. The question of whether the Shipping Board is responsible to the Executive or to the Congress is a matter of no particular import. That, I care nothing about. The only thing I do care about is an efficient management of our shipping business. It ought to be so set up that those who want to do business in relation to shipping can find some responsible head with which to transact the business, and that those who want to buy ships may be able to find some responsible head from which they can be bought.

I have already spoken about the reservations to the World Court.  
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I think I have finished up/what I went off perhaps on a side line - the business of the country. The general business situation seems to be good and is apparently sound. As I stated, production is going forward and orders for new goods are coming in in a very satisfactory way. I think I covered that.

Friday, March 5, 1926.

Report of the Newspaper Conference.

The railroad-labor bill should hardly be referred to as an administration measure. It didn't originate with the administration in any way, but represents an agreement between the major portion of the railroad managers and the major portion of the railroad employees. Whether any amendments ought to be made to it, will be distinctly a question for the Congressional committees to determine after hearings. I thought that the agreement was a matter of a great deal of promise and consequence. The fact that they have been able to agree on an important measure of this kind has seemed to be a long step in advance for an amicable adjustment of wage disputes. Now, whether the agreement as embodied in the bill is perfect so that it needs no amendments, I wouldn't be able to pass judgment on without hearing the interested parties.

Ambassador Houghton and Hugh Gibson our Minister to Switzerland - Ambassador Houghton of course is the Ambassador to London and Mr. Gibson is our Minister to Switzerland - are coming to Washington to consult with the Secretary of State about the preliminary arrangements for the Limitation of Arms Conference and other questions, and they will sail on the President Roosevelt on the 7th of March.

Press: How long have they been in Washington, Mr. President?

President: They are coming and will sail for America on the 7th of March, arriving in Washington, I should judge, about a week from that time.

The economic situation and business outlook hasn't changed any, as

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I can see, in the past week. Since I made some statement about it I had an interesting report from the Postmaster General on the receipts of the 50 important cities for the month of February. As compared with February last year it is over 8% greater. The receipts for February this year are more than 8% greater than the receipts for February, 1925. The January receipts were between 6% and 7% greater for this year than for a year ago. That was substantially all that came up in the Cabinet in relation to the business situation. I don't like to say very much about the prices of securities. I should judge that the main effect of the security prices for the last two weeks would be distinctly stabilizing, leaving that market on a perhaps more sound foundation than it was previously. The speculation that has been going on in securities had not reached over into the industries. There has been no speculation, as far as I have any information, in commodities, so that so far as we can judge the commodity market is on a sound basis. And as I indicated a week ago, the general business condition of the country appears to be promising. Orders are keeping up and production is going forward. The Secretary of Labor did say at the Cabinet meeting this morning that there was no unemployment anywhere. Of course there are some strikes going on in different places. That is the reverse of unemployment, - people asking for higher wages. Unemployment means that they can't get work at the prevailing rate of wages.

I can't set any amount that would be said to be a practical amount for an Air Service appropriation. I think our present Air Service appropriation is about \$70,000,000 a year. The present budget ~~x~~ carries somewhat more than that.

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The total appropriations in the present budget for the Army and Navy would be \$674,000,000. That is \$11,000,000 more than last year. There are some bills pending in relation to the Air Service, one for the Naval Air Service, and there is a bill being drafted, I think, for the Army Air Service. With these large appropriations that are now being made, it seems to me that we ought to get along without enlarging appropriations. If more men are to be taken into the Air Service, why then I should think an arrangement should be made so that more men could be dispensed with in some of the other branches of the service. We have a force in this country, I think I have stated it, of about 558,000 men that could be put into the service almost overnight, which would appear to be ample for any needs we may have. The Army has 118,000 enlisted men, the Navy I think 82,000. Now, if it is desirable to have more men in the Air Service and more officers, why I think some provision ought to be made to meet that expenditure by a reduction of expenditures in some other direction, especially so on account of the present condition of the Treasury. I saw a newspaper report that seemed to indicate that some one in the Treasury had undertaken to suggest that the statement I made about the coming deficiency wasn't correct. My statement was correct, and I think a careful reading of what the Treasury was said to have given out would have revealed that there was no conflict between what I said and what the Treasury said. I don't expect any deficiency for the present year. The indications now are, unless there are additional appropriations that do not now appear to be, that we should finish this year, the 30th of next June, with a small surplus. But for the year after that the indications are that

there will be a deficit. I have suggested several times that if the Congress made a larger reduction in the tax bill than I thought was desirable, that I should expect them to take care of it by refraining from making appropriations that would cause a deficit. That is very important in relation to the business situation of the country. If Congress goes ahead and appropriates more money than there is in the Treasury, and makes it necessary to put in a bill increasing taxes, it won't encourage the business of the country. If Congress goes along as it is doing now, without increasing appropriations, I think the outlook for business would be very much more encouraging, and in that respect I want to commend the Congress for the prudent way in which it is making its appropriations. It is following the budget recommendations almost entirely. I don't think any bills that are coming along have had the recommendations that were made in the budget materially increased. There may be some trifling increases in some and some reductions in others, but the general result is just about what the budget recommended. ~~ifx@engr~~

Press: If the Congress keeps within the budget recommendations next year, will there be a deficit?

President: No, because we should make the budget recommendations next year so that the budget will balance, of course. But I am talking now of the expenditures that would be required under the present budget and those that would naturally be expected under the budget of next year. It means that we shall have to prune somewhat.

I don't think I can make any suggestion about the achievements of the administration during the past year, for the reason that I think perhaps it would be more appropriate for somebody else to dwell on that than it would be for myself. I would like to reiterate though that I have been exceedingly pleased with the cooperation I have had from the present Congress, and I think the country is reflecting the satisfaction that it has had with the business-like way in which they have transacted the governmental affairs.

Tuesday, March 9, 1926.

Report of the Newspaper Conference.

In each one, I think, of my messages to the Congress, I have discussed the question of a waterway from the Great Lakes to the ocean. I don't believe I can express it any better than I have expressed it in those messages. So that if you want to get any authoritative statement about my position you can best get it by referring to those three messages. I have several inquiries about that.

And also in my messages you will find a discussion of what I thought was required in relation to the Shipping Board. I think you will find it better stated there than I could restate it.

I have two or three questions about purely foreign affairs that I don't think I ought to comment on, as they have no relation to our own country.

I haven't made any appointment of the member of the Commission for the South Boston celebrations, but I expect to make that appointment today.

I was pleased to see that the Senate had conferred with the House in passing a bill authorizing a Committee of the House and Senate to secure bids for the Muscle Shoals property. My desire there has also been expressed in my several messages. But there is one addition that I think might be made to what I think I have said in the messages, and that is in relation to the production of nitrates purely as a military proposition. Congress is busy at the present time considering national defense, which is always a proper question

for consideration, always an important question. We are building a good deal of armament in this country, putting a great deal of money into the Navy and into the Army, building shore fortifications and turning out ordnance of various kinds, but we do not produce in this country any nitrates whatever. We have none. In case we were cut off from the ocean we would be without any means of making explosives with which to use the great armaments that we have been expending so much money in constructing, and which are of course an absolute necessity to any system of defense. Now, it has occurred to me that that hasn't been adequately borne in mind by the public. While I want to see power projects developed for the use of the industries of the states that are contiguous and so located that they could use the Muscle Shoals project, yet this other requirement is a national requirement and we ought to have a plant there capable of turning out nitrates for that purpose. Now, on its industrial and commercial side, of course in time of peace we need very little in the way of nitrates to keep ourselves adequately provided with explosives, so that in time of peace nitrates would be used for the production of fertilizer that would go to the benefit of agriculture. It wouldn't be possible to produce enough nitrates in that location to supply the agriculture of the United States, but it would be possible to produce enough to very materially influence the price and put the agriculture of our country, when it wants to purchase nitrates, in a position where it wouldn't be entirely in the hands of foreign producers. I haven't any customer for the Muscle Shoals. I am entirely unconcerned about what bids

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may be brought in, as far as their source may be considered, but I do want these results, and I am in favor of making a contract with any responsible bidders that can produce apparently the results that I think are so necessary to the national defense and to the national agriculture. Of course it is generally understood that nitrates can be made when there is a surplus of power and because they are something that can be stored away power production has to be used as it is developed. Now that would mean that the permanent power there would be adaptable to the uses of industry in the contiguous states and could be very well used for that purpose. I think there are applications in for 12 or 15 dams on the Tennessee River above, I think they are all above the Muscle Shoals dam. They are susceptible of developing a great deal of power, so that it would appear that there is going to be a very adequate supply of power in that location to take care of such industries as may desire to locate there. Now, I think I have indicated what I would like to have in the way of a result, and that can be secured by directing the Committee to put out the right kind of proposals for bids. But I think that can be worked out as a result of the Resolution. The time is getting short, so that there will need to be some haste in carrying on the negotiations.

Friday, March 12, 1926.

Report of the Newspaper Conference.

I have been very much pleased with the apparent support that is coming to the Italian debt settlement. It has to do with foreign relations, which as you know is a question that I have always tried to deal with in a nonpartisan manner, thinking that our foreign relations are not a matter that ought to be brought into politics. I am very glad to see the nonpartisan way in which the Italian debt settlement is being supported. It was made in the first instance by a bi-partisan board and was adopted in the House by a large vote of both parties. It seems to have from the press of the country, without reference to party affiliation, almost unanimous support, and members of the Senate on both sides of the house are joining in supporting the measure. All of which is very gratifying to me.

I have here an interesting report from the Bureau of the Budget about supplemental and deficiency estimates. Sometimes it is thought that the quite large estimates which go in after the budget goes are in the nature of deficiency appropriations. That is not the case. They are almost always supplementary appropriations that have to be made on account of changes in the law and entirely beyond administrative control. Of the \$425,000,000 that went in on the deficiency estimates and supplementary estimates, only \$23,000,000 are really deficiency estimates which could in any way have been controlled by the various Departments. I merely speak of that in order that if you ever have occasion to refer to it you will keep clearly in mind the difference between supplementary

estimates and deficiency estimates. The bill is usually known as the emergency  
after  
deficiency bill and it might be thought that ~~xx~~ the budget is made up we then  
come in with a lot of additional expenditures that should have been included in  
the budget.

My father's health is very poor, as I think all of you gentlemen are  
aware. I talked with him on the telephone this morning. He didn't have a very  
good day yesterday, but he had a comfortable night and seemed to be brighter  
and better this morning. His pulse and temperature are normal. I should like  
very much to go up there, but I don't see how it is possible for me to get  
away. It is in the dead of winter and the snow even where it is not drifted  
is six or eight feet deep. There isn't any real certainty about moving about  
up there, except on snowshoes, and there isn't any place up there I could stay  
with the necessary accommodations that would be required if I was there. Of  
course I very much desire to have my father come down here. He has every care  
that can be extended to him up there and it is ample, though I always felt we  
could make him a little more comfortable here. But he is very much more contented  
there than he would have been any where else and for that reason I think, on  
the whole, it is better for him to be there. I am expecting to go out on the  
Mayflower tomorrow. I shant cruise down the river very far, so that I could  
return quickly in case I had any bad news from him.

I don't know just what the plan is in Congress about additional  
legislation. It has been my policy to leave that pretty much to the men

who have the responsibility of managing the legislative program. I had assumed that they would pass a public buildings bill. Has it come through the House?

Press: Yes.

President: I thought so. It is now in the Senate. Such information as comes to me indicates that it will pass the Senate.

I don't know about the necessity for legislation relative to the observance of the Sabbath in the District of Columbia. So far as my observation has gone the Lord's Day seems to be very well observed here. It may make a difference about one's opinion on that subject as to where you spend your own Sabbath. I usually spend mine going to church. I don't go outside much. Such observation as I have made seems to indicate that the observance of the Lord's Day is fairly good in this district, though the laws here I know are not quite so strict as they are in Massachusetts. I think the tendency of legislation has been rather towards liberality of Sunday observance, so far as legislation goes, rather than towards more strict laws. I recall that when I was Governor of Massachusetts I signed a bill permitting the playing of baseball on Sunday, not professional baseball and not baseball where any admission is charged.

I haven't any idea what purpose the delegation from the anti-saloon league has in calling on ~~my~~ me tomorrow. I didn't know that such an appointment had been made. Nearly all appointments that are made to call on me are made through Mr. Sanders or some one else in the office, and I scarcely ever know about them until I see them on the list in the morning. So I can't give

you any information about that.

I have had some suggestions about a special session of the Senate to try a possible impeachment case. No plan has been made about it and my disposition would be to cooperate with the members of the Senate and such members of the House as might be charged with the duty of presenting any possible impeachment to the Senate. If they would prefer a special session, in order that that matter might be taken up, I should be quite certain that I should be willing to call such a session; though no definite plans have been made about it.

I haven't any information about the possibility of a canal to run from the Lakes to Albany and down through the St. Lawrence River, other than such as is already in the possession of the public. I should judge it was purely an engineering problem, and until the engineers make a report on it as the result of a thorough and careful study, I shouldn't want to express any opinion in relation to it. I want to see, as you all know if you will look at my messages, an opening-up of a waterway that will reach into the Middle West. I am doing something at the present time towards a barge line to run from St. Louis to St. Paul-Minneapolis, and I am also committed to a larger appropriation for Rivers and Harbors, in order that an additional \$10,000,000 may this year and next year be expended on the Mississippi River. Of course we are also working on the Ohio River, which will be finished in two or three years, and these surveys and studies are being made of an exit to

the East either through the St. Lawrence or through a canal that will run across the State of New York. But until the studies are made I wouldn't want to undertake to pass any judgment on it.

I have just referred to my messages. Mr. Strother, who had something to do about arranging and compiling in conjunction with Mr. Slemp that book that Mr. Slemp issued, was in this morning and brought me in a presentation copy of it. Glancing at it I see that it is very well indexed and <sup>there</sup> is topically arranged in the book things that I have said in relation to a great many subjects. I think your offices ought to provide each one of you with a copy of that book.

Press: Would you autograph each copy?

President: Yes, I would be glad to, and whenever you want to know what my position is on any subject, if you will just glance at that index it will very quickly refer you to a place in the book where you can learn what I have said in relation to a very great many different subjects.

I hope some kind of a railroad consolidation bill will pass this ~~session~~ session, and we also ought to have some legislation in relation to shipping.

I haven't any information that would entitle me to any opinion as to whether another ship ought to be built to take the place of the America which was damaged by fire. I had understood that that was covered by insurance, which I suppose means that the ship can be refurnished and put again into operation. But concerning that I haven't any definite knowledge, and I should think that such information as you would desire you could probably secure from the Shipping Board.

Tuesday, ~~February~~ March 16, 1926.

Report of the Newspaper Conference.

I have four or five invitations to go to Colorado during the coming season. I can't enumerate them all now. I think the last one comes from the Governor. There is some celebration of the 50th anniversary of Colorado, the Bar Association, and an international gathering of Rotarians. I haven't made any plan at the present time. I haven't been able to give any of them very much encouragement. I will take the matter up later, and the same would apply to the Disabled Veterans Convention at Atlanta in June, and the International Sunday School Convention in Birmingham in April. There is very little chance that I would be able to get away in April.

I have a question here about the Geneva conference, which I suppose refers to the Arms Conference. There haven't been any new developments in that. The Secretary of State has sent for Mr. Gibson and Mr. Houghton. Mr. Houghton will arrive in town late this afternoon and will stay at the White House. I don't know just when Mr. Gibson is to arrive in town. He may be here now. They have come in order that the Secretary may confer with them, especially relative to the Conference, and also relative to the general European situation. The conditions in Mexico seem to be improving, and so far as I can judge there are no questions there that do not promise to yield to diplomatic exchanges and diplomatic treatment. ~~I expect~~ I was speaking about the visit here of the Ambassador and Mr. Gibson. I think I saw some suggestion that I had sent for them. I gave out the statement here at a previous conference that they had

been sent for. I gave it out here because Mr. Kellogg sent the statement over here and as I was to see the newspapermen before he was he wanted me to give it out.

I haven't any information regarding the report of the Tariff Commission on casein (I am not certain I am pronouncing that correctly). It is a product that is made from skimmed milk and is used in the paper trade. I have no information to give out about it.

The condition of my father seems to be about the same. I suppose he is gradually growing weaker. There doesn't appear to be any noticeable change. Some days he is a little stronger and brighter and takes more nourishment, and other days he seems to be weaker and doesn't take much nourishment. and doesn't converse much with any one unless they speak to him.

Tuesday, March 23, 1926.

Report of the Newspaper Conference.

Here is an inquiry that will probably be more or less chronic for the next few months, as to where I am going to spend the summer, and all I can say about that is that I haven't made any plans at the present time. I indicated I think at a previous conference that I should like to spend the summer in the mountains somewhere, but no arrangements have yet been made and I have given the matter scarcely any consideration. If you will keep that in mind, perhaps it will enable you to answer some inquiries that may come to you especially from the press in distant parts of the country that are inquiring if there is any foundation for the rumor that I am going to spend the summer in that neighborhood. This inquiry is made in relation to an inquiry that asks if I am going to spend the summer in Wisconsin. I knew that some people up there were thinking of securing a place for a summer residence for the President. It is on the shore of one of the beautiful lakes of that State. Some of you went through the State last June with me on my trip through Milwaukee and up to the Twin Cities and will recall what a beautiful country it is through Wisconsin. It would certainly be a very pleasant place to spend the summer, but there have been no arrangements made in relation to it.

I have only seen a report in the press to the effect that there might be an invitation from the League of Nations that we should send some representative to discuss with them the matter of the reservations that were put on by the Senate in its ratification of the protocol of the Court. I don't think any such

invitation has come. If it does come, why of course it will be taken and considered then. I haven't come to any final conclusion about it. The method that the State Department is adopting to deal with our entrance into the Court is that of sending a copy of the vote of the Senate to each interested nation and requesting them to send to the Department the note that is specified in the reservations signifying their consent to our adherence on the conditions that are expressed in the reservations. I think I saw in the morning press that one Nation, Cuba, had already sent in its note, and I presume that that would signify that other nations would be rapidly sending in their consent. I don't know what would be in the mind of the League, but as the reservations undertake to emphasize especially the independence of the Court from the League, and perhaps strengthen it, I assume that perhaps the League thought that it was a matter that might interest them in some way and there has been a discussion as to whether they would hold a conference to consider it and have some one present representing this country to explain the / reservations. So far as I can see at the present time, that would hardly be necessary. The reservations seem to speak for themselves and I think are quite plain. In general, they do emphasize, of course, the independence of the Court from the League. Our preparations are going on for attending the Preliminary Arms Conference. It is virtually decided that Ambassador Gibson will represent us there. He will have of course a military staff consisting of representatives of the Army and Navy. It is expected that General Smith will be his Army adviser and some one undoubtedly will be associated with him. That hasn't been fully determined, though General

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Nolan has been spoken of. The General is now in Europe and it hasn't been possible to make all the arrangements in relation to that. From the Navy it is expected that Admiral Jones and Admiral Long will serve. Now, both the Army representatives and the Navy representatives will undoubtedly take some subordinates with them. Who that would be, I don't know, but those preparations are going forward and will probably be finished within a short time.

I want to express my gratitude to those of you who went up to Plymouth with me. It was a real satisfaction to have present those of you who had been so intimately associated with me here, and it was a real help to me in bearing the burdens that I had to bear there. I want especially to thank you for the many tributes that were paid on that occasion to my father. I am sure that he was worthy of all of them. It was a great satisfaction to see the appreciation in which he had come to be held by those of you that knew him and knew me, and especially the appreciation that was expressed in the many messages of condolence that came to me.

(The newspaper men were called in later and the President said:)

There was one slight matter that I forgot to mention. There are one or two bills pending in Congress relative to regional representation on the Interstate Commerce Commission. I appreciate the desire of different localities to have representation on that Commission, and while of course I can't pledge the action of the reappointing power, when the time comes I do expect to give special attention to those regions that think they ought to have more representation than they have. There is the South, the Southwest and Pennsylvania, and I am very

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glad to assure the people in those localities that if occasion arises, whether there is any law passed or not, I shall give every attention and consideration that I can to securing representation for those localities on the Interstate Commerce Commission.

Friday, March 26, 1926.

Report of the Newspaper Conference.

I haven't very much information about the proposal for the settlement of the Alien Property and German War Claims, or rather the return of the Alien Property and settlement of the German War Claims. I know that the Treasury is working on some plan. I think they have substantially worked out a plan and are trying to draw a bill to put it into operation. There is quite a difference between those two things. Before I can make much of any comment on it, I should want to see what the bill involved.

It is true that the United States has undertaken to extend its good offices to Chile and Peru to settle the Tacna and Arica boundry matter or disposition of the territory in those provinces. That doesn't mean that the proceedings will be abandoned for the plebecite. It only means that they will be suspended and an attempt made to close up the matter by negotiation, rather than by carrying out for the present the provisions of the Arbitrator. I have several questions in relation to that.

I don't know whether Captain Andrews will take part in the Geneva Conference. I think his name has been mentioned. I understood that the Navy Department would take several men with Admirals Long and Jones. Is it Jones?

Press: Yes.

I have had several conferences in relation to the dam on the Colorado River, usually known as the Boulder Canyon project. I think that the Interior Department has worked out a plan for legislation which would give relief es-

pecially to Southern California that is very much in need of an opportunity to secure the use of the water, and which would also provide flood control for the Colorado River. The details of the bill I think are familiar to the members of the press or can be made so, if they want to read the bill that is before the Committee, so I wont undertake any analysis of it. I consider that a very important project and very much hope that some legislation can be passed at the present session of the Congress. The plan as it is contemplated will be a bill passed now, authorizing the Secretary of the Interior to negotiate with the localities interested for the sale of the water and power, subject to the approval of those contracts by the Congress. That would provide a method of financing and meeting the payments of interest and principal on the initial outlay of capital that would be necessary to complete the works.

I hadn't thought anything about what would be done with the farm at Plymouth. I suppose I shall keep it. That isn't the place where my grandfather's grandfather, Captain John Coolidge, settled when he went to Plymouth, but it is one of the five farms he owned when he died and it is my understanding that he died there. It has always been in the family, ever since. I expect it will remain in my possession. I am undertaking to provide for it to be carried on as a farm for the next year. I have already spoken of the Boulder Canyon.

I haven't enough information about the proposal in Virginia for a National Park in the Shenandoah region to make any helpful comment about it.

It is a recognized policy of our Government to establish National Parks in suitable regions. I have been interested in the project of establishing a National Park in that region, but about the details of it I haven't enough information to give intelligent comment.

I am not familiar with the Pepper bill providing Government aid for shipping, by that designation. This is an inquiry from Mr. Montgomery. Just what is the bill?

Montgomery: That is a bill in which the Government makes refunds on the tariffs -

President: I don't know enough about the provisions of that bill to comment on it. I should like to have legislation relative to the Shipping Board as soon as possible.

I think I have stated several times the only position that I can take in relation to retirement legislation. I thought that it was desirable to pass some legislation in relation to retirement, but I have been waiting before wanting to pass an opinion on the present pending bill to secure from the experts and the actuaries an estimate of what the expenditures would be. It has been represented to me that that would be ready in the very near future. Then we can pass some judgment on the desirability of legislation.

I haven't any definite recollection about what Commissioner Fenning and myself said in relation to his outside activities at the time of his appointment. It was only very general, as I recall it. The salary of the Commissioner is small - what is it, \$5,000?

Press: \$7500.

President: And I think something was said about that salary, and I think I said that I didn't see any reason why if a Commissioner had time that wasn't required in the discharge of his duties he couldn't engage in some other business. I don't know what the practice has been about that. I don't know what the statute is. Sometimes the statute provides that when a person receives a specific appointment he shall not have any other position. I don't know any such statute in relation to this position. My own desire in appointing Mr. Manning was to get a very excellent man, which I thought he was, and at the same time have him make as small a personal sacrifice as would be necessary.

Tuesday, March 30, 1926.

Report of the Newspaper Conference.

There is no intention, so far as I know, to make any appeal for gifts of Colonial furniture for the White House. Congress passed some law in relation to that a year or two ago. The details of that law I haven't clearly in mind. If you want to get any information as to just what it is proposed to do, you will get it if you read that law and then assume that it is intended to carry out its provisions. I think it provided for the appointment of a committee or commission to pass on articles of furniture that might be offered to the White House. I don't think there is any intention of attempting to refurnish the White House with Colonial furniture. Some of the rooms on the second floor would lend themselves to that, but <sup>for</sup> the rooms on the first floor such furniture would probably not be altogether desirable. Of course, that all depends on what the particular piece of furniture is and that is why the Commission have been appointed to pass on it.

Press: Have any pieces of furniture been sent in so far?

President: I don't think so. I recall there was quite a good deal of newspaper discussion about it last summer. The source of it we didn't know and I don't know now what the source of it was. It was put out without any knowledge on the part of myself or Mrs. Coolidge. In fact, I don't think Mrs. Coolidge has anything to do with furnishing the White House anyway, except entirely unofficially, and except as an next friend of the White House and in that respect.

It has occurred to me that perhaps I don't always speak loud enough

to be heard all over the room. If any of you have any difficulty about hearing, I would regard it as a favor if you indicated by saying "louder".

I know in a general way about the bill that has been prepared in the Treasury Department, and which was presented by Representative Mills yesterday for the settlement of war claims against Germany and a return of the German property that is held by the Alien Property Custodian. It was put in on the theory that it seems to be the best that we could do in the working out of a plan. Some of the things about it we like better than we do others, and it was put in for the purpose of having a hearing on it and a general discussion to see whether out of that discussion it appears that the bill is the best that we could do and therefore ought to be adopted. It is not a bill that we stand altogether committed to, but we are hopeful that it may be improved as a result of the discussion that will arise in the committee and on the floor. But I think I might say that if after such discussion as will be had there it seems to be the best that we can do, that the Treasury Department would recommend to me that I approve it and I should expect to approve a bill of that kind.

There is nothing further developed in relation to shipping legislation and the appointment of a successor to Mr. Haney. Of course I am desirous of having shipping legislation and am waiting to see what may develop there before filling that vacancy.

I haven't any objection to the report of the Tariff Commission on the duty on sugar being made public. It is still before me for final action. If you will refer to the statement that I made in relation to it, it is exactly

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to be heard all over the room. If any of you have any difficulty about hearing, I would regard it as a favor if you indicated by saying "louder".

I know in a general way about the bill that has been prepared in the Treasury Department, and which was presented by Representative Mills yesterday for the settlement of war claims against Germany and a return of the German property that is held by the Alien Property Custodian. It was put in on the theory that it seems to be the best that we could do in the working out of a plan. Some of the things about it we like better than we do others, and it was put in for the purpose of having a hearing on it and a general discussion to see whether out of that discussion it appears that the bill is the best that we could do and therefore ought to be adopted. It is not a bill that we stand altogether committed to, but we are hopeful that it may be improved as a result of the discussion that will arise in the committee and on the floor. But I think I might say that if after such discussion as will be had there it seems to be the best that we can do, that the Treasury Department would recommend to me that I approve it and I should expect to approve a bill of that kind.

There is nothing further developed in relation to shipping legislation and the appointment of a successor to Mr. Haney. Of course I am desirous of having shipping legislation and am waiting to see what may develop there before filling that vacancy.

I haven't any objection to the report of the Tariff Commission on the duty on sugar being made public. It is still before me for final action. If you will refer to the statement that I made in relation to it, it is exactly

what my position is in relation to it. I made quite a detailed and definite statement in relation to it, I think pointing out at the end that on account of the then present price of sugar there didn't seem to be any pressing need of a change in the duty at the present time and that price is now about what it was when I made the statement. You see, when the investigation started the price of sugar was up to 9¢ or something of that kind, and has been reduced to between 5¢ and 6¢.

The reports in relation to business conditions in the country seem to be substantially as they have been for the past months. Employment apparently is plentiful. There are some strikes. That is always the case, but so far as the Department of Labor has information those who want to work at the prevailing rate of wages are enabled to secure employment. I think there have been some increases of wages, especially in the building trades, which are an indication that there is no lack of employment in that great industry, which is a very basic industry because it affects so many other things. A great many products go into building, and when that industry is flourishing it creates a demand for all kinds of supplies and has a beneficial influence on all kinds of production. There are some places where they are not working full time. I think that is the condition in some of the textile industries and has been so for quite a good many months.

I have had a request endorsed by the Governor of the Virgin Islands in relation to the question of the right of the Colonial Council to pass on the

eligibility of its members. I have referred that request to the Attorney General and the only thing that I know of in relation to it is to try to find out what the law is and follow it. I don't know that my opinion or that of the Attorney General would be binding on any one. It would simply be an indication of what the legal advisers of the Government thought it was necessary to do in order to have an administration of law.

I don't know of any applications at the present time from foreign governments for loans here. Whenever applications of that kind are made they are taken up and each one decided on its merits.

I think I have recommended several times that prohibition agents be  
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placed under Civil Service. I don't know/that I have recommended that as many as three times in my annual messages and I can't give you any better idea in relation to any subject than to refer you to my message, in order that you may see what I have done about it. You may find something about it in the book which Mr. Slemp put out, with which I hope you are all provided by this time.

I had a short conference with Colonel Tilson this morning in relation to legislation. I have already expressed several times to the conference my appreciation of the very fine work that the present Congress is doing. That work is apparently continuing. What I am especially solicitous about is the financial and economic condition of the Government. I indicated at the time of the consideration of the tax bill that the matter of what taxes should be raised was especially a matter that the Congress had under its jurisdiction and also indicated, and I want to stress that now, that after the Congress had

passed a bill raising a certain amount of money, why of course it is obligatory on Congress not to encourage expenditures in excess of the money it has provided for raising by taxation. I think that is a very important consideration. I am not undertaking to shift the responsibility about that. Of course I am responsible for that as well as Congress, but I am attempting to emphasize it on all proper occasions. It is true that the Congress made a larger cut in taxes than I wanted to have made, because I knew that there would be great pressure for incurring some additional expenditures. I thought they ought to think carefully about it when they were passing the tax bill. I have no doubt they did. And having made the larger cut in taxation, I suppose they are prepared to resist the applications for increasing expenditures, especially in consideration of expenditures that call for permanent appropriations. We can make a capital expenditure for the erection of a building or something of that kind, and when that expenditure is made it is over with. But expenditures that call for increases that go on indefinitely, that is from year to year and which are increases of the annual expenditures of the Government, come in for different consideration and different treatment. It is in that direction especially that I want to avoid increases, so far as we can. Of course we have to take care of those people that are employed by the Government and those expenditures already provided for by law, but I want to avoid increases that are permanent so far as we can and it was in that direction especially that I was conferring with Colonel Tilson.

In your conference with Colonel Tilson did the proposed agricultural legislation come up, Mr. President?

President: That is something about which he had very little information. That isn't a matter that is thought to require much of anything in the way of permanent expenditure on the part of the Government and is a matter about which he did not have much information. The committee is holding hearings in relation to it and undertaking to frame a bill that will be helpful to agriculture

Press: Did Colonel Tilson say anything about the retirement bill?

President: Well, that was spoken of, and he is undertaking to see what can be done in relation to that bill. It would cause some additional expenditures in the future. I haven't seen the report that was made by the actuaries. I think the general suggestion has been that that didn't call necessarily for any additional expenditures for some years, that the expenditures that were required to be made could be taken care of by the money that is being received from the beneficiaries. I am not concerned so much about this year or next year, but it is especially the year after that I want to look out about.

Did the matter of judge's salaries come up?

President: No, that wasn't taken up. That is a matter that I think there is a general agreement on that there ought to be some additional pay and judges. It doesn't involve a great amount of money, but I think it is quite desirable as a matter of justice. The general payment of judges, I think, has been \$7500 a year and of course when the salaries of members of the Congress was \$7500 a year it was felt on the part of Congress that that was a pretty fair salary for those that were engaged in the public service. Now that their salaries have been increased to \$10,000, I presume there will be a feeling

on their part that other people who have a permanent part in the Government, like judges, are entitled to further consideration.

The matter of aviation legislation I spoke of with Mr. Tilson. I thought the bill in relation to the Navy would be taken up very soon and passed and that the Committee on Military Affairs would very soon bring out a bill providing for remedies in the Army aviation, and there is a bill pending, as you know, in relation to commercial aviation. On all of those bills, as I have indicated before, I expect to see some legislation passed.

Now, I am not undertaking to give any schedule of bills. If you want to know what I think Congress ought to do, as I said before, why go and see my message. I am not saying that there are no bills as important as these one or two I have happened to mention. I did happen to mention those spoken of by Colonel Tilson and me when he was in here. But there are a great many other bills equally important.

Friday, April 2, 1926.

Report of the Newspaper Conference.

I think it would be very desirable to have some coal legislation at this session and my message perhaps goes into my opinions in detail. I judge that a good way to approach it would be to bring forward the Coal Commission report and have some hearings on it and bring out such a bill as the hearings and a consideration of the situation develop to be sound. There are two things that I should want to accomplish. One would be to enable the President to appoint a mediation board or something of that nature in case of a threatened strike or strike, and the other would be to set up some machinery for coal administration in case it happened that there might be a scarcity of coal. I think those two things are quite fundamental. I don't know just what other details might be necessary. But the way to find out about those things is to call in the parties that are interested and who are familiar with the situation on the side of those who are employed and on the side of the coal operators, and take their opinions; see what their arguments are. Congress itself very well represents the public, though I have no doubt that additional information in relation to public needs and requirements could be obtained from the Secretary of the Interior, the Secretary of Commerce, its military aspects from the Secretary of War and the Secretary of the Navy, and its labor aspects of course from the Secretary of Labor.

I don't know whether the regulations governing the enforcement of Mexican Land laws have been received at the State Department or not. I doubt

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very much if they have. I think they were promulgated only three or four days ago, and it takes some three or four days, as I recall it, to get here.

I think it has already been announced that Colonel Carmi Thompson will undertake to go to the Philippines for me. It is possible he may stop at Hawaii, and perhaps at Guam, though that hasn't been finally determined on. It seems to me that there was a somewhat sentimental propriety in sending him. He is, as you know, the National Commander of the Spanish War Veterans. It was through their activities that we came in possession of the Philippine Islands. He also is a very warm friend of General Wood. He has known him and been associated with him, and of course it goes without saying that it is entirely a friendly mission. General Wood has been stationed there for nearly five years. He has had little opportunity to come to the States and I thought it would be a somewhat graceful thing on our part if we could send someone down there to confer with him and give him such reassurance as he may need and indicate to him personally the desire of the Government up here to support him in every way. Then I would like to have a survey - it couldn't be quite called an investigation - of what we are doing, what progress we are making in the Islands, what progress the Filipino people are making - because that is synonymous. I want to know how education is progressing, what is being done in the way of sanitation, policing; also the financial condition of the islands as relates to their Government and the economic condition as it relates to private enterprise there, and in general to make a survey and inspection to see what we can do to better conditions there.

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Press: Do you care to tell us anything about the visit to the Philippines of the Secretary of War this year?

President: Well, that has been mentioned in the press. I think it said the Secretary of War was contemplating a trip around the world in which, incidentally, he might stop at the Philippines. I don't think I care to comment on that. I leave that for you to get first hand information from the Secretary of War. I took it to be one of those articles that some times appear, that has no real foundation. I would like to have the Secretary of War go down there some time, but of course it is difficult for the Secretary of War to get away for that length of time to go to the Philippines, and on account of the very great uncertainty of his being able to go I want to have Colonel Thompson go. His mission isn't political in any way - merely the objects that I have mentioned.

I have been willing to consider the needs of the Spanish War veterans. Perhaps it is appropriate in this case to speak of that I think in comparison with what is being done for those who took part in other wars. I think they are entitled to some consideration. The bill carrying \$18,000,000 a year, nearly \$19,000,000 is a more ambitious bill than I like to see Congress taking up. The bill presented some years ago carried some \$8,000,000 or \$10,000,000. I should look on that with much more favor than taking on an expenditure at this time of \$18,000,000 a year. I think it provides for a service pension at the age of 60 or 62. I feel that that is quite young for a person to become a service pensioner of the United States. Merely because a person went to the

Spanish War and reached the age of 60 or 62 years doesn't seem to me quite enough to put him on a pension roll. So I think that some change ought to be made in this bill to make it more acceptable. That leads me to the reports that have been coming out from the Treasury in relation to the amount of income that we are deriving under the present law. It was anticipated I suppose by the Treasury - it certainly was by me - that this first payment would be quite large. Everyone knew that a new tax law was going into effect and that it would be a material reduction over the old tax law, and there had been an accumulation of profits in the hands of a great many people which, had they been cashed in under the law that was in force before I became President, would have been almost confiscated by the Government. Some 50% of them would have been taken in some instances under the law as it was last year. Under the law of this year 28% I think would be the maximum, and I don't know but what it would be a little less than that. Quite naturally, those people that have been waiting to take their profits took them. That was one thing that accounted for a considerable sale of securities. Now, of course, the sale of securities during the present year don't go into last year's taxes, but because it was perfectly apparent before the first of January that there was to be a reduction, a great many people took their profits. That won't occur next year because those profits have been taken. Then there was the reduction of certain things that were fairly certain, like admission taxes and the tax on capital stock, which was fairly certain, almost amounting to repeal in some instances, and the shifting from capital stocks to earnings. Earnings are always uncertain. Then another item is the fact that because their

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taxes were not so large this year, many people that heretofore have taken the option of making their payments quarterly, I understand are paying the entire amount in this first installment. So, before we can tell what money would actually accrue under the present law, we shall have to wait and see what the year's experience may be. It is altogether probable that the next three quarters will not be anywhere near as large as this quarter has been. I have known all the time that there was every prospect that we would come out at the end of this year, June 30, 1926, with a small surplus. The chance of coming out with a surplus ~~from~~ June 30, 1927 is not anywhere near so favorable, and it is for that reason that I have cautioned the Congress, through newspaper conferences, to beware of putting on permanent expenditures. We can pass some kinds of legislation and if the money wasn't ~~very~~ available to meet the expenditure we could delay it for a year or reduce it somewhat. We could do that with aviation legislation. We can do it with any kind of a building program. When we pass laws providing for pensions, of course that becomes fixed and has to be paid ~~with~~ whether the income is large or small. That is why I think in my message I cautioned the Congress against additional gratuities on the part of the Government.

I think it will be necessary to have some legislation relative to the World War veterans act. If this question here refers to the amendment of the bonus bill, I have a good deal of hesitation about speaking of that, because I haven't any accurate idea of just what it does -- my general idea about it is that it calls for quite a large expenditure of money which I should think would be doubtful - of doubtful necessity.

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The suggestion of the delegation from Minneapolis and St. Paul about enlarging the upper Mississippi River is under consideration at the War Dept. I haven't any information about the details of it.

I have a person under consideration to be Captain of the Mayflower when Captain Andrews' term expires. I can't speak his name at the present time. It is some one that has been stationed in the Pacific, either on the Pacific Coast or out with the Pacific Fleet. I am not quite certain which.

I think that the invitation has been received from the League about a conference with nations to consider the reservations that we have proposed to our proposal to adhere to the statute of the Court. Of course it was a most courteous thing for the League to do, to extend that invitation to us, as it was a discussion of some matter in which we have some interest, and quite properly they would inquire whether it was a matter that we wanted to discuss. As far as I have been able to determine, I don't see any necessity for any discussion on our part. The reservations speak for themselves. So that I don't expect or anticipate - unless some reason appears that I don't expect to appear on further study - that we should consider it necessary to send any representative. We are dealing, as I have indicated before, directly with the nations concerned. We are adhering to the Protocol, which is the technical name of the Statute that created the Court and which is the action of forty-eight different nations. The League has nothing to do with it and can't do anything with it if it wanted to. The only persons that can make any change in it are the forty-eight nations, so that it

would be our attitude that we would deal with them, rather than to undertake to deal through any other channel.

I haven't made any careful study of the report of the actuaries on the cost of the various retirement proposals, except to note that it is evident that the cost to the Treasury would be very high. It has seemed to me that the proposals for retirement might be modified. I indicated a moment ago that I doubted if retirement at 60 or 62, or a pension at that age, was altogether justified, and I doubt very much if it ought to be asserted that a person who has reached the age of 60 years, because he has been in the employ of the United States Government, should thereafter draw a retirement pay. And I think the amount of \$1200 proposed is rather high. Now, if they would increase the age to 70, of course that would cut down by 10 years the average length of time on which annuities would be paid, and if they would decrease the amount that would be paid, that would also make a reduction. I should think that something might be worked out in that direction that would be within the reasonable means of the Government to meet.

I am glad that some one is reading the Price of Freedom. There is a reference there to the landing of the Pilgrims which says that "As they landed a sentinel of Providence, humbler, nearer to nature than themselves, welcomed them in their own tongue." I wouldn't want to be held to the necessity of proving that a sentinental stood on the shore and extended a welcome as they landed from the boat at Plymouth Rock, but it was a very curious and interesting

circumstance that an Indian had been taken from this country over to England and there had learned the English language, and he became associated with the Pilgrims when they landed at Plymouth and was of very great assistance to them in interpreting between them and the Indians. Now, I am not certain what that Indian's name was. So I wont undertake to give it. But those are the circumstances and that was the situation to which I referred. I can't quote any particular authority for it. I think any book that deals with the landing of the Pilgrims and that general situation would mention that interesting fact.

Tuesday, April 6, 1926.

Report of the Newspaper Conference.

Mr. Taber, the head of the National Grange, was in this morning to say good-by to me, as he is sailing for Italy tomorrow upon a vacation, and to invite me to attend the 60th Anniversary of the founding of the National Grange. That is a celebration they are to have I think in the State of Maine next November.

I discussed very briefly with Representative Parker of New York the question of railroad legislation. They are working on that, haven't anything perfected as yet, taking it up I believe with the Interstate Commerce Commission. And also I asked him how they are getting along on coal legislation. He said they are having hearings on that and expect to be able to report a bill in the near future.

I haven't seen the bill that is reported by the House Civil Service Committee, known as the Civil Service Retirement Bill. It sets out in this question that that provides for retiring Railway Mail Clerks at the age of 60, letter-carriers and mechanics at 62, and clerks at 65, on an annuity of \$1200 maximum. It is estimated that the cost of that would be a little over \$54,000,000 a year, of which the clerks would contribute \$29,000,000, nearly \$30,000,000, and the taxpayers \$24,000,000. It seems to me that that is rather too liberal in two instances. First as to the amount of the annuity and second as to the age of retirement. I don't know whether it is contemplated to provide that people that may have been

engaged in similar occupations to Railway Mail Clerks shant pay any taxes after they are 60 years old or that others engaged in similar occupations at similar ages are to be relieved from all public burdens like the paying of taxes when they reach that age. I don't suppose it is. But that question naturally arises whether other people that are in the employ of the Government after they reach a similar age are to be taxed to pay some kind of an annuity to people that happen to have been in the employ of the Government. I recognize the good principle of a retirement age on account of the average disability - you have to strike an average somewhere, the same as we do when we fix 21 years of age at which we will permit people to vote. Now, there are some people well enough developed to vote before they reach that age, some that perhaps could benefit by further experience and training after they reach the age of 21, before they begin to vote. But you have to strike an average somewhere. It seems to me that 65 is a very low average to say that those who have been in the employ of the Government ought to retire. I sometimes speak of Massachusetts, not because I think that is better than any other place, but because it happens to be the place at which I have had most experience, and it occurs to me that in Massachusetts, and I also think in Vermont, that after a man reaches the age of 70 he doesn't any longer live under the requirement to have to pay a poll tax. That is how I happen to speak of the analogy of taxes. Of course that all goes on the theory that after persons reach an average

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age that they ought not longer to be called on to perform public service. Now, I think a bill could be drafted that I would be willing to approve, and I don't want to say or have it inferred as a result of what I have said, that I am either saying or not saying that I would approve or disapprove this bill. I will decide that on its merits when it comes before me. But I am simply raising some questions that I think ought to be considered, discussed and decided, while the bill is on its passage.

Friday, April 9, 1926.

Report of the Newspaper Conference.

It is quite difficult to say what can be done in relation to agricultural legislation. There have been various hearings going on before the Committee, and I have expected that the Committee would be able to formulate a bill that would be helpful. I know that Secretary Jardine is in touch with the various groups of men that represent different agricultural associations that have been testifying before the Committee, and is in conference with the Committee. I expect that he will be able to be of assistance to the Committee in formulating some bill for agricultural relief. I don't know just what he has in mind in relation to it, but I know he is giving constant attention to it and has been for nearly a year, to see what method can best be adopted for taking care of agricultural surpluses.

Here is an inquiry about the Brookhart election case. Of course the Constitution makes the Senate the sole judge of the election and qualification of its own membership and doesn't put any burden of the determination of that question on the Executive, and so I haven't any information about it that warrants my expressing any opinion on the intricate legal questions that I understand are involved in this problem. It is a question of what votes have been cast and what votes ought to be counted. A great many intricate and technical questions are involved and not having any information on which to base a judgment, I haven't formed any judgment,

haven't expressed any, don't expect to make any investigation of the question or express any judgment in relation to it. You want to make that perfectly plain about what I have done and what I expect to do: I haven't made any investigation of the questions involved, formed any opinion of them, expressed or expect to express any opinion in relation to it.

I hope the Senate will be able to take up the Railroad Labor Board bill that has gone through the House, a matter that I referred to in my Message, and get a decision on it in the Senate. I am somewhat embarrassed sometimes by referring to only one or two of the many bills by the fact that other bills considered just as important as those I happen to refer to are not mentioned at the same time. That is, other people have bills that are not mentioned, and then they come to me and want to know why I have a legislative program that doesn't include their bill, So I have had to explain a great many times that all I have referred to was some incidental bills that have been brought to my attention. I have been quite careful, I think you will recall it, at each conference since I knew that that difficulty was arising, to say that the legislative program is that contained in my Message and it is the business of the Congress to try to carry it out. They know what bills they can dispose of in the time they have left and what they can't, and I have to rely pretty much on their judgment on what legislation they can consider and what they can not. I speak of the Railroad Labor bill because there is a good deal of comment made about it here. I don't know that I have any opinion as to

what might be done that would improve the administration of the Tariff Board. The main difficulty, as I have seen it, on the Tariff Board, has been the lack of the membership to work harmoniously. I think there is more harmony there now than has been in the past. I am not undertaking to assess any blame to any particular individual, nor to indicate in any degree that the people that have been blamed for the lack of harmony are not now on the Board. There may be some on the Board just as much to blame for lack of harmony as some that have gone off the Board. But I have undertaken to do what I could to create harmony on the Board, not always with the greatest of success. I don't know whether if the Board was reorganized that could be worked out or not. That is one of the difficulties of the Executive - lack of harmony on several of the Boards. Of course it is more or less constitutional with Boards and it is only in rare cases that you have a Board that works in perfect harmony, though I haven't been disposed to view with too much alarm the lack of harmony that has been apparent on the Tariff Board.

Tuesday, April 13, 1926.

Report of the Newspaper Conference.

Nothing has come to me in relation to some financial difficulties in Cuba, other than what I have seen in the press, so I don't know of anything that is contemplated in relation to that situation on the part of our Government. If anything is being done, I should presume it is being done through the Federal Reserve Board. I am not certain whether it would be a matter in which they could properly take any action or not. It doesn't occur to me that there would be any other avenue of action. I don't know of any direct action that they could take in relation to it. They might make some suggestions to be carried out indirectly.

I haven't any definite plans yet about my vacation. I have to be up in Philadelphia the 4th or 5th of July. I imagine that it wouldn't be possible for me to get away before that time, though I am not sure just what my engagements may be for June. There is the meeting of the Government Business Organization which we have twice a year, usually at the very latter part of June. I think you will recall that I stayed for that last year and went away the next day. It is my recollection that it came on the evening of the 22nd and I left on the 23rd. Of course it would be barely possible that I might be in some locality that would be practically as accessible to Philadelphia as Washington is, so that I could go away before going to Philadelphia; but I should think that that would be somewhat improbable. I have had a good many different invitations to spend my vacation in different localities over the country. It

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is taking some time to investigate them. I expect to appoint the members of the Railroad Labor Board to fill the positions that become vacant on the 15th. I have the recommendations of the Railroad operators but I think the recommendations from the Railroad employees have not been filed with me, though I had spoken to Mr. Richberg about having that done, and he said he didn't know whether they would file any names or whether they would let it go by default. So I have waited to see what action they want to take. If I find out what action they want to take I shall probably make the appointments today; if not, tomorrow or next day, as I understand the ~~offen~~ offices become vacant at the expiration of the term.

I haven't any very definite information about the negotiations that are going on between the representatives of Peru and Chile, because the offer of good offices on the part of this Government doesn't technically or practically include the action of the President. It is something that is carried on by the State Department and I know Mr. Kellogg is conferring with the parties in interest and I understand from him that they are making progress and expects that they will be able to reach some solution.

Mr. Mellon is looking after the bill in relation to the German claims and the return of alien property. He spoke to me about it this morning. It is one of the bills that his Department is especially interested in and which we hope may be taken up and disposed of at the present session. I want to issue warning again that of course that isn't the only bill that we expect to have disposed of. There wasn't anything that came up in the Cabinet meeting this morning of any public consequence.

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Friday, April 17, 1926.

Report of the Newspaper Conference.

I haven't enough information in relation to the charges made against Judge English, which are I assume set out in the action of the House in presenting him to the Senate for impeachment, so that I would feel warranted in passing any judgment as to whether they are serious enough so that the Senate ought to act on them forthwith. Of course, impeachment is peculiarly a matter for the Senate and House, and I should be guided, as I think I indicated at one other conference, very largely by what the Senate and House might want. If they desire to take up the impeachment at once, I should judge that is what ought to be done. If they think it might be done at a special session, I should expect to indicate that I would call a special session. If they want it to go over to December, I have no reason to suppose that I should disagree with that. Of if the House and Senate wanted to adjourn to a specified time in November I should think that would be feasible, as far as I know. What I am trying to indicate is that I see no reason why I shouldn't take their judgment on it. The first suggestion was that the Senate could take this up after the adjournment. Then I think there was a suggestion that it might be necessary for the managers of the impeachment to ask from time to time for instructions from the House, so that it is desirable to have the House in session. Then I think the suggestion was made that there could either be a special session in November or there could be an adjournment of the Congress to a day certain in November when that could be taken up.

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I don't know very much about the details of the bill that has been introduced by Representative Tincher of Kansas. I am sure that the main outline is to set up a Farm Board that would be available to consider any farm problem that might arise in relation to marketing and to make an appropriation - I didn't know how much was expected - in order that there might be a revolving fund that could be used to make loans to Farm Associations. That is a continuation under another name of the War Finance Corporation and the reason for it is that these Farm Associations, as I understand it, or cooperative associations, whatever they might be, are somewhat a new element, and as they have been considered and are considered somewhat experimental their difficulties in getting loans at banks could be obviated by a provision that they might borrow money from a revolving fund that the Government would furnish. It is the same principle, as I say, of the War Finance Corporation, and the same principle as lending money to railroads in order that they might manage their business. It doesn't involve the Government, as you see, either in buying or selling, nor does it involve the Government in undertaking to fix prices. I am waiting to see what a discussion of this proposal will develop. I should judge that it had a good deal of promise of success in it, a plan for dealing with farm problems. I had understood that it was agreeable to substantially all of the Representatives of the farm organizations that have been here, with perhaps one or two exceptions. Now, that "exceptions" should modify persons, rather than organizations. I think the organizations are fairly content to take up a plan of this kind. There are one or two individuals that do not agree with it.

I haven't any information about the strike at Passaic, other than what has come through the newspapers and my knowledge that the Department of Labor is in touch with the situation and is doing what it can to mediate and conciliate. Of course I have no information as to whether there have been violations of the law. If there have been, the proper place to take up that question is with the United States District Attorney, if it involves violations of the law of the United States. If it involves violations of the state law, with the State authorities. I don't know of any other action that could be taken, other than what the Department of Labor is taking.

I don't know whether it is desirable to increase the salaries of Presidential appointees in the Government's insular possessions. So far as I know, the salaries are fairly adequate. I think that in addition to the payment of salary there goes a residence, and I suppose some provision for the care of it, so that the cost of maintenance and living should be added to the compensation that is made by a payment of money. I think that compensation is fairly adequate. Now, there may be some special case where it ought to be increased, but I don't know of any complaint that has been received in relation to compensation. I am thinking especially of the Governor of Porto Rico and the Governor of the Philippines. Now, whether there are some other subordinate officials like the Auditors and the Attorney Generals, Judges and so on, I should have more hesitancy in saying that their salaries are adequate. I shouldn't be surprised if an investigation would reveal that the salaries of some of those subordinates who probably have nothing allowed them for maintenance or quarters, while they

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are in the Islands, may not be so much as it ought to be, but I have had no complaints so far as I recall about that.

I have talked with Vice Governor Gilmore and Senator Osmena of the Philippines. I don't know that I have received from either one any information that the public hasn't already had access to in newspaper reports and the general discussion of the situation. I have noticed some special articles that have been appearing in the American press, especially from the Philippines, that cover the situation very extensively. I haven't had a chance to read them carefully, so I don't know all of the details, but I judge from what I have seen of them that they reveal the situation very much as it was presented to me by Mr. Gilmore and Senator Osmena.

I don't know exactly what progress is being made in the settlement of the French debt, or negotiations in relation to it. I had judged that the negotiations were proceeding encouragingly. But no settlement has been made, I am sure, because there has been no meeting of the Debt Commission and nothing has been presented to me for my approval. I am certain that the Debt Commission hasn't passed on any settlement at the present time.

Here is another question about the Tincher bill. There is one inquiry here that perhaps I didn't enlarge upon, and that is as to whether the revolving fund will be in the nature of subsidy funds. It isn't a subsidy, of course, any more than the credit that has been extended through the War Finance Corporation to banks for farm use and to railroads for their use can

be considered as a subsidy. It is the extension of credit until these organizations become permanent and established, so that their credit will be taken over by the regular credit facilities of the nation. The War Finance Corporation had quite a little experience in that respect. There were corporations set up and plans made for financing agriculture that the banks weren't able at the outset to take care of, but as soon as the banks saw that these were going concerns, that they were established and substantial, the banks took over the credit, and it is expected that they will do the same with the proposed arrangements that this Board would make. Of course the Intermediate Credit Banks were especially established to take care of farm credits. They haven't functioned in that respect quite so well as we had expected they would. It is a somewhat new field. It needed an agency that could act with a little more positiveness and a little more directness.

I have here the bill that I understand the members of the press are especially interested in, in relation to the erection of the new building for the Press Club. I think Mr. Sanders suggested that the members of the press would like to be present when I approved the bill.

Tuesday, April 20, 1926.

Report of the Newspaper Conference.

Senator Deneen and Representative James came in to tell me about the progress that their Committee was making on the Muscle Shoals problem. They have several bids, I can't tell just how many, six or seven I should judge. I suggested to them that they call in the people that have made bids and tell them the offers that - that is tell each one the offers they have received from the other bidders and find out whether the bidders have made their final offer, or whether they could increase their offer. There were three things that I was anxious to have secured - the production of fertilizer, the distribution of any surplus power, and the payment of the best sum that we could secure to the Government for the property and the use of it - and I thought the Committee ought to recommend the acceptance of the bid of that party that does the most in these directions. I hoped that they would be able to make a disposition of the property that would not involve the expenditure of any more money on it by the Federal Government.

Galen Stone came in to pay his respects to me, as an old acquaintance of mine that I had known in Boston. I haven't happened to see him before, since I have been President. He was in town and dropped in to see me.

Congressman Treadway was in the other day to suggest two places in Stockbridge, - I think one is the Woodward place - that is the Woodward that was connected with the Woodward and Lothrop Store here in Washington, and the Patterson place on the Lee-Lennox road, - as possible places for me to occupy during the summer. I have taken those under consideration and of course have

a good many places offered. I am very glad to have the press report on all of them. While I can't occupy more than one place during the summer, it is very nice to have brought to the general public's attention the availability of all these different localities for other people that are seeking places to go during the summertime.

Charlie Michaels: Would they get such good rates?

President: The country is full of beautiful places that are very attractive for summer vacations.

I don't know that I could say anything about a censorship of films. If any of you are interested to see some of my thoughts in relation to that subject you would find them in a veto message that I wrote to the Massachusetts legislature when I was Governor. I didn't there go as much into the merits of censorship or lack of censorship, because the question there turned more or less upon constitutionality. I have never considered the question of whether there ought to be a national film censorship, so my first reaction would be to leave that pretty much to the states to determine. I think there is no doubt that moving pictures have been an element in creating better understanding between the nations. I don't know but what it would be of advantage if some of our moving picture producers in this country would bring us into a little more intimate touch with some of the life abroad. I am quite sure that it has been of assistance to this country to have our moving pictures shown abroad, both in the understanding it has given of our people and their customs and in the promotion of trade. The moving picture in this country has grown to be

very large. It is one of the leading industries of the country and it ought to be encouraged and promoted in every legitimate way by the Government. Some years ago there were complaints about the character of some of the films that were produced. I haven't heard so much complaint recently. I think the reason is that the moving picture concerns themselves have taken the burden of reforming such abuses as existed and that the character of the pictures that are produced now is steadily increasing, better than it has been before. I presume that Mr. Hays has been a very helpful influence in that direction.

I don't know that there is any comment that I can make about the inquiry that is proceeding in relation to Commissioner Fenning. That is, or ought to be, entirely a judicial matter that will be conducted from a judicial point of view, without any outside influence.

There isn't anything new about the Tacna-Arica discussions. They are proceeding. Mr. Kellogg talked with me yesterday about it and he is very hopeful of reaching a settlement. I haven't had any request from Bolivia in relation to any interest that that country may have.

The bill for the return of the Alien Property that is held in this country has security is before the Committee. I understood that Mr. Mills withdrew because he found some concern in which he had some interest would be affected by the passage of the legislation. That is, I understood that he meant that if the bill passed there would be a settlement of their claim, so that he thought it would be inappropriate for him to be taking a leading part in relation to the bill. I think his attitude in that respect was proper and

judicious. That doesn't affect at all, though, the merits of the bill, the fact that he thought he ought not to take a leading part in promoting the passage of the bill and the presentation of the reasons for its passage in the Committee and the House. I thought the statement that Secretary Mellon made in relation to it, which was in the morning press, was a very clear statement of the situation, and his suggestion that if this plan was not to be adopted that some one ought to present some other plan until some plan is presented that appears to be better than this, why I can see nothing to do but to continue to advocate this plan. The subject is a rather intricate one and difficult to deal with. I think this is the second plan that the Treasury has devised, after consultation with various interested parties and securing their consent to it. They had a plan before that didn't seem to work out so well, as I understand it, and so they have presented this plan. I don't know whether the Congress will be able to take it up and dispose of it at this session. That will be for them to determine.

Friday, April 23, 1926.

Report of the Newspaper Conference.

I have just parted with Captain Andrews, who has been my Naval Aide and Commander of the Mayflower ever since I have been President. I regret very much to have him go. He is a very charming gentleman, a good sailor, and most helpful in the social affairs at the White House, and anything of that nature that he has to do. But of course I recognize that his profession is that of being an officer of the Navy, and I thought it wasn't fair to him to keep him here merely to command the Mayflower, although that is a naval vessel used for training men like any other naval vessel. I thought he ought to have an opportunity to return to the naval service. Of course an energetic man like the Captain will have the same feeling too. I know that he has regretted leaving me. He is, as you know, to be one of the naval advisers on the staff of the naval advisers at the Preliminary Arms Conference that is to be held in Geneva beginning on the 15th. I merely give this out as my estimate of the man and my appreciation of the services that he has performed for me personally, now that he is leaving.

I don't want to dwell on the financial condition of the Government to the extent of tiring out the members of the press conference or the publishers and editors, of the reading public, but there is a very great pressure being put on members of Congress for more legislation that would put permanent charges of a very large amount on the Government. It is always to be borne in mind that this pressure originates outside of Congress. If the members of Congress weren't subject to it they wouldn't have any very great difficulty in arranging the

finances of the Government in an exceedingly proper way. This pressure was put on in the first instance in the matter of tax reduction. Certain organizations were formed and brought in here that insisted on reductions that might be of value and use to the various trade and industrial activities that were represented by such organizations and they kept biting off and biting off. While I thought \$300,000,000 was about all we ought to reduce, and said so, they got more than that through the House and they they had quite a large increase in the Senate. The Committee in conference reduced it some, but it was still a larger tax reduction by some \$70,000,000 than I thought was wise for the Government to entertain at that time. Fortunately we have had a very good year of business last year, and as a result of that we got an encouraging return from the taxes that came in in March. I have explained that already to the conference. In its essence of course it was the great business of last year. There is one particular item of taxation that came in by reason of everybody, or a large number of people, anticipating their entire payments and instead of dividing them over the year in four payments they paid them in all at once. That made the amount somewhat larger. Then there was the taking of profits. It was known before the first of the year that there would be a tax reduction. Nobody knew exactly what it would be, but it was known there would be one, and profits which had accrued were taken on the theory that whatever the tax reduction would be it would be something and there wouldn't be anything more for several years and nobody knew when. So they thought they might just as well take their profits now, unless they wanted to hold them for a very long and indefinite time. Now, that resulted

in a great amount of income which was taxable. Of course the business of last year included in one of its elements a very large rise in the stock market. We got the advantage of that. This year we have had a recession in the stock market that will mean, instead of credits, tax losses to be deducted from business incomes, so that we need to be very careful about predicating too much on the amount of income that we received in March of this year in making any estimates of what expenditures can be made next year in the next budget without inviting a deficit. Now, we can make authorizations that, when the budget comes up, we can use our judgment about making appropriations to carry out. In that will come the Public Buildings and things of that kind. But when we go into the realm of pension legislation and whatever may be contemplated in retirement legislation, we put a fixed charge that has to be met whether we want to meet it or not. We don't have any discretion about it. When the budget is made up the obligation is incurred and the Government has to meet it. Now, notwithstanding those favorable returns, it still appears that taking everything into consideration so far as we can judge now there will be a slight deficit in the budget next year. All the additional expenditures that we put on of course are increasing that deficit. That is why I am disturbed at the pressure that is being put on the Congress to have more permanent additions put on to the expenditures of the Government. I have conferred with some members of the Congress about it. I have made an effort when the Spanish War Veterans bill for pensions was pending to have it reduced. My first understanding was that it only called for about

\$8,000,000. That was the amount of the bill that was put in two years ago, after I had vetoed one bill, but on investigation I found that this called for about \$19,000,000. I told them it ought to be cut down or that they ought to make some arrangement with some other expenditure like the good roads, where a slight diminution could be made. We are now spending \$75,000,000 a year on the 50-50 division with the states and \$10,000,000 a year for forest roads. I thought they could make some reduction there and use that on the pensions. But I wasn't able to make any impression on the Congress in relation to that kind of suggestion. Then I suggested to the Senate that they make some reduction. I understood from Senator Norbeck that they had made a reduction that probably amounted to \$3,000,000 or \$4,000,000, but the figures I get from the Department of Interior show that the estimates there are \$2,000,000 or \$3,000,000 more than the estimates that they made on the House bill. So I haven't been able to save anything there. Now there is a pension bill pending for the Grand Army, I think \$72,000,000 a year. There are bills of between \$30,000,000 and \$40,000,000 for the Veterans of the World War, of one kind or another. Now, items of that kind are going to make it exceedingly difficult for me in the next budget. I direct attention to them. I am very solicitous for the Congress, which as you know I think has been in its actions the best Congress with which I have had any experience and I think the best Congress of which I happen to have any knowledge.

Press: Did you get the actuary figures from General Lord about retirement that you were seeking?

President: Yes, they came in this morning. I haven't had a chance to look them over. The figures didn't come in. I thought I would get them this afternoon. He made some suggestion of a plan which I think we can work out to take care of the retirement bill. Congress has proceeded in a way that is exceedingly gratifying to me and I should regret very much if I had to differ with it about the expenditure of money. I still think that we can work out some plan that will take care of the budget requirements next year. I have given you this somewhat at length in order to indicate to you the difficulties that I am under at the present time.

I had some inquiry about the French debt. There isn't anything that I know of in relation to that, that I could give out. Perhaps I haven't phrased that so it exactly conveys what I mean. I don't know what offer has been made or whether any proposals have been made by the Debt Commission, what offer has been made by the French or what proposals have been made by our Commission. I am sure they were in negotiation and met this morning. I understood quite incidentally because I haven't had a chance to confer with any one about it that some proposal had been made and that it is being taken under consideration. I think if you want to get any information about that you ought to apply to Mr. Kellogg or Mr. Mellon, I have forgotten which one is Chairman of the Commission, and get your information from them. I very much hope that the French debt can be settled because I think it would be of especial advantage to the financial stability of the world if that could be done. We would know what we could

expect and the French Government and people would know what they had to meet and plans could be made accordingly. That is the last large debt that remains unadjusted. I was exceedingly gratified at the very large margin of votes in the Senate in favor of ratifying the Italian debt settlement. It was even larger than I had expected. It is another one of the things that have occurred which have made me very gratified with the action of the present Congress. If we could get the French debt out of the way it would be a very long step, I think, towards stabilising the business of the world.

Tuesday, April 27, 1926.

Report of the Newspaper Conference.

I have the usual inquiries about various bills that are pending before the House and Senate. Now, of course, as the end of the session approaches I shall have to rely very largely on the advice and opinion of the leaders of the House and Senate as to what measures they can take up and dispose of, and as to what measures they can't take up.. They are on the ground and know what the sentiment is about different proposals. That is, it would do very little good to take up a measure that I might be very much in favor of, if the situation was such that it would only result in a long drawn-out debate with doubt as to the possibility of getting a vote. So I should judge that the House and Senate will take up those measures that they think can be speedily passed, which are the most pressing, and put them on for consideration.

I have not heard of any contemplated move by Morgan and Co. to buy the United States Shipping Lines. I have seen by the papers that there was to be a sale of some of the trans-Atlantic Lines. I don't understand that that has anything to do with the United States Shipping Lines. I doubt very much if there is any foundation for the report that the United States Lines might be sold. But, as I say, I have absolutely no information about it.

The budget is in this situation - the finances of the country. We shall come out at the end of this year with, nobody knows just how much, but there will be a comfortable margin. The figures for next year indicate a deficit at this time of \$21,000,000, and any legislation that is passed that contemplates an expenditure of money in the next year's budget will have to

take that into consideration. We can finance the requirements of this year all right. Continuing appropriations would be difficult to finance from the present outlook, on account of that situation. Of course if we should have a recession in business, so that our revenues should decrease, why the deficit would be increased.

I haven't made any decision about the appointment of a new member to the Shipping Board. There is some difference of opinion among the Senators from the Northwest as to what State ought to have it or what appointment ought to be made. I had expected that if we could get some legislation that it would leave me in a position to make an appointment for that locality that might better serve the general situation. If it becomes apparent that we can't get any legislation, than I shall do the best I can about filling the vacancy that now exists.

I haven't made any definite decision about where I shall go for the summer. I am still having a great many offers of houses and so on that are exceedingly attractive. No final decision has been made.

It is stated here that there are two radio bills pending, one that would establish a separate Commission in connection with the Department of Commerce, and that is pending in the House and has been passed, and the Interstate Commerce Committee of the Senate has reported a bill to establish a new bureau to have entire jurisdiction over the radio regulations. I haven't in mind the various provisions of either of these bills. I think it would be a wise policy to keep the supervision over radio or any other regulatory legislation under some of

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the present established departments. Otherwise, the setting up of an independent commission gives them entire jurisdiction without any control on the part of the Executive or any where else. That is the very essence, of course, of bureaucracy, an independent commission that is responsible to nobody and has powers to regulate and control the affairs of the people of the country. I think we ought to keep as far away from that as we can, wherever it is possible. Of course that isn't possible in relation to courts. It wouldn't be possible in relation to some of the regulation of interstate commerce, the supervision of railroads, and so on, which is of a highly technical and also judicial character. But I should very much prefer that any future regulatory legislation be put under some of the present departments. If it is commerce, why under the Commerce Department; if it has to do with labor, under the Department of Labor. So that, I should think that the House bill was more nearly in accord with that theory and would be more acceptable to the public. It certainly would be to me, for that reason.

Friday, April 30, 1926.

Report of the Newspaper Conference.

About all that can be said as to the negotiations between Chile and Peru under the good offices of the United States is that they are still being carried on. The extension of the good offices doesn't mean that the President comes into the negotiations directly. Those negotiations are carried on by the Secretary of State, more or less in conference with the President. Secretary Kellogg I think has made some suggestions which are being considered by Chile and Peru. No decision has yet been reached about it.

I want very much to sign the Spanish War veterans bill, for the reason that they have not stood on a parity, quite, with the veterans of the Civil War and the Veterans of the World War. That has been in part because of the position that has been taken by the Spanish War veterans themselves. They have constantly gone before committees and asked that their widows and dependents be given pensions, stating that they were in the prime of life and could take care of themselves. Now, my difficulty is financing. We should come through this year with a small surplus, so, as I have indicated heretofore, that we could make provision for the payment of an obligation that wasn't continuing. Next year the indications are a small deficit at the present time of \$21,000,000. If the Spanish War bill be approved that would raise the deficit up to \$40,000,000 apparent deficit, as the Spanish War veterans bill provides for payments estimated for the next fiscal year at almost \$19,000,000, \$18,900,000 and something. Now, I have been in con-

ference with the Treasury Department to see whether there is any method that we can devise to take care of that situation. We can take care of not too large an apparent deficit by a shifting of items and expenditures in one way or another, but of course that couldn't be carried on for anything in the nature of a large item.

I haven't yet decided where I shall spend the summer.

Let me go back and see if I have made myself plain. We are coming through this year with a small surplus. At the end of next year there is an apparent deficit. That is the difficulty with taking on more obligations that are for continuing appropriations like the Spanish War veterans bill. It wouldn't make it necessary to say that a bill providing for public buildings, rivers and harbors, the building program in the Army and Navy, couldn't be approved, because when we come to appropriate for items of that kind if we haven't the money we simply don't carry on that operation in that year, but anything like increases of wages and pensions that call for increases of expenditures that must be carried on year after year we should have difficulty with. Now, as I say, that doesn't include small items. We can take care of a number of small things in one way or another, but when we come to large items we can't.

I haven't decided where I shall go for the summer. I am still waiting for the snow to clear up in Northern New England, as I have offers there of places in New York, Vermont and New Hampshire - I don't want to slight

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Maine, I think I have offers from Maine, though I don't recall just where now - so as I can have the locations examined to see what their availability is. Then I can make a decision. I think perhaps that can be done next week. The snow is expected to be off. We are in communication with some of those localities.

Yes, I have talked with Rep. Parker this morning about his progress on a coal bill and his progress on a bill for the consolidation of railroads. When I say his progress I mean of course the progress of his Committee, he being Chairman of the Committee that has charge of that legislation for railroads and coal. And I was gratified to learn that they have worked out a coal bill that seems to be helpful, and a consolidation bill also which they expect to report out and pass - both measures. I didn't go into the details of them. I don't know that they are entirely complete in all their details. In their main features they are. I am very much gratified to know that he thought such legislation could be enacted by the House, and I should hope by the Senate. Now, again, I want to say a word of warning about the legislative program on my part. A great many people have bills that they are interested in and just because I happen to mention these two bills I don't want it understood that <sup>not</sup> there are/a great many others that perhaps in some instances are more important - more important to the people that are interested in them. I am just answering a question here as to what I have discussed with Rep. Parker of New York this morning.

I don't know of any vacancy that is likely to occur in the office of Vice Governor of the Philippines. Vice Governor Gilmore is here and I expect that he will return to the Philippines and continue in his office as Vice Governor.

I have the majority report of the Joint Congressional Committee on the Muscle Shoals problem. I haven't had an opportunity to read it. I should want it to provide as well as it could for the production of fertilizer and the payment to the United States of as much as the use of the property would seem to warrant. I conferred with Senator Deneen and Senator Sackett. They are considering one or two changes, I think, in relation to the building of additional dams. So I think we had better wait until the bill has the final approval of the majority before I go into very much discussion of it. The bid is very much better than the bids that were first submitted. I understand it would bring a return through the 50 years of something like \$80,000,000 to the United States. I want to repeat again that I am anxious about the production of fertilizer. There are some interested parties that have some doubt about that. I want to have that made perfectly plain and clear. I didn't have any purchaser for the property. I was willing one party should purchase or lease as another. My sole desire is to have it in the hands of responsible parties under conditions that would produce fertilizer and distribute the surplus power as well as it could be and make the best return to the United States Treasury.

I have already spoken of Representative Parker.

I haven't any information about the Chief Surgeon of the Federal Penitentiary at Leavenworth. I had understood that he was being suspended or something of that kind pending an investigation. Now, that shouldn't be taken to indicate anything more than what happens right along in a great many Government departments, especially our prisons. Information comes perhaps to me, or complaints come to me, or they come to the Department of Justice. Well, whether we think they have any foundation or not, ~~there exists~~ it is only the part of prudence that such complaints be investigated. Oftentimes it might be quite impossible to make an investigation of a department if the head of the department is to be left in charge while the investigation is being made. And so it probably in this case was necessary to say to the Chief Surgeon that he would be suspended while the investigation was going on. Otherwise, he would be there and would hinder and delay the investigation. His presence would make it difficult to secure statements from those who had knowledge of the subjects that were being investigated, though this is rather a negligible circumstance. But if complaints come in and no investigation is made, of course you can see what might ultimately occur to those that are responsible for the good management of our institutions. It might finally develop that a complaint, even though it looked rather absurd on its face, really had a foundation and then if no investigation had been of course those responsible for the management of an institution would be charged with rather culpable negligence. I think there have been three heads of the Atlanta Penitentiary since I have been President. So we make changes of that kind right along.

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I don't know of any application pending anywhere for a loan to France. I wouldn't want to make any statement relative to a loan to France until the question comes before the Government. Such application, as I have explained heretofore, would be taken up and determined on its own merits.

Tuesday, May 4, 1926.

Report of the Newspaper Conference.

Here is an inquiry about a Third Hague Conference. The value of a conference of that kind depends not merely on the attitude of our Government, but it depends on the attitude of the other governments that it is proposed to have attend the conference. I don't know of any present desire on the part of other governments to promote a conference of that kind at this time, the reason being that there are so many pressing questions in Europe that take up the attention and exhaust the energy of the present governments over there that I doubt whether they would be interested to take on a Hague conference at the present time, though of course I well understand that there are a good many things that we would be interested in that might be taken up at a Hague Conference - perhaps progress made there in consideration of arbitration, perhaps something might be done looking toward a clarification of international law. But with present conditions in Europe, and the other things they have to attend to, I shouldn't expect that we could get a favorable response on any effort on our part to call a conference at this time.

There isn't anything that I could add that I know of to the statement I made the other day with reference to the present indications in the finances of the nation. That brings to my mind just a word of caution that I would like to give. I do not think that I have used any language that quite justifies an assertion that I am threatening to veto this bill or that

bill or the other. Of course the press is entitled to some latitude in reporting impressions that they get from the conference. I always regret a little any statements that I see in the press of threats on my part to veto proposed legislation. It looks to me almost like a threat against Congress and for that reason I prefer to have the position couched in some other language, perhaps that isn't quite so striking, but perhaps would not draw so much attention. I have a feeling that it is hardly appropriate for the President to go into the press with threats to veto a bill. I reserve my decision about legislation until it comes to me and I have a chance to consider it and get the benefit of the opinion of the Department that it concerns in relation to it. While my views are well known about legislation in general I think - I don't wish to conceal them at all, I don't like to have Congress think that I am standing down here and making public declaration of a threat of a veto.

Press: Didn't your statement on the Spanish pension bill kind of carry that in the last paragraph?

President: I don't think I used that language.

With the investigation that is going on by the Congress in relation to Commissioner Fenning, I don't think I can at this time make any statement about it.

I have several times spoken of the Boulder Canyon Dam project. There is nothing more I can add to that. It is before Congress. They are taking it up and will do the best they can with it.

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I think the question of a training camp for girls was referred to the War Department. They made some statement in relation to it which I believe was given to the press. I don't know that I can add anything to that.

So far as we can observe the labor difficulties in Great Britain are having little effect on our commerce. Our exports are foodstuffs largely. Those, it has been provided for in the controversy that is going on there, and they are being moved as usual. Of course we export cotton, but it doesn't seem to have had any effect on the cotton market, and there doesn't seem to be any relation between the strike there and American labor conditions. The Secretary of Labor did mention to me this morning that he had talked with John L. Lewis yesterday. He didn't say anything about the subject of his conversation. I asked him if Mr. Lewis thought things were going on fairly well in the coal industry and I understood that he thought they were.

You have already observed that with the exception of three or four comparatively small items about which nothing can be done at the present time the **Debt Funding** Commission has finished its work. They have settled debts that were in principal sum, \$11,500,000,000, with interest of ten and a little over a half a billion, \$10,621,000,000, making a total it has been contracted to pay into the United States Treasury of \$22,143,000,000. I doubt if we are really able to grasp the magnitude of these transactions. They are the greatest financial transactions that ever took place between governments, and I want to take this opportunity to express my appreciation of the work of the

Debt Funding Commission. It has had the advantage of a membership composed of representatives of both parties, some coming from the country and not holding official positions, some members from the House, some from the Senate, and three members of the Cabinet, the Secretary of State, Secretary of the Treasury and the Secretary of Commerce. I understand that the Secretary of the Treasury is the Chairman of the Debt Funding Commission, and without detracting at all from the splendid cooperation that he has had from the other members, of course the leadership in these settlements has necessarily fallen to him. And I think they have been brought about to a considerable extent by reason of the confidence that is felt in his financial judgment, not only by the people of this country but by the financial agents of the governments abroad. Without that feeling of confidence, it would have been both impossible to have secured the negotiation of the settlements that have already been ratified by the Congress. It is altogether a very great accomplishment that I think our country may look at with a great deal of satisfaction. It will result in large payments into our Treasury. It will result likewise in the stabilization and rehabilitation of financial conditions of the interested countries abroad. While our settlements have been liberal, I think they have on the whole been just, the best that could be arrived at with the information and prospects that we have at hand.

Friday, May 7, 1926.

Report of the Newspaper Conference.

I haven't any information about the indictment that it is reported has been brought in the American Metals case.

I have this afternoon signed a bill providing for the purchase and the building of American embassies abroad. That probably doesn't have near the public interest that it is entitled to have on account of its importance. Every one who has been abroad tells me of the inconvenience and the lack of appreciation of its standing that this country suffers on account of not having its embassies properly housed, so that it was with a good deal of pleasure that I approved the bill as recently passed by the Congress. It really marks a new departure and a step forward in our foreign relations and supplements that bill that we passed two or three years ago, known as the Rogers bill for classification and regularity in the Diplomatic Service. These two, taken together, take a long step in advance by our country in placing it in a position adequately to discharge for the people of the country its foreign relations in a manner worthy of the place and dignity of the American people.

I am very glad too that apparently a substantial agreement has been reached in the matter of a retirement bill. I have been willing, as I have indicated before, to see the retirement legislation liberalized, but when we liberalize legislation of that kind we can never recede at all. I thought it would be better to stop at \$1000, and after that has been in effect, if it doesn't appear to be enough we will have had advantage as to experience in costs

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and so on, whereas at \$1200 it would be impossible to lower it. Undoubtedly that expense will be chargeable to this Government from now on as long as the Government might exist.

Then along with the bill, which is really a bill for public buildings abroad, the Senate and House have passed a public building bill for this country. It is another very important measure, not only on account of what it does but on account of the way in which it has been done. That adopts the new policy of making a lump sum appropriation and gets entirely away from what used to be characterized as a "pork barrel" bill. This leaves to the determination of the Treasury Department the location of the buildings. Of course with that kind of a measure it is possible to pass a bill that isn't nearly so expensive and which will result in a more judicious location of public buildings than if it had been necessary to make their location in the old-fashioned way.

I am anticipating with considerable pleasure a visit to the Town of Williamsburg, a city I think it is, in Virginia, on the 15th, where I am to speak at the celebration of the 150th anniversary of the adoption of the Virginia Resolutions which were instructions from the Commonwealth of Virginia to its delegates in the Continental Congress to support a measure for a Declaration of Independence. There is located there the College of William and Mary. I think this celebration is under their auspices. I shall leave here on the late afternoon of the 14th, if my present plans are carried out, and go down on the Mayflower to Yorktown, which is about a dozen miles from Williamsburg,

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go up to Williamsburg in the morning, speak there and have luncheon, return to the Mayflower and come back that afternoon and evening to Washington.

Tuesday, May 11, 1926.

Report of the Newspaper Conference.

I haven't made any final decision about my summer vacation. I am going to take that up as soon as I can. A number of places, as the conference already knows, have been suggested. I am considering them.

I think I already stated that the Railroad Labor Bill is not an administration bill. I was very much interested to see that there was an agreement between the employees and the managers of the railroads. My special suggestion about it was that it be so drawn that it would protect the public interests. It is a very intricate bill and the details of it of course need to be worked out as a result of committee hearings and discussions.

I don't know what the plan of Congress is about when they will take up the matter of the French Debt. I only spoke of that incidentally with Mr. Mills this morning. I understood from him that the Ways and Means Committee of the House hadn't made any decision about it. Possibly they might have some hearings on the bill in the near future. But what they are going to do about bringing it out and undertaking to pass it, I don't think has yet been determined.

There is not much of any effect in this country from the British general strike, so far as we have observed. Of course, if it was continued for some length of time the ultimate effect would be adverse to our commerce. If production stops in England, that means that they will not be in a position to buy our commodities or use our raw materials. It would be damaging to our

market. The very immediate effect might possibly be that some of our industrial interests would be called on to fill some of the orders that the English had taken. But that would be a mere temporary thing and any continuation of the strike over there would be adverse to our interests commercially.

I shall not deliver any address at Camden, N. J. It is my expectation that I may be able to ride across the bridge that has recently been constructed and that some of the public officials of New Jersey and Camden will perhaps be assembled on the New Jersey side of the bridge to greet me on my arrival over there. I was talking with Senator Tyson this morning about a bill that he introduced. I think it is a bill to permit the reinstatement of some officer in the Army. He said he had put it in on request and suggested that I talk with General Taylor about it, but General Taylor is out of town and is not coming back until Thursday. I will speak to him then.

Mr. Kirkwood's camp in the Adirondacks is one of the places that have been offered along with quite a number of others.

The date hasn't been changed for the meeting of the Business Organization of the Government. According to the best information I can secure it is to be on the 21st of June. That was the date I think that General Lord and I tentatively agreed upon, and since this question came in suggesting that it was going to be on the 29th of June I have sent over to the Bureau of the Budget - while Mr. Lord didn't happen to be in the man next in charge said that their memorandum still stood for the 21st of June.

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No information has come to me as to any request of the Cuban Government about a reciprocity treaty in relation to bringing Cuban sugar into the United States. Of course any suggestion from any foreign government about a treaty matter would be considered, but it seems to me that the question of duties is pretty much a question for the Congress to decide on, so that I should doubt very much if this country would desire to go into any treaty in relation to the importation of sugar or any other articles on which there is a duty.

Tuesday, May 18, 1926.

Report of the Newspaper Conference.

It is my understanding that Senator Smoot who is the Senate Chairman of the Committee having in charge the hearings on the French debt settlement, and who is also a member of the Commission, and Representative Green, Chairman of the House Committee having in charge the hearings on the settlement, and Representative Burton and Representative Crisp, who are the other two Congressional members of the Foreign Debt Settlement Commission, are going to have a conference to discuss what method they would pursue about Congressional action. What they have determined on I don't know. I judge they are starting some hearings in the House; whether they are going to have some right away in the Senate, I am not certain. And I don't know what their plan is about reporting out the recommendations of the Committee of the House and the Senate for presenting it for the action of the House and the Senate. I think there is a general feeling that at least before final action of both houses of Congress they expect action on the part of the French toward ratification. But as I say, I don't know what plan they are going to adopt in relation to their action.

I haven't any information about disturbances in Poland, other than what I have seen in the press. If any communications have come to the State Department, they have not been of a nature that it was thought necessary to bring them to my attention.

I sent <sup>for</sup> Mr. Mellon yesterday to inquire about some proposal that is pending in the Senate Committee on Finances about the Greek Debt Settlement. The Greeks owe us some money and I think they claim that we had agreed to

advance them some money, which hasn't been advanced. I knew there had been some hearings in relation to that before the Senate Committee, and I was asking Mr. Mellon what was developing. He said they had had the hearings, that nothing had developed, and that they were going to consult with the State Department, which of course was a proper attitude to assume in relation to a foreign matter of that kind. Mr. Mellon went before the Committee because the Committee sent for him and asked him about the debt in relation to the Treasury, as to what had been paid and so on.

I don't know whether it is going to be possible to secure any coal legislation at this session. As I have stated before, I have to depend quite largely on the advice of those who are responsible for the conduct of the business of the House and Senate as to what matters they will take up.

Representative Williams of Texas and Ragon of Arkansas were talking with me about the bill that is pending in relation to the Auditor of the Philippines. They thought something could be worked out that would be helpful in that situation. There has been a decision of the Philippine Court which gravely affects the authority of the Auditor of the Philippines, so that it has been thought desirable to have some legislation that would clear up that authority, not for the purpose of making any change whatsoever in the relationship between the Philippines and this Country, or of making any change in the law from what everybody had supposed the law was, but simply a bill to declare what the law is until this decision of the Philippine Court which is pending on appeal in the Supreme Court of the United States. Of course it is quite

desirable that there should be a careful audit of the expenses of the Philippine Government, just the same as we require a careful auditing here by our Comptroller General of all the expenses of this Government.

Here is a suggestion that probably doesn't mean quite what it says, that the Senate Military Committee has amended the Army aviation expansion bill to leave increases in personnel of the Army Air Service each year to the judgment of the Budget Bureau. I doubt if that is the case. If it means that it is to be left to the judgment of the President, perhaps that is an accurate statement, or if it means it is to be left to the judgment of the person that makes up the budget, why that would be leaving it to the judgment of the President. I suppose that what the Military Committee has in mind is not to try to make an out and out increase in the expenditures which it might be found that when I come to make up the budget I was not able to find money with which to meet such expenditures. I have doubted the wisdom of increasing the personnel of the Army or Navy. I think I have stated at previous conferences that if it was necessary to have more men in aviation, why I think they should be taken from some of the other arms of the service because I feel that we have at the present time a substantial number to meet all the requirements that we are likely to have. It is possible that we might need a few more officers in the Air Service. That would be in the discretion of the President, because he would not appoint officers unless he thought them necessary, though of course if the President signs a bill it is virtually mandatory on him. The President is expected to carry out the provisions of the bill. But the Com-

mittee is working out this aviation problem. I think they are making very good progress on it and will undoubtedly present a very creditable bill. I think the principle of leaving the bill in such a way that there is no requirement about increasing the personnel of the Army, unless when I make up the budget I find that we have funds with which to meet such an increase, is a very excellent principle.

I didn't discuss with Senator Cummins any question of the adjournment of the Congress. He came in to talk with me about some of the Alaska appointments. There are two factions in Alaska, so that if an appointment is made out to one faction the other faction always opposes the confirmation. I am quite confident that the appointments I have made up there are as good as can be made, if I am to appoint people that live in Alaska. These are judicial appointments, two judges I think and one District Attorney and one Marshal. Now, it is never possible to get perfect men to hold office, because there aren't any such. Sometimes they are better and sometimes they are worse. But so far as I can learn by diligent inquiry the appointments that have been made are as good as can be made, if I am to use people that live in Alaska. The other appointments have been reported on favorably by the Committee on Judiciary. Now, if these appointments can not be confirmed, the only other recourse that I shall have would be to go outside of Alaska and appoint some people that would go up there from the states. That might be a temporary relief, but I should expect that after they had been up there for three months they

would be subject to the same attack that is being made at the present time on appointments. We spend quite a good deal of money in Alaska and ~~a~~ one of the chief sources of income to those who live up there is to be in the Government employ. I think one in eleven white people that live there are employed by the Government and of course that makes a considerable motive on the part of the other ten to try and show that the person who is in ought to be displaced, so that one of the other ten could have the place and the revenue that is now accruing to the person that holds the office. Those are some of the difficulties that I have in the administration of affairs in Alaska, though I think affairs are going on up there in fairly good shape. But there are the two factions and this contention between them.

I have already spoken about the French debt.

I have been desiring very much, as the conference knows, to have a reorganization of the Shipping Board. Under the present law the great majority of the personnel of the Shipping Board feel that they are entirely independent of the Executive Department and are responsible only to Congress. I don't think that is a good policy for a Board which is administrative and executive in its duties, but the Board came to the conclusion that that was the position that they occupied under the law and sent me up a document, I believe that they called it a "declaration of their independence", so that I am not sufficiently in touch with the Board at the present time to have any judgment on which I want to base any action as to the wisdom of the course that the Board is taking. I am glad to cooperate with the Board any time that I can and give them

any assistance, but they have wanted very much to proceed independent of the executive, and so I asked Congress to clarify the situation and put them under a responsible executive head. That, Congress hasn't been able to do up to the present time and the matter is drifting along. If Congress doesn't take any action on it, I shall appoint some one to succeed Mr. Haney, and I want to make that appointment so it can be confirmed during the present session of the Senate.

Press: Do you mind telling us when the Shipping Board document which they described as a "declaration of independence" was sent to you?

President: I can't give just the date. I should judge that it was about the time they discharged Admiral Palmer. I think all their documents that they sent up were published at the time.

I haven't any plan about leaving Washington at any specific date. Of course the White House is very comfortable ~~and~~ for us to stay in, even when the weather is warm, but I like to get away during the summer because I think it is better for a person to get a change of scene and change of atmosphere. Then I would like to get up into a little higher altitude, this is practically sea level here, and spend some time away from Washington. I may not go until after I have been to Philadelphia. If things should develop so that I could get away before that time, why I may go earlier than that. I haven't any plan about it at the present.

I haven't enough information about the bill that is pending in the Congress to repeal the national origin clause of the present immigration law

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so that I could pass any judgment on it. I should be very much disposed, so far as I know now, to take the opinion of the Department of Labor in relation to the results that would be secured from the passage of such a law and to the desirability of its passage.

Friday, May 21, 1926.

Report of the Newspaper Conference.

Governor Sproul came in on his way to Chicago, I think, to inquire whether there was anything he could do for me when I go up to Philadelphia on the 4th or 5th of July to make an address on the 150th anniversary of the signing of the Declaration of Independence. He also said that if I could at that time, they would be pleased to have me drop into the Union League Club, or the Union League, I don't know just what the right name is. I told him I doubted if I would have time to go to the Union League on that occasion. But to compromise with him I invited him to lunch.

Press: Did he stay, Mr. President?

President: Yes.

I doubt very much if Colonel Thompson ever gave any intimation that he was going to travel to the Philippines with a considerable staff, and I am quite certain that no such information was ever given out by me. I think that impression must have been gained from newspaper reports. Perhaps it was assumed that that was the case. I never knew of their being in contemplation any plan to have a considerable staff of experts from Government Departments go with him. There are experts in the Philippines of one kind and another representing the Departments. I think the Department of Labor has or has had some one there. The Department of Commerce has some one there constantly, I believe, and I don't know whether any other Departments - sometimes the Department of State has some one down there, though not frequently. Perhaps the fact that these representa-

tives of these different departments would be there and be subject to interview, and I was going to say use - I don't mean exactly that - where Colonel Thompson could obtain any information from them he may desire - might have led to the thought that experts would go with him. I don't understand that that is the plan. Nor does the fact that they are not going with him as you would infer from what I have said change the original scope and objects of the mission, which is to make a survey and find out if there is anything I could do to obtain a better administration of affairs there, or anything I could do to promote the economic and industrial - agriculture business and financial welfare of that country. I know that resolutions are pending in Congress providing that every two years a delegation from Congress should go to the Philippine Islands. That, I think, is a very excellent idea. Otherwise, there is likely to be a feeling on the part of the people there that we are neglecting them and not paying any attention to them and lacking information which is direct and specific as to their needs and requirements. And then there is likely to be a lack of information on the part of Congress as to conditions there that would enable them to meet any questions that might come up in relation to conducting the affairs of the Islands.

I noticed some reference to suggestions that were said to have originated in Japanese quarters at Geneva that there be another naval limitation conference at Washington, to be participated in by the United States, Japan and Great Britain. That was made, if at all, I assume entirely on the au-

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thority of the Japanese people who are making it. If such a suggestion was made it was done without consulting this Government. There is very little that I could say about that suggestion at the present time. At some other time or under some other circumstances I might view a suggestion of that kind with considerable sympathy, but at the present time this Government has committed itself to the conference that is now in session. If now we should begin to talk about some other conference to consider questions that are really being considered by this conference, I should think it would very seriously impair the prospects of any successful and practical conclusion being reached by this conference. Now, I don't say that at all with any criticism of what the Japanese have said, but I feel that if this Government should join in and participate and endorse that I should think the other governments that are assembled there would say, well what is the use of going on with this conference? Now, the attitude of this Government is to do everything possible to make the present conference a success. The interested governments are all assembled there. It has taken a considerable time to secure that result. Everything that possibly can be done to work out a practical solution of further limitation of naval armament and land armament should be done at this present conference, and I have such strong hope and so much confidence that they can reach a practical solution that I think it would not be helpful for me to make any comment or any suggestion or join in any suggestion that we have in contemplation the calling of a conference at Washington.

Tuesday, May 25, 1926.

Report of the Newspaper Conference.

I have a question here in relation to what action the Federal Reserve System might take to stabilize foreign exchange. That is a question that I can't answer very well for two reasons. In the first place I haven't any definite and specific information about it, and in the second place it is due to my relation, or what I think my relation ought to be, towards the Federal Reserve System. That is a system entirely removed from the administration. It functions quite independently. It is non-political and is entirely professional and expert. So that I have always felt that it would be quite inappropriate for the President to make any suggestions to the Federal Reserve Board as to what action they should take. Of course our own Government is taking such actions - the executive and the administrative and legislative part of the Government - for the purpose of stabilizing foreign exchange, as has already been made public, chiefly undertaking the liquidation of the foreign debts. It has been expected that such action would go a long way toward stabilizing foreign exchange. We are interested of course in having that done and desirous to help in any way we can, and that, we have felt, was the first step that should be taken to bring that result about. The settlement of the British debt it is thought was very helpful in stabilizing their exchange.

I expect that the Treasury Department will be in a position to report to me within a few days or within a day or two what recommendations they want to make for the new Board of Tax Appeals. The present Board expires on the

the first or second of the coming month and it is desirable to have the new Board appointed and confirmed so that they may begin their work immediately. So that I think by that time I shall have had the nominations in and there will have been plenty of time to make the appointments.

I have several questions here in relation to the order that I issued under the Civil Service as to the appointment of those who may hold some local or state position to the position of prohibition enforcers. That came about in this way, as I think is known. In 1873 General Grant issued an order, being then President, stating that as a general rule he thought it was inadvisable for those who have positions under states to also hold positions under the United States, though he did except from that the appointment of sheriffs to be United States Marshalls. Within a few days he had to modify that order very greatly because of the difficulties that arose. He found that a great many local positions could be very well held in conjunction with Federal positions, so a supplementary order was made permitting that to be done. That ran along until the present time, when as I understand General Andrews found that he could appoint some prohibition enforcing agents in California that held local positions there,- I don't know just what. The question came as to whether that was in conflict with the Civil Service order that had been issued in 1873 and it was thought that it was. So after consulting his legal department, as I understand it, he sent over an order which I think we submitted to the Civil Service Commission. I am not certain whether the submission was made from here or there, and they sent back a communication stating that they saw no objection to the

order. So the order was issued and the matter stood in that shape until it attracted some notice and some question was raised as to its legality, as to whether it was in conflict with any Federal statute or in conflict with the Constitution. I submitted that question to the Attorney General, and you have, or had yesterday, the memorandum he made in relation to it. Now here is an inquiry as to whether it is an invasion of state sovereignty. I hadn't thought that that question could arise in a matter of the enforcement of the prohibition law, and for this reason - that the states have not only invited but have commanded the National Government to have concurrent jurisdiction with the states themselves in the enforcement of the prohibition law, and I think it is a well understood rule of law that when you have been invited or commanded to come on to premises that the owner can not thereafter assert that you come in as a trespasser. Then there is another point there, perhaps not of much importance. I fail to see how the National Government could be more considerate of the rights of a state in the administration of the prohibition law than to choose in that state as the representative of the National Government for that particular purpose the person that the state has chosen for the same or a similar purpose. I suppose that is what President Grant had in mind when he excepted from the first order the appointment of sheriffs for duty as United States Marshalls. Their work was of such a similar character that he saw no incongruity in it and no chance of a conflict with authority, so he said that that could be done. Now, I think the Treasury has already announced what it proposes to do on this order, which as I understand it is to legalize and authorize and confirm some

appointments that it had made or was contemplating making in California. I doubt very much if any one needs to be discouraged by the order, or that any one will find it oppressive in any way. If it should become so, why then there will be an opportunity at that time to modify it in accordance with the experience that may arise from the administration of the order. I think perhaps there was a false impression. Here is a question that raises that suggestion as to the proposed scope or use that was to be made of that order. Perhaps I have already explained that, or the explanation has been made by the Treasury Department.

Here is a further question as to whether any plan has been ~~of~~ worked out of the line between state responsibility and Federal responsibility in concurrent jurisdiction provided in the 13th Amendment. The only line that could be worked out about that would be in the first instance the statutes enacted by the Federal Government and the statutes enacted by the several states, and then such working agreement as might be entered into between the Federal officials and the local officials in the several states. Sometimes, as I understand it, there are working agreements of that kind and sometimes there are not. I don't know that there has been established any standard or plan that would be considered something that was to be put into operation in each of the states. I suppose that each of the officers will work out that situation in accordance with the local conditions. Where they could cooperate they do, and where the situation is such that that isn't feasible they do not cooperate. I understand from the Treasury that under the Civil Service order I signed there was no

contemplation of taking large numbers from one state, or any number, and trying to put them into another state. I should think the whole theory of that order would be directly contrary to that because a person that is appointed under that order is already located in his own state. He has his business and his duties there and draws his compensation from performing the functions that he has assumed there under any appointment that he may have, so that it wouldn't be feasible at all for him to go off into some other state and leave his state duties. I don't know whether I have made that situation plain. I shall be glad to answer any questions that might occur to any one in relation to it.

Press ; Mr. President, I wrote that question. I had in mind also the question of whether the Federal Government might look upon itself as not intrusted with the whole duty of enforcement in a city or interior of a state; the strictly local part of it, for example, the part that has to do with what might be in a city and interior of a state and has nothing to do with the traffic between states.

President: Well, there are certain things in relation to the administration of the law like the issuing of permits and manufacture and smuggling and interstate commerce that come altogether under the jurisdiction of the National Government. Of course in those instances the National Government is solely responsible and the states are not in a position to give any assistance, even though they had a desire to do it. Now the question of local enforcement as I say is a question of the statutes of the local states, supple-

mented by the statutes of the United States, and I conceive it as the duty of the Federal Government to do the best it can to carry out the provisions of the Federal law. It gives more attention to those things over which it has exclusive jurisdiction than it does to those things over which there is a concurrent jurisdiction probably, but the statute of the United States is the statute and the Government of the United States, the administrative officers, District Attorneys, the Marshalls and the prohibition enforcement agents undertake to enforce that the best they can against all offenders of it.

Friday, May 28, 1926.

Report of the Newspaper Conference.

Investigations are going on with reference to the appointment of the Board of Mediation under the Railroad Labor Act. It takes some little time to decide on the membership of the Board, but I want to get that out of the way at once.

Congressman Vare came in to - I suppose pay his respects to the office. There was no discussion about anything in particular.

Senator Jones and Senator McNary came in relative to the sale of ships that was under contemplation on the West coast. They had a resolution that had been adopted by the Commerce Committee of the Senate. I told them that I would present their views to some members of the Shipping Board. So I sent for Chairman O'Conner and Commissioner Walsh. They already had been given the resolution, I suppose by the Committee. They consider that the sale of the ships is a completed transaction and don't see that they can do anything more about it.

I want to get a member for the Shipping Board right away to take the place of Commissioner Haney. There has been some disagreement out there as to who ought to be named, but the indications are that the interested parties in the different States are going to get together on some one. I don't mean that Washington and Oregon are probably going to agree on it, but the people in Oregon are likely to agree on some one substantially, and the people in Washington.

Senator Howell came in this morning to see if there is anything that can be done in relation to one of the reclamation projects that are located in

the western part, as I understand it, of the State of Nebraska. So I sent over for Secretary Work and Commissioner Meade and sat down a few minutes with them to take it up, because they have the information about those things and I don't. I understood from Commissioner Meade that some telegram had been sent out to the officers of the association of water users and an inquiry as to the meaning of certain proposed terms had been received which indicated that the matter was about to be adjusted. There are some 25 of these projects. What Secretary Work and Commissioner Meade are trying to do is to treat them all alike. They have made adjustments under the recent law with I think practically all of them. While they would perhaps like to do something different for this reclamation project, the difficulty comes from the fact that they feel they ought to adopt a uniform policy in relation to all the projects. I think they say that the users of this water made no payment to the Government for the past three years and that they offered to supply the water over the next year, the Government having paid the cost of the operation for the past three years and is willing to pay the cost of the operation for the next year. What they wanted to have done is to have those who could make payments, make them, those who could give a chattel mortgage on their crops to do that, and those who couldn't give anything else to give a note. Then there are one or two other suggested plans, I think, for the water users, the Association to give its note for some back payments or something of that kind. From my conference with them, and I have also been in communication with Representative Simmons, who is interesting himself, as this is in his District I believe,

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I have an expectation that the matter will be adjusted in a way that will give the Government an opportunity to continue to furnish water and will also furnish all necessary relief for those who use the water in the matter of making payments.

Mr. Mitchell came in merely to call on me, as he was in town. I asked him to come to lunch. There was no official business that he had to discuss with me, nothing in relation to any foreign loans at this time. I talked with him about the general business situation over the country, which he thought was promising and that general business conditions were very good. They are never perfect. There is always some difficulty here and there. I did discuss with him an interesting question. It was brought to my attention by reason of the fact that the Ambassador of Great Britain came in, the retiring Governor of Australia, and the retiring Governor's son, and former Ambassador Geddes happened to come in at the same time. I was speaking to them of the success that the English seem to have in getting their young enterprising men to go abroad and take positions that are for the benefit of the trade and industries of England, and that our young men haven't seemed to have been very much attracted into the field, perhaps part of the reason being that opportunities here at home have been so good that they haven't had to seek situations abroad. Mr. Mitchell told me that that was one of the difficulties they found in their branch banks and allied connections- that it was very difficult to get young men to take those positions where they have to go abroad to fill them. He thought probably the reason was the one that I had expressed, being that so many good opportunities exist here at home that our young men of enterprise are attracted to go into

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this field here, rather than seek an opportunity abroad.

I am going to speak tomorrow at the unveiling of the John Ericsson monument. I shall speak there on the Swedish people and Ericsson. I am going to speak at Arlington Monday. The general theme of my address at Arlington, which is short, will be peace and prosperity. I am giving you that in order that if you want to say anything about it beforehand as to what I have said here you have liberty to do that. But I don't want any part of my address given out, of course.

Tuesday, June 1, 1926.

Report of the Newspaper Conference.

It is expected, as I have said in the conference a number of times, that we can come through this year with a surplus. Nobody can tell what it will be because we don't know in the first place how much will be collected and in the second place because we don't know how much will be expended, so that nobody knows whether there will be a saving of between \$22,000,000 and \$30,000,000. There is not a great deal of difficulty in seeing what is coming into the Treasury, but there isn't any source from which you men of the press or any one else can very accurately gauge what is going to be required to be paid out. So that all forecasts are more or less estimates. Our trouble is not with the present year, as I have said. Our difficulty, if it arises, is going to be with the coming year, and it is for that reason that we can make appropriations during this year that will be taken care of now and not continued along, but an appropriation that calls for continuing payments in the years to come, why those might be very troublesome. The condition of the Treasury, which now is being supplied so largely from income taxes, is very greatly dependent upon the general condition of business throughout the country. If the volume of business goes on increasing, why the condition of the Treasury will be easy to manage, but if we should get a recession in business, if profits were small and therefore income taxes greatly cut down, or our foreign trade diminishes so that our income from the tariff and customs diminish, it will be very easy to run into a deficit.

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I don't know when Congress will adjourn. My judgment about that wouldn't be much better than the judgment of the press, perhaps not so good, because I imagine that you see more of the members of Congress than I do. Of course I understand that they want to get through just as quickly as they can, as soon as they have finished the pressing work. I don't think they have tentatively set any time yet for adjournment and I should judge they were quite a distance from being able to bring in a joint resolution that would set a time for adjournment.

I expect to be able to go to Plymouth, Vt., my birthplace, some time during the summer. It isn't so very far over there from where I shall be in the Adirondacks. It is 54 miles from Plattsburg, then across the Lake and from Burlington to Plymouth is something like 120 miles. I probably shall not be able to spend much of any time there, but I certainly intend to make every effort to make a visit. I hope you gentlemen that may accompany the President will find a comfortable location up in the Adirondack region. It is right near Paul Smith's, where I shall be. I think that has very comfortable quarters. The population around there is not so dense as it was around Swampscott. You won't find so many hindering diversions.

I expect to make the judicial appointment in Georgia right away. That is the new Judge, as I understand it, that is to be appointed for the middle district of Georgia under a statute that has recently been passed setting up a new district for that State.

Press: Mr. President, in your opinion is there any possibility of having another tax reduction in 1927?

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President: I don't see any opportunity for a tax reduction now for several years. I can't tell about that. We have a very excellent place to put any surplus revenue that we have and that is to pay off the national debt, though as the national debt is paid off of course that releases interest and in the course of a few years it may be possible if the country goes on developing and growing and increasing in population and business. Or it may develop that under this present tax law there are adjustments that ought to be made of some taxes that are found to bear too heavily, so that there would be some readjustments. But we have already had so much experience in the raising of taxation that I think that is quite improbable. It is quite improbable that any new experience would develop anything that wasn't pretty well in the contemplation of the Committee when it drafted the bill and the Congress when it passed it. I don't see much prospect at present of further tax reduction for several years.

Friday, June 4, 1926.

Report of the Newspaper Conference.

This Government has information that a British corporation has had granted some concessions in the Panama Canal Zone. So far as we know it is nothing unusual and probably nothing objectionable. As I understand it, it is a gold-mining corporation with considerable surface rights and considerable sub-soil rights. I think some of the departments are making some further investigation of it to satisfy themselves that there isn't anything objectionable about it. They don't know of anything objectionable from such information as they have on hand.

I don't know what the plan is about taking up in the Senate the matter of the approval of the French debt settlement, other than that I saw a statement by Senator Smoot that it was not his intention to bring it before the Senate until he found out what action the French were going to take.

No final disposition has been made about the appointments of a judge, a marshall and a district attorney for the new district in Georgia.

I withdrew the nominations of two judges and a district attorney in Alaska on the recommendation of Senator Cummins, and I don't suppose there is anything private in his opinion through which he states that he has grave doubts whether it will be possible to make selections from residents of these two districts in Alaska that would not meet most serious opposition. There are two or three factions in Alaska. If you propose to appoint any one from any one of the factions, the other or others immediately begin the most

violent kind of personal attack which makes it exceedingly difficult to secure the consent of people up there to be nominated for office, and if they are nominated very difficult to secure their confirmation. On account of the distance away and the difficulty of communication, I doubt very much if I shall be able to make any nominations before the adjournment of Congress.

I am acquainted only in a general way with the bill that has been introduced providing for some funds to be at the disposal of the Governor General of the Philippines. Under present tariff law whatever customs are collected, as I understand it, on the importations of Philippine produce into this country are kept intact in our Treasury and then sent back to the Philippines and become part of their treasury funds subject to the disposition of the insular government. The legislature appropriates those the same as they do the money that is raised by taxation in the Philippines. It has been thought, as I understand it, that it would be rather more appropriate if the United States Government kept a more complete jurisdiction over the funds that it supplies itself for expenditure in the Philippines, rather than to turn them over entirely to the disposition of the Philippine legislature. Now that is the reason for the proposal that is embodied in the bill. I don't know just what the amount of those funds are for a year, but I think they are \$1,000,000 or \$1,500,000. The Governor General has some difficulty in securing adequate assistance, not being permitted to appoint any one from civilian life to advise him and assist him in the conduct of Philippine affairs. So he has to rely

very largely on members on detail from the Army - I don't think he has any from the Navy, he might have, but I think not, I think they are entirely from the Army - good professional men so far as their military abilities go but not very often trained and qualified to advise him on matters of civil administration. We send some persons out from here. The Department of Agriculture usually has some one there, the Department of Labor, and Commerce keeps some one there, but that doesn't exactly fill the bill. The Governor General wants some one to advise him on educational affairs. It is necessary for him to get civilians. It would be just like my being put in a position where it was necessary for me to man all the different Departments and fill up my Cabinet with men from the Army. Perhaps if he had some money at his disposal he would be able to employ some people that would be of great assistance to him in the administration there and a very great help to the Philippine Government and a great help to the Filipino people. We want to get away, so far as we can, from anything that looks like a purely military administration out there and put the administration on an ordinary civil basis as we conduct our Government here.

I received a letter from Governor Byrd of Virginia, which he said he published before he sent it to me. I have asked the opinion of the Secretary of Commerce in relation to it. Governor Byrd suggested that we have an investigation by the Federal Trade Commission to see what could be done about the advancing price of gasoline. That is not a new proposition to me. I don't

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Know whether it was to Governor Byrd or not. Since I have been President we have had one investigation by the Federal Trade Commission about the price of gasoline. I don't know whether the investigation that was made then would be of any assistance in a determination of what ought to be done at the present time. It is rather an interesting economic development. Within the last two or three years there has come in a good deal of oil production, new wells and new sources, so that the supply of oil has been large, which means a large supply of gasoline. Therefore, the price went down. I don't think it was reduced, so far as I know, at all on account of the investigation by the Federal Trade Commission. It went down on account of the ordinary play of supply and demand. A larger production of oil, the coming in of new fields, meant a reduction in price, increase in supply. Oil has been low. Now for the last two years there has been very little in the way of any new opening up of new fields for the production of oil in this country. There has been some development in Venezuela, but not anything that was new down there. That very large development took place on the Pacific Coast which so greatly increased the tolls through the Panama Canal a few years ago. It doesn't seem to be so productive now. And the production of oil has not increased any. I think it has decreased some. Now the use of gasoline has greatly increased in the last few years. 3,000,000 more automobiles are running this year than last year, and a great many automobile trucks. I think it is estimated now that the people that are transferred by automobile, bus, truck and private automobiles greatly exceeds the number that travel on the railroads.

Then the use of oil has been taken up in the industries in the production of power for manufacturing purposes, for use in ocean transportation; and all of those things have gone to use up the supply, increase the demand, and apparently the result has been some increase in price. Now, if the price of gas goes up the result is going to be stimulation of production, which, if it works out as it did a couple of years ago, undoubtedly will result in a stabilization of the price about where it is now or a reduction of it. I think the House or the Senate has passed a resolution asking the Federal Trade Commission to make an investigation.

Press: The Senate.

President: Yes. It was and is my intention to supplement that by asking also that the investigation be made. But I don't expect to accomplish very much in relation to the price of gasoline by the investigation of the Federal Trade Commission. It is possible that there is some abuse somewhere, some action in restraint of trade. I think the last investigation reported that they hadn't discovered anything of that kind. I don't know of anything of that kind that is charged now. But it will do no harm to have an investigation.

Press: Are you going to ask the Trade Commission or the Commerce Department to make the investigation?

President: The Trade Commission. They already have the request of the Senate, which I think is proper. I have asked the Commerce Department to advise me about the situation.

Tuesday, June 8, 1926.

Report of the Newspaper Conference.

I have under consideration for appointment to the Shipping Board a man named Jefferson Myers. He was the State Treasurer of the State of Oregon. His term expired with the last election. He was a candidate for re-election and I think ran some 40,000 ahead of his ticket, but didn't get quite enough votes to be elected. He is a business man of large experience, owns a large amount of farm land, some timberland, and is in the banking business; a man about 62 years old. He was in this morning to call on me.

Press: Is he a Democrat or Republican, Mr. President?

President: Democrat.

Press: What is his home town, do you know?

President: Well, I think Portland. That is where his banking business is.

Press: Is that the place made vacant by the resignation of Mr. Haney?

President: Yes.

The Treasury, as I understand from Mr. Mellon, was able to make such payments as were required at this time largely by reason of our receiving considerable more money from back taxes than they had anticipated. One of the reasons for that was a special effort on the part of the Treasury to make all the collections it could of back taxes. A great deal more money came in from that source than had been anticipated and that swelled the amount of money in the Treasury. Of course the moneys that come into the Treasury at this time,

so far as income taxes go, come in by reason of the business of the country during 1925. So far as it comes in from customs receipts, why that indicates a considerable importation. Those customs receipts have been large. Generally speaking, that would mean that there is a buying power in the country. When the receipts are from raw materials, it would indicate a considerable degree of manufacturing here. When it accrues from materials that are ready for market, then we do not get the advantage of manufacturing, but it indicates buying power. So far as those things go that would indicate a present prosperity in the country, when manufacturing is going on and buying power is large. Now, nobody can tell ~~of~~ anything about what the condition of the Treasury will be a year or two from now, because it depends so largely on the business prosperity of the country. If prosperity keeps up and business is good, the condition of the Treasury will be good. If we have a depression, it wont be so good. As far as indications go, they look to be favorable. But that is dependent upon such a vast number of things that no one, so far as I know, undertakes to prophecy what the business condition will be in 12 months or 24 months. They can say what present conditions indicate and that present conditions are favorable. But so much depends on whether, so much depends on what might happen abroad and what might happen here, whether industry goes on as it is going now or whether some controversy arises in industry that causes a slowing up, that nobody can tell what may happen in 1927 or 1928.

I haven't in mind many of the details of the river and harbor bill that passed the House. I had been favorable to the passage of a river and harbor

bill. Now, this river and harbor bill that passed of course is not an appropriation. It is an authorization. It might not be put into effect by appropriations for several years. It is simply a statement by the Congress that these projects that are included in this bill seem to be worthy projects that ought to be carried out as fast as the financial condition of the country would warrant. I have no doubt that there are many items in the bill that, if I were drawing it myself, I would not put in. Very likely there are other items that, had I been drawing the bill myself, <sup>not</sup> are/in the bill that I should have thought ought to be included. But that is rather inevitable. When the bill comes to me I shall consider it as a whole. If its benefits seem to outweigh its detriments, why of course I shall approve it.

Press: Have you any hope that the upper Missouri item will be changed in the Senate?

President: Well, that I don't know about. I have been very much interested in the development of the Missouri River and the Mississippi Basin, and for that purpose I had an addition of \$10,000,000 made to the present budget, and I want to see all that development carried on as fast as the financial condition of the nation permits it. I think the question in relation to the upper Missouri is somewhat a question that hadn't had the approval of the engineering board. I think there was an old approval some 10 or 15 years ago, but recent surveys and studies that have been made haven't been completed so that raised some question about it. Whether that can be adjusted or not, I am not quite certain. I rather think that some method of adjustment may be found for that.

I haven't made any final decision about the judge and the district attorney and marshal for the middle district of Georgia, but I expect to do that very soon.

Of course I don't know when I am going to leave for the Adirondacks. It will depend upon the adjournment of Congress. There are quite a number of things that I can't foresee. As I stated before, I couldn't get away until after the budget meeting, which I think is June 21st, and unless Congress should be in session I should expect to leave right after I go to Philadelphia. There isn't any indication now of any particular date when Congress will adjourn, so far as I know. They have several things that they want to try and work out up there. I don't think they have set any tentative date even. I have an idea that a little later they may introduce a resolution to see if the Congress can agree to some tentative date. I don't understand that there is any tentative date.

I have another question in relation to the Treasury. Of course it goes without saying that the better our financial condition is the less we shall have to pay for money. I know that there are considerable maturities of the public debt in the next two years. It says here \$5,000,000,000. It is somewhere in that vicinity. Since Mr. Mellon became Secretary of the Treasury he has taken care of nearly \$7,000,000,000, I think a little over \$7,000,000,000 of maturities, and refinanced them. Now, some of those are going to come due within the next two years. Then there is the Third Liberty Loan, as I recall, that is due in 1928. All of that will require financing and it is perfectly apparent that we

can refinance if the present money market continues at a considerable less interest charge than we are paying at the present time. The Third Liberty Loan is 4-1/4, and I think all of these maturities are at least 4-1/4. The last of the long term bonds that we sold, we sold at 3-3/4, and sold them at a premium. I think the premium was one-half of one percent. A \$100 bond sold for \$100.50. Those are selling in the market at the present time at a slight advance over that, indicating that if we were to go to the market at the present time we could sell bonds about on that basis. That would save about one-half of one percent on such interest charges as we had to refinance.

I think the term of Mr. Hamlin of the Federal Reserve Board doesn't expire until along in September, so there isn't any statement that I can make about that now.

I talked with Senator Underwood a little about Muscle Shoals legislation. As you will recall, he put in a bill about that last year which had my support. I don't know whether it was perfect in all its details. I don't know whether he thought it was. But it seemed to be a method of solving this problem and so I supported that bill. Now, the bill that has now been introduced as a result of a special committee making an investigation and asking for bids is another bill that so far as I can see would solve the problem, and I have been willing to give that my support. Now, whether there are some things in the present bill that could be changed to advantage, it is difficult for any one but an expert to say. There have been some suggestions that it was not drawn in a way that made it as certain as we would like to have it that we would get a manufacture of

nitrate under it. If that is the case, why that undoubtedly can be changed some. I should like to see the present bill passed, if it is in the shape I think it is. That would give us some nitrates and use the surplus power in that neighborhood where the dam is to be located. Now, I don't presume that the present bill is a perfect bill. Perhaps some one could work out a better one. But I was willing to support it for the same reason I supported Mr. Underwood's bill, because I thought it was a practical method of dealing with the situation.

Press: Do you expect that to pass at this session?

President: Well, I don't know about that.

Remarks of the President at the Newspaper Conference, Friday  
afternoon, June 11, 1926, at the Executive Office.

I haven't given any thought as to what Mrs. Coolidge and I can do about a place to live while the White House is being repaired. The Director of Buildings and Grounds, Major Grant, says we shall have to move out; that the repairs will take from six to ten months. I confess that I regard that as a very painful operation. I have resisted as long as I could the suggestion that the roof should be repaired. Colonel Sherrill was telling me it ought to be done three years ago, and I have finally come to that conclusion. It will be necessary to work clear down to the second floor in the White House, so there would not be any opportunity for us to live on the second floor while the repairs are going on. That is due to the peculiar construction. Instead of resting the floors on the foundation, some of the floors are hung on the bridge work that goes up over to make the roof, so that when the roof is taken off there isn't anything to support the floors. They have to come down at the same time. I want to get some place as close as I can to the White House here.

QUESTION: When do you contemplate having the work started?  
This year or next year?

THE PRESIDENT (continuing): I thought that perhaps after the Congress adjourns next March. That would enable us to use the White House for the usual winter social functions. Then we could move out. Congress would be away from about the first of March to the first of

December undoubtedly - that is nine months - and during that period I should think they ought to be able to make the repairs.

QUESTION: Did Major Grant think it safe to live in the White House next winter?

THE PRESIDENT (continuing): I think it is fairly safe, but it is a developing condition. The weaknesses are constantly getting greater. No one can tell just when the roof will fall in if it is left as it is, or perhaps it would not actually fall in at all, but the timbers are cracking and the weakness is very apparent. I had it examined by a Member of the House, who is in the contracting business, a couple of years ago. The results of the examination and plans of the examination in reports that were made by the Engineers of the Army were sufficiently terrifying, but I knew the tendency of military men to think that it is necessary to take down the whole White House in order to fix a chimney, so I had a man in private life, or civil life rather, make an examination, and he rather confirmed the views of the military engineers. So that I very reluctantly came to the conclusion that it was necessary to have this done.

Of course, I haven't decided on any action in relation to Commissioner Fenning. Some time ago I instructed the Department of Justice to keep watch of the developments in that case in order to be prepared to advise me what action, if any, I ought to take; also to advise me on both angles as to whether any action ought to be taken to protect the interests of the District, or any action that I

ought to take to prevent Mr. Fenning from being unjustly accused. It was with the desire to be advised on the whole situation entirely and without any intention of prejudging the case that I gave that direction to the Department of Justice. They have examined the record and have been awaiting the final conclusion on the part of the Judiciary Committee before coming to any conclusion or digesting any of the facts that they thought it might be necessary to lay before me. When I have that report then I shall decide what ought to be done.

I am still working on the appointments on the Board of Mediation. I want very much to get those appointments made this week. It is a very important body. If it were merely a matter of investigating the qualifications of five men, it would not take very long. Of course, there were a large number of names submitted, and quite naturally a good many names occurred to me. It has been necessary to make a more or less investigation of all of these, and it takes considerable time to do that, but I very much hope that I can get these appointments made this week.

As I have had opportunity heretofore to comment, it is always a matter of astonishment to me that members of the press are able to report so accurately the doings of the Government. But there is one matter that I think perhaps I might speak of with a word of caution, and that is reports of the proposal of the President to go to different places. Of course, every place wants the President to come and every celebration that is held desires his presence. We are

in receipt of invitations by wire, or by mail, or through members of the Senate and House, or through committees coming here, and it is very seldom that an invitation is presented to me that is not one of real importance. It would be very pleasing if I could accept more of them. I do what I can. I make such speeches as I am able to prepare from time to time, but, quite naturally, I have to refuse almost all the invitations that come. Now, I am always glad to have it reported in the press that the President has been invited to go anywhere where an invitation has been extended. Sometimes that is gratifying. You men know as well as I do that if there is some public entertainment, or something of that kind to be held somewhere, the report in the press that the President has been invited is a good advertisement for it. I don't object to that at all. But to say that the President is going when he is not going oftentimes makes it quite embarrassing. Now, you can always find out by simply ringing up on the telephone and asking the office. It is a matter of no trouble to do that. If you want to be accurate about it, which I know you want to be, all you have to do is to make inquiry and find out what the President has under consideration, or what he has been compelled to refuse. I speak of that in relation to the invitation that I accepted to go to Philadelphia. All that I have ever had in contemplation, and all that I supposed they had up there, was for me to come and make an address. Of course, you men who go around with me know the work of my office and know what it is necessary to do and realize that it is a considerable task to prepare

an address, and then make the necessary arrangements to go outside of town and deliver it. It seems that some one in Philadelphia apparently made an announcement that the President was coming up there to stay two days. No such announcement was ever made from my office. I never had that in contemplation. When we told the Mayor that I would come up and make an address and it was arranged, then some of the press up there took it that there had been some change in my plans. That leads me to digress. Oftentimes I see reports in the press somewhat exaggerated -- I don't object to that -- then within a few days when I am not conscious of having changed my position the report comes out that the President has changed his position, -- the first report was accurate but the President has changed his position now and something else is going to be done. Really, of course, that is a change in the position of the press rather than in my position. Well, this is rather an example of that. I want to go to Philadelphia. I think in going that I recognize the very great importance of the 150th anniversary of the signing of the Declaration of Independence. I have recognized all my life in a great many ways the almost sacred character of many of the historic localities in Philadelphia connected with that great event. And I should be very much delighted if I could go up there and spend a week - as every citizen might well do -- going through the Exposition and spending some time in the building where the Declaration of Independence was signed, look in again at the Liberty Bell, and things of that kind. But the President cannot

do that. It is with great difficulty that he goes around among crowds, as you know. So I do not see that I can do very much better than I have indicated -- to go up and make my address and return. I have accepted an invitation to go across the new bridge there in Philadelphia, but no address will be made over there. I think it is the plan that when I get at the end of the bridge I am to take part in the planting of a tree, but aside from that my present plan about going up to Philadelphia is to leave here in the morning, go up and make an address and then return in the afternoon. I would like to stay longer, but it does not seem to be very possible to do that.

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Remarks of President Coolidge at the Newspaper Conference,  
Tuesday noon, June 15, 1926, at the Executive Office.

There haven't been any developments in the Fenning case so far as my office is concerned. As I indicated the other day the Department of Justice is keeping watch of the case and I wanted to make it clear that that was not with the idea of prejudging the case, but with the idea of having some body advise me as to its developments for the purpose of not doing an injustice to Mr. Fenning and also for the purpose of protecting the public interests.

The Attorney General, as you may know, was called home yesterday. I received this telegram this morning from him that his son-in-law died a little past eleven o'clock last night and that the funeral is Thursday at two o'clock. His son-in-law was a Lieutenant and the disease from which he died, which was an affection of the heart, was a result of his service in France.

QUESTION: What is his name?

THE PRESIDENT: Lieutenant Ralph Pearson. (Correct name is SAMUEL).

QUESTION: Where will the funeral be held?

THE PRESIDENT: At Ludlow.

QUESTION: Did you know the Lieutenant?

THE PRESIDENT: Well, I only knew him slightly. I saw him several times when I had been at Plymouth, especially last year when I was up there. I had occasion to go down to Ludlow for something or other

and I went to the Attorney General's house and I saw more of him at that time than at any other time. You know I have been away from Vermont ever since 1895, and this man was quite a little younger than I, though I think he was a distant relative of mine on my mother's side.

I haven't had any information from the Treasury as a result of Mr. Winston's visit to Europe relative to the probable action there on the French Debt. I think Mr. Winston was in Paris only a very short time, and I do not think he took up with any of the French authorities any matter relative to the settlement of the debt or any other question in which this Government is interested. He went from Paris, as I understood it, to Italy and spent most of his time there. He did not go over on any official business connected in any way with our foreign relations but went over on a short vacation.

I haven't any very specific information about the purpose of the visit of President Borno of Haiti to this country. I assumed it was a visit on his part because he wanted to come up here and see this country. You know the officials of the South American Republics, Central America, Cuba, Mexico and the Islands very frequently come to this country more for the purpose of travel and general information than because they have at the time of their coming here any specific and definite errand. Of course, Haiti is under the present arrangement quite closely connected with our Government. We keep General Russell down there, and, I think, we have a fiscal agent. This ques-

tion is directed at the probability of his having come here to secure a loan from the Morgan bankers. I don't know of any such purpose that he has in mind, though it may be he has. If he has, no such information has come to me. I understood from such casual conversation as I had with him at the White House and at the Haitian Embassy, when Mrs. Coolidge and I returned the call of the President and Madame Borno, that his country was in a very creditable financial condition, so I doubt if his presence here is that he is seeking a loan.

I think you could get very much more definite and specific information from Representative Bacon as to his bill for a separate administration of the Moro Provinces in the Philippines. Representative Bacon was out there last year and went there for the purpose of informing himself on the situation, and has introduced this bill. I think he introduced one other bill relative to the Philippines, though I am not certain about that other bill. It is a matter of general knowledge that the inhabitants of the Moro Provinces are somewhat different people from the Filipinos that live in the larger islands around Manila. The name "Moro" has an interesting significance. It is the Spanish word, I am told, for "Moor". The Moors in North Africa went over into Spain and held a part of the Spanish country for a great many years. They were in their religion Mohammedans, so that in the early years when Spain was doing a great deal of exploration they went around finally to the Philippines and went to these Provinces and found there that these people were also attached to the

Mohammedan religion. So they gave them the same name as the people with whom they had come before that in contact with in Spain, that is, the Moros. That is the reason they have held that name until the present time. I shall have to take the advice of Governor General Wood, through the War Department, before taking a final position on the proposal to have a separate administration, but I do know that there is friction, and I think everybody knows that there is friction between the Moro Provinces and the other Filipino people. May be some of that could be eliminated by action at this time.

Here is an inquiry as to whether I would care to discuss the military training in schools and colleges. I suppose every one knows that I am in favor of what I would feel to be adequate preparedness for national defense — the Army and Navy maintained on about the standard that they are maintained now. From time to time there are going to be developments that will cause some changes in the plans for national defense. A notable example of that kind would be the development of aviation, and I have been in favor of strengthening that arm of national defense. I am in favor of young men having some military training. I have had my son go two years to the military citizens' training camp at Ayer, Massachusetts, and I realized when he went there that he was in a position where he could go. A great many other young men are not in a position to go to such a camp, and the ultimate cost does not contemplate having all of our young men go to military camps. I would want to differentiate very carefully between

the physical and mental value that comes from military training. I thought in the case of my own son that it was quite beneficial. He came back from camp last year, I felt, very greatly benefitted by reason of his training. I would want to differentiate between that and any attempt in this country to cultivate a war-like sentiment and an over-mastering military spirit. Those things are quite different and should be kept distinctly in mind, I think, in any discussion of what training we should have in schools and colleges. I would not want to go so far as to say that all the boys, certainly not all the girls, that go to school and college ought to have a military training; and I should want to limit them to the advantage they might get from the physical side, which is closely identified with mental help, - of knowing just exactly what it is that you want to do in the way of training the body to respond to the direction of the mind. That is a very important branch of education. Now, I should be opposed to undertake to stimulate in this country anything like a war-like spirit or an over-mastering military sentiment. Whatever action I take in the way of national defense is for the purpose of maintaining the peace and tranquility of this portion of the world, and not at all for the purpose of that military and war-like spirit that might result in a desire to attack any of the other nations. I think if those two quite different objects will be kept in mind, there will not be very great difficulty in solving the question as to whether military training should be adopted in schools and colleges. I should say that some of the young men could do that kind of work and some could not. I hark back some-

what to the method that was adopted in Amherst College while I was there. It was semi-military in its nature. We had compulsory physical education. That meant that each class went to the gymnasium four times a week for half or three-quarters, or an hour's training; and it partook somewhat of a military nature. They were formed in line taught and ~~did~~ those maneuvers of platoon formations and marching around in columns and breaking up in columns of fours and twos, and such orders as might be given for that purpose. There wasn't anything in the way of military training so far as the use of fire-arms was concerned, but it was that integration of the mind and the muscles. We used dumb-bells, and I think the latter part of my course we had some drill in single-sticks. That is a sort of adaptation of fencing. That was very beneficial to the men in college and was very helpful to them. I have found it helpful to me all through life in giving me a new knowledge of a necessary state of mind and action of the body in marching. It has been helpful. I think something of that kind would be helpful to all our young people. If it would be understood by military training that they were to take a course in the handling of fire-arms, or something of that kind, I do not think that would be of very great benefit. I am talking now of the boys more or less at large that are in school or a certain ~~portion~~ portion of them who at some time or other would want to interest themselves in that kind of thing. That is different.

There wasn't anything of large public interest that took place in the Cabinet this morning with the exception of the announcement by the Secretary of Labor that a very long standing jurisdictional difference between the carpenters and the metal-workers had finally been settled.

A great many times in the erection of buildings there arises the question as to whether certain parts of the work are to be done by the metal-workers or by the carpenters. There was no definite rule about that. Each one of those labor bodies claimed they ought to have the sole privilege of doing that kind of work, and it resulted oftentimes in strikes, tying up of construction work, and they finally made a definite and conclusive ruling about the jurisdiction of those two labor bodies over that kind of work. The significance of that, I think, is important, because it shows a growing tendency on the part of organized labor to adjust their differences in such a way that they will not approve of any method that results in strikes, the loss of wages, the loss of investment on capital, and the delaying of construction work. It is perhaps more important in that it shows the spirit that is more and more animating the ranks of organized labor than it is of this particular quality, and that is a spirit that has been quite prevalent in recent years of getting together, not only between different unions that claim jurisdiction over different kinds of work, but of getting together between employers and employees.

QUESTION: What part did the Department of Labor take in this matter.

THE PRESIDENT: He (the Secretary of Labor) said this had been before his Department for twenty years. They have been working on it for a long time and finally have been able to make some proposal through their conciliation and mediation that has resulted in a final settlement.

The President's remarks at the Newspaper Conference, Friday afternoon, June 18, 1926.

There are no developments so far as I know in relation to the French Debt except what have already appeared in the press.

I haven't perfected my plans about going to White Pine Camp. I don't expect to go there from Philadelphia. I shall undoubtedly come back here.

I don't know of any developments in the Tacna-Arica matter except those which have already been reported. There is nothing that can be done by our Government at present about that until we see what effect the recent developments have.

I withdrew the nominations that I made for the new Judicial District in Georgia because they went in as a combination. I understood that Mr. Tilson was not satisfactory to the Committee up there -- the Committee on Judiciary of the Senate -- and if one of the nominations was not to be confirmed, then I don't want any of the others confirmed. I don't know whether I can get three other names to send in at this session or not. It is I think very doubtful. I shall have to wait and see what develops in relation to those nominations.

I haven't seen the Bingham-Jarrett Bill for a Pan-Pacific Conference on Education, Reclamation and Recreation, to be held at Honolulu this summer. I think it has been customary to hold some

kind of a conference at Honolulu each summer in which the United States Government takes part by sending out representatives from the various Departments. No doubt the Government would expect to send out representatives to this conference. I rather doubt whether it is necessary to have legislation, but Senator Bingham and Representative Jarrett may have something in mind that would require legislation and which would be helpful to the proposed conference this summer.

There isn't anything further that I can say about legislation affecting the Philippines than what I have already said.

Chairman O'Connor will continue in his position as Chairman of the Shipping Board. His time has not expired yet.

I have spoken about the Judicial District, and I have also spoken about the Tacna-Arica matter.

I am not certain whether it will be necessary or desirable for the Boundary Commission to go on with their work on the Chilcaya Boundary. It is my off-hand impression that that was not connected exactly with the settlement of the Tacna-Arica dispute except as it fixes the boundary of one of the provinces. That would leave it, would it not? If there is nothing to be done at present about the solution of the Tacna-Arica problem, there is no particular reason for running this boundary. The boundary, as I understood it, was to fix the exact line between Chili and the southern province. If nothing is to be done about the province, I assume there is no pressing need for a very careful delimitation of the boundary.

Tuesday, June 22, 1926.

Report of the Newspaper Conference.

Here is a suggestion that there ought to be a traffic policeman stationed permanently at the White House Treasury corner, as conditions there are very bad. I would be very glad to take that up with the proper authorities that have the disposition of traffic policemen to see what can be done. Perhaps if I can get the support of the local press we can bring something to pass. That is between the White House and the Treasury. There is a policeman there in the evening when the traffic is most dense. I have noticed him there often when I go out to walk. I usually start out that way. But he doesn't stay there but a short time. Of course there are those convergent streets. There is New York Avenue that comes in right there, and of course Pennsylvania Avenue winds up there, and all the traffic that comes past the Treasury and the White House and up and down 15th and 16th streets. I will make that suggestion to see what can be done.

There isn't anything further I can say about taxation, other than what I said in my address last night at the Business Meeting of the Government.

Here is a question about a discussion between Senior Alberto Salomon and me. I recognize this now. I thought that referred to a state Senator that was in a day or two ago. I suppose this refers to the gentleman that was in here from Peru. I think he used to be the Minister of Foreign Affairs in Peru and the Ambassador brought him in to pay his respects to me. He talks English very fluently and as sometimes happens in those cases he and I talked some about the

development in this country of a better knowledge of the Spanish language. That came to my attention because when my son went to college I told him it would be very much to his advantage if he would study Spanish, but he found out unfortunately that that came later in the course and curriculum at Amherst, so he hasn't taken it up yet. I hope very much he will be able to. Of course that came very vividly to my attention in my intercourse with all the South American republics and the Central American republics and Mexico. Almost everybody in that country speaks Spanish. Our commercial and business interests with them are close and communication is very much better now. I think it would be a very good plan if our young people had knowledge of that condition and were encouraged to study the Spanish language. I talked with him about the industrial development of his country. He says they have some very large copper mines there and there is a good deal of development in oil. He was desirous that American business men might be interested in the industrial development of the natural resources of Peru, which are very great. He said that the eastern portion of it consisted of a great plateau which is very fertile and that also is mineralized, but it is adaptable to agricultural purposes, the raising of corn and cotton. On account of its elevation the climate there is not what it would be expected to be in a country that is so close to the tropics.

I didn't have any plan about the adjournment of Congress. I had told the members that had conferred with me that they knew what the situation was up there and to use their own judgment about it, that I felt that the decision as

to when an adjournment should be had was a decision that very properly belongs rather to the Congress than to me. Anything that they wanted to do in relation to it would be satisfactory to me. So that as far as I know, if they wanted to adjourn on the 30th that wouldn't interfere with my program, or if they want to stay here for a longer time that wont interfere with my program. The only program I have is to go up to Philadelphia on the 5th. That of course I could do, unless Congress happened to be adjourning on that day. Of course there are a great many bills that are passed just at the time of adjournment, and it has usually been understood that they have to be signed while the Congress is in session - otherwise they become of no effect - so it is necessary for the President as you know to go up to the room that is set apart for the President by the Senate Chamber and sign a great many bills. They keep coming in clear up to the last minute of adjournment. In fact it is usually the custom that a committee waits on the President and he sends in word through the committee that he has disposed of the business of the Congress that they wished to lay before him, and with that announcement the House and Senate adjourn. My only other program is to go away somewhere - to White Pine Camp in the Adirondacks. There is no haste about that. As long as Congress is in session, of course I should stay here. I wouldn't think of going away. Fortunately the temperature of Washington has been very agreeable up to the present time and one can get along very well here in the summer time. I don't go away from Washington for the purpose of avoiding the Washington climate so much as I do for the purpose of getting a change. If the White House were

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located in the Adirondacks, why I should go away just the same and undoubtedly should pick a time for the vacation period when the Government business is not quite so urgent and Congress is not in session..

I haven't made a final determination about the 5th member of the Board of Mediation. I have had several men under consideration, but have not yet been able to make the appointment. I may make it now at any hour.

Friday, June 25, 1926.

Report of the Newspaper Conference.

I believe the program at Philadelphia for the 5th of July hasn't been worked out. I shall send some one up there - I don't know but what some one went up today to confer with the Mayor, is that right Mr. Sanders? -

Mr. Sanders: Yes.

President: I suppose the Mayor is the head of the committee - to see just what I am to do up there. Of course in general I go there to deliver an address. Now, I expect to have an opportunity to drive around the exposition grounds or something of that kind while I am there. I suppose I am to have lunch served before the address. I don't know just where the luncheon is to be, that being in the hands of the committee. I go up as their guest and leave such arrangements to be made by them for the time which I am to be there, as agreed upon by my messenger that I sent up there today.

I don't think the Government has ever considered at all the sale of the bonds of foreign governments that it holds.

I haven't any information about Secretary Kellogg's letter in relation to the gathering at the Hague and the discussion of the codification of international law. I saw some reference to it in the press. Whether that was brought to my attention at the time that he sent it I don't now recall. It would be in the usual course that he would do so, though I have referred several times in my messages and my addresses to the question of the codification of international law and have talked with him about it.

Probably there isn't anything in the letter other than that by which I had already made known to the Secretary my position.

I have just given out to the press a short statement in relation to farm legislation, which is the only statement that I shall make about it.

Press: Would you care to say something about any of the main features of the Fess amendment, what it was, etc?

President: Well, it is a bill that he introduced. It is a well known rule of evidence that when there is a document that the document is to be used in evidence and speaks very much better for itself than any description that might be made. I have a copy of it here I think. I would be glad to supply it to you. The main change in it is that it authorizes the President to make the appointments to the Board without getting recommendations of different farm organizations.

Tuesday, June 29, 1926.

Report of the Newspaper Conference.

No final decision has been made about the three new Assistant Secretaries that it is expected would give special attention to aviation in the War, Navy, and Commerce Departments. Several men have been under consideration and are being considered. It is necessary to make quite a good many inquiries of men that are going to undertake what is in a way a new function of this kind. They need to have had some experience in aviation or the building of planes, in administration or scientific studies of aviation. I don't suppose we can find men for all three places that have a combination of all of those qualifications, but any man that is chosen ought to have had some of the experience that would render him qualified in some of these particulars.

I doubt very much if I can express any opinion about proposed amendments to the Fess bill. I shouldn't want to make any decision about any amendment unless I had an opportunity to confer with Senator Fess, so that I think I ought to leave the matter of amendments pretty entirely to his judgment.

I don't think there is any danger of any complications arising that would prevent my going to Philadelphia on Monday. That is a legal holiday. While sometimes the Congress sits on holidays, I understand it is the plan to adjourn over from Saturday until Tuesday, so that there wouldn't be any difficulty arising in that direction. I can't conceive of anything

that could arise that would prevent my filling my engagement. I think that plans are pretty well worked out to leave here about 7:00 in the morning - though I don't care to have it published, I tell it to you in case any of you are going, I suppose some of you will go on the train - and reach Philadelphia about 10:00 standard time, 11:00 daylight saving time, then some parade takes place up there, I make some tour of inspection around the grounds in an automobile, then I am to deliver my address. The Mayor is having a small lunch which I hope will enthuse the newspapermen.- I don't know about that - after which I am going over the Camden Bridge. I think there is an areaway at the end of the bridge where the Mayor and some of the city officials of Camden are going to gather to greet me. On my way over there I expect to stop at Independence Hall and some church, is it -

Mr. Sanders: Christ Church.

President: Yes, Christ Church, that being associated with Independence Day. And after that I shall return.

There wasn't anything of major importance that developed at the Cabinet meeting this morning. The Postmaster General had some interesting figures showing the development of the air mail. It seems to be increasing in its business and is running very well in efficiency. I think the route between New York and Chicago for the month of May showed flights that came up to over 99%, that is over 99% of the flights that were laid out were carried out. That was a very good record. Over some of the other country it wasn't so good on account of very heavy fogs that prevailed, covering almost

the entire country from the east to the west coast. But notwithstanding that, the percentage of flights was very high.

Here is a very interesting suggestion inquiring whether I expect to do any fishing this summer. I am told that there is an opportunity to do fishing in the lake that borders on White Pine Camp and in the river that runs out of it. This perhaps might be a good time on account of this question to set the conference right on a misinterpretation that was made of some remarks that I made in response to an inquiry about fishing down here in the Basin. What I supposed I said was that I thought the Basin might be adaptable to the use of some of the young folks in Washington that might like to fish there, but I didn't think it would be attractive to the grownups who usually wanted to go afield somewhere and engage in that kind of sport. It was reported that I thought that fishing was not a sport appropriate for grown men, which wasn't at all what I had meant. What I had in mind was that I know some of the members of my Cabinet go to Florida to fish. Some of the members of the Supreme Court have been engaged in a sport of that kind. So I was quite surprised when I read that I thought grown men didn't care to go fishing. I hope that the report that went out didn't do any injury to the fishing tackle industry. I am going to depend on the members of the press that fish to go out and locate the best grounds that are within striking distance of White Pine Camp and hope that they will be willing to reveal anything that they find from time to time. I haven't had an opportunity to do very much fishing of late years. I used to enjoy it very much in my younger

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days. Perhaps I can take it up again, though it hadn't occurred to me until the ingenious inquiry was made on which I have just spoken to you.