## CALVIN COOLIDGE

REMARKS

by the PRESIDENT to
NEWSPAPER CORRESPONDENTS

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Friday, July 1, 1927.

Report of the Newspaper Conference.

I don't think I have many appointments with people that are coming that have not already been given out. Representative Timberlake of Colorado and the Commander of the State Legion Post are coming in this afternoon. I expect they will be up at the House to dinner, and of course there will be various people that will come here all through the summer to see me.

Question: When you speak of dinner, do you mean the noon or night meal?

President: I meant the night -- supper.

Question: They were just passing through?

President: No, they were coming over to call on me, I imagine to present some invitation.

I of course feel the honor that has been conferred upon me and Mrs. Coolidge in naming a peak in the Black Hills with my name and a stream that runs near the White House in her name. Though it is so reported here, I haven't any official information about either the naming of the mountain or the stream. I assume this is correct. I feel a little diffident about making any further comment about it.

I don't know when Ambassador Sheffield is to come. I have indicated to him that I would be glad to have him come any time that was agreeable and I think he suggested some time after the 30th of June.

Mr. Sanders: No definite time has been set Mr. President. He indicated

that he might come the 6th or 7th of July, but would let me know later.

President: I haven't any information in relation to that that hasn't already been given out.

I had an invitation extended by the Representative from Minneapolis, Mr. Walter H. Newton, to attend the Twin-City celebration in connection with the opening of navigation on the upper Mississippi by the barge line which the United States Government under the War Department is participating in, but I have advised him that it doesn't seem possible for me to accept the invitation. I was in the Twin Cities in 1925. While I should like to return there, quite naturally there are other places that would feel they have the first call on me in case I thought of making visits to any other points. Nor have I any plan to go into Minnesota or North Dakota.

I hadn't any thought about inviting successful trans-Atlantic flyers, or trans-oceanic, that would include I suppose the Army officers who flew to Hawaii, but they did not fly across the Pacific, to make me any visit here. When it was reported that Lindbergh did not contemplate returning to this country until considerably later, after the time I was leaving Washington, I naturally thought that he would visit me here, but when I found he was willing to return before I left Washington of course I had him visit me at Washington. I don't know of any suggestions at this time relative to legislation which might aid in developing trans-oceanic flights.

I haven't any expectation of any visit by Cabinet members in the immediate future. I think quite likely Secretary Wilbur will come here. His home is

in California and I think he is planning to visit out there some time during the summer. It was mentioned before I left Washington and I told him that I would be very much pleased to have him stop off here and make us a visit.

I don't see any way that I can attend the celebration of the 150th anniversary of the Battle of Bennington in Vermont. A celebration is to be held
at Bennington, and I think also some celebration on the battlefield, which is
located mostly in the State of New York.

Question: Do you happen to know the date of that?

President: It is the 16th of August I think. If I had been in the East I should have been desirous of attending that. I have celebrated several 150th anniversaries relative to the events of the American Revolution. The country can't celebrate any too many of them. It is a fine thing for each locality that has opportunity for the celebration of events of that kind to have a celebration, but being so far away I do not see how I can go to Vermont.

Here is an interesting suggestion about the accomplishments of American aviators in the last two years. Perhaps that would not quite include the flight around the world by the Army aviators. It is my recollection that they flight was completed a little more than two years ago, I think in 1924. It was a notable achievement of its kind. Then of course there was the flight of Commander Byrd to the North Pole, the flight of Commander Rogers of which I spoke the other day attempting to reach Hawaii and having flown far enough to reach there but getting out of his course and being obliged to come down because he ran out of gasoline. Then we have recently had the successful flight

accomplished yesterday to Hawaii by the Army aviators and the three flights across the Atlantic. Commander Byrd would evidently have been entirely success, ful had it not been that he encountered fog in France.

Question: Do you think these flights are going to lead to any further development commercially?

President: As I said the other day, they are experimental and a development of the science of aerial navigation. I have no doubt that they will contribute a good deal to the science of flying across the Atlantic and also to the Hawaiian Islands.

The business of the country is in a very satisfactory condition. Nobody's business is as good as he would like to have it, I suppose, but reports from the Department of Labor indicate to me that employment is plentiful, the Post Office Department has reported monthly an increase in the sale of stamps, there is a large movement of freight on the railways, varying a little from time to time with the amount that was moved last year, sometimes a little over and sometimes a little under. Some of the net earnings of the railroads are not quite as large as last year, due I think to a considerable extent to the increase in wages that some of the railroads are paying above what they paid a year ago. That means that a larger amount of money is being put into circulation through railroad employees, increasing their purchasing power and their power to save money for investment. Prices of farm products have been going up considerably. Cotton has increased in price to a very considerable extent and also corn and

wheat. Hogs are not quite so high as they have been. The price is fairly satisfactory. Cattle, I don't know the range for the last week or two, but the general price of cattle is quite a good deal higher than it was a year and two years ago.

I do not know of any developments in the conference at Geneva on naval limitations that have not already been given to the press.

I am having a little party at the Lodge on the afternoon of the 4th of July, partly so far as I am concerned in the celebration of that national birthday and personally in celebration of my own birthday. I should like to have the newspaper men and the photographers come out. The band from Terry, Montana, is going to visit me on that afternoon, and also the mounted Boy Scouts of Custer. I think that is the only troop of Boy Scouts that are mounted anywhere in the United States. I expect now that it will begin about 1:30 in the afternoon. I think that hereafter if is agreeable to the press we will call this conference at 11:30 instead of quarter to twelve, and that will give me a little more opportunity to get home for lunch.

Question: Has this Government ever had any propositions made to it for resting places in the Atlantic for this country and other countries for carrying mail?

President: Lindbergh told me something of that kind and in his opinion to undertake any regular trips  $4c\phi d/$  across the Atlantic it would be necessary to have landing places and some lights and so on for giving directions. There

is a good deal of development already. Radio directions can be used even in a dense fog and lights of course are nearly useless in a fog because of the difficulty of seeing them.

Question: Is the Government making any study of that?

President: I don't know that it is making any special study about that.

It may be something that might be taken up internationally, I should judge.

Question: How do you propose to spend the morning of your birthday?

President: Very likely I will come down to the office.

Question: Jack Sheehan said he thought you might see him at the mountain top?

President: Well, that will have to be his suggestion.

Friday, July 8, 1927.

Report of the Newspaper Conference.

I shall of course accept the resignation of Ambassador Sheffield. When he was at White Pine Camp last summer he indicated to me that he didn't wish to remain in Mexico more than three or four months, but he has been willing to stay on until this summer vacation. He is now on leave of absence. I don't know just when his resignation will take effect. I haven't any information about any developments in Mexico since I have been up here. If there is any development there, it would be in the information of the State Department, but until I have advices from them there wouldn't be anything that I could say about it.

Question: Are you going to name a successor to Ambassador Sheffield in the near future?

President: Well, I don't know how soon. As I say, he is on leave of absence and his resignation is not taking effect at once. It will take effect some time in the future. I don't imagine that a successor will be appointed and qualified for some time.

Question: Some months?

President: I didn't say some months. It will be some time, perhaps.

I haven't any plan about visiting either Colorado or Wyoming. I am rather embarrassed by the large number of invitations that are coming to me to visit various localities within the State of South Dakota and in neighboring states. I didn't plan when I came out here to make any tour of the country. I expected to remain here very much as I remained at White Pine Camp last summer. Of course,

I have the work of the office to perform here the same as I would have it in Washington, but I don't transact guite so much business mornings with people that are in the Government service. I see about the same number of people that I would if I were at the White House and there is really about the same difficulty about getting away that there would be if I were in Washington. Technically, the President doesn't take much notice of state lines. I have come out here because I wanted to come to the West. But of course the President has the fact that there are state lines brought to his attention quite forcibly by the members of the House and the Senate and I should like very much to spend the summer traveling about seeing the country and the people. It would be very interesting. But I don't see how I can do that. I am accepting invitations that are to places that I can go to from here during the day and return the same day, like going to Belle Fourche and Deadwood, Ardmore, where I am going to a Farmers' Picnic, and especially to inspect the United States Government Experiment Station that is located there for the purpose of making experiments to promote dry farming. But aside from that I have made no engagements.

Question: Did the Pine Ridge Reservation engagement escape your mind, or is that off?

President: It has not been definitely made. I want to go down and visit one of the Indian Reservations while I am here.

Question: How about Custer?

President: I think we shall go over there. I am not sure about that.

It is a short distance, less than an hour's drive from the Lodge.

Question: You didn't say you were going to be initiated into a tribe at Deadwood?

President: Just because I belong to one tribe is no reason why I shouldn't belong to another.

Question: You will join the tribe then, will you?

President: I suppose so.

Question: You haven't found out your name yet, have you, Mr. President?

President: Well it is something about water; I don't know whether it is still water or what.

I haven't any information about Ambassador Herrick that is definite. I had a letter from him saying that he was in this country, but was desirous of returning in time to be in France when the American Legion Convention takes place there, that he was going to go to Washington to confer with Secretary Kellogg, and would come out here if I wished. I told him that I am always pleased to see him, but no doubt that he could transact all the official business he had with Secretary Kellogg and I hesitated to urge him to take the long journey that would be necessary to come out here. I doubt if he will come here. But I left it to his discretion, because he will \*\*Monow what business he might have, rather than my knowing in advance.

I haven't any report about the landing of more Marines in China.

President stated he had left to Ambassador Herrick the decision as to whether he would come to the Lodge or whether he could transact all necessary business with the Secretary of State.

President's statement regarding Sheffield was along lines of letter transmitted to Secretary. It stated if any new developments in Mexico they would be made public through Department. No decision reached regarding successor. None probable for some time. Matters in hands of Charge, Expressed doubt whether received a final report from the Tacna-Arica Commission.

(china)

We had some that were sent over to the Philippines to be there, nearer to China than they are here, in case of any need. I presume this report that is referred to means that some of those have been sent up and landed around Teintsin. Or it may be that some have been transferred from Shanghai to Teintsin. I don't know of any developments in China that would call for the sending of any greater force there than we have at the present time.

Question: Are there any developments which would cause the transfer of the Legation or Embassy?

President: Not that I know of. My last information when I left Washington was that the situation around Peking was apparently such that it didn't appear necessary to transfer the Embassy, but instructions have been given to Mr. MacMurray to be ready to transfer the Embassy at any time and instructions were given to Admiral Williams to advise us whenever he thought the military necessary was such that the protection of the Embassy at Peking would be hazardous.

So far as reports have reached me, I should regard the Naval Conference going on at Geneva as making commendable progress.

I think quite a good many names have been suggested to me from time to time for appointment to the post in Mexico. No decision has been reached yet about it. Of course, it goes without saying, to return to Mexico, that our interests there will be in the hands of the Charge de Affairs while we have no Ambassador on the ground. What is the name of that Charge?

Mr. Sanders: I was trying to recall.

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President: It isn't Sutherland?

Sanders: No, it is a very different name.

President: Schoenfeld isn't it. Yes. He is a very experienced man who has been in Mexico for a very long time.

Question: Before the appointment of the Ambassador we conducted all our negotiations with Mexico through the Charge de Affairs. Is it the intention to continue that in the future?

President: I have forgotten whether Schoenfeld was in Mexico at that time.

Question: There isn't any idea of not sending an Ambassador there for a very long time?

President: No. I should expect that we would not be without an Ambas-sador to Mexico any longer than we would be if Mr. Sheffield was to return after a period of leave.

I am not sure whether the Tacna-Arica Commission has given me any final report. I don't think they have made a final report. They of course made reports from time to time, but I do not think any final report has been made.

The matter of the award of Distinguished Service Medals comes up through the War Dept. rather than going down through the President. I don't know whether they have in mind to award any on account of flights to Europe and the Hawaiian Islands or not. I imagine that they will award some, but I haven't any information about it.

Question: Secretary Wilbur was quoted the other day as saying he was going to recommend one for Byrd?

President: Yes, of course I should have added the Navy Dept. Commander

Byrd is a naval officer and the men who flew to Hawaii are Army officers.

Tuesday, July 12, 1927.

Report of the Newspaper Conference.

The naval armament conference is making some progress. They are evidently having a great deal of discussion relative to the cruiser problem.

I think they were to have a plenary conference yesterday, in which the positions of the different governments would be quite fully outlined. I haven't had any reports to indicate whether that plenary conference was held or not, but I suppose it was. I think they will be able to resolve that question after due deliberation.

I haven't yet seen the Government reports that come out about this time on crop prospects. I think that would be published yesterday. Ordinarily they usually come out on the 10th. The 10th being Sunday, I suppose they would come out on Monday.

All I can say about legislation to take care of high water in the Mississippi Valley is that a very careful survey is being made by the engineering department of the Army -- I think we have three or four different bodies working on it. It wont be possible to make any suggestion until their report on the facts is made.

I do not think that Lieutenant Maitland is coming here to have his decoration conferred. I am not sure just what has been done relative to a decoration for him, but I think I had word from the War Dept. that it was to be conferred in Washington.

The Governor of Wyoming is going to fly over here this morning. He is to take lunch with me at the Lodge, he and five or six other gentlemen from Wyoming. They wish to invite me to attend the yearly celebration which is held in Cheyenne.

Question: I understand that Colonel Roosevelt is coming out here to Pierre for a Legion convention. Is he coming here?

President: I haven't any information about his coming out here. \*\*If he is as near as Pierre, very likely he will come here to see me.

Question: Do you know where the Governor will land? .

President: No I don't. I understood he was to be here at Rapid City.

(Some one said that Colonel Roosevelt was to be at Yankton and the President remarked that in that event it would be like he being in Washington and Roosevelt in New York, and that he thought it unlikely that the Colonel would come a distance of 400 miles.)

Question: Can't you say anything more about the naval conference?

President: No, that is all the information I have about it. I can't go into the details of it. They are all given out at the State Department.

Question: You are still hopeful?

President: Oh, I think they can reach some agreement.

Friday, July 15, 1927.

Report of the Newspaper Conference.

I was very much interested this morning to have a visit from a delegation of the National Woman's Party. They are engaged in working for the Lucretia Mott amendment to the Federal Constitution providing a larger equality as I understand it between women and men than they think now exists. I was very glad to have them out here and hope the press will give it such publicity as it can.

Secretary Hoover will be out here in about two weeks or ten days. I don't know when Secretary Work is coming. He is out in this country now, or is soon to arrive out here. I don't think he has made any definite arrangement yet about coming to visit me. Do you know of any Mr. Sanders?

Mr. Sanders: He has not, Mr. President.

I don't know when I am going to return to Washington. I should like to stay out here as long as I can. I hope the members of the press like it well enough so that they will be content to stay with me.

I am going down to the U. S. Experiment Station at Ardmore tomorrow.

That is an experiment station in dry farming, as I have indicated. We have an irrigation project up in the northwestern direction, not very far from Belle Fourche, up in that region. I make that comment because of the question here as to whether there are any suggested assignments for vacation reporters. I think that you might be interested in looking at this experiment station

for dry farming and in the irrigation projectsometime while you are here and in writing on those two subjects.

I was very much interested to learn that Lloyd Bertaud and J. D. Hill, former Air Mail pilots are completing their preparations to make a flight from New York to Rome in a three motor Folkker plane which bears the designation "Old Glory" under the auspices of William Randolph Hearst.

I certainly hope the flight may be successful. It is of interest to the Government because it is another possible demonstration of the efficiency of our air mail pilots. Lindbergh was one -- I have forgotten whether any of those who flew with Byrd had been in the Air Mail service.

Mr. Lambert: Chamberlin was, Mr. President.

President: Yes.

It has been very pleasant to meet the people of this section since I have been out here. I have tried to see the people and have a chance to talk over with some of them the problems that they have. I hope it has been some advantage to me, as President of the United States, to get some first hand knowledge of these people and their problems. I do not find the people in the West however essentially different from those in the East.

Tuesday, July 19, 1927.

Report of the Newspaper Conference.

I haven't made any plans for visiting any places outside of South Dakota.

As I explained at one or two of the conferences, I have had a great many invitations, all of which I wish I might accept. It would be very pleasurable, I know. I

I think Secretary Hoover is reaching here Wednesday morning. He will undoubtedly come down to the office.

Question: Will he come direct from the train?

President: No. He is getting off and coming to the house first. I will undoubtedly bring him down to the office with me.

Question: He gets off at Custer?

President: I think so.

Question: You mean you are bringing him in tomorrow or the next day?

President: I imagine he dan come in tomorrow.

I think all the information that I have has already been reported in the press relative to the Naval Limitation conference at Geneva. They are evidently having some difficulty in reaching a final agreement about cruisers. As I am sure that each of us went there with a desire for/agreement that would afford limitation, I have every hope and expectation that some agreement will be reached, not probably just an agreement that any one of the nations would wish, but some point on which all can agree.

I am planning to make a little fishing trip to Mystic on Saturday. Ex-

Governor Mc Kelvie has a summer place up there, a camp in the hills. He is as you know a newspaperman, runs a newspaper in Nebraska. I think he is also President of the Agricultural Press Association. Perhaps I haven't the right name, but that is the meaning of it. And on account of his newspaper connection, I understand he would like very much to have the press associations here come up at the same time and take lunch with him. You can go up, as you know, from here on the bus or small train and get within about a mile and a half of his place, where he will meet you with a lumber wagon, which is the mounted bus up there. I am going to drive up just as near as I can. I can go to the same place and get off the automobile, can't take the auto any nearer than there, and go to his house. I am going to take occasion to fish there. I think I shall stay for lunch, and then I am coming back down the canyon.

Question: What time will you make that trip?

President: I am not certain yet. Some time between 7:30 and 9:00, but the members of the press can go up from here.

Question: What day is it?

President: Saturday.

Question: Are you going to fish or just spend the time there?

President: Going up to catch fish. Catching fish is not so important as to go out and get the exercise.

Question: Is this really a wagon you are going to ride on?

President: I think he said it is a wagon. He refers to it as the Mystic bus or something of that kind. Mr. Clark will have the details of the trip in mind. If you will apply to him you can get them.

Friday, July 22, 1927.

Report of the Newspaper Conference.

My son John is attending summer school at the University of

Vermont at Burlington. I don't know just when their summer school finishes.

It began right after the 4th of July and it is my impression it runs about six weeks, which would bring it up to somewhere about the middle of August.

When he has finished there, I expect he will come out here.

There has been no change in my opinion concerning a special session of the Congress.

The Board of Engineers are taking up the matter of repairing the dikes in the Mississippi flood area and it is my desire to make available such funds as are possible for that purpose out of the United States Treasury. It is rather difficult to form any opinion as to what ought to be done about financing the flood control and taking care of the financial situation without going into the whole topic. Of course I can not do this until the report of the engineers comes in and such other investigations as I may cause to be made, so that I wouldn't be able to give any final judgment about what the Government should do about closing all levees or meeting interest or amortization charges on levee bonds. My first impression would be to question very seriously whether the United States Government ought to pe pay any interest or amortization charges on outstanding local bonds, but that of course is all an open question and I

wouldn't be able to give any final decision about it.

Question: Did you say local bonds?

President: Yes. Of course, the U. S. Government has no bonds. The local levee districts have bonds. I don't know just what they include, whether they are State, district, county, or how they manage it, but they make their contribution to the building companies that issue the bonds in many instances.

I wouldn't want to undertake to make any decision about prospective tax reduction without first talking with members of the Congress. As I have pointed out a good many times, the matter of taxation is especially a matter for initiation in the House of Representatives, and while it isn't in any way unbecoming for a President to form a plan of tax reduction and present it to the Congress I don't think he ought to do that without consultation with the heads of the committees. I understand that the Committee on Ways and Means, I think it is, of which Mr. Greene of Iowa is Chairman, is making a study of the tax question. I wouldn't want to make any statement relative to what ought to be done without finding out from him, and of course from the Treasury Department, what studies have been made and what the results of those studies reveal. That I have not done.

Question: Is Mr. Greene coming here, so far as you know?

President: I had seen some reference in the paper to the fact that he might come here. I think I suggested to him before I left Washington that I would be pleased to have him drop up here to see me. When his investigations

have made some progress we might confer together relative to the financial situation of the Government. I don't recall that I have had any direct communication with him since I have been in the Black Hills.

It is difficult to form any reliable judgment here on the progress that is being made by the Naval Limitation Conference. While I have reports from it, I do not see all the papers that pass between the State Department and the Conference, or have a chance to talk with the Navy Department relative to it. I think all the formal dispatches, however, that are sent by the State Department are sent up here to me, and all the formal dispatches that are received from our delegation are sent up here. I have been very much impressed with the ability and discretion with which our delegation has presented the position of this Government; both Mr. Gibson and the Admiral have been I think especially effective in taking charge of the interests of the American Government at the Conference.

Question: You don't see anything unfavorable to some success?

Pres: I think they will be able to reach some agreement.

I don't think the Church Service Association of the City of Washington has been brought to my attention. The only information I have about
it is that which would be indicated by its name.

Question: You said your position on the special session hadn't changed? I am wondering if it would be asking too much to restate that position.

President: No, I don't think I will undertake to restate it.

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Question: Do you know how long your son will stay?

President: He will stay here until we return to Washington. I don't think his college opens until probably about the 20th of September.

Question: Than we will stay here any way not longer than the 20th?

President: I would hardly expect to stay here until the 20th of September

Tuesday, July 26, 1927.

Report of the Newspaper Conference.

I don't know whether Secretary Wilbur is coming here. I am not exactly sure that he will come. I have expected him to, but undoubtedly he feels that it is necessary to stay in Washington at the present time on account of the Naval Limitation of Arms Conference that is going on. I am advised that Secretary Work is somewhere in the West. Just when he is coming here I don't know. Have you heard anything definite from him, Mr. Sanders?

Mr. Sanders: No sir. We have no definite engagement for him.

President: I had some intimation that Mrs. Wilbur may go through here the latter part of the week, though there is no final decision about that.

I don't know of any choice having been made of a location for the next Republican National Convention. That, as you know, is a matter that the National Committee decides usually when they have their December meeting. A number of people have spoken to me about different cities and I have suggested to each of them that the thing for them to do was to put in their application to the Committee and when the time came the Committee would give careful consideration to all invitations and make the best choice it could. Of course, It is usual I think for the Committee to confer with the President about a matter of that kind and I shall be very glad to confer with the Committee about it if they wish to confer with me, but of course the choice lies with the Committee.

I should be very glad to have the Distinguished Flying Cross conferred upon Mr. Chamberlin, if it can be done within the law. It is my understanding that he is a reserve officer, though I have forgotten now whether in the Army or the Navy. Unless he is a reserve officer, I do not think that the Cross could be shall be conferred. But I MAXXESMENN very glad to have that done if there is any way it can be done. I make this statement, of course, in answer to this question here. It would be very improbable that I should overrule any recommendation given by the War Department or the Navy Department about the conferring of a cross or other honor, so that what I have said is of course subject to such advice as I might get from the Army or the Navy. I have given my personal opinion about first having the advantage of their advice about it.

I don't know enough about what is involved in the location of a municipal airport so that I could say anything that would be helpful relative to the suggestions that have been made for locating one in the City of Washington.

All that I have said and indicated heretofore was that I should be glad to cooperate in any way I could to help have a municipal airport for the City of Washington. It is of course highly desirable that the capital city should be furnished with such an airport. It was my first thought that the Army field or the Navy field would serve for such a purpose, but I am advised that that wouldn't be altogether convenient, so that I am very glad to cooperate in securing any other suitable location. Whether this location which is opposite Haines Point — it seems to be — well that is something I don't know.

Question: Is it your idea that all the large cities should have air-

President: Yes, that has been the policy of the Government, to encourage the cities and towns to have their own airports. The Federal Government is not adopting the policy of establishing airports itself, but of letting the localities establish their own and then the Federal Government puts its energy into the encouragement of aviation.

Question: Because of Washington's peculiar relationship, do you think the Federal Government would pay part of the expense?

President: Of course, all the expenses of the City of Washington are shared in by the Government. Whether there is any occasion for anything different here, as is the case in other municipalities, I don't know.

I am glad to see that there is a report of the final arrangements being perfected for the dedication of the International Bridge at Buffalo between Canada and the United States, which has been designated as the Peace Bridge, and said to have cost \$4,500,000. It is reported that kke Vice President Dawes is to be there. I requested Secretary Kellogg to go there, the head of the State Department in charge of our foreign relations, to represent the United States Government especially, as Premier Baldwin and the Prince of Wales are also expected there.

Question: Is there any chance of Premier Baldwin coming here?

President: Well, I think not. You see it is about two days journey

from there out here. He will see Secretary Kellogg there. If I were in Washington he was planning to visit me.

I have a delegation representing four or five states visiting me at the Lodge at 1:30, the Atlantic Yellowstone Pacific Highway Association, a matter of 200 of them. I don't know as it is anything that the press in general may care to attend. I presume some of the photographers would wish to be out there.

Mrs. Coolidge is attending the wedding of the daughter of Frank Mondell this afternoon. That is over on the edge of Wyoming.

Question: What time to you leave tomorrow, Mr. President, for Custer?

President: Arrive in Custer at 10:00. I don't know what time we leave.

Question: Do you plan to come back within a reasonable time?

Have you any plans for your return from Custer?

President: Why, no. We return when the pageant is over.

The President stated in relation to the dedication of the International Bridge at Buffalo that he had requested Secretary Kellogg to go there to represent the U. S. Government, especially as Premier Baldwin and the Prince of Wales were expected. He added that he did not think Premier Baldwin was coming to the Black Hills as it was a journey of two days and the Premier would see Secretary Kellogg at the celebration. He added also that the Premier had intended to visit the White House if the President had been in Washington.

Friday, July 29, 1927.

Report of the Newspaper Conference.

I think the press has all the information that has come to me relative to the Naval Conference at Geneva. The proposals that have been made by the representatives of Great Britain seem to us to call for the building of a much larger navy than we think is necessary, so that we haven't been able to agree. Now, whether those proposals may be modified as the result of conference and discussion, I don't know. The proposals that have been presented, as I understand them, call for the building of a larger navy than we should wish to agree to. I think that is the main obstacle. There are some other collateral questions about the tonnage of ships and the caliber of the guns, but I think the main difference is in the size of the navy. We called this conference, thinking that it might result in placing a limitation on armaments which would perhaps help the countries interested to reduce some as years went by the size of their navies, which would result in making economies, and secondly, what I thought was of even more importance, the promotion of a spirit of peace and good will and better understanding. I have placed that, of course, as the main object in view. The matter of the removal of the burden of taxation and the economic benefits would be the natural consequences of peace and good will among the nations. But up to the present time the expressed desire on the part of representatives of the British Government is for so large a navy that our representatives and our Government haven't been able to agree. As I said before, I want to emphasize that discussion may modify it to such an extent that we can agree.

Mr. Michael: Would you care to go beyond that point, in case we don't agree?

President: Well, in case we don't agree we are right where we are now.

Mr. Michael: Well, I mean as to what we will do with our navy in the way of building?

President: Right where we are now. We have no agreement now and will be in the same position we are in now.

Mr. Michael: I meant as to a navy program. Do you think we ought to build as to where Great Britain is?

President: Well, that is a matter to be taken up in the future and/which at the present time I would express absolutely no opinion. And when you have questions, Mr. Michael, you ought to submit them in accordance with the custom of the conference.

I don't know whether I can get back to the White House when we return to Washington. I think it is doubtful if it will be fully completed. They have made splendid progress and I haven't had any definite reports on it for some little time. But there is a good deal to do in cleaning up. You men may have noticed that it meant prattically the wrecking of the whole inside of the White House to make the changes and improvements that have been necessary. While no building goes on below, the second story, it is filled with dust and dirt and everything of that kind and it will take some time to get it ready for the use of the President after the work is all completed.

Question: Your Dupont place is still available?

President: Oh yes. That is the present headquarters in Washington.

I have already discussed the Geneva Conference.

I haven't seen the interview that was given by Mr. Tardieu relative to our French debt, so there wouldn't be any comment that I could make upon it.

I don't think General Hines has any special mission. I told him as

I did practically all the heads of our departments that if he was in this region
during my stay here, I hoped very much to have him come to see me. He came to

Custer this morning on a train due there a little after 10:00, which I believe
was a little late. I don't know how long he is going to stay. Did he give
any indication, Mr. Sanders?

Mr. Sanders: He didn't indicate just how long.

President: I will try to remind him this afternoon if he would like to see the newspaper men. I don't ordinarily come down here Saturday, so I don't know whether I am coming down or not. So far as I know, I don't expect to. But I will ask him about seeing the newspaper men.

There haven't been any developments so far as I am aware about the invitation that was presented to me by President Machado to attend the Pan American Conference which is to be held in Havana next winter. I told him I would take it under consideration and expressed the hope that I might be able to attend. Of course, it involves some question about the President going out of the country and xxx so on, which it might be necessary to give some thought to and which, when it is investigated, may not prove to be very serious.

I didn't bring away any gold from Mystic. There was some gold that showed up in the pan. I thought it was shown to all the members of the press

that were there. There were several of what I understand they call colors, which is considered to be a very good pan. A gentleman by the name of Sherman has just brought me in from Pactola a little phial with gold in it. He said his father came in here at a very early date. I didn't have a chance to inquire what Sherman family he was a representative of. There was a Sherman family which settled in Watertown, Mass. at the same time my family settled there. Some of them were at Swampscott with me two years ago and saw some of the Sherman headstones that were in that cemetery at Watertown when I visited there one day, Senator Sherman and General Sherman.

I doubt very much if I shall be able to attend the air races at Spokane.

Of course, I should really make that stronger -- that I will not be able to attend them. They do not occur until the 25th of Sept. and by that time I expect we will all be happily returned to Washington.

I doubt if I can continue horseback riding after I get back to the capital, and I don't know what I shall do about taking the horse that was presented to me back with me. I enjoy horseback riding, but when I am in Washington it takes too much time to get my boots on and off, change my clothes, and then my horseback riding experience was all in the country about what it is around the Lodge. What we have in Washington I didn't find very satisfactory with the necessity of crossing a road every little while and looking out for automobiles.

I don't know of any members of the Cabinet that are likely to come out here other than what has already been suggested.

Tuesday, August 2, 1927.

Report of the Newspaper Conference.

There is no foundation for the reports that it is stated here have been published, if they have been published, so far as I know, that the Geneva Conference will suspend until Fall. My advices are that they will make every effort to reach some agreement and if no agreement is reached that the Conference will adjourn.

It is rather difficult for me to pick out one thing above another to designate what is called here the chief accomplishments of the four years of my administration. The country has been at peace during that time. It hasn't had any marked commercial or financial depression. Some parts of it naturally have been better off than other parts, some people better off than other people. but on the whole it has been a time of a fair degree of prosperity. Wages have been slightly increasing. There has been no time that there has been any marked lack of employment. There have been certain industries like the textile industry and the boot and shoe industry in certain localities like New England, which have not been running on full time. But generally speaking there has been xx employment for every one who wished employment. There has been a very marked time of peace in the industrial world. There have been some strikes. When I first came into office there was a strike in the hard coal fields and another strike I think in the same line a couple or three years later, but those differences have been adjusted without any great conflict or any great suffering on the part of the industries or the public, so that there has been rather a time of marked peace in industry as between employer and employee. There has been considerable legislation which you know about, and which I do not need to recount. There have been great accomplishments in the finances of the National Government, a large reduction in the national debt, considerable reductions in taxes.

Mr. Michael: Do you know the amount of the reduction in the national debt? About \$4,000,000,000?

President: Well, it is close to that. It runs about \$1,000,000,000 a year, some years less, between three or four.

I have a reference here to Walter Johnson. Today is said to be the 20th anniversary of his entry into the major league. I think he stands up as a fine character, expecially in the athletic world. I would place that above everything else in athletics or any other avenue of activity that persons might enter into. Of course, in addition to that he is recognized as one of the foremost ball pitchers of his time. I don't suppose all the youth of the country would care to undertake to be league ball players, but I think they might all copy from a study of the character of Walter Johnson in an attempt to emulate him.

I have already referred to the Geneva Conference. I understand that they are getting ready to have a full session, or a plenary session as it is called, on Thursday and that meanwhile some negotiations are going on between the delegates. All that I could say about the conference now is that our repre-

sentatives will make every effort they can to secure an agreement.

I knew that there were some negotiations going on for the purpose of securing conservation of the oil resources of the country. Conservation is desirable. Of course, it can not be accomplished by making or entering into any agreements that might run counter to the Sherman anti-trust law. If it were possible, I think all those that are interested in the welfare of the country would like to see an orderly production of oil that would provide a permanent and stable supply at a reasonable price. That would be the goal toward which we would all wish to go. But like pretty much everything in human affairs, it isn't exactly possible to secure that kind of a result and we have to go along the best we can. Sometimes oil is too plentiful and is apparently being wasted, and then sometimes again it is too scarce and the price is too high. But any reasonable program that can be devised to secure the results that I have just mentioned I feel would be for the public welfare.

I haven't any plan to visit the Yellowstone National Park, nor to go to Vermont, and I am not certain when I shall leave the Black Hills. I suppose semetime the first part of September. Just what time, I am not yet able to say.

· If the conference will return at 12:00 I may have a further statement to make.

Friday, August 5, 1927.

Report of the Newspaper Conference.

It hadn't occurred to me that I needed to think yet what I would be doing after I retired from the Presidency. My work has usually come fast enough so that I haven't had to go out looking for it. I have no doubt that will be the case in the future. I don't know of any amplification I could make to the statement that I gave out Tuesday. Mr. Sanders and Mr. Geisser knew that I was going to make a statement. Quite naturally I thought I would like to confide it to the newspaper men first, though it is necessary for Mr. Sanders and Mr. Geisser to know about it in order to have it prepared.

I don't know of any foundation for the rumor that I might call another disarmament conference in 1929. I suppose that means in the winter. I will go out of office on the 4th of March and there wouldn't be very much time between the 1st of January and the 4th of March, 1929, for a disarmament conference and the submission of their findings, or treaty, if they made an agreement, for ratification by the Senate.

Question: Do you plan to call one before then?

President: I haven't any plan to call any conference. That is all I could say now. I wouldn't want to say I wouldn't call one, because I might. Perhaps I am a little overscrupulous about making statements of that kind.

I wouldn't want to go on record now with a statement that would foreclose my calling one if circumstances should develop that seemed that it might bring about some good result.

It is too early to tell just what will be the effect of the conference we held. Careful statements were made by Mr. Gibson and a statement was made and given out by Secretary Kellogg that cover the position of our Government, to which I do not see that I could add anything.

I am not familiar enough with the law so that I know whether Mr. Chamberlin is eligible for a D.F.C. I shall have that subject presented to the War Department and have them make an investigation and a recommendation.

I don't know of any new developments in China that would change the views that I expressed in an address I made in New York on, I think, the 27th of April relative to our policy there. I do not know just how many Americans we have in China. We have been getting them out and having them go home in a great many instances, and in others bringing them down to the coast where we could give them protection. I judge from the question that is before me that there has been some suggestion that because there are only 14,038 American citizens there that we are not justified in keeping 13,200 American soldiers and sailors and marines in that locality. Of course, we have to keep a sufficient force there to protect our people as best we can, and I haven't had a sufficiently detailed report of conditions in China for some days, so that I know just what is developing. I had understood that the situation at Shanghai had quieted down so that it has been possible to remove the barbed wire and other obstructions that fenced off the foreign quarter from the rest of the city, but I suppose that everyone knows that it was the presence of

the forces of the various interested countries at Shanghai that prevented the taking and looting of the city, which was a service not only to the foreigners that happened to be there but a great service also to the Chinese people that were in the locality.

Secretary Kellogg of course will take the message of the administration to Buffalo on the opening of the Peace Bridge there on Sunday. Aside from the message expressed by him, I am not expecting to send any special message of my own. It is hardly an occasion that could be dealt with in a short message and Secretary Kellogg will speak at some length and voice the sentiments of the Government. I think that will cover the situation.

I do not expect that the failure to reach an agreement at Geneva will have any serious effect upon the peace of the world. I use the words that are in the question here. It leaves us, as I said the other day, where we are now with the utmost of friendly feeling and cordial understanding between the three governments that were represented there and just because they were not able to agree on a naval building program doesn't interfere at all with the peaceful relations that exist between the three countries. When you write that out you had better say "among the three countries". It is better English.

I have the reports relative to the crop prospects in this mid-Western section that have come through the press and also from people that have visited me and have traveled over the country. Some of the officials of the C.& N.W.R.R. were in this morning and said they had never known better crop prospects in this

section than at the present time. That related to Nebraska and the Dakotas. The only weak place in the crop prospects is in the outlook for corn. That is still undetermined. The season was late, quite late in some localities, but there is still plenty of time to grow and harvest a very plentiful crop of corn. Other crops are more than satisfactory.

Rapid City, S. D., Tuesday, August 9, 1927.

Report of the Newspaper Conference.

Here are a couple of questions somewhat introspective relative to the effect of the environment about here being somewhat the same as the location and surroundings in which I was brought up. I find them quite natural to myself. I would say that they are conducive to peace and serenity. And I think that is a condition that contributes to the power of making important decisions. While I realize that these questions are more in the nature of an essay than of news, I am very glad to give my offhand opinion about them.

No final decision has been reached about a successor to Ambassador Sheffield or to General Wood. Mr. Sheffield is still our Ambassador to Mexico, though he wants to retire. He hasn't retired yet.

I have talked over the present state of the Navy with the Secretary, quite naturally, as he is here, more for the purpose of bringing my information up to date than anything else. We haven't developed any change in the naval policy that has recently been pursued.

I don't know of any appeal that has been received recently relative to the 'Sacco Vanzetti case. I get communications relative to it from time to time from people who through their misinformation suppose it has something to do with the U.S. Government. Of course it is a matter entirely within the hands of the Commonwealth of Massachusetts, over which the U.S. Government exercises no jurisdiction at all.

No decision has been made about another Ambassador to Cuba.

I would say in relation to the naval program of the United States what I said the other day, that it will go on the same has it has been going before the Geneva Conference. Our country had in process a moderate building program as outlined in my several messages to the Congress. I assume that that will be carried out.

Question: Wont the failure of the conference make necessary some increases in that program?

President: I hardly think so. Of course the program we have had heretofore was a program based on present conditions. We have had some hope that we
might get an agreement among the nations interested for further limitations, but
until that agreement was secured of course it was realized that we would go on
as though it did not exist. We haven't been able to secure it yet. We may
possibly be able to secure it some time in the future. But in the meantime we
will go on with our ordinary building program and what we thought was necessary
for the maintenance of the defense of the United States.

I haven't talked with the Secretary about any expansion of our aircraft program. We have, as you know, a five year program that was adopted as the result of the investigation that I had made in the Fall of 1925. That will be carried out, I assume, and there will be a considerable expansion of our aircraft over what it was before that date.

Governor Campbell is serving -- former Governor Campbell is serving the U. S.

Government as Commissioner General of the Seville Exposition, so that I shouldn't regard him as available at the present time for any other appointment.

Question: The Exposition is in Seville, isn't it? Spain?

Fresident: Yes. The Seville Exposition, pronounced -----

I don't think the death of GeneralWood will make any difference about the administration of the insular affairs.

I didn't intend to indicate the other day that I had reached any settled conclusion as to where the Insurar Bureau ought to be placed, if it is taken out of the War Dept. I suggested that my offhand thought was that the Department of the Interior would seem to be the natural department for it to go to. I haven't felt, though, that there was much disposition on the part of Congress to make a change. General Wood suggested when he was here the settingup of an entirely new department in which all those things would be gathered. I haven't liked the idea of establishing a new department. As the conference knows, I have been rather more interested in the consolidation of departments already established than of establishing any new ones. Congress has set up and I have signed some bills for new commissions and so on, as there didn't seem to be any other way to do. I have done it regretfully and with the hope that it would be temporary. But after a Commission is eatablished you find that it always wants to enlarge itself, employ more people, is very busy with Senators and Congressmen to impress upon them the great value of the services of the commission, and even when I talk with people that I appoint to commissions and tell them that

I would like to have them go on to the various boards with the idea that they may be abolished they say they ought to be abolished, but when they have taken their position they very soon seem to change their mind.

I don't recall any other trips that I have now, except the one to Rushmore tomorrow and the one to the Pine Ridge Indian Agency. I doubt very much if I shall go up the Spearfish Canyon. That is a very interesting canyon I know. but not particularly different in its formation than the Rapid River Canyon. I don't know just what route I shall take on the Rushmore trip. Col. Starling and Mr. Gideon have gone out again this morning to try to locate the best possible route. It may be that the road is so bad from Keystone up to Rushmore that it will be impossible to go up there. It was impossible to get through there even with horses a few days ago, there had been a cloudburst in the road, though it may be that it has been fixed up. I think it is quite probable that we shall stop at Keystone and have the exercises there. But that hasn't yet been decided. I am expecting to remain there but a very short time. think the exercises will take a great while. I have a short address, more appropriately referred to as a few remarks. which I am going to make. Then I think some one is going to say something particularly about Washington, another person about Jefferson, another one about Lincoln, and another one about Rooseveltl

Rapid City, S. D., Aug. 12, 1927.

Repart of the Newspaper Conference.

It would be my opinion that the news reels of the various agencies do perform a very important function in keeping the American people informed about current events. It states here that half the population of the United States see the reels weekly. We see quite a number of them at the Lodge and find them very interesting, and they give me an idea that I couldn't otherwise get of events that take place.

I don't see much chance that I might visit Aberdeen on my way back from here to Washington. We have an invitation to stop at Brookings on our way back and dedicate a library there that is part of the State University, isn't it Mr. Sanders?

Mr. Sanders: State Agricultural College.

President: State Agricultural College, yes. That would be the only stop I could make, if I go back that way.

Question: Do you plan to do that?

President: I have an invitation to do that. If I go back that way.

That will be the only stop I could make.

I think it is the general expectation of the members of the Congress that they will be able to pass legislation providing for the erection of a dam at Bowlder Canyon at the next session. Of course, all any one could say about a proposal of that kind is to indicate what the expectation is. It is a matter that has been before the Congress for some time. They haven't yet

been able to secure satisfactory action.

The business of the country is in very fair condition. Labor conditions are extremely satisfactory. Wages are on a very liberal basis. There is some unemployment in certain lines, not anything more than what is usual. That is always the case, that there are some lines lagging behind.

I haven't any direct information that the White House repairs are completed. I haven't had any report on that from Colonel Grant for some little time. I have heard indirectly that the work was all done and that what remains now is the cleaning up and putting the White House back into shape, which of course will take some little time. If it isn't all done, we will go back to Dupont Circle. We are still keeping the Dupont Circle house and rather expected to be there a short time after our return to Washington.

I have never given any consideration to transferring the Insular Bureau or other bureaus by executive order. It is possible that the President has authority to do that, but I should rather hesitate to do it because it would probably make necessary some kind of legislation and it would be very much better to have the legislation before the transfer than to try to get it afterwards.

I haven't any figure to set for next year's budget, other than what I stated in my address before the Business Meeting of the Government. Of course, I should be pleased if I could bring the amount down to \$3,000,000,000. I don't think that can be done. It will be something over that. Just what

it will be I couldn't say until I have a chance to confer with General Lord, who is arriving very shortly. Is it this evening, he is coming in?

Mr. Sanders: Yes.

President: Is he arriving here?

Mr. Sanders: At Rapid City.

President: What time?

Mr. Sanders: 6:40 or so.

President: I am very hopeful that there will be some railroad consolidations. They could be facilitated some by law, but I think there is adequate law now to provide for a great many desirable consolidations. My general position in relation to that has been set out in so many of my messages that it wouldn't be necessary for me to restate it.

I am going up to Newell I expect some where about the 1st of September.

There is a fair up there that they would like to have me attend. I have forgotten whether the fair is in the town of Newell, Mr. Sanders?

Mr. Sanders: Yes. It is in Newell.

President: And there is an irrigation plant there that I would like to look at when I am in that section. No final determination has been made yet about my visit there, but I am expecting to be able to go.

I don't know whether I can write an inscription for the Rushmore Memorial.

Perhaps I can. I will do it, if I can.

It is a little hard for me to say what problems I shall take up with

General Lord. It comes the other way about. He expects to take up problems with me and they will be such as would naturally occur to any one, the amount of the budget, its distribution among the different departments. There may be some special things that relate to different departments which are questions of policy that he will especially want me to decide before he makes any recommendation, because if the President has certain policies to carry out quite naturally the Director of the Bureaunof the Budget would want to know it in order that he can take that into consideration when he makes up the budget and makes his recommendations for appropriations.

I have made some suggestions to the conference once or twice about some general topics that might possibly be discussed. I have in my hand here a very interesting report from the Industrial Division of the Chamber of Commerce at Euron, S.D., relative to the development of this state as a dairy state. I think that most of this information was given to the press when this was presented to me, by some people that came here. It is here on my desk accompanied by figures and charts of that kind which show the very interesting development of this state in agriculture, especially in dairying. It led me to think that that when any one had time on his hands he might very profitably make some investigation as to the development of the state since the culmination of the war period in 1920-1921, find out the production and the probable value of the production of cattle and sheep, wheat and corn, different farm products, and the banking situation. Some of the banks in the state failed. It would be inter-

esting to see whether the amount of the deposits in the banks in the state have increased or diminished since the culmination of the war activities in 1920-21. Things of that kind. If any one wanted to make a study, it might possibly be very interesting.

Tuesday, August 16, 1927.

Report of the Newspaper Conference.

I don't know of anything definite that I could say at this time relative to tax reduction. I think you will recall that I suggested to the last Congress that we could reduce taxes some at that time. Congress concluded that they would not do so. What the prospects will be for tax reduction when the next session of Congress opens it wouldn't be possible to state at the present time.

Question: I didn't get that?

President: It wouldn't be possible to state what the prospects will be for tax reduction when Congress opens at this time. It is evident that there will be something of a surplus. Of course, if the matter was to be left entirely to me I could state what could be done. Congress always has a good deal of a disposition to spend money, and the amount of tax reduction of course is dependent on the spending program. It would be possible to reduce taxes if Congress wished to refrain from increasing the expenditures of the Nation.

There is nothing new developed in the naval program. Of course, it is now apparent that it would have been very much wiser for Congress to have adopted my suggestion when the suggestion was made at the conference with certain members of the Naval Committee of the House, that they pass a bill authorizing the construction of 10 cruisers. If that had been done I should have been in a position to put into the present budget an appropriation for starting such work immediately. They chose to take the other course, of not authorizing any new cruisers, but making an insignificant appropriation for beginning work on 3 cruisers that had

already been authorized. The result of that as it has turned out is to delay the building program of the Navy.

There is no development relative to a possible special session of the Congress.

Quite naturally, I haven't had time to canvass the situation very carefully relative to a successor to General Wood. I am advised by the War Department that the present Vice Governor, as I already knew, is a very competent man able to carry on the work there very acceptably, so that it was not thought that there was any necessity for haste in choosing a successor to General Wood. It is a situation which needs to be canvassed very carefully before a decision is made, so that I do not expect to do very much about it other than think it over before I return to Washington. When I reach there, I will have a chance to confer with the Insular Department officials and others relative to what should be done.

I am not aware of any principle which has developed in the Mexican situation. The same problems confront us there that have for some time.

I have made no decision about visiting Yellowstone Park. I had some inquiries made to see what would be required as to time, what accommodations could be secured, transportation, and so on.

The building up of our Air Service is going on in accordance with the five year plan adopted by the Congress. There is no particular change contemplated in that direction. The law was passed in the session which began in 1925 and ended in 1926, and wasn't fully put into effect until last year during the session of

1926-1927, so that it did not get fully underway until the present time and the result of that is that in the present budget the project being fully under way requires a somewhat larger appropriation than had been required when it was starting out and not fully developed. Of course, it was a matter or business routine to provide in the budget for all the naval projects authorized by the Congress, because we had started work on all the projects and that work of course should continue. There is no new work, I think, that has been authorized by Congress on which construction has not already begun. That being the case, we have started to construct and of course the construction should be carried on.

I think I remarked the other day that undoubtedly I shall have plenty of opportunities to work, some real and a good many fanciful. My college has just chosen a President, a young man as college presidents go, very promising, and I doubt very much if they are contemplating making any change. I should presume that the United States Steel Corporation would need an executive head during the next year and a half, which would probably prevent their waiting for my services, even though they thought that was desirable.

General Pershing was at Cheyenne visiting his father-in-law, Senator Warren, and on his return East thought he would pay me a visit. I haven't seen him since he went to France early in the Spring to represent the Battle Monuments Association, of which I think he is Chairman, and very likely he thought he would like to report to me some of the results of his observations there on the condition of the work.

Mr. Gallagher and Mrs. Gallagher are personal friends of Mrs. Coolidge and myself and very kindly send us a turkey for Thanksgiving. They were in this section of the country and we would like very much to have an opportunity to reciprocate.

Question: With trout?

President: The trout are not biting very well. The water is so high and so muddy that it isn't possible to fish in the usual locations.

Friday, August 19, 1927.

Report of the Newspaper Conference.

I expect to go to Yellowstone Park. In accordance with custom, I would rather you didn't publish the date of my going. You can get from Mr. Sanders the time. You will have plenty of time to get ready to go, those of you that want to go. And I understand that the telephone people are making arrangements for the accommodation of the press out there. I don't know where I shall be located. I expect, most of the time, on the hoof.

Mr. Morrow is on his way out west from here, I think some place in Idaho, isn't it Mr. Sanders?

Mr. Sanders: I have forgotten.

President: He has a ranch out there to which he is going. I haven't any particular matter to discuss with him. He is going through and stopped off to see me.

I don't know just when I shall return to Washington. I should think we ought to be back there by the 12th. I am expecting to stop at Brookings on the way out. That is the State College. I expect to dedicate the Lincoln Library at the State Agricultural College. It is the only stop I shall make.

I haven't made any definite conclusion about authorizing any naval building. I think all of my messages have suggested the need of additional cruisers and additional submarines. Since I have been President we have authorized and started building eight cruisers, and as you will recall after

the conference with some of the members of the House Naval Affairs Committee a bill was put in for ten additional cruisers. I referred to that at the last conference. I didn't suggest at that time that I had it in view to build ten for the coming session, because I haven't had it in mind. I don't know what it will seem desirable to suggest. There will be some building of additional cruisers, but I haven't any particular number in view. I think I was suggesting that we would have been a little further along in our naval program if I could have put into the present budget an appropriation to start building these cruisers instead of simply continuing work on three cruisers. We would have been seven cruisers ahead of what we are now. That is not a matter of great consequence as it is a matter of years to build them.

Question: Couldn't an authorization for those additional cruisers be made and a supplemental estimate put through?

President: I hardly think the naval program ought to be carried not in supplemental estimates. It is/a matter of emergency. It ought to be taken up and carried on in the annual estimates.

I have stated my position relative to our merchant marine several times in my messages to the Congress. I haven't changed my views on it.

I am not in favor of the U. S. Government embarking on another program of building ships. We have just \*\*x\*\*\* had an experience in building \$3,500,000,000 worth of ships on which we lost over \$5,000,000,000. We have a large number of ships on hand that are not in use. Nearly all the ships

we are operating are operating at a loss. I think I might with a great deal of safety say that no ship the United States Government is operating is now operated at a profit if you take into account the capital outlay. What I desire especially to do is to get our merchant fleet into private operation, with sufficient guarantees to have it kept in operation.

Question: May we return to the naval construction program for just a moment?

President: Yes.

Question: I was wondering if it would be possible to increase that appropriation, which I think you called an insignificant appropriation, in the next session?

President: We are increasing it.

Question: For this next year?

President: Of course. We made a small appropriation to start those three cruisers and I am recommending to the coming Congress such an appropriation as is necessary to carry on that work at a reasonable rate.

I think I shall go up to Newell soon after I return. Is it the first of second, Mr. Sanders?

Mr. Sanders: 1st of September, Mr. President.

President: That will be on the 1st of September. It isn't necessary to publish the exact date. I don't know now of any Cabinet officers that are likely to be out here. Some of them are in the West and it is possible they may come. Secretary Jardine I think is out here somewhere. Mr. Hoover and Judge Wilbur are both of them on the Coast.

I have had advice from the War Department that Clarence Chamberlin doesn't qualify under the law for any award, he not having made this flight while he was a member of our military organization, so that it would have to be done by a special act of Congress. I should think that something of that kind might be appropriate, though I wouldn't want to commit myself definitely on it without advising with the War Department to see just what the established policy is, if there is one, about special Congressional acts.

There wont be another newspaper conference before we start for the Ywllowstone, so I hope to see you on the train.

Rapid City, S. D., August 30, 1927.

Report of the Newspaper Conference.

It doesn't seem to me, unless I get some information from the Navy Department which would change my opinion, that the Government would be justified in assigning a fast cruiser to send Lieutenant Williams to Venice to take part in the air races. This country is maintaining a trans-Atlantic steamship service which I should suppose ought to be adequate to serve for any such purpose as is indicated here.

No final decision has been made about filling foreign posts that are now vacant.

I haven't enough information to express any opinion about the Teton Mountains in the Yellowstone Parkl Most of you went to the Park with me. I doubt if I could add anything to the knowledge you already possess about the value of the Park in its purpose to maintain intact the great natural wonders that happen to be located in that vicinity and the advantages that accrue from the opportunity of the public to visit the Park and find there roads and accommodations for staying at hotels or in camps, as they may desire.

I doubt if I shall be able to get to the Bad Lands. I have so much to do that it seems practically impossible.

I haven't any information about any suggestions to put the Bureau of Efficiency under the Bureau of the Budget. It doesn't seem to me offhand

that any proportionate advantages could be secured from that.

duestion: The idead was to use the Bureau of Efficiency as an investigating body as it does now to look into the efficiency and cost of the different departments.

President: Of course, we are doing that all the time. The information is open to the Bureau of the Budget. I think the Bureau of the Budget ought to be kept, in so far as it can, a distinctly financial bureau and not undertake to deal with other administrative features. There may be some reasons for that which haven't come to my attention, but so far as I can see I think I should prefer to leave the Bureau of the Budget unencumbered with other duties.

I have never given any thought to the discontinuance of the official receptions. I don't know of any reason why they should be discontinued. It is part of the social life of Washington and helpful in a great many directions. I don't know why they should be discontinued any more than any other function of the Presidency.

I have understood from the State Department that the present Chilean Ambassador was to retire and would be succeeded by - I think this name is correct - Carlos Davila.

I am expecting to leave here for Washington some time next week. Members of the press will get that information from Mr. Sanders in time to make their own plans.

I haven't any particular policy relative to the Columbia River Basin, other than a general desire that I expressed I think in my messages to the Congress for the development of work of that kind as fast as the resources of the nation and the funds will permit. This is, as I understand it, a somewhat large and special project and will take a good many years for its completion. I have never made any careful study of it. Perhaps it would be better for me to wait until I hear what this committee has to say before expressing any definite opinion about it. I have known of it in a general way as something that will probably be brought about some time, but I had understood that the cost of it was over \$100,000,000 and would require a tunnel of some 75 miles. I think those figures are correct. They may not be. So that you can see it would be a very long task to put that project into operation.

I am expecting to dedicate the library at the South Dakota State College at Brookings, S. D., on my way to Washington. I have no other speaking engagements and do not expect to stop anywhere else on my return trip.

About all I could say about the trans-oceanic flights that have been made recently is the very general statement that they have demonstrated that such flights can be made, but that they are not easy. Evidently we need to learn a great deal more of their difficulties and how to overcome them to be sure at all that when a plan leaves one shore it will reach its objective point on another shore. The more we see of other flights, the more the flight of Lindbergh stands out, because he started for a definite point and reached

it. I don't mean by that to detract from the efforts that others have made, but the others have generally demonstrated the difficulties.

Rapid City, S. D., Friday, September 2, 1927.

Report of the Newspaper Conference.

So far as I am aware, I shall not have any conference with Chairman Green of the House Ways and Means Committee before I return to Washington.

Have you had any communication, Mr. Sanders?

We have had none, Mr. President.

President: Yes. Of course, if he would like to come here to see me I shaould be very glad to see him, but so far as I know it will not be necessary before I return with anything I have in mind to see him. If he may wish to see me, and has something in mind which makes it desirable to see me, I should be glad to see him.

At the last conference I said that unless I got some information from the Navy Department which would change my opinion, I didn't think it would be necessary to send a cruiser with Lieut. Williams to Venice to take part in the air races. I am advised by the Navy Dept. that it wouldn't be possible to get him over there by public transportation and that if he goes it will be necessary to send him on a naval vessel.

Question: You have no objection to that then? President: Oh. no.

I haven't made any change in my opinon about a special session of the Senate or a special session of the Congress. I told Senator Jones that it had occurred to me that it would be well to explore the question of whether a special session of the Senate to take up certain contested elections cases might be helpful, but I haven't had a chance to see any of the Senators to find out what their opinion would be about that. I don't know just what the standing of the contested elections cases is at the present time.

I haven't any plan for Labor Day. We are having some people at Hermosa come up to the Lodge, I think tomorrow afternoon. The band of the Cavalry Regiment that is located at Fort Meade is coming over to stay a few days at the Camp - the Lodge - and they will be there tomorrow to help entertain our guests.

Question: Is it your plan Labor Day to come to the office?

President: I think so. Yes. You see mail that is sent up here from Washington for me to look after would be here on Labor Day the same as any other day. Very likely I shall observe that, as I do other days, here in the office.

Question: The people from Hermosa. Is that any selected crowd or organization, or --

President: I think it is more especially the people connected with the church there.

I don't know of any communications from the Filipino leaders asking for a change in the form of government of the Philippines. Possibly something of that kind may have been sent to the War Department. It would be given out, if anything of that kind had been sent. I don't recall that any communication has come to me from the War Dept. on that subject, and I haven't seen anything in the press.

I haven't had any reports on China for some time from the State Dept., which would indicate that there was apparently nothing serious over there to report and no change in conditions. I think the plan is to have our Minister, Mr. Mac Murray, return to this country, I don't know but that he is on his way now, to confer with him concerning conditions in the country to which he is accredited.

There has been quite a good deal of confusion in the press and in the minds of some of the members of the Congress relative to the so-called Bankers' Manifesto, which dealt with what are referred to as economic barriers. There is a very good article on that in the Saturday Evening Post, of Sept. 3rd., an editorial, and the conclusion of it is this: The suggestion that discussions on trade barriers are directed at us in the same sense that they are directed at European countries is gratuitous.\* \* \* . The sense of the article is what I always understood from the Bankers' Manifesto and the various resolutions that have been passed at economic gatherings in Europe, that it referred to the intercourse between European countries and did not refer to America. One of them recommended that Europe ought to have substantially similar freedom in commerce and trade as exists between the 48 states.

Rapid City, S. D., September 6, 1927.

Report of the Newspaper Conference.

I understand that the White House will be all ready for occupancy when we arrive back in Washington, so that it is my expectation that we shall go right there.

I haven't received any report from Senator Jones on any poll of the Senate. I didn't know that he was taking any relative to a special session.

Question: Didn't we understand you to say that the Senate would be worth exploring?

President: I said I thought it would be worth exploring the question, that the question ought to be explored, and I said that I wanted to talk with some Senators about it. I didn't say that Senator Jones would probably do anything further about it.

I expect that there will be a press conference Friday. I am not certain, but I think there will be.

There isn't anything that I would care to say in the way of comment on Senator Bingham's statement to the press relative to the Philippines or relative to China.

Nor have I any further statement to make relative to the development of the Columbia River Basin.

I didn't undertake at the last conference to express any views on the bankers' manifesto. I called attention of the conference to what seemed to

me to be a very illuminating editorial article in the Saturday Evening Post issue of September 3rd.

Yes, I feel physically benefited by my stat out here.

I don't know that the resignation of Lord Cecil from the English Cabinet would have any effect on this country one way or the other. We have had our views about naval disarmament and stated them as clearly as we could. The British Government didn't agree with us. Lord Cecil indicates now that he personally was inclined to come nearer to an agreement with us than the British Government was. Therefore, he has resigned. With him cut of the British Government I should think it was obvious that that left the Government more unanimously in disagreement with our views than it was with Lord Cecil in the Government.

I don't know of any plans that I have for the remainder of my stay here, other than the usual work. I believe the guard from the 104th Cavalry that we have had at the White House, at the Lodge, will all assemble in front of the Lodge Wednesday and have a picture taken with me. I think that is to be Wednesday. I don't know if that is of sufficient importance, but it is the only think I can think of.

Question: Is it your intention to come in every day from now on.

President: Yes.

Mr. Young: Mr. President. Not being sure whether we can have a conference Friday, the newspaper men are very anxious to express their appreciation of all you have done this summer for them and they hope you have enjoyed your-

self. We have had a good time in addition to our work.

President: It was very kind of you to express yourself in that way.

I hope you have enjoyed your stay out here. I think you will have found it very interesting. I know there was some expression when I determined to come out here that perhaps the newspaper men didn't like the assignment, but so far as I have been able to observe after we arrived here any such feeling as that was entirely dissipated. I am sure the people have done everything possible to make it pleasant for the members of the press and different things have gone on here. While perhaps you wouldn't care to see them every day, they are new and novel to us, and I am sure have been interesting to you.

Rapid City, S. D., Friday, September 9, 1927.

Report of the Newspaper Conference.

In common with what I am sure is the sentiment of all the American people, I can only express my great regret at the recent losses that have been met with in attempts to fly across the Atlantic, either from this side or from the other side. As I have had occasion to remark before at the Conference, it all goes to show that the accomplishment of Colonel Lindbergh was even more remarkable than we supposed it was at the time.

I am not enough of an expert on aviation to have any opinion that is worth very much about trying to provide regulatory measures by legislation relative to the navigation of the air on the Atlantic. I doubt very much if they would be of any very great value. I can hardly imagine any government board that would want to take the responsibility of sending any one to fly across the Atlantic. Such flights would have to be done by volunteers. And I do not know of any airplanes that have attempted to cross that it could be said were not properly equipped. There may have been some. If that is the case, it hasn't been brought to my attention. I think those flights that have been attempted have been made with all the precautionary measures that it was possible to take. I doubt if any department of the Government could have added anything to the equipment, or anything in the way of counsel or advice to the aviators that desired to make that trip. But it will be necessary to assemble all the evidence and make a careful investigation of it, in order to see whether anything can be done to

to make Trans-Atlantic flying more certain. It may be that it will develop that a single motored land plane is not one that ought to be permitted to be used to make a flight of that kind. But I imagine that if a sea plane came down in the middle of the Atlantic it would stand very little show of surviving until the occupants were rescued. Of course, it does without saying that where there is a multiplicity of motors that that is an added increment of safety, but whether a multiplicity of motors is feasible for so long a flight, on account of the additional weight they place on a plane, is something of which I am not informed.

I do not know that any application has been made by the French Government for a loan here. If any application is made, it will be taken up and determined on its merits, and it would be very improper I think for those who have the responsibility of making a determination to undertake to make it in advance on a hypothetical case and a suppositious question.

I indicated to the people of Rapid City that I had enjoyed my visit here very much. I haven't any particular conferences in mind when I return to Washington. It goes without saying that I shall expect immediately to see a great many officials, the Cabinet and the different department heads, and members of the Senate and the House.

Newspaper Conference, Tuesday, September 13, 1927.

THE PRESIDENT: Glad to see you all back.

It has not been possible to confer with very many people since I came back to Washington on the matter of the need of a special session. So far as I have been able to get any views on it, they have been rather against calling one. It has not been thought that there was need of one. From the views that come to me directly or indirectly considerable more investigation will have to be made until I can make a final decision. Of course it goes without saying - as I have indicated so many times - until I make a decision in favor of a special session the decision stands not to have one, or rather the condition is that there will be no special session.

There aren't any appointments at this time that can be announced.

I think some suggestions came to me relative to an investigation of the cost of producing flax and corn in foreign countries to see whether there was any occasion to change our tariff on corn and flax. Those went in the usual course of business to the Tariff Commission, and what action they are going to take on it I do not know. I suppose they will follow whatever the law requires in the matter.

All I can say about going to Havana for the opening of the Pan American convention in January is that I would like very much

to go. It is impossible to tell so far ahead whether it would seem to be expedient.

I had not thought of asking for any formal investigation of trans-oceanic flights. I think the situation though is one very well worthy of consideration. Perhaps the Secretaries of War, Navy or Commerce - the Assistant Secretaries who are specially engaged in the promotion of aviation - all of them, or any of them, might very well make an investigation for the purpose of securing what information they can, and, when the information has been collected, come to a determination as to what might be recommended for the Government to do. But so far as I can see now there is nothing that the Government ought to be required to do about flights of that kind except to give such assistance as it can, and that it has been doing.

I haven't any out-of-town engagements before Congress convenes.

I do not know whether Mr. Hughes is going to call on me.

I learned that he was in town but when he is here he is usually exceedingly busy about court work, and I always hesitate to ask him to call knowing that it might interfere with his professional activities while he is here. Sometimes he comes in, sometimes he doesn't.

There wasn't anything came up of any special importance in the Cabinet today.

I haven't any information about the action of the Federal Reserve Board in lowing the re-discount rate in Chicago. I think I have indicated to the conference a great many times that that is a board that does function and ought to function entirely apart from the Executive, acting almost entirely in the nature of a judicial position.

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I have sometimes made some comment on what they have done and the beneficial effect that I thought had accrued from it, but I do not recall that I have ever made any suggestion to the Board as to any action that it ought to take. I think the question involved here is tone of the interpretation of the statute under which they are acting. A good many times if members of the press want to comment on a matter of that kind it would be very helpful to them if they would get the statute and read it. I find in making my decisions it is often very much simplified if I find out what the law requires and then go ahead and do it. It answers a great many questions that might otherwise arise. A great many times a question seems to be very complicated and almost insoluble. If I take that course I find it is a very simple matter.

I did not happen to see the interview of Mr. Edward N. Hurley —

I think he was formerly the head of the Shipping Board — relative to

the ownership of shipping lines by railroads, which it is said here

he is advocating. I have a good deal of respect for Mr. Hurley's

judgment — always found him a very sound man. I suppose the objection

to the ownership of shipping lines by railroads which brought about

their divorcement lies in the fact that where railroads own shipping

lines there becomes a lack of competition. I suppose that is the

main objection. And perhaps a lack of opportunity for a railroad

that did not own ships to get their freight transported from the

seaboard across the water. I should need to make a good deal more

of an investigation than I have ever made in the past to come to any

definite conclusion on which side of this question the public benefit lies. One of the difficulties that we have in building up our merchant marine - I do not want to make any criticism that is not justified - is what I understand to be rather an indifferent attitude on the part of our railroads toward helping the American merchant I had a conference on that a couple of years ago or so to marine. see if I could not interest the railroads in making their shipments and in routing their freight that was to go over the water on American ships. Of course, the other difficulty lies with our shippers and our manufacturing and producing concerns. The American business people ought to have a merchant marine. They understand, I think, that it is to their advantage, but they, too, the Shipping Board tells me, are quite indifferent when they ship products abroad about undertaking to have them shipped on our own merchant ships. I think that is the main difficulty in building up our merchant marine - the indisposition on the part of American shippers and American producers - that is, those who send goods abroad and those who purchase goods abroad to be brought here - to an insistence that they be brought on American bottoms. I can see that if a railroad was permitted to own ships that then, of course, when they send freight abroad they would send it in American ships. I presume that is what Mr. Hurley had in mind, and that is in my estimation a very strong point in favor of permitting the railroads to own ships. But you have, on the other hand, as I have indicated, a desire and a policy or principle, which is I think entirely sound, of keeping competition open and making shipments abroad available to all

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shippers on a competitive basis and with open opportunity. Now I think it would be a very interesting study for any of you that might it wish to go into to look up the results that have accrued under each of these systems. I think we formerly permitted railroads to own ships and under the present law they are not permitted.

One of the newspaper men called attention to a prohibition against ships operating to Europe and Asia and also those engaged in coastwise operations, to which the President replied: Well, the same principle applies.

Another newspaper man referred to the Panama Canal Act and to the fact that a railroad that ran along the Great Lakes could not own ships, to which the President replied:

Well, you see I do not know enough of the details of the laws, as I already indicated, to go into any detailed discussion of it. I have only spoken of the general principle of competition and the general principle of encouraging our own people to send American freight that is coming in and going out on American ships.

Of course, our coastwise trade, I think, is confined entirely to American ships, is it not?

ANSWER: Yes.

So if that is the case any shipping that goes coastwise from one point of our coast to another point of our coast must go in American ships. What I have said must be said bearing that in mind.

The changes that have been made in the White House are very slight in that part that is occupied by my family and myself -- practically no

changes until the third floor is reached. A new roof was put on, as you know, and the third floor was made over. Of course, it is in very much better shape. It is more convenient and modern than it was before those changes were made. It leaves the White House now in first-class condition - practically fire-proof from top to bottom, and leaves it of course entirely safe.

There was one matter that came up in the Cabinet this morning that this question here reminds me of, and that is the matter of the bituminous coal strike. It was reported by the Secretary of Labor that recent developments in Illinois seem to indicate that there is a very strong probability - I do not know but that I might put it - a practical certainty that the strike is going to be settled in that State. Some other State - I think it was Indiana - it was reported was operating on the Jacksonville scale about 55 per cent of the mines, so I take it that that means that the strike is 55 per cent settled in that State. There is a very large tonnage of coal still on top of the ground so that there does not seem to be any immediate danger of any coal shortage. There is nothing in the price of coal, I was told, that indicated that there was any danger of a present shortage.

I do not recall that any report has come to me from the Tariff Commission relative to the import duties on cherries. Do you know of any report, Mr. Sanders?

MR. SANDERS: I do not think any has come, Mr. President.

THE PRESIDENT: I think the resignation of Charles M. Dean as Internal Revenue Collector at Cincinnati has been received and accept-

ed. I am not certain whether that went over my desk at Rapid City.

I think it did, didn't it, Mr. Sanders?

MR. SANDERS: Yes, sir, it did.

THE PRESIDENT: I want to congratulate the members of the conference that were able to be with me in the Black Hills and commiserate the rest of you that were not able to be with us. We had a most enjoyable season out there - very pleasant to me - and there was such a diversity of happenings that I think the newspapermen found sufficient material nearly every day on which to make a story. I heard very little complaint about that. I haven't seen the official figures of the amount of space that was sent out from the Black Hills. I think a computation was made of the space that went out from White Pine Camp. Of course, I stayed in the Black Hills considerably longer, but I judge the amount of material was certainly as much as that of a year ago.

NEWSPAPERMAN: I understand it was 2,150,000 this year and about 600,000 more than last year.

THE PRESIDENT: Well, I stayed away a much longer time. Last year I went away on July sixth and came back about the same time as this year. This year I went away three weeks earlier.

Newspaper Conference, Friday, September 16, 1927.

Exhibition of Paintings which is to be held at the Carnegie Institute in Pittsburgh on the 13th of October. I have been invited by Mr. James Francis Burke, former Member of Congress, and Colonel Church, who is the head of the Carnegie Institute in Pittsburgh.

I told them I would take it up and let them know in a short time.

There are no announcements to be made about appointments.

I presume everybody saw the report that Mr. Hoover made to me relative to the relief situation in the Mississippi Valley. That appears to be taken care of until January first. That leaves the matter of flood control. On that matter the Secretary of War says that he can't possibly have the annual report of the Board of Engineers of the Mississippi River Commission completed before the 15th of November — it may be the 1st of December. There will be a preliminary report by some of the engineering boards — he said there are five different engineering boards at work — before that time but the final report will not be ready until that time. As far as the Mississippi River flood problem is concerned there would be no action that Congress could take before its regular session.

I think, however, that some of the committees might be at work on some of the problems before the coming in of the session, and I am

giving you the situation as it appears to be today. Something may come up that would change it -- it has changed so from time to time -- but that is the situation as it has been presented to me today.

I haven't any information relative to the cotton market or the reports of the Department of Agriculture as to the probable trend of prices of cotton. Any information concerning that question would be much better secured at the Department of Agriculture. It has occurred to me that for any Department of the Government to undertake to give an opinion as to the probable trend of prices is rather hazardous. It seems as though we had a Congressional committee report not long ago that said that the price of gasoline was going up a dollar and the price of kerosene oil thirty cents. That hasn't yet turned out to be a fact. I give that as a rather extreme example of the errors that can be made by the agencies of the Government in undertaking to forecast prices.

I am not sure whether I can attend the Regatta tomorrow. I would like to and may find that I am able to do so. I am not expecting to take any trip on the Mayflower over the week-end.

There hasn't anything developed as far as I know relative to tax reduction that has not already been published. I do not know whether Chairman Green is in town or not. I haven't seen him since I returned. I rather think that he isn't here. Do you know, Mr. Sanders?

MR. SANDERS: I do not know whether he is here; we haven't been in communication with him.

THE PRESIDENT: Several members of the House have been in -- Western members -- but I haven't seen Mr. Green.

I do not know of any needs in the War and Navy Departments that are likely to jeopardize the reduction of taxes. I am expecting some additional expenditure in those Departments, though I think that the Departments informed me that the additional expenditures would be rather for non-military purposes. The War and Navy Departments take a peculiar view of that. They always seem to think that if they can tell me that the expense is for non-military purposes it doesn't cost the taxpayer anything, and that, therefore, I ought to approve it. I am telling you that for your information - not for your publication.

Newspaper Conference, Tuesday, September 20, 1927.

THE PRESIDENT: I suppose you are all members of the Press Club the same as I am. I want to say that I enjoyed the opening of the theatre very much last evening. We have a very beautiful building on that corner. Perhaps I appreciate it all the more because for two years I lived on the opposite corner in the Willard Hotel. I can see the very marked difference in appearance this building makes in that part of the city. It is a very fine theatre and I am sure it will add to the comfort of theatre-goers in the town, and to the pleasure of the many people who enjoy attending the theatre.

I am not able to find the time to go to Baltimore to attend the exposition of the Baltimore and Ohio Railroad. I am expecting to go to Pittsburgh to their celebration -- Founders' Day of the Carnegie Institute. That is of course more or less tentative, but it is my expectation that I shall be able to go.

QUERY: What is the date?

THE PRESIDENT: The thirteenth.

(Continuing): I doubt very much if I can get away as far as Chattanooga for the National Association of Manufacturers that are having a convention there. I would like to attend that convention and I would like to visit Chattanooga. I doubt very much if I can do it at this time.

I do not think any decision has been made as to the appointment of a successor to the Collector of Internal Revenue - I think his name was Charles Dean - at Cincinnati who has resigned.

I have appointed - I haven't put the appointment on paper, but have made arrangements to appoint and have secured the approbation of the Government of Mexico to the appointment of Dwight W. Morrow. of New Jersey, to be Ambassador to Mexico. (One or more of the correspondents left the room hurriedly at this point). I hope that is not going to cause any considerable exodus from the room. I can well understand how any one would like to go out to congratulate the country. I am very much pleased that Mr. Morrow is going to make the sacrifice that is entailed by accepting an appointment of this kind. He of course is retiring from his firm, of which he has been a member for thirteen years. He is a lawyer by profession: is very much interested in public affairs and has made a study of them. He is wonderfully well-equipped I think to take a mission of that kind. It is one of our most important foreign missions although perhaps not one that would be so much sought after as an appointment at St. James or at Paris.

QUERY: Is he going at once?

THE PRESIDENT: I do not know just how soon he will go. I suppose in a very few days.

As far as I can see there won't be any occasion for a special session of Congress. Arrangements have been made, as I indicated at the last conference, and the money paid over, to take care of all the relief that is necessary up to the first of January, and the information won't be collected by the Board of Engineers for the drafting of a bill to provide for flood relief until the middle of November, perhaps it will be a little later than that. I am advised by members of the Senate that they can take up distinctly Senatorial matters between the time the Senate comes in and the holidays, and before the bills begin to come over there from the House.

The Department of State has sent or is about to send a note to France relative to the new French tariff schedules. It is not our practice to give out notes of that kind without the consent of the Government to which they are sent. I think the French Government gave out some resume of the note that was sent to us. I do not know whether the State Department contemplates giving out any resume of the note that is to be sent to France.

Newspaper Conference, Friday, September 23, 1927.

## THE PRESIDENT:

I do not think there are any appointments that have been made that have not already been announced.

General Lord and I did not discuss the matter of a possible tax reduction this morning. I do not know how much it would be possible to reduce In order to get anything like an accurate estimate of that kind taxes. I should have to get figures from the Treasury and the Bureau of the Budget. Of course generally it has to be borne in mind that a great many of the items or many items that swelled the surplus last year are of a non-recurrent nature. I think some payments were made last year that anticipated payments that we thought might be made in the future, like the payment of the Boston and Maine debt; and the New Haven debt, which has been already paid or is to be paid, is in the same category. That means that receipts receipts the fater of last year or the rates of this year will be temporarily swelled, and the receipts of this year and the receipts of next year will be less than we had anticipated. That is, if we had expected \$50,000,000, for instance, which is going to come in in the next fiscal year, to be paid at that time, - and as a matter of fact it had been anticipated and paid during this year, it would make the receipts this year \$50,000,000 larger than we had expected and the receipts of next year \$50,000,000 less than we had It is difficult of course to forecast the returns from internal revenue, especially the income taxes, though the Treasury has been quite accurate in its estimates in that respect, but the amount of revenue that is derived from the income taxes relates to a very large degree on the state If business is good the income is larger; if it is not so of business.

good it is less. My best judgment is that the taxes that will be paid on the income of this year will be just about the same as on that of last year. I think there are some fields where the income is going to be a little larger than last year. Some other fields perhaps will not be quite so much. To a certain extent the fluctuations of business are absorbed by corporations. They are not absorbed by the individuals — it shows up in their income tax returns — but the corporations that pay a rather uniform rate of dividends do not change their rate because of small fluctuations in business. That goes to their stockholders, and their stockholders then pay income taxes which would not vary materially from year to year. An example of that would be a large corporation, like the American Telephone Company, which I think has paid the same rate of dividends for several years, though sometimes its income might be considerably in excess of what it was at some other time, but its stockholders would pay taxes on the same amount of returns from the company.

No definite program has been decided on relative to the Navy. I suppose it is generally understood that it will be felt desirable to build some more cruisers. I do not know just what may be necessary in the way of submarines. There has been something of an authorization of submarines since I have been President, and that program I think is being carried out as it was intended. We have recognized all along that more cruisers were to be built. Eight have been provided for since I was President, and undoubtedly the coming Congress will provide for some more. That has been expected all the while. If our recommendations had been

adopted at Geneva that is what we should have done, - we should have built more cruisers, - but as they were not adopted we shall naturally go on proceeding in the usual course of business of keeping our navy thoroughly equipped. It is my own feeling that the results at Geneva will probably make little difference one way or the other with the number of cruisers that are likely to be authorized at the coming session of Congress.

I noticed that the American Legion passed a modified resolution in favor of a unified department of national defense. I have forgotten just what language they put it in - whether it was as soon as expedient or as soon as it could be done or something of that kind, or a modified suggestion. That question was taken up and discussed to a considerable extent at the time President Harding had a commission working on the reorganization of the different departments. I think the commission rather favored it, and a bill was prepared with that in view. When I came to canvass the situation after I became President I was quite convinced that a provision of that kind in the bill would probably jeopardize its passage, so I think I recommended to the Congress the passage or the adoption of the recommendations of the commission with that exception. Of course, national defense is unified in the President, who is Commander-in-Chief of the Army and Navy. I do not know of any other way to unify it except by having a secretary of national defense, and then I think under him it would be necessary to have a secretary for the Army and a secretary for the Navy. I do not mean necessarily a member of the Cabinet but an assistant secretary. That would be necessary to work it out that way. The result in the Army and Navy I think would not be very much different than what it

is now. There would be an assistant secretary to run the Army and an assistant secretary to run the Navy. My own opinion is that the suggestion for a unified department is going to prove more or less academic. It is probably theoretically correct. It is the system we have in this country under the President and the system that goes into operation right away when we go into a state of war, because then the President takes immediate control and gives his attention to national defense. I think it is more or less academic to discuss it because I am quite certain that Congress would not look with favor on the adoption of a policy of that kind. As far as I can see there is very little difference one way or the other. One method works out in practice about the same as any other, but I think there would be a good deal of opposition to a change of that kind both in the Army and in the Navy.

I do not know of any foundation for any rumor that Secretary Jardine is to resign. It is always the fashion, as I have had occasion to remark heretofore, to have some member of the Cabinet resigning, and it almost always proves to be an unfounded rumor. Secretary Jardine is a very valuable man; he has worked out the organization of his Department in a manner that is very acceptable I think, and I feel that the Department of Agriculture is functioning exceeedingly well. I should regret very much to lose Secretary Jardine. He tells me that there is no foundation for the rumor; that he has been offered another place but that the parties that it had been assumed that were offering to give him employment were not in position any taxistics to make an offer of employment to any one. Their situation is not such that it was feasible for him to go into anything of that kind.

I do not think that flood legislation is being delayed by the failure of Congressional committees to begin hearings at the present time. a very difficult operation for a committee to start out and have a hearing unless it has some concrete proposition on which to have a hearing. by that some specific planfor relief or some bill. I presume that after the Engineers have reported and the bill has been drafted it probably will be in such terms that a great many of the people that might now think they might go before the committee and advance their plans might say: This is entirely satisfactory to me; it is being taken care of by duly authorized agencies of the Government - the Engineers, the Mississippi River Commission and the Committee of the States, and I am willing to let them present my views to the committee. Perhaps in that way the committee would save a great deal of its own time and save the time and expense of people that want to come up and present a plan, which they would not want to do if they found a plan had already been presented which was fairly satisfactory to them. I do think that the committees of the House and Senate might very well consider assembling early so that they might take this matter up just as quickly as they can as soon as they get some report from the Board of Engineers. have made that suggestion to them. It is merely a suggestion on my part. Of course it is for them to decide what they want to do. I do not have jurisdiction over committees of Congress or any authority to advise them what they ought to do. They are alert to the needs of the situation. large number of them live in the stricken areas so that I am sure that whatever may be necessary to be done will have their careful consideration and their most intelligent and aggressive action.

Newspaper Conference, Tuesday, September 27, 1927.

THE PRESIDENT: I haven't made up my mind yet as to a successor to Governor-General Wood for the Governor-Generalship of the Philip-The Philippine Commissioner, who is Resident here in pines. the city, came to me the other day and said that Senator Quezon and some others would like to come over here to confer with me about Philippine matters. I do not understand that it is particularly about the Governor-Generalship. Perhaps not at all about that. I told him that I would be very glad to receive them at any time. I suggested that their Legislature was in session and that these men that are to come - who I think are all members of the Philippine Legislature - probably have duties there to perform that they would want to weigh very carefully before they came away and left their Legislature in session. So I haven't any information as to whether they are coming or not from any authoritative source. I have heard indirectly that they were expecting to come leaving there very soon. I told him that I would be very glad to see Senator Quezon or any other of the Filipino people at any time that they wished to confer with me. You might make it plain, if you have any occasion to make any comment about it, that I am receiving them in this instance because they have asked to come if they do come; that they are not coming because I have sent for them.

I am not enough of an expert on naval affairs to pass any

criticism that would probably be of any great value on the article that recently appeared which was written by Admiral Magruder -- I think he is a Rear Admiral. I have only glanced at the article. I saw it when it came out. I thought perhaps that there might be some suggestions in it that would be helpful in the administration of the Navy or that would be worthy of investigation. I do not believe that there are any set of men, even though they are as wise as those we have in the Army and Navy, that are able to expend \$700,000,000 a year that can make the expenditure in such a way that after it has been made some onecould not show that a part of it could have been better expended in some other direction. Criticism of that kind helps some, but of course the criticism that helps more would be to indicate what can be done in the future. suppose every one knows that I am exceedingly desirous of having a first-class military establishment represented by the Army and Navy. I am desirous, too, of bringing the expenditure for that purpose within a reasonable amount. The country is able to meet the present expenditure without feeling that it is an undue burden in my opinion. So that my main desire is not so much to reduce the present level of expenditures as it is to see that the money that is appropriated is wisely expended and that as a result of it we get the very best possible Army and Navy that we can with the money at hand.

QUERY: Would you permit an inquiry as to whether the Magruder episode figured in the deliberations of the Cabinet today?

THE PRESIDENT: It did not.

(Continuing): I do not know whether the Navy is over-officered. own view about that would be that I do not think it is. Now I do not know whether this position of mine is worthy of very much approval. but my own feeling about both the Army and Navy is that we ought to have on hand a large supply of officers. It is possible to get enlisted men and train them in a short time, but it takes a long time to make officers, so that I should favor and do favor and have favored the policy of having anxes adequate supply of officers in the Army and an adequate supply in the Navy. I think they are an insurance to us and necessary for our protection. I do not know that it makes a great lot of difference where they are located. I think there has been some suggestion that perhaps there are more officers in Washington than are necessary. If there isn't anything for them to do somewhere else, it is all right for them to be in Washington. If the suggestion is that the departments here in Washington are presided over by officers of the Army and Navy, and that the officers are really not needed, and that they are here in Washington making expenditures of money -- I am not talking about their salaries -- that are unwarranted, of course that is criticism; but the mere fact that the officers are in Washington I do not regard as a matter of particular consequence. This is the headquarters of the Army and Navy. It is quite natural that we should have a good many here. But I assume that the suggestions that Admiral Magruder made are worthy of careful consideration, and it is possible that out of them we may be able to have a more thorough Navy for the same expenditure of money. If that can be

secured it would be very gratifying to me and I rather think it would be gratifying to all the people in the Naval service.

I do not know of any possible development relative to another arms conference. There is one going on at the present time under the supervision of the League of Nations, where our country is represented. I had not seen any suggestion from Baron Saito that his country might call a conference. The position that was taken by the was one Japanese at the Geneva Conference, I think that was entirely satisfactory to this country. We thought they showed every disposition to cooperate in every way they could. I have since the breaking up of that conference had no suggestions other than some newspaper questions that have come to me about the calling of an additional conference.

Newspaper Conference, Friday, September 30, 1927.

THE FRESIDENT: I am not entirely certain but I expect to say a short word of welcome to the delegates to the International Radio Conference who are to assemble Tuesday afternoon.

I have no information about any change in the tariff rates on automobiles on the part of Australia.

I had not given any thought to doing any traveling after I leave the Presidential office in foreign countries. I do not know now any reason why I should want to leave this country.

I do not know when Mr. Morrow is coming to Washington. I assume that he will probably come as is the custom with people who are sent on foreign missions to look over the files and have some conferences with the State Department before they take up their duties in foreign countries.

No decision has been made about the post in Cuba or in the Philippines.

Of course, nobody could make any estimate as to how much flood control will cost until the plan for flood control is brought forward. Undoubtedly different plans would cost different sums, perhaps varying quite a good deal, so that it would be idle to make any estimates in anticipation of the report of the Board of Engineers. The same reason would apply to any estimate as to the first appropriation. One would probably be correct

in expecting that that would not be as large as some of the following appropriations because there would not be the opportunity to begin the work, or rather there would not be the opportunity to carry on the work that there would be after it was well under way.

My views about the merchant marine have been set out in my several Messages to the Congress, and nothing has come to my attention to indicate that the position that I then took was not sound or one which I do not expect to support. There may be some changes in the situation that have not been specifically brought to my attention that would cause me to make some transient change of policy, but I think the permanent policy that I have already outlined in my messages is the one that this country should pursue.

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I have no information as to Mr. Schlee -- I do not know just how that is pronounced -- one of the round-the-world aviators -- made in the nature of any request of our Navy, so I would not be able to comment on that. I think those two men made a remarkable demonstration in reaching Japan. I am somewhat inclined to commend their wisdom in not attempting to fly across the Pacific.

Merely in answer to this question I would not say that the mission of Brigadier General McCoy to Nicaragua made him any more or any less available for the Philippine post.

I do not know of any general activity on the part of American producers or any general information as to their ability to supply the demands of the domestic market if our present customs duties on imports from France should be changed. The silk trade has voluntarily, and entirely of their own volition, sent word to me that they are in position to furnish to American consumers all the silk that is now purchased from France. And also one voluntarily and of their own volition reme of the associations of textile manufacturers sent to me the same information. It is coupled I think in both instances with the statement that they are not undertaking to influence the position of this government in any way and that they do not desire to do any injury to the people of France who are engaged in the production of silk and the production of fine textiles. It is merely a statement of their ability to supply the entire market here if the contingency should arise where that would be necessary.

QUERY: The other textiles. Was that cotton goods?

THE PRESIDENT: I do not know. It was a textile association — whether it was merely confined to cotton — some association I think that had headquarters in New York. I did not understand from looking at the letter and especially from the letterhead that it was confined to cotton textiles though that may be the case. It was simply an association of textile manufacturers but I think there was nothing in the letter or letterhead to indicate that it did not include both cotton and wool.

At this point the President indicated that there was nothing further and the correspondents proceeded to leave the room. They were called back and the President continued:

I wanted to say that I have a report from the Red Cross Headquarters that they have put their organization to work on the St. Louis disaster -

and a similar report from the War Department. I made inquiries of both of those places this morning expressing my desire that they should immediately offer such aid as they could. I find from the information I have received that their relief was already on the way.

Tuesday, October 4, 1927.

Report of the Newspaper Conference.

There are no appointments to be announced, either in the District

Judgeship of Northern California, or Court of Domestic Relations in Hawaii,

or in the District Attorneyship at Detroit.

I haven't made any study of the suggestion of Mr. Hurley, formerly of the Shipping Board, that railroads should be permitted to own trans-Atlantic shipping, or trans-oceanic shipping, since I discussed that casually at a conference some time ago. The only additional information I have is that there is a difference of opinion as to whether railroads now have legal authority to own such shipping. People not charged with responsibility for the management of railroads think the railroads have such a right. The managers of the railroads that have to be responsible for investments that are made and for observance of the law feel that there is so much doubt about it that they hesitate to undertake any such operations. I think the suggestion is worthy of very careful consideration and might prove a method of trans-oceanic operation of our shipping that would be highly desirable.

I don't know of any way that I can amplify the suggestion I made last night that the country will undertake to solve the Mississippi flood. problem. Any amplification of it would, of course, have to go into some detailed plans, and those of course are not ready. My suggestion about the development of inland waterways was more or less casual and would be the result that would naturally follow.Our work on the Mississippi in and of itself will tend to put that river into better condition for navigation. Of course, I didn't mean that the solving of the flood problem was going to be coincident with and associated with any plan for general development of all the waterways

in the country, included in the same bill. Our waterway development is going on. I made reference to that in the messages that I have sent to the Congress. Last year we had an additional appropriation of \$10,000,000 to speed up that work in the Mississippi Valley. The Ohio River is nearing completion, and I think will be ready for operation in about a year. It was those incidental things that are going on that I had in mind when I made the allusion that I did to the probable beneficial effect on navigation of our inland waterways that would result from our flood control.

There are no appointments ready for announcement as to Cuba or the Governor General of the Philippines.

Mr. Butler's visit to the White House was very largely incidental. He arrived here Sunday morning, and as he wasn't taking up his work with the members of the Committee until Monday morning he stayed with me during Sunday and Sunday night, then went to a hotel. I didn't go into details of it with him, but I understood that he was having some of the Committee members in to confer with them at this time relative to mattersof routine business of the organization. Last spring he made a trip out to the Coast, where he met a good many members of the Committee in the Mountain region and the Coast region somewhat west of there. I suppose that this gathering he is having here in Washington at this time is for the purpose of keeping in contact with members of the committee that he did not reach at that time. I don't see how it would be possible for me to attend the sesqui-centennial celebration at Saratoga.

I am not certain just when that is. Do you know when that is, Mr. Sanders?

Mr. Sanders: I don't recall just when it is.

President: Do you know, Mr. Mallon?

Mr. Mallon: No, I don't know, Mr. President. Some time this month.

President: Well, I am pretty completely engaged for this month.

I have celebrated quite a number of Revolutionary sesqui-centennials. I went down to the College of William and Mary in Virginia, made a speech at Cambridge, Mass. on the 150th anniversary of Washington taking command of the Army there, spoke in Trenton on the 150th anniversary of the Battles of Trenton and Princeton, spoke in Philadelphia at the celebration of the 150th anniversary of the signing of the Declaration of Independence. I have forgotten whether there have been any others or not. I don't recall any. Of course, my address before the Congress on Washington's birthday partook very largely of the same thing.

I am asking the members of the National Committee that are here and the officers and I think one or two of the ex-members that are in town to have breakfast with me tomorrow morning. I didn't see any other opportunity that I was likely to have to show those members any courtesy or to extend to them any hospitality while they are here. So I am very glad to have them come in at that time.

I am having the usual experience with a good many members of the House and the Senate that are returning to Washington. They are all interested in some plan that calls for a very considerable expenditure of public money. Most of them are projects that have a great deal of merit, but a great many of them are projects that can't be taken up at the present time. I am exceedingly interested in reducing as fast as we can, and at the same time maintaining a reasonable rate of taxation, the national debt. That would constitute, if it could be retired, the very largest internal improvement that it would be possible to conceive. The benefits that would accrue from it to the nation would exceed those of any other project. In fact, it would be so large that the Government could afford to pay each year the entire damages that accrued from the

flood and at the same time save money. I am not suggesting that that should be done. I am just giving you—an illustration, as I understand that the outside estimate of the damages that accrued from the Mississippi flood this year are not so much as the annual charge at the present time of interest necessary to pay what is required on the national debt. I have spoken of it many times in its military aspect. While I am in favor of very generous provisions for national defense, the weakest place in the line of national defense is at present the large debt of the country. So that I am trying to indicate that in my view the necessity of retiring that debt is the predominant necessity of the country, in an orderly way of course, and with a reasonable rate of taxation. But the burden that it entails and the menace that it constitues are both large and grave. We made a wonderful beginning on it. Perhaps one of the greatest satisfactions of my administration lies in the very marked reduction of the national debt since I have been President.

(The correspondents commenced to leave the room, the President having indicated that the interview was at an end. The President called to them, saying he had forgotten something).

President: Nobody has put in any question about the question that we have up with France and I very nearly forgot it, but I think I might make this suggestion to the conference — that we have only one material difference with France and that is solely a question of discrimination. Everything else is subordinate to that. We are not making any complaint about the rates or tariff customs that they wish to impose. We are not making now any complaint about the articles that they exclude entirely from importation into their country. If you wish to explore that, you can probably get considerable information from the Department of Agriculture. And we are not making any complaint about any favors that they want to extend to any other country. Those

things are up for discussion and are talked about. But the complaint we are making is a complaint about discrimination. We are on the most friendly terms with France, have recently been associated with them in arms, and it rather hurts the feelings of our Government to find that now they are inclined to discriminate against our commerce. The amount isn't very large. I think it is estimated as something like \$10,000,000 of our exports. It doesn't bulk very large when you consider that our exports are about \$4,000 million. \$10,000,000 is not very large when our total exports are 4,000 million. But it is the principle of the thing that we find very hard to justify. We want to be treated by them the same as they treat other nations, not asking for preference, but we are making our objection to the principle of discrimination. If you will keep that in mind in your discussion of the subject, I think you will be able to inform the public of the main question as it appears to the American Government - the question of discrimination.

Friday, October 7, 1927.

Report of the Newspaper Conference.

The committee of shippers in the Mississippi Valley who are here for some conference called in to pay their respects to my office. I told them of the great interest that I felt in having our Mississippi Valley opened up to navigation and I think I expressed to the conference at the last meeting my satisfaction in knowing that the work on the Ohio was so near done. And I also spoke to them of the barge line on the Southern Mississippi and the line that has just been opened on the Mississippi between St. Louis and the Twin Cities. Those barge lines were put in, as I understand, in the nature of demonstration lines. They are experimental. Their inception is for the purpose of seeing whether it is possible to operate transportation of that nature successfully. I don't take it that it has been the intention of Congress to put the U. S. Government definitely into the transportation of freight on our inland rivers. It is my understanding that the law provides that these experimental routes are to be put on and then disposed of under the general policy of the Government that that kind of work can better be done by private initiative, than it can by the U. S. Govt. I am very glad to cooperate in anything of that kind, yet on the other hand I should want to be quite careful about embarking the U. S. Government on any permament commitment to go into the shipping business.on our inland waterways.

Query: Did they ask you to recommend \$50,000,000 to the next Congress.

President: No, they didn't make any request of me except to come in to shake hands with me and tell me that they were a committee that had come in to confer with the War Department. I would like to make this distinction quite clear, that my view of sound policy is that we ought to do everything that it is reasonable to do to encourage private enterprise, as distinguished from putting

the United States Government permanently into the business of transportation on our inland waterways.

Mr. Morrow has been here in conference with the State Department in the regular course of business that a new appointee always takes up in the diplomatic service before departing on his mission.

I am very glad that this question has been asked about tax reduction and debt reduction. I intended at the last conference to be sufficiently specific and think twice I said I wanted a reasonable rate of taxation always, but I did speak of the great importance of paying off our national debt. Now the proper inference to have been drawn would be that I was opposed to extravagance, rather than that I was opposed to tax reduction. (Quite loud) I am opposed to extravagance, rather than to tax reduction. I thought some of the members of the press did not quite understand it. I want, of course, the payment of the national debt as quickly as possible together with any reasonable tax reduction that can be made. We have been pursuing that policy for several years successfully and I want to have it continued. So that while I am in favor of debt reduction and also in favor of tax reduction, I expect to accomplish both purposes by also being in favor of constructive economy and scrutinizing with great care all proposals to embark the Covernment in any new enterprises that are not absolutely necessary. We have to do such things as to take care of floods, whether they occur on the Mississippi Valley or are likely to come down through the White House roof.

Query: Has there been any such disaster, Mr. President?

President: I said likely to. Yes, we have sometimes had leaks in the White House roof since I have been there. But I think they have been taken care of now.

There is no announcement to be made relative to posts at Havana or Manila.

So far as I know, the United States Government is neither favoring nor opposing any particular candidate for the office of President of Nicaragua.

Tuesday, October 11, 1927.

Report of the Newspaper Conference.

I haven't any information as to the intention of Senator Butler, either to be a candidate or not to be a candidate again for the Senate. Any authoritative statement about that. I suppose would come from him.

There has been sent out for release tomorrow morning a report to the press relative to the building of a monument to Columbus, which is to be at Palos, Spain. It is to be built by funds raised in this country. The Government of Spain has already provided a location at the Port of Palos. Former Ambassador Alexander P. Moore is President of the Directors. There are several other very estimable men and women who are interested in this. I think it is an especially worthy object. I am very glad that this matter is being taken up and have no doubt it will be entirely successful.

Except what I have seen in the press, nothing has come to me relative to the report that the United States Chamber of Commerce is interesting itself in the matter of tax reduction. I assume that practically every one that pays taxes is interested in having their taxes reduced as fast as that can consistently be tone. I do not mean that they are taking a selfish attitude about it. Most of them realize that we have notyet paid off the expenses of the war and the spirit mong the taxpayers of this country is exceedingly fine and patriotic in their manifestation to do their part towards paying off the debt and bearing the burdens that were incident to the prosecution of the war. I have said a great deal about tax reduction, of course, since I have been President, but this always has to be torne in mind — that tax reduction is to be secured only as the result of economy. There are all kinds of organizations over the country that are promoting plans, was to fithem have a very great deal of merit, that involve the expenditure of large

sums of money. Most of them are for things that ultimately will be done by our country. But the present debt of the United States is about \$18,000,000,000, so that when anyone might think that because the war is over, therefore we ought not to have anything what might be designated as war taxes, of course entertaining such belief without giving any due consideration to the fact that so far as paying for the war is concerned it is only about half over. While I am exceedingly interested in having tax reduction, as I say, it can only be brought about as a result of economy, and therefore it seems to me that the Chamber of Commerce and all others that are interested in tax reduction ought to be first of all bending their energies to see that no unwise expenditures are authorized by the Government and that every possible effort is put forth to keep our expenditures down, and pay off our debt, so that we can have tax reduction. The suggestion here is that the Chamber thinks we might have a reduction of \$350,000,000 or \$400,000,000. I haven't received the figures from the Treasury, but it is my offhand opinion that any such reduction as that would be very certain to involve a deficit, and that it would not be wise to make a reduction that was anywhere near as large as that. But I wouldn't want to go on record as making any estimate now of the amount that taxes can be reduced. In order to find that out we shall have to have the estimates of the Treasury as to the income and the estimates of the Bureau of the Budget as to the probable expenditures. Since I have been President, of course, we have entered into a good many new expenditures. I think the largest annual item is probably represented in the cost of the adjusted compensation. The last Congress increased pensions and relief to go to all the veterans and their dependents some \$68,000,000. a year. That is a large item, of course. And we have been able to meet these large increases by absorbing them through economies in other directions. Unless there had been very careful management along that line, our expenditures would have

very greatly increased. We have the cost of flood control, which is going to be considerable, some additions to the Navy that will probably cause some increase in expenditures in that direction. We are making some increased expenditures under the five year plan for the development of our air forces. So that the cost of national defense will be increased for the ensuing year by quite a considerable sum. Part of that is for new buildings for housing the Army. Now. unless we exercise great prudence in checking up the running expenses of the Government, we wouldn't be able to have any tax reductionat all. So that I hope the Chamber of Commerce and any one else that is interested in tax reduction will not fail to realize that it is all predicated on economy and put a very large emphasis on that. Sometimes the surpluses ran higher than have been estimated. That has been due to the increases that have come in revenue because of the prosperous condition of the country. Income has been somewhat larger. It has beendue also to refinancing of our debt obligations and paying them off. I think next year the interest charge will be some 70 odd millions less than it was last year. That is the result of our debt reduction and of our refunding at a lower rate of interest some of our maturing obligations. Another reason for larger surpluses has lain in the fact that several of the railroads that have notes in the Treasury which we did not expect to be paid off, have been paid. That has increased the surplus for the present, but of course it decreases the surplus for the future. When those are once paid, that is the end of it, and that is an item that will never be received again. If it increases the surplus of this year, it decreases the surplus that we had expected would come in next year, because the obligations were funded sooner than had been expected. Another very large item in the surplus has been back taxes. That item has rapidly decreased and will continue to decrease. As the country goes along and the Treasury lays down its rules about the making

meaning of the law, the tax returns are made out by those who are required to make tax returns in such a way that the item of back taxes is gradually eliminated. The uncertainty does no longer exist and we then do not collect back taxes. I am anxious to have all the tax reduction that an economic administration can provide.

As I have indicated before that should go hand in hand with a reduction of the debt. That is a very fine investment of public money. It returns dividends to the people of the country in perpetuity.

I don't know of any special development relative to farm legislation. There are no appointments to be announced.

I extended the usual hospitality to the visiting Japanese naval officers this morning. Their country is always especially hospitable to our naval officers when they make visits there. We were very much pleased to have the Japanese naval officers here, and I wanted to assist in extending to them every possible hospitality.

Friday, October 14, 1927.

Report of the Newspaper Conference.

I had a very pleasant journey out to Pittsburgh. I was very much pleased with the reception that all the people gave us and was interested in studying the development of that industrial center.

It isn't certain whether I can attend the unveiling of the Canadian Memorial to U. S. citizens that fought in the Canadian Army, which is to take place in Arlington cemetery.

Query: Did that mention the date?

President: It is said to be November 11th, Armistice Day.

I don't know of any new development in proposed farm legislation. That problem is being explored by several different parties, some connected with the Government, some not. I understood from former Secretary of Commerce Nagel that their committee would probably report very soon. He did not disclose to me what the nature of their report would be.

I have some recommendations for the vacancy on the Federal Radio Commission caused by the death of Colonel Dillon, but I haven't had time to investigate any of them.sufficiently to come to a conclusion.

There is discussion from time to time about the housing of the Army. It is a subject that I took up three years ago and the Department caused to be intromiced a bill in the session that came in December, 1924, to create a military post construction fund, and there is to go into such fund such moneys as accrue from the sale of surplus land held by the War Department and surplus buildings. That bill didn't pass at that session. I think it passed the House, but failed in the Senate. It was reintroduced in the next session and passed. I approved it. We have authorized since the 4th of March, 1925, expenditures of over

construction. There was an item of over \$6,000,000 in addition to that which failed on account of the failure of the urgent Deficiency Bill. I am putting into the present budget that is now in the making an estimate of some over \$8,000,000, I expect, for additional new construction. And I expect there will be a Deficiency Bill. I don't know whether I shall put into that the \$6,000,000 or not that failed in the last Deficiency Bill. If that should be done, it would make an appropriation of \$22,000,000, which is all that has been authorized for new construction by the Congress up to the present time. That is for new construction. That is only part of what has been expended for the housing of the Army. Some barracks and quarters were not in good repair and in 1926-27-28 we made additional appropriations of \$12,500,000, so that --

Query: Is that for repairs?

President: Yes, that is for repairs. So that there has already been appropriated for new construction and for repairs over \$20,000,000 in the last few years, and after the appropriations that will probably be made by the next Congress I judge the sum will be close to \$45,000,000. No, I am wrong about that. It will be close to \$34,000,000.

I saw some reference to the statement made by Senator Glass relative to foreign loans. The Senator is a man exceedingly well versed in national and international finance, and anything that he says is entitled to a very great deal of consideration. I have had under consideration several times the question of entirely disregarding proposals made for foreign loans in this country, bit it had all the time seemed to me that unless there was some contact between the State Department and those who floated foreign loans here it would be probable that the

Congress would pass a very drastic regulatory law. So that it seemed to me best to proceed for the time being according to the present practice, which is merely advisory and really consists in inquiring whether, if the loan is made of such and such an amount to such and such a country, it would in any way interfere with the foreign relations that exist between that country and ours at the present time. The Constitution places in the hands of the President, and he exercises that authority chiefly through the State Department, the conduct of foreign relations, relations between this country and foreign countries. That is one element of them at the present time. Of course, our country doesn't undertake to make any suggestion about the desirability of a loan, or the financial soundness of it, or whether it is worthy or unworthy of investment in its bonds by investors in this country. That is a question between themselves and our bankers, a question ultimately for investors themselves to decide, whether they want to make an investment in foreign loans. So that, as I said before, our interest in it is chiefly a determination as to whether a loan made would interfere in any way in the foreign relations, the relations that exist between this country and the country proposing to make a loan.

I saw some reference to a letter said to have been written by someone in Chicago to the Governor of Maryland, suggesting that the people in the District of Columbia vote in Maryland. It is an interesting suggestion. I presume that it would require a change in the Constitution of Maryland. In almost all the constitutions of the states the people that vote have to be \$\psi\$ citizens of the state. I don't know whether it would otherwise be feasible or not. A great many citizens of various states that are here doing Government business holding elective or appointive positions vote in their own states. I presume a great many of them would prefer to vote in their own states, rather than to have Maryland under-

take to assign them to vote in that state. If they should have such preference, I ton't see any way to prevent their exercising it, unless you could get some law passed by the other 47 states that any one that wanted to live in the District of Columbia and vote in Maryland shouldn't vote in their states. Or perhaps this would of the apply only to those that have abandoned all residence in any/states and now merely have a residence in the District of Columbia. I don't know just where the old line passed between Maryland and Virginia. I suppose it was the Potomac River. Some of the District, I believe, is still on the other side of the Potomac. Some of that, though, I think has been returned to the state of Va. Perhaps Va. might like to have those that live in that part of the District that was formerly a part of the Old Dominion vote in Va. It might create something of a conflict between Va. and Md. That would be an interesting study and cause for debate by those who are ardently devoted to the doctrine of states rights as to whether Md. or Va. should have

Query: There are a good many residents in the District of Columbia who would like to vote in the District. Is there anything on that today?

President: There is no written interrogatory on that today. If you want to propound one sometime, I would be glad to do that.

Tuesday, October 18, 1927.

Report of the Newspaper Conference.

The Treasury hasn't submitted yet any figures or any estimates relative to the expected surplus for next year. That would be ascertained by a combination of effort on the part of the Treasury, showing what receipts were to be expected, with the Bureau of the Budget showing what expenditures were probable. The comparison of the receipts and the expenditures would of course show the probable condition of the Treasury for the 30th of June 1929. So far as I know now, there will be some surplus, but the amount of it I do not yet know.

That reminds me that I saw some suggestion the other day that I had stated that there might be a tax reduction of \$300,000,000. I hadn't intended to make any statement of that kind. I said I doubted if it could be \$350,000,000 or \$400,000,000. I did not intend to indicate that \$300,000,000 was or was not possible. I did state that it wouldn't be possible for me to make any estimate until I had secured the figures from the Treasury and the Budget, which I have not yet done.

The position of Governor General of the Philippines has not been offered to any one, and no final decision has been made upon it.

I don't know exactly what is in contemplation by the Shipping Board. I have that they were making some changes there, rather in line with putting the peration of the fleet under more direct control of the Shipping Board itself. That is a matter of administration of the business of the Shipping Board and the Fleet Corporation. Nobody can tell in advance whether it will produce better results than have been produced in the past. It depends on the efficiency of the administration of the new plan.

I have no information about the attitude of the Cuban Government relative to the production or export of sugar, except of the most general nature. I knew that

the price of sugar has been quite low, and that the people in Cuba were interested in taking some action to get a better price.

I don't know what the policy of the Shipping Board is relative to the sale of some trans-Pacific lines. I think it has been usual to provide that they should be operated for five years. There has been some discussion about increasing that to ten. The only information I have about that is the fact that I was informed that some of the members of the Shipping Board did not think that ships could be sold on that condition. They could be sold to be operated for five years, but doubted if any one would purchase them to be operated for ten years.

I haven't any new information about possible farm legislation. Studies on that are still going on. I think I mentioned at the last conference that the committee, of which ex-Secretary Magel is Chairman, was going to make some report. It might throw some light on the situation.

I am expecting to see General Summerall today or tomorrow. There were some reports in the press of remarks that he was said to have made, about which I wished to inquire, which I am advised he did not make. So that closes that incident. I expect to confer with him about general military matters and prospective appropriations either today or tomorrow.

No decision has been made about an Ambassador to Cuba, nor, as I said, the Governor General of the Philippines, nor as to a successor to Colonel Dillon of the Radio Board.

I haven't any positive information that Commissioner Hall is going to retire. His health has not been of the best ever since I have been President and there have been constant rumors that he might retire. They are a little more circumstantial now then they have been at some other times, but I don'tknow that any definite conclusion has been reached by him. If so, I have no authorative information on it. So that nothing has been done about choosing his

successor by me. A number of recommendations have come in. That is a bi-partisan board. Commissioner Hall is a Democrat and his place would therefore be filled by a Democrat. He comes from the Mountain region and I should first explore that region to see if I could find someone there that was suitable. If I didn't find any one that seemed to fill the requirements from that region, why then I should look somewhere else and appoint the man that seems best qualified for the place.

Mr. Davis, the Secretary of War, wanted to make another inspection of the Mississippi region; part of it is in relation to our barge lines. We have opened a new barge line from the Twin Cities down to St. Louis. He wants to see how that is running, and I think he may take a trip over part of the tiver for that purpose. Then we have the barge line south of there that he wishes to give some attention. Then of course there is the matter of flood control and the closing up of the crevasses. That work is going forward and I have been assured by General Jadwin, Chief Engineer, that it will be completed this Fall. As is well known, the War Department is charged with looking after flood control and the expenditure of considerable sums of money each year on it, and Secretary Davis wishes further to inform himself about it. He has made one or two trips into the region already and this is for the purpose of making a final inspection now that the floods have receded.

I am advised by members of the Cabinet that the business situation is apparently improving and that the outlook for the future is encouraging. Of course, all that can be said in that direction relates to the present. It is impossible to prophesy. But it is possible to tell what the present appearances indicate. The construction winter program of the nation seems to be going on. Up to October 8th, I think, the amount of contracts let were only one-fourth of one percent less than they were a year ago. There has been one falling off in the net receipts of rail-

roads, but not very much falling off in the amount of business that the railroads are doing, perhaps some diminution in passenger traffic. That has been going on for some years, apparently due to the use of the automobile. That doesn't militage against the general business condition of the country. If the people are riding in automobiles instead of riding on trains, perhaps it indicates a little better economic condition on the part of the people. The amount of coal that has been transported is not quite so heavy as it was last year, because the people were laying in a stock in anticipation of a possible cessation of production. Now. they are using up that stock on account of the strike which has been going on and there hasn't been quite so large a movement of coal. The coal strike has been settled up to a very considerable degree. Illinois is settled, most of Indiana, a considerable portion of Ohio. There is some area in Western Pennsylvania and the edge of Ohio where a settlement has not been made, but where considerable production is going on in nomunion mines. The crops of the country, with the exception of cotton, are fully as good as they were last year. The corn crop has increased over what was expected very materially during the last few weeks, on account of the warm weather. The price of corn isn't quite so high as it was, but considerably higher than it was last year at this time. The prices of cattle are very high. The sheep industry seems to be in very fair condition, and the hog industry. The price of wheat is fair. The price of cotton is very much improved over what it was a year ago and the fact that the production this year will not be so large as it was last may not be of very much damage to the industry as a whole. The lack of production is due to the boll weevil. That can be remedied by action in time, but the last two or three years whether conditions have been such that the boll weevil didn't damage the crop much and the growers of cotton this year didn't take the precautions that are necessary. The weather changed

and a good deal of damage resulted from the boll weevil. It is expected that there will be a very considerable increase in the production of automobiles. Some people have been out of employment, but the reports that are coming in to the Labor Department indicate that the number is decreasing. The sales by the mail order houses, which I remember Mr. Rosenwald told me were very large last year, when he was at Mite Pine Camp, - some of you may recollect, materially increased this year, which indicates a large buying power. With the better conditions in agriculture that seem to exist this year over what they did last year, taking everything into consideration, it is expected that there will be a somewhat greater buying power in the agricultural region, which is of great importance to the business of the country. So that such information as I can get from the Secretary of the Treasury relative to the abundance of funds and credit conditions, all of which appear to be favorable, from the Secretary of Commerce about general trade conditions, which I have mentioned, and I might add that our exports and imports are keeping up where they were last year .-in fact, our exports are somewhat larger. Our imports do not appear quite so large in dollars, due to the fact that we are not having to pay so much for rubber. Last year the price of rubber was very high, and it made the dollar amount of our imports greater on that account. But the volume coming in is probably a little larger than last year and the volume going out for the first nine months is somewhat larger. and such information as I get from the Department of Labor relative to the employment condition, coupled with the fact that last year at this time we were having some over 50 strikes that were reported to me, and this year there are only 27 at the present time-indicates a contented condition on the part of industry. Those things all put together seem to demonstrate that the country is in fairly good economic condition and do not seem to indicate weak places developing that are going to cause material difficulty in the future , and therefore we expect that the business of the country is going to go on in a fairly prosperous condition.

Query: Is there anything on textiles and steel?

President: The textile business is considerably better than it was. It hasn't been very good for two or three years. The stell industry seems to be picking up some. It is not yet back to a maximum of production. I learned when I was in Pittsburgh that the Penn. R. R. recently placed an order for 300,000 tons of steel rails. The railroad equipment buying has not been very brisk for some time, there but the indications are that / is going to be need in the not distant future for considerable replacements of railroad equipment. Due to efficiency of operation and new methods of handling the motive power, like having self-oiling engines, it is possible to operate engines for a longer distance and have engines that last longer. They do not have to go into the repair shop so often, so that they do not need to use so many. But that surplus is being used up and the indications are that there will be need of replenishments very soon.

Friday, October 21, 1927.

Report of the Newspaper Conference.

I haven't any information when the committee that I think is working under the U. S. Chamber of Commerce, headed by former Secretary Nagel, is going to make any report relative to agriculture. I understood from him when he came in to see me -- I talked with him but a minute -- that they expected to make one very soon. Apparently something has caused some delay in it. But I have no other information.

It wont be possible for me to attend the World Series Rodeo, I think that is what they call it - at New York. Clyde Jones and I had a little rodeo of our own out on the south lot, which will duly appear on the screen and in the stills. I think that is about as far as I can go. I am no rodeo entertainer.

I shall not be able to go to the Army and Navy football game in New York.

I wish I might go. I am interested in that game. It takes too much time to attend it. The last Army and Navy football game I attended -- I guess it is the last one but one -- it rained all the time. They had us seated out in the choice seats out in front, which were very choice in fair weather, but lacking anything but choiceness when it rained. So I hope they may have good weather at this football game.

I haven't any information about the practice in the Army and Navy
Departments relative to publications made by men in the Army and Navy. I think
in some instances they are submitted when there is any doubt about them to the
different departments. My only recollection about that is that Colonel Mitchell
came in to see me one time to inquire whether he might publish something, and
I told him that I had no objection to it if his superior officers had none. I
wasn't an expert on the matter that he wished to discuss, so that was all the
information I could give him.

I couldn't give any opinion in advance without seeing the proposed farm legislation as to whether it would be something that would meet my approval. There are so many angles to it that it would not be a thing that I could give an offhand opinion about. Of course, my general attitude relative to farm legislation has been set out in all of my messages, and my attitude relative to the particular kind of a bill that was passed last year was set out in my disapproval of the bill. I am still desirous of having some kind of legislation passed that will be helpful in assisting the farmer in the marketing of his crops.

No final decision has been made about any appointments.

The Attorney General was asked generally whether it was necessary in all cases where the Tariff Commission was making an investigation to ascertain the difference in the cost of production between this country and the main competing country to send the investigators into the main competing country. His general reply to that is in the negative. That will simplify the work of the Commission.

Query: Does that mean that the invoice prices may be used?

President: Well, I don't know whether that is true. That isn't the question here and it wasn't the question that the Attorney General was called on to discuss. My own notion would be, and it is merely a notion, because that is all any one can give relative to a statute without carefully looking at it, that sometimes that might be helpful and sometimes it might not be. Sometimes, you know from the custom of the trade and the people involved that an invoice is a perfectly reliable thing and certain to indicate exactly what is going to be paid and is a price that is going to determine the margin of profit. In some other cases, you might think that the invoice wouldn't indicate anything of the kind. It might be sent from a manufacturer abroad to the agent of the manufacturer here, and in that case the price on the invoice might be very much less than what the goods could be marketed for. It might come from a temporary and casual transaction, from a seller

who was in financial distress and was obliged to make a sacrifice on the product of his concern. In that case it wouldn't indicate anything at all about the cost of production. So that you can imagine a great many cases where it would indicate, and a great many cases where it wouldn't indicate anything at all. But the general question decided was that the statute did not in all cases, perhaps not in any, but tertainly not in the case at hand, make it necessary to send investigators into a foreign country to ascertain the cost of production.

Query: What would we rely on, the reports of Consular agents and attaches about it?

President: I don't know enough about commercial procedure to answer that accurately. I suppose there are a great many records in this country that give the general level of costs abroad and things of that kind. If a manufacturing concern abroad bought its raw material in this country, we wouldn't need to go abroad to find out what the raw material cost them.

President: Oh yes, and the Department of Agriculture. We have a great many sources of information. The commercial reports of foreign trade, the statistics of it, sometimes give us just as accurate information as we could secure by going

Query: The Dept. of Commerce also has trained advisors abroad?

abroad and making our own investigation there.

I haven't made any extended investigation of the suggestion of Congressman McGregor of New York that Governor's Island should be sold. I made some casual inquiry about it and I was advised that it was thought it ought to be kept for military purposes. The Secretary of War is away now. I haven't had a chance to talk with him. I doubt very much if the Army of the Navy, or both must be interested in it, although I think it belongs to the Army, would favor a disposal of the Island, perhaps on the theory that though we may not need it now, that it is located in the

center of a great area of population and that sooner or later the forces of the country will be so large that that will be needed as well as some other land that may have to be bought in the future.

Senator Wadsworth came in with Miss Loeb and Mrs. Harriman and Mrs. Brown.

Mr. Brown didn't come. The Philippine Commissioner came with them. Two other ladies
that I think perhaps were attached to the group, perhaps in a clerical position. I
think they have given out to the press their report of the Child Welfare Committee
relative to dependent children in the Philippine Islands. Hasn't that been given out?

Answer: Yes.

President: Well then you all have that. It seemed to me to be an important report and a subject I happened to be interested in. During my service in the Mass.

Note this question came up before the Committee on Legal Affairs. I don't know but I need to revise that. I don't know but what it was when I was in the Senate. I helping mow it was when I was in the Mass. legislature that this matter of/dependent children in their homes through aid extended to their mothers came up for consideration and we prepared a bill known as the Mothers' Aid bill, which we passed at that session.

That was one of the first States. I don't know but what it was the first state that passed a law of that kind. I heard one of the party this morning, I think Mrs.

Loeb, say that that plan had been adopted I think in every state in the Union. It seemed that it might be very well made applicable in the Philippine Islands. It is a subject that requires legislation on the part of Congress, but it is a subject that can be dealt with by the Philippine legislature. I shall be very glad to do anything I can to draw it to the attention of the Philippine legislature, and encourage them in adopting legislation of this kind.

Tuesday, October 25, 1927.

Report of the Newspaper Conference.

There isn't any further comment that I care to make regarding the action that is usually taken by the State Dept. relative to foreign loans. I don't know just what is meant by this question, that some of the State Department is divided in its policy. I suppose the State Dept. is the Secretary of State. There are a great many people employed over there, but they are not charged with the duty and the responsibility of making decisions that are made by the State Department. I think such decisions are made by the Secretary of State. I don't see how there could be any division of opinion in that case.

I hadn't seen any report that General MacArthur was under consideration for appointment as Governor General of the Philippines. I do not recall that among all the names that have been suggested to me that his name has been suggested. I thought I saw a report in the morning paper that he was going to be sent by the War Department as the Commanding General of our military forces in the Philippines. Perhaps I didn't read it right. That is all the report that I have seen relative to General MacArthur, and if the War Dept. has that in mind they have not yet brought it to my attention. That is more or less a routine matter, assigning a commanding general to the Philippines. While I presume it is technically made on the order of the President, it would practically be done by the War Dept. I am not certain that any special order is required by the President.

The only information I have relative to the probable Treasury surplus at the end of this fiscal year is that which I think has been given out by the Treasury Dept., which estimated the probable surplus at \$250,000,000.

Query: Is that the latest figure?

President: Yes.

Query: Senator Reed of Pa. was under the impression yesterday that it was \$383,000,000.

President: I haven't seen any such estimate as that, that I now recall. I thought the estimate that had been given out was \$252,000,000, or something like that. Now, it may be that a confusion has arisen between the estimates for the surplus that will accrue on June 30th, 1928 and that which is now thought to be probable for June 30, 1929. The 1929 one of course would figure very predominantly in any discussion of tax reduction. I haven't those figures before me, but thought it was \$250,000,000.

Mr. Garrett, Mr. John W. Garrett, who has been in the diplomatic service at one time or another, I think Minister at one time to the Argentine, before that was raised to an Embassy, is not under consideration for the post in Cuba. It is my recollection that he has business interests in Cuba that he feels would disqualify him for that position. I had Mr. Garrett under consideration for a long time as a man that I might turn to for some foreign service, but as I recall it in looking over the possibilities of giving him an appointment at different places the Cuban post was eliminated because of his feeling that he had business interests there. There is no final decision made relative to someone to succeed Mr. Dewey as Assistant Secretary of the Treasury.

I can only repeat what I have already said about the Interstate Commerce Commission. There is no vacancy there, and I have no direct information that Commissioner Hall is going to retire. There have been rumors, as I stated the other day, ever since I have been President that his health was not very good and that he was considering retiring, but I have no information on which I could make any responsible statement that he is to retire, so that I am not initiating any action looking to the appointment of his successor. I had a number of telegrams and so on relative to people that want to go on that Commission, in case he does retire. He holds a place on the Commission as a Democrat, so that his

successor would have to be a Democrat.

I haven't any information about the new Cuban tariff duty. You might possibly get that at the Dept. of Commerce, or possibly from the Tariff Commission. And I have no new information relative to what is said to be a new Cuban law undertaking to regulate the production of sugar and its export. The sugar business in Cuba is a little different situation, I might remark, than the general business of a foreign and competing country, in that our own people have very large interests in it. I haven't picked out any Ambassador for Cuba, or any successor to Colonel Dillon on the Radio Commission.

I have been keeping in close contact with Major General Jadwin relative to the progress being made in closing up the crevasses in the Mississippi Valley. He has reported to me that good progress is being made and that the situation will be taken care of. The heighth of the works now is above the highest record of any October or November floods, so that it would seem to be apparent that they will be closed up in due time to prevent any flooding of the areas that were flooded last spring and summer by any recurrence of the flood at this season of the year.

I haven't any information at all as to the probable choice of the point at which the next Republican National Convention will be held, other than what is already public property.

I am expecting to make an address in Philadelphia next month. I have been invited to come up there by the Union League of Philadelphia some time after the middle of the month.

Query: Do you know the occasion for the celebration?

President: Well, it is a sort of an annual celebration that they have --

I told the people that came to see me about speaking at the anniversary

of the Morgan College in Baltimore that I didn't believe I could go over there.

That is a very fine institution, one of the oldest for the education of colored people having a college course and also doing considerable in the way of vocational training. They have four of five hundred students xxxxxthat have made commendable progress and it stands very high in that avenue of education.

Tuesday, November 1, 1927.

Report of the Newspaper Conference.

I am advised that Commissioner Hall is contemplating resigning from the Interstate Commerce Commission, but no time has been set for his retirement, nor has he definitely resigned. He has expressed a desire to retire.

Senator Curtis was speaking to me yesterday about some of his constituents that might be available for possible appointments to places on various commissions. Nothing especially definite.

I am announcing today the appointment of the American delegates to the Pan American Conference that is to take place in Havana - I think it assembles on the 16th of January. I have had a list of those prepared and they will be given out when you leave. Mr. Hughes will be Chairman, and the other members will be Ambassador Fletcher, Senator Underwood, Ambassador Morrow, ex-Senator O'Brien of New York, James Brown Scott, Dr. Wilbur, President of Leland-Stanford, and Dr. Rowe, at Washington, and there will be added to that the Cuban Ambassador.

I am advised by the War Dept. that Mr. Quezon and Mr. Osmena have requested an appointment, and I am to see them just as soon as they wish to come in. Secretary Davis says that the son of Mr. Quezon, who I think is attending Cornell University, is ill and Mr. Quezon happens to be with him, as I understood him, so I am not sure just when it will be convenient for him to come in. But I have instructed the Secretary of War to advise them that I shall be glad to see them any time they wish to come. I should expect they could come tomorrow or next day.

I haven't made any arrangements for the 11th of November, which is Armistice Day, so that I don't know whether I shall go to Arlington on that day or not. That will be the time when there will be unveiled over there a Canadian Memorial to citizens of the United States that served with the Canadian forces.

Nothing especially new has developed regarding the Mississippi flood

area and its needs that hasn't already been known. Secretary Davis has just returned from that section and tells me that the work of clossing the crevasses is proceeding, that the work will be finished in ample time, that the barge line on the upper Mississippi is under way and is apparently starting out successfully. There is a good deal of interest in it and it is very much appreciated by the people up and down that section of the river.

I didn't happen to see the article by Secretary Jardine relative to the farm situation, so I am not able to comment on it. He is a very well informed man and anything he might say would be entitled to the most careful consideration.

There have been no decisions relative to appointments.

I am not informed about the plan for merging traction companies in Washington. We have now a board here of Public Utilities, created especially to make studies of questions of that kind, and I should expect to be guided very largely by their advice. I don't mean that it would be absolutely controlling, but I should pay a great deal of attention to it. The only thing that I can say in relation to it would be the result of my knowledge of the street railway situation in Boston, there was almost a complete unity of ownership. One there is able to go into the subway and ride there, ride on the surface, and go up and ride on the elevated structure, all on one fare. I don'tknow now but there have been some changes, but that was the old method there. It is not necessary to get any transfer tickets, or to pay any new fares, or anything of that kind. Now, it may be that the situation here would be helped in that respect, by unification of ownership. But I don't know enough about the conditions or the facts or the ownership of the traction companies here, so that I would want to express any opinion relative to it.

Friday, October 28, 1927.

Report of the Newspaper Conference.

I think my relationship to the case of Admiral Magruder has already been fully published.

I think Congressman Porter has been mentioned as a possibility for appointment to the office of Governor General of the Philippines. My offhand reaction to that is that he holds such an important place in the Congress, Chairman of the Committee on Foreign Relations, and is doing other Congressional work of a good deal of moment, that I would hesitate very much to displace him.

I haven't reached any final decision about a Governor of the Philippines.

I don't recall any communications from representatives of the chemical industry favoring legislation to revise the Sherman Anti-Trust law. It is very possible, though, that such communications have been addressed to me.

Do you recall any such communications of recent date?

Mr. Clark: Nothing of recent date.

President: Mr. Clark says he doesn't recall any. I think it is more likely that some effort in that direction might be made by the producers of petroleum than by the chemical industry, on the ground, I assume, that it is a very limited natural product and that there ought to be an opportunity for the producers of it to make some kind of an arrangement for its conservation, which I think they claim they can not do now without running counter to the provisions of the anti-trust law. It is desirable, of course, to conserve our petroleum. I should want to make a very careful exploration of every other avenue, before resortint to any change in the anti-trust law. We might give them a different status from that held by other industries.

I do not think that Secretary of War Davis has returned yet from the Mississippi region. I saw yesterday or today some reference to anaddress that he

had made, I think at Memphis, which would indicate that he had not yet reached New Orleans. I think he told me that when he went away it would take him two or three weeks. He was going to go up to the Twin Cities and down as far as New Orleans.

I haven't given any thought to the method of going up to Philadelphia.

I assume some members of the press will go up. I suppose they would prefer to travel by train, rather than by automobile.

Report of the Newspaper Conference.

There haven't been any decisions made about appointments.

The Attorney General has not consulted with me relative to the oil trial.

Senator Quezon and Senator Osmena - he is a member of the Senate - called on me yesterday with the Secretary of War to pay their respects. I was pleased to learn that Senator Osmena's son, who is a student, I think, at Cornell, is very much improved. We talked rather generally about things in the Islands. They advised me that they had no particular person to recommend as Governor General and hoped that someone would be appointed who had a knowledge of affairs in the Islands, and some one with whom they could cooperate to carry on the government of the Islands. I suggested to them the desirability of having the legislature pass on the appropriations that have been recommended by the Governor General and also pass on the appointments that are pending, I believe, before their Senate. In that they agreed with me and said they were to be up here for perhaps a month or so. I told them I hoped I might be able to see them from time to time, as I was anxious to get all the information I could respecting the needs of the Islands and what we could do to better conditions there, that I was especially interested in good roads and a good system of education and in the agricultural development, that I thought it would be very helpful if they would confer with the Secretary of Agriculture to see what he might advise about sending an agricultural adviser who was familiar with tropical agriculture down to the Islands to help them in that respect. They agreed with me about that and I understand that is one of the things they are going to do. They reported that the economic conditions of the Islands were very good and they thought on the whole improving.

Here is a statement that says that three members of the Senate Committee on Mines have been in during the week, which is doubtless correct. Not any of

of them have called on me relative to that subject, and not being a subject that I have taken up with them I don't know what three members of the Senate that might be. Quite a number of them have been in. I don't know yet what legislation I may ask for or recommend to the Congress. And, as I have said before in relation to my message, I rather think that it would be more appropriate for me not to undertake to give out in advance what I may be contemplating in that respect. Perhaps it is more courteous to the Congress that I should inform them first, rather than to make announcement through the press of what will be in my message.

The matter of having the West Point Football Team go to California has been taken up with the War Department and by them with the West Point Military Academy. The time to go out there, play a game, and come back, would be very close to two weeks, and with the work that the men in the Academy have to do in the way of study and so on, I am not able to get much encouragement from them that the time can be found for the members of the team to be away for so long a space.

Senator McNary was in a day or two ago, and I only had a chance for the very briefest conference with him. We both expressed our hope that there might be some bill devised for the assistance of farming interests. The Senator and others are working on that subject.

I have never fully determined about a civil bureau for the administration of the Philippines. General Wood mentioned that when he was in the Black Hills, but I was expecting to confer with him when he was on his way back, and so it was not very much developed. Some other people with whom I have spoken think it is a very good idea to leave the administration of the Philippines in the War Department, where it now is. I think under the bill that President Harding had prepared for the consolidation of departments it was to go into the State

Department. My first thought was it might go into some other department, but the more I have discussed it, the more I have come to the conclusion that it may be as well off where it is as any other place that it could be located.

I don't know of any recent action that has been taken relative to the suggestion that came from France last spring about a treaty with that country to make our peace relations with them more certain and any warfare more improbable. That was to be taken up on the return of their Ambassador here and our Ambassador over there. Mr. Herrick, as you know, has been ill, and hasn't been able to go back. I think he will be expecting to return in about three weeks. Then the matter will be ripe, I should judge, for further discussion.

There was one matter that I was going to speak about that is very nearly outlawed now. When the question was propounded to me relative to the suggestion of the U. S. Chamber of Commerce for a reduction in taxes in the amount of \$350,000,000 or \$400,000,000, I said that I did not think from what I knew then that it would be possible to have a reduction as large as that. I noticed the next day that in the headlines anyway it said I had favored a \$300,000,000 reduction. I did not intend to give any figures, because I didn't have any, and I think I stated at the time that the only way I could find out what reduction would be favored by me would be to find out what the Bureau of the Budget and the Treasury finally determined about our income and our probable expenses. As I say, that is so long ago that perhaps now it is outlawed. I wouldn't want the idea to go out that I had favored \$300,000,000. I suppose that was rather an inference from the fact that I said \$350,000,000 or \$400,000,000 would be too much. The Treasury has now made its statement before the Committee on Ways and Means of the Buse, so that determines what the administration will undoubtedly recommend.

Tuesday, November 8, 1927.

Report of the Newspaper Conference.

Mr. Stearns is visiting us at the White House. He came in this morning. Today is his birthday and I am having a small dinner to celebrate that event at 7:00 o'clock this evening. Just 8 or 10 of his friends here in Washington are coming in.

Query: That is his 72nd birthday?

President: I don't know just how old he is. That isn't so important as that today is his birthday.

I have here a communication from one of the important newspapers of the country making a suggestion which I will pass on to the members of the conference for whatever they may think it worth. It is in relation to a book which has been published, entitled "The American Policy in Nicaragua", by Colonel Henry L. Stimson, former Secretary of War. I think that was first published in periodical form. Now I understand it has been gathered together in book form. It wasn't very long. I think there were three articles. Colonel Stimson submitted them to me and I looked them over with a great deal of interest and notified him I didn't want to make any suggestions regarding any changes in them. I merely state that, so you will know that I had some knowledge about it. The suggestion is that it would probably be helpful to the correspondents here in Washington in discussing the Nicaraguan subject if they would read that book. This editor thinks very highly of it and thinks that work would be helpful to the other members of the profession.

I had a shorttalk with Mr. Steed, Wickham Steed, the editor of the London Review of Reviews when he was here. I didn't have a chance to go into much of the development of the suggestion that he is making relative to some position that

should be announced by the United States as to what it might do in certain contingencies, so I have never come to any definite conclusion about it. I told him I thought it could be assumed that our main desire was to keep out of controversies that affected other nations. But of course on the other hand our country assumes to have certain rights, commercial intercourse, and so on, that our people might not like to have interfered with. Where the line would be drawn between those two possibly conflicting sentiments, it would be hard to say. So that I haven't developed his proposal sufficiently to come to any final determination about it. It is a very interesting proposal. Mr. Steed seemed to be a particularly well informed and very brilliant man.

I am having the Army lend every assistance that it can to the area of New England that was damaged by the recent floods and of course the Red Cross is already on the scene up there. Some of the places where the military were sent have been able to tell them that they could take care of the situation themselves, and our forces have been or shortly will be withdrawn to their bases. One of the things that the Army is doing just now is through the Engineers, to see what possible assistance they can lend in the way of helping to rebuild. There is considerable damage to railroads, a good deal of damage to highways, though the reports that have been coming in for the last 24 hours indicate that the damage is not so much as was at first feared. But it is very serious. There has been considerable damage to buildings and to the property along the streams, but especially to high-

Query: Did you have any word from Plymouth?

President: I haven't had any direct word from there. Some of you who have been up there will remember what we call the mountain which runs from the hion up to where I live, and I was told that a quarter mile stretch of the mountain had slipped down into the road and cut off travel temporarily between the Union and

where I live.

Query: Down towards Ludlow, Mr. President?

President: Yes. You remember that steep hill toward Indlow? On that steep hill a quarter of a mile of the mountain slipped into the road, so the report was. There is a piece in your very valuable paper this morning (the President was speaking to Carter Field) headed Albany, by the A.P., that gives some of the experiences of my aunt Sarah Pollard, who lives at Proctorsville. It is on the third page of the Herald-Tribune.

Mr. Field: I am very glad to know you read it, Mr. President.

President: I haven't had a chance to examine the other Metropolitan failies to see whether they are similarly provided, but as it is an A.P. story -- a great deal of laughter) --

I inquired this morning of the Attorney General about the fire that took place in Ludlow, which wasn't a matter of any particular consequence. It was an old building there that used to be used as a grain store when I was a boy in that region, and had recently been occupied, I think, as a bakery. That is burned up, but its location was such that it didn't endanger any of the surrounding property, and the surrounding property, so far as I know, was covered over with snow. But the situation up there is very serious. I am anxious to do everything possible to relieve it.

I haven't given any thought to going up in person to deliver my annual message before the Congress. I doubt very much if I shall do that.

I do not expect to be present on Armistice Day when the exercises take place at Arlington, relative to the Canadian Memorial. I am having a reception for that party at the White House. I have forgotten just what time or what day, and I am giving a lunch to some of the Canadian officials that I think are accompanying the party.

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My remarks when the Hubbard Memorial Medal is conferred on Colonel Lindbergh by the Geographic Society on the 14th of November will be very short.

I may just have something that I think is appropriate for the conferring of the medal. Of course, Colonel Lindbergh has been in Washington, and the Government has already given its official recognition at that time to his feat of flying across the Atlantic, that any extended remarks about that will be to a large extent repetition, and I don't consider them necessary.

From anything that I know about the section that was flooded in Vermont, there would be nothing that could be done there about flood control.

There wasn't anything in particular that was developed at the breakfast I gave this morning to Governor Small and Mayor Thompson, and some of the other people that are here with them. Quite naturally we spoke of the problem of flood control. No particular recommendations were made about it. Therewas merely an expression of a desire to have what could be done, done, to prevent any repetition of such a catastrophe in the future.

Some people came in from Chicago, or Illinois, yesterday, to speak with me about the Interstate Commerce Commission, and fortified my own convictions of the necessity of securing the best possible talent that we can to serve on that Commission. I think everybody agreed about that. The difficulty always encountered is to find a man that fits the specifications.

I do not recall that anybody has been in to confer with me outside the Government in relation to the repeal of the federal estate tax. My convictions are about that tax/not very strong either way. I had looked on it as a source of revenue that could be turned to for the purpose of bearing the expenses of the war, which of course means retiring the debt that has been incurred in the prosecution of the

war. But I think the Congress has provided and I have signed a bill that turns 80% of it over to the states. In time of peace I would think that the states whose needs are very pressing for revenue ought to be free to secure the entire benefit that comes from a tax of that kind. Perhaps I haven't made that very plain. What I mean is that under peacetime conditions, when your war expenses are out of the way and your debt is paid, that that is a source of revenue that the United States Covernment might well withdraw from and leave the states to collect all the revenue that is to arise from that source. We are only to get 20% of it now, which leaves it in a position where we are not very much interested in it. I am thoroughly in favor of the principle of taxing the estates of deceased persons. That ought to be done in a way that will result in a fair tax, and not result in a confiscation of the estate by undertaking to levy so large a tax on it that it is necessary to sacrifice property in order to raise money to pay the tax. If all estates were made up of Government bonds or bank balances, that question wouldn't arise. Oftentimes an estate is made up of mill property or an agricultural property, or other real estate, or sometimes it is impossible to sell a part of it without selling the whole of it. In those cases, if the tax is very large, it results necessarily in a forced sale of the property, which is very close to confiscation, so that the tax ought to be moderate. But I don't know of any sources of revenue that are likely to be less burdensome than the estates of deceased persons. So I am very much in favor of the principle of the tax and am greatly in favor of leaving it to the states in time of peace. I am not greatly in favor of having the present law changed. I am not going to enter into any very pronounced advocacy of making a change. The Secretary of the Treasury feels that such studies as he has made indicate that we might at this time about as well abandon that as a source of revenue and his advice on that subject has a very great deal of influence with me, and for that reason

I should expect to approve of a bill that might abolish that tax, so far as the national government is concerned. If it wasn't his opinion, I shouldn't be asking the Congress to make the change at this time. Now, I don't want it understood there is any conflict of opinion between the Secretary of the Treasury and myself. There isn't. I am expecting to go along on his advice in relation to it. I look to him for guidance concerning the fiscal affairs of the Government. I am simply indicating my personal view and my official view. He thinks that we might as well, because the states are already getting 80% of this tax - they are going to get that - abandon it entirely.

Friday, November 11, 1927.

Report of the Newspaper Conference.

I have already set out my views in relation to farm legislation in the various messages that I have sent to Congress and in the veto message that I sent up last spring. That doesn't mean that I supposed that when I made the statements in those messages that I had all the information there was in relation to that subject. It did mean that I had come to fairly definite conclusions about certain principles. But I should want to supplement that with the statement that of course I have an open mind on the subject and am glad to cooperate with any responsible element that seems to have a feasible plan. I have never had any very extensive study made of the so-called debenture plan. That didn't seem to have very much support in the Congress. I have given more thought to plans that were proposed up there that had more Congressional support. Of course, I haven't informed representatives of the three farm organizations that they must agree on farm legislation. if they expect any favorable action of Congress. I have talked with one or two of them and indicated to them that it would be much easier to get legislation if the three organizations could agree, but it is the Congress and myself that are responsible for the legislation and not they, so that whether they agree or not the Congress ought to try and enact as reasonable kind of legislation as they can. Senator McNary, as I already indicated, is making a study of various proposals with a view to determining whether it is possible to frame a bill that will be helpful and which would meet my approval. There is a practical element involved in getting such legislation as we can, even though it may not be all that we want, or may not be exactly along the line that we might all wish to have.

So far as I am aware, I am in favor of the proposals that have been

made for tax reduction by the Treasury Department, and that includes those that have been made and will necessarily exclude those that have not been made as recommendations. The Department has figured out the amount that taxes can be reduced at the present time without danger of a future deficiency. A deficiency is not a danger during the present fiscal year, but is a danger in the next and succeeding fiscal years. We have some receipts this present year that are coming in from what might be termed capital sources. They are necessarily non-recurring. When they are once paid in they will not be paid in again. They swell the receipts for the present year, but decrease the receipts for use in the future. We have a good many taxes that quite naturally all of us would like to see abolished or reduced, but the Treasury has taken those taxes that they think would be most beneficial to the country on which to recommend a reduction.

I haven't had an opportunity to examine the plan in detail that has been proposed by Mr. Hurley, formerly of the Shipping Board and also a member of the Foreign Debt Commission. I judge from this question which states he is in favor of a building plan that would provide authority to lend \$5,000,000 to shippers at interest to build ships, that it doesn't differ from the present law excepting in the matter of the rate of interest. We now have legislation that authorizes the lending of money by the Shipping Board of the Emergency Fleet Corp. to private interests to build ships. I don't know the amount that is now available for that purpose.

Query: Do you know the difference in the rate?

President: I don't know just what the rate is, but I imagine it is as high as 5%. About that I am not sure. So this is not a new principle. It is an extension of the present principle of lending government money for that purpose, and apparently the main change is in the difference between  $2\frac{1}{2}\%$ , which Commissioner

Hurley proposes, and the present rate which I am quite certain is higher than that.

I am expecting to be present to confer the Hubbard Medal of the National Geographic Society upon Colonel Lindbergh, I think that is on Monday evening, and I am having a lunch Monday at 1:00 o'clock for those who have made trans-oceanic flights either in whole or in part. That is the only entertainment that I have in mindtoprovide for them.

There is no new information about Commissioner Hall. As I told you the other day, he has indicated that he would like to retire before long. No definite date has been fixed.

I think I made my position plain about the debenture plan of farm relief.

That is a proposal that I should be glad to have explored to see what the ultimate cost might be and its probable effect.

I have the report from the Red Cross, which I presume has been given out. They have established headquarters at 5 different places, Montpelier, Burlington, Butland, Woodstock, and Bermington. They have 7 administrative workers in the field and another one on the way. 7 Assistants. Some over 16,000 people were rendered temporarily homeless. 279 buildings were destroyed; 1474 buildings damaged. Practically 6500 people are receiving aid from the Red Cross. Deaths reported number 55. There are 2 murses in the field and 15 case workers, and 6 more case workers areon the way. \$117,510 has been made available. \$58,500 has already beenallocated. I have sent several Army engineers up there to give advice and assistance about the reconstruction of roads and bridges and the camp at Fort Ethan Allen, which is right near Burlington, one of Burlington's suburbs, is prepared to help about police work. There will be a good many people brought in to work on the railroads and some probably on the highways.

Tuesday, November 15, 1927.

Report of the Newspaper Conference.

I have not had an opportunity to examine the report of the National Industrial Conference on Agriculture, of which ex-Secretary of Commerce Nagel was the Chairman, except to read portions of it which were released to the press. The printed copy of the entire report came to my desk yesterday. I haven't had a chance to go over it. It isn't bound. It is printed on loose leaves, so that it wasn't in shape to go through it except somewhat hurriedly. It has many very interesting suggestions in it. I am interested especially to find what they set out in the way of facts. The newspaper release was mostly devoted, I thought, to the conclusions they had reached, and did not undertake to go into much of a discussion of the facts on which they had based their conclusions. From such studies as I have made, I have never thought that there was much of a chance to help agriculture by a reduction of the tariff. Some 47% of our exports, I think, are agricultural products. The main market for agriculture, of course, is in this country. I have worked rather on the theory that it would be more beneficial to agriculture and the country as a whole to do what I could to stimulate the market for agricultural products in this country, which means the general policy that I have pursued of encouraging legitimate business, reducing the tax burdens on it, and to produce a condition of confidence under which business would go forward. Of course, we have a very large amount of imports, running up to some four billion dollars a year, and those necessarily must continue if we are to have exports. I don't know how it would be expected to benefit agriculture by a reduction of the tariff, except on the theory that if we could get the manufacturing of this country done abroad then the people that do it abroad would buy more of our agricultural products. If our manufacturing is done abroad, of course it can not be done here, and it would seem to me that we would lose a correspondingly large home market. That is why I say I shall be interested in seeing that facts are set out to support their conclusions. On the railroad side, of course, I recommended to Congress and the Congress passed a resolution known as the Hoke—

Smith resolution. That is Rep. Hoke of Kansas and Senator Smith of the Senate. I mention that because Hoke Smith being the name of a former member of the Cabinet, I got a little confusion in my own mind as to whether the Hoke-Smith resolution referred to him or how it came to be bearing that name, because I knew he wasn't in the Senate at the time it was passed. But I have given the explanation, it was Rep. Hoke of Kansas and Senator Smith, I suppose of South Carolina. Under that there is to be a general survey of the rate structure, which is somewhat different from the freight rates themselves, to see what can be done in a reorganization of the rate structure which might be made a basis for relief for freight rates on certain products like agribulture, with a corresponding relief for the railroads by getting some revenue in some other direction.

I haven't any knowledge of any movement on the part of the Government to apply what might be called a colonial policy to the Philippines. I doubt very much if General McIntyre is committed to anything of that kind. I have set out several times my policy in relation to the Philippines, one in a letter that I sent to Mr. Roxas two or three years ago, and then again when I vetoed the Philippine legislature's bill to have a referendum taken on the question of immediate Philippine independence. In general my policy, of course, is to work out their situation under the present organic law usually referred to as the Jones law. I have often expressed the thought that the ability of the Filipino people and their local government to comply with the terms of that law was to quite an extent a measure of their capacity for government. Now, I am open minded, of course, about things in the Philippine Islands, and

if some better plan could be proposed I should examine it with a great deal of care. But I think the Jones law on the whole is a very good law. It would work out much better than it is working out, if it was received sympathetically by all the Filipino people and all the members of their government, and if they would adopt toward it an attitude of cordial cooperation. It is doing very well as it is. You will never get any law that is absolutely perfect or any administration that is absolutely perfect, and we need to look upon the Filipino people and their aspirations with the very broadest kind of sympathy. I have conferred several times with ex-Secretary Stimson, had him come down from New York once on purpose to go over the Philippine situation as he found it. Of course, I have kept rather in close touch with it myself, had reports and letters and a conference that I had last summer in the Black Hills with General Wood. This matter can't be considered from a personal angle. It has to be discussed in relation to principles, rather than in relation to personalities. Perhaps the less attention we give to personalities, while giving every possible approval and support and expressing the approbation of those who have done well in the Philippines, the sooner we shall arrive at a wise solution of the problems out there.

I haven't had a chance to talk with Chairman Madden. As soon as he returns, I think from Panama, I shall be glad to confer with him.

The Army, by the way, has laid out, as I suppose you will recall, a plan for strengthening the defenses at Panama, and that plan is being — appropriations have been made to carry on the work there as fast as they could carry it on. Whether anything additional should be done about air service there, I am not specifically informed, though I understand that the plan contemplated strengthening the air forces in that area.

Nothing special developed at my conference with Senator Smoot and Chairman Green. It was merely a coincidence that they both happened to come in the same

morning. I thought of it, and I commented on it I think when Senator Smoot was here, that it was a coindicence that both the Senate Chairman and the House Chairman should be in the same morning. Mr. Green says they are going to work with the matter of a new tax bill and hopes to have it ready for early action on the part of the House and the Senate. I talked with Senator Smoot a little about the finances of the country. Nothing new about that. Nothing other than what has already been revealed in the various reports that have been made that have been in the press and the statement that Mr. Mellon made.

Friday, November 18, 1927.

Report of the Newspaper Conference.

I did not discuss with the Secretary of War in any extensive way the waterway meeting at St. Louis. I asked him if it appeared to be a successful meeting and he expressed himself as in general pleased with the results of the meeting. I judge that he thought it resulted in clearing up some questions that might be in the public mind of the people in the regions where there was representation at the meeting. I haven't any fully matured policy about government barge lines operating on the Mississippi, the Warrior, the Missouri, and the Ohio. Perhaps what I said last night about the Government undertaking to supplant private enterprise is applicable. We are operating some barge lines on the Mississippi, two separate lines, one running from the Twin Cities to St. Louis, which was opened this fall, and the other south from St. Louis and on the Warrior River. That has been on for some time. Both of those are in the nature of demonstration lines. That is the provision of the law, as I understand it, under which they are operated. They are to be put on by the Government and financed in part by Government money to demonstrate whether a line of that kind can be successfully operated, having in contemplation when the demonstration has been made, if it be successful, that it shall pass into private hands, and if it be unsuccessful, as I understand it, that it will be discontinued. It may be that something should be done on the Missouri. Weare opening that up to navigation. That work isn't fully completed. I had a special appropriation with that in view of \$10,000,000 put into the budget last year. I am not advised whether a barge line on the Missouri could be operated at the present time, but when the Missouri is opened from St. Louis up it might not be inappropriate to put on a demonstration line there, always with the understanding that it is done because private

enterprise is not ready and does not care to make the experiment. The situation on the Ohio, as I understand it, is quite different. There are a large number of lines already operating in part on that river, well equipped and ready to operate over the whole river as soon as the works are completed there. That of course is the more desirable condition, because then the people get the advantage of some competition in rates and service, and where there are private lines running I should expect to find that it would be very inappropriate for the Government to undertake to go in and compete with them and perhaps render their further operation impossible.

I have noticed in the press considerable speculation about who is to be Governor in the Philippines. I don't care to discuss who is to be Governor. It is quite obvious that some of the press reports might be indirectly inspired to find out in advance who is to be Governor. It may be that they are for consumption among certain people in this country and certain people in the Philippine Islands. As I indicated the other day, I shall have to assume responsibility for the appointment of the Governor. I want to find a good sound man with some experience relative to Philippine questions and send him out there. There is evidently some fear in certain quarters that somebody may be appointed that is friendly to this man, or friendly to that man, or friendly to the other man. I don't think that is very material. As I suggested the other day, General Wood's name is constantly brought into the discussion, a good deal of talk about the General's friends. He did very great work out there, as I have indicated oftentimes in public, and I always supposed that he had friends in this country that I ranked asmembers of that circle. I think he told the newspaper reporters at the Black Hills that he had my support in all of his efforts out there, and I believe that is so. So that if it is any of his other friends that are fearful that his good work is to be overlooked I think they can relieve themselves on that score. Of course, the General is gone and we can not carry on the work of the Governor General of the Philippines under his direction and control. It is necessary to have some one else to take his place. I expect to find a good sound man that will undertake, as the General has undertaken, to administer the Islands according to the organic law. Any one that I might send out there will probably be like the General in some respects, and unlike him in other respects. But I think, as I indicated the other day, that the situation wont be helped by clinging to personalities. You have to remember that our conception of government is that it should be a government of law and not of men, and whoever goes out there will undertake to administer the affairs of the Philippine Islands in accordance with the organic law.

I do not know just what it is that President Lewis and other representatives of the Mine Workers wish to lay before me, so I couldn't comment on it in advance of their coming in. I think they have an appointment -- is it tomorrow, Mr. Sanders, or some day next week?

Mr. Sanders: Monday.

President: Monday. Yes, thank you. They have an appointment Monday.

I shall find out then just what they think it might be possible for me to do to help in that situation. I have asked the Congress several times for authority to act in the case of coal strikes. Congress hasn't given me the authority, and generally reported to me that each time I had made a request of that kind, authority for me to act had been opposed both by the operators and by the miners.

I have stated to the conference that I stand on the recommendation that has been made by the Secretary of the Treasury relative to the revision and reduction of taxes.

I haven't made any further examination of the report of the Industrial

copy. I don't know that I could say anything more than what I said last night about building more submarines and some more cruisers for the Navy. We are making some reports and some investigations relative to submarines, so that it may not seem desirable to do much right away about the building of submarines. I think we are prepared to take up the building of some additional cruisers by passing a law at the coming session. I do not expect, however, that the number would be either increased or diminished by reason of failure to reach an agreement upon limitation of armaments at Geneva. It was contemplated when we went into that conference that one of its results, if we reached an agreement, would be the building of some more cruisers by this country, and that is what we shall have to do, not having reached an agreement. So the result of the conference, so far as building some cruisers at the present time is concerned, is entirely negative.

The reception that was given me last night by members of the Union League of Philadelphia was very gratifying. The people of this country are always considerate of the Presidential office and treat it with great respect. But it is none the less pleasant to have a party reception manifest by the members of a great organization. I don't know that I could say any more about it than what I said in the opening of my address.

I have had several people under consideration for the Ambassadorship of Cuba. No final decision has yet been reached.

The Red Cross is undertaking very effective measures of relief in the flooded area in New England. They gave out a statement that perhaps wasn't fully noted on the 7th of November, that they would carry through an extensive program of reconstruction that will probably include such items as the rebuilding and repairing of dwellings, replacing of household goods, furnishings and clothing,

providing of livestock and farm implements, and that was reiterated on the 11th of November, that they would assist families to rebuild and repair their houses, supply household furnishings, and in certain cases livestock. I speak of that because there appeared to be some little confusion in the minds of some of the people in Vermont, and some of those who were working to take care of the situation up there, as to just what part the Red Cross was taking.

Tuesday, November 22, 1927.

Report of the Newspaper Conference.

I doubt very much if it would be possible to secure the passage of a bill similar to that which was proposed by President Harding for a direct subsidy to shipping. I think there are some indirect things that it may be able to do that would assist in maintaining our merchant marine. I am having those things explored. They would be generally on the side of the relationship of the merchant marine to the question of national defense, the use of the ships for that purpose and regarding the crews as an auxiliary to the Navy.

I haven't seen any detailed report as to the action of the Ways and Means Committee on the question of tax reduction. I didn't have a chance even to read it, just to glance at the reports in the morning press. \$250,000,000 is more than recommended by the Treasury. Therefore, my opinion about that would be that it is a larger reduction than ought to be made at this time. But of course the question of taxes and tax reduction is one especially for the House of Representatives worked out by their Ways and Means Committee, and something may have developed at the hearings that would warrant in their opinion as large a reduction as that. It seems to me too much. I don't know the details of how it is to be applied, so I couldn't comment on that.

I have referred the suggestion that was made by several of the representatives of organized labor that were in yesterday in relation to the soft coal strike to the Department of Labor. That Department has been in close contact with the strike since before it began, has been helpful and instrumental in settling a certain part of it, and of course would be only too glad to do anything possible to secure the settlement of the remaining questions and localities and the differences between the mine operators and the mine workers. In general, I would

say that it appears that the soft coal business is going through a reorganization period. Some mines are closing down and probably will not be opened again, certainly not in the near future. The reason is that coal can be bought by the people that own those mines cheaper than they can mine it. That is the general difficulty in the settlement of the remaining body of the strike. The mariet for coal is such a price that the mines that have not made a settlement feel that they can not sell coal at the prevailing rate and meet the demands of the miners on their wage scale. That is, if they were taken back to work it would mean that the output of the mine would have to be sold at less than cost to produce the coal. Now that is the situation, and it is bringing about the present readjustment in the mining business. Of course, when an industry goes through a readjustment of that kind it is always attended with more or less hardship, and I don't know any direct answer to it at the present time. But the Department of Labor will explore the situation fully to see if there is anything that it can do to mediate it, conciliate it, and settle it.

I have stated my position relative to the Boulder Canyon Dam in several of my messages, and several addresses, better than I can state it in an offhand way. I would be glad to refer you to those for any information you may wish to have on my position. Therehas been scarcely any change in the situation. Some of the states have indicated quite positively that it is improbable that they will adopt the seven-state agreement. I have been hoping all the time that the states would reach an agreement under which the work could go forward. If they do not reach an agreement it complicates the situation. It doesn't necessarily prevent a solution. Of course, I would quite agree with Rep. Snell that I wouldn't want to have a dam built at Boulder Canyon without knowing in advance what was going to be done with it, how it was going to be operated, and where some return was going to be made for the investment of the money. Muscle Shoals was built during the war

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when it was expected to be put into war work. When the war was over it left us with the dam and the immediate reason for its construction had passed.

I don't know whether the State Dept. has made any agreement about with-drawing our customs investigators from France. That would naturally be a matter for the consideration of the Treasury Department. I suppose what they are doing there is trying to comply with the present U. S. statutory law.

I don't know what the War Dept. is doing in the way of pontoon bridges to be used in Vermont. I think some have been furnished, and I think the Secretary of War indicated to me this morning that he had a recent call over the telephone, or something of that kind, from the Governor, and that nothing more in that respect was required at the present time. He said the only pontoon bridges we had were in Texas.

I do not approve of the circulation of a petition, such as has been reported in the morning press, requesting me to run for President in 1928. I don't see that any good could come from it. I hope it will be discontinued.

I have very little information about any details of a proposed street car merger in Washington. As I indicated at the conference the other day, I judge it would be for the convenience of the citizens of Washington, perhaps for the convenience of the operation of the business, if the street car systems here were all under one management. I hope something of that kind might be worked out.

Mr. McAdoo, who with Mrs. McAdoo took lunch with us yesterday, told me that he was in Washington engaged in trying to work out a fair system for consolidation. He did not go into the details of it. I am not familiar with the details. I would be very glad to do anything I could to cooperate in any consolidation that would be for the benefit of the Washington public and at the same time fair to the owners of the property.

I expect to attend church Thanksgiving day. I have forgotten now where Dr. Pierce said that the Thanksgiving services would be held. It is in one of the theaters, but not in the theater where the Sunday services are held.

Member of the Press: Keith's Theater.

President: Yes, that was what I was thinking. I shall go to church there Thursday. Thanksgiving turkeys are beginning to arrive at the White House that shall have our attention on Thanksgiving Day.

Mr. Clark told me this morning that it had been suggested that on
Thanksgiving eve, Wednesday evening, I should read my Thanksgiving Proclamation
for the purpose of having it broadcast. I am expecting to do that.

Query: From the office?

President: Probably from the White House. Probably from my study there. Some of the radio people had indicated that they would like to make a very broad distribution of that over the radio, perhaps putting 20 or more radio stations into operation for that purpose.

Query: Will John be home?

President: No. He only has, I think, one day.

Report of the Newspaper Conference.

I have given some thought to the suggestion for the outlawry of war. Any reaties made on that subject are somewhat difficult under our Constitution. Those difculties were quite clearly set out some months ago by Dr. David Jayne Hill in an article hat was, I think, in the Saturday Evening Post. I don't know that they are insuperable, at they are certainly very great, because our Constitution places the authority for a claration of war in the Congress. Of course, that makes it quite obvious that any reaty that might be made would not take away from Congress the power to declare war. ach a treaty, however, would amount to a declaration of a policy that might be helpful in promoting a sentiment for peace. I don't know that we regard our own country any differently than other people regard theirs. I suppose that most of our people would say that this is a peaceful country as indicated by the very infrequent occasions in which it as resorted to war, emphasized by the many treaties that we have for arbitration, the mderate size of our Army, and considering all our conditions the very moderate size of or Navy, and our general indisposition to interfere in the affairs of other countries. Still, if there is more that could be said that would indicate a desire for honorable peace, it might be desirable to say it. I do not think it is likely that anything of that nature could be well dealt with in a conference. It would have to be taken up by individual nations.

(The President was asked if he had seen a certain proposal for putting an embargo on arms against aggressor countries).

The President: Well, I have seen some reference to that. I haven't given that study enough either to come to a definite conclusion about it. It would depend very much upon the form, the details that it might take; also it would depend on what it was to be applied to. If it was to apply merely to arms and ammunition it would be taken differently in this country, than if it meant to be carried to the extent of non-intercourse, which would practically mean that we would join any other country that started a blockade

m some foreign power. Whether that might involve us in an act of hostility would be something that would need to be explored. And then of course the question of what is aggression has always been one that is very difficult to determine. It is thought, I believe, that they have some formula now to the effect that it is to be the nation that refuses to arbitrate. That, I assume, would have to be modified some, because it as always been understood there were some questions of national honor and integrity that no nation ought to be called on to arbitrate or, at least, should not be held up to criticism because it refused to arbitrate such a question. I am not undertaking to into any details or discussion, but merely indicating some of the questions that would have to be disposed of in order to come to a definite conclusion. There isn't any short cut to peace. There is no short cut to any other salvation. I think we are salvased it has to be worked out with fear and trembling. I don't believe there is any may in which you can escape from that conclusion and that condition.

I am not certain whether I shall go on the Mayflower tomorrow or not.

I haven't made any decision about theappointment of a successor to Admiral fullard. I put him on there at the time of his appointment, especially with the thought of having him the chairman. I haven't thought of the other members of the Commission. It may be that some one of them would better be designated as chairman. It may be that the new man that goes on may quite naturally take up the position of chairman.

I don't know just what Senator Capper has in mind to propose. I imagine that the effect of it would be a general suggestion or statement on the part of the Congress that they were in favor of outlawing war, hoping that some negotiations might be entered into for that purpose.

I have several times proposed to the Congress that I should be pleased to have established a Department of Education and Relief, I think it was, that would take under one management all the different elements of the Government engaged in that kind of work with a seat in the Cabinet. If you want to know just what my ideas have been on that, glance back at some of my previous messages to the Congress. I also referred to it in an

address I made on the 4th day of July, 1924.

I don't know of anything I can say about the proposal of the United States

Thamber of Commerce to have tax reduction of \$400,000,000. I think I saw in one of the
headlines that it was accompanied with the suggestion that this Government could run,
even if it had a deficit, which of course must have been made without any knowledge of
the budget act. If the Chamber of Commerce will point out where savings can be made to
warrant any such tax reduction as that, why then I will be glad to discuss it with them.

To far as I know, they are not making any suggestion of any kind about saving in any
part of the United States Government. On the contrary their runners are going from
Department to Department, asking that the costs of the Covernment be very greatly increased and the taxes greatly diminished. If there could be a more absurd proposal about
that, government finances, I don't know what it could be.

Nothing has developed relative to the bituminous coal situation. The Secretary of Labor is looking into that to see what possibly can be done to compose it and mediate it and secure some adjustment. Of course, the main difficulty there is an entirely economic one. I rather think that the consumption of coal is decreasing a little. Due to improvements of machinery and the use of steam boilers, it doesn't take so much coal as it formerly did for operation. There is a great deal of oil being burned. A very considerable amount of course of water power, hydro-electric, is taking the place of coal. There is a large production of coal in our Southern area, where wages are not nearly so high and then there has been a great deal of increase in the machinery for the production of coal, so that the same number of men produce more. And all those things together have brought about a situation where it is possible to secure coal on the market at a lower price than it can be produced for and pay the rate of wages that have been paid. Now, that is a situation that ought to be held as one for which the miners or the operators are the blame. It simply developed as a change in our economic conditions. It is quite obvious that there are too many men in the coal mining business

and too many mines. Some of the mines will have to be closed and probably some of the new in the mining business will have to seek employment in some other industry. Now, that is the situation. If the Government can do anything to help relieve it, why, of course, they will gladly do it. But it is very difficult to see what can be done. The industry is going through a period of readjustment, and when industry goes through that kind of a period of course it is always one of a great deal of difficulty for both the owners and the employees. It means a loss to the owners and a loss of employment also for the wage earners in the industry. That seems to be the trouble with the coal industry.

Query: When you say, of course anything will be done if it can, do you mean that you are calling a conference?

President: Not necessarily. I don't know that that will be any good. I mean we will investigate any proposal that is made and devise any plans we can that will seem to be helpful. I said a moment ago I didn't know what could be done, and I haven't any definite proposal or any definite plan, especially as I am leaving that to the suggestion of the Secretary of Labor. I merely outlined some of the difficulties of which he is well aware, and he is undertaking to see if he can find any solution.

Report of the Newspaper Conference.

I only have the most general knowledge of the upper Mississippi River barge line. That was put in at the very urgent request of some people that lived along the river from St. Louis to the Twin Cities, and I had understood was very much appreciated. It is a new project. Quite naturally it can not be all worked out in a minute to the satisfaction of everybody. The Government management is doing the best they can to make it available and make it beneficial. It is quite natural that it can not go ahead perhaps as fast as some of the interested parties might like to have it go without making commitments that might prove to be undesirable and result in waste and loss. We are trying to build it on a solid and safe foundation, and enlarge it as fast as we can. But it is, of course, a demonstration project. When it is demonstrated that it can be operated successfully it will be expected, as I have often suggested at the conference, that it should be taken over by private enterprise. I don't know whether General Ashburn is getting ahead as fast as some of them might like to have it done. I do know that after the line was put in there was a great deal of satisfaction expressed in the Twin Cities, and I think he attended a banquet one time when he was up there. He is especially well equipped for that kind of work. He has made sort of a life study of it and abandoned his other vocational activities. Perhaps if there is disagreement about it, it may be that it is something which will require patience and forbearance on both sides. But I haven't had an opportunity to make any inquiries about any specific difficulties.

I haven't any particular comment to make regarding the selection of a city in which to hold the next National Republican Convention. That is a matter for the National Republican Committee to decide. I am certain that any decision that they might make would be entirely agreeable, so far as I am concerned. I do not know what cities are making application in their entirety. I have heard of several cities that are proposing to apply. There is any one of a large number that I think would have

adequate facilities.

It seems to me that the main question to consider relative to when the reduction of taxes should go into effect is as to how it will affect the Treasury. I am desirous of reducing taxes as fast as we can and as early as we can and still keep the Treasury in shape to meet such requirements as are made. I think there is an argument made that reduction on the corporate taxes ought not to go into effect until a year after the reduction is made, on the assumption that the corporationshave been collecting during the year the money with which to pay their next year's taxes. I don't know how far an argument of that kind is warranted by the facts. It may be that some corporations undertake to set up prices and secure their income for the present year, in order to lay by money with which to pay their taxes next year. That would be affected, of course, very largely by competition. I imagine, though, that the general methods of corporations, the general practice, is to try to get enough money during the quarter in which taxes are to be paid so that it will have some money with which to make the payment when it comes due, rather than to try to lay up money a year in advance. If that is the case, I don't see any theoretical objection to making the reduction apply at the time when the tax is to be paid. Of course, the Treasury is always in need of money as long as we have a national debt, and if no hardship was to be encountered and no particular reason can be advanced why the reduction should apply this year instead of next year, why the Treasury can make very commendable use of all the resources that it may have. But it is a question especially for the determination in the first instance of the Committee having it in charge. They look into the details of it for the House and the Senate. So far as I know, I should take their judgment on it, and undoubtedly approve any decision they might make when any bill of that kind might come to me.

I have distributed, as you know, my message. It is somewhat longer than I wish it was, though I think only about half a page longer than my message of last year. I have included a good many subjects in it, but necessarily had to leave out a good

many subjects that I might like to discuss, because of the desire not to make the message too long, and I feel that it is better to discuss at some length the subjects with which I wish to deal, rather than to make a mere reference and recommendation about a large number of subjects.

I think it has already been reported that I am expecting to make a few remarks at the dedication of the stone in the Washington Monument that has been placed there by the State of New Mexico. I was present at the dedication of the stone that was placed by the State of Arizona. New Mexico, I think, went into the Union and became a state when Arizona became a state. It is my recollection that that very nearly finishes up the placing of stones by the different States in the Washington Monument.

I am expecting when the National Committee meets here that I may have them come to the House for a brief reception by Mrs. Coolidge and myself, and at that time I may make a fewremarks to the Committee, probably in the East Room. That hasn't been fully determined yet, but it is one of the matters I have under consideration.

Friday, December 2, 1927.

Report of the Newspaper Conference.

I expect that some program for further cruiser construction will be presented to the incoming Congress. We have only provided for the construction of 8 cruisers since I have been President and a good many of our cruisers I think are of old construction and it will be necessary soon to be making replacements.

I didn't notice whether the soviet proposal for the abandonment of all armaments was to apply to all the world or whether it was a European proposal. We do not maintain much of anything in the way of an Army in active service. It is reduced to the proportions of a police force. I am speaking now of what we would call the Regular Army. Of course, when it is supplemented by the National Guard and other forces that could be called out it is a considerable force. So I suppose that if that proposal was to apply to all the world, so far as it would affect us would be the Navy. I do not imagine it would be for the welfare of the world entirely to abandon navies.

Nothing of particular importance was discussed between Rep. Tilson and myself. He came to town a day or two ago. I wanted to see him. My engagement list was full for the morning, so I asked him to come to lunch.

And about the same would apply to the breakfast that we had at the White House this morning. Senator Robinson, of Arkansas, sat beside me and he was telling me at my inquiry of some of the recommendations he had made to the Committee relative to flood control. There was other discussion around the table among other people that I didn't hear.

I have just had brought in to me a document (this is more personal than of general interest I suppose) the application and the insurance policy that

was issued to my grandfather, Calvin G. Coolidge, in '68 - not for a large sum, \$1500.00 - and the various documents that passed at the time my grandfather died in '78. It is more or less of interest to me because of the answers to the questions relative to my grandfather's life and his family, and the names of the old inhabitants of Plymouth, with whom I was acquainted in my boyhood.

There was nothing of particular importance developed at the Cabinet meeting this morning. A very short session, which, as I have indicated before means
that each head of the Department found he had no very serious problems under
consideration.

Colonel Judah was in to call on me this morning. He is starting for Cuba, I think next week, returning to Chicago this afternoon to finish up some private matters there. He is going to Cuba at once to make such preparation as our representative there may find necessary as a preliminary to the Pan American Conference, which is to be held about the middle of January.

Question: Will you permit a question as to whether or not you will go to Havana.

President: I am expecting to go. There is never anything terribly certain about the President's movements. I have indicated several times it was my expectation to go. My plan is to go down to Key West and cross over on one of the Navy boats. The Secretary of State will go with me, and if I am going on the Navy boat possibly the Secretary of the Navy. Some of the members of the Commission, or representatives at the Pan Ameridan Conference, will probably also go at the same time. Some of them may perhaps precede us to do whatever is necessary in the way of preliminary work. I don't know that any of them will find that necessary. Mr. Morrow, who is one of the delegates, is in Mexico City, so he would not join us here, but would join us at Havana.

Question: Have you any idea how long you would stay?

President: Oh, I would make a very short stay. Perhaps arrive in the afternoon and address the conference the next day, and start back that afternoon or the day following. That is necessary because of my official duties here and in order that I may keep the social schedule that has been laid out for the winter at the White House.

Tuesday, December 6, 1927.

Report of the Newspaper Conference.

As indicated before, I have no particular preference about the choice of a city in which to hold the next Republican National Convention. I doubt very much if Mr. Butler, the Chairman of the Committee, has any particular choice about it. I am desirous of taking the opinion of the Committee about that. If I was trying to undertake to indicate any preference about it, I could only do that after talking with various members of the Committee from various localities and hearing what they had to say, the reasons they might give. I have no doubt that is the position of the Chairman. He will hear all the applications that are brought in, then make his final decision. But I haven't any special knowledge about that. If you want to know what the Chairman's position is, of course he is here in the city and it would be necessary to ask him.

The Secretary of Labor is making an investigation of the difficulty in the bituminous coal fields to determine whether there is anything that he can do under the law to assist in some settlement. The statute gives him quite broad powers of mediation and conciliation. He may think that can be best done by having a conference. He may think it can best be done by acting as intermediary. I assume that what is desired, of course, - I know what is desired - is to reach some settlement, and that is the subject to which the Secretary is addressing himself, and he is exploring the different methods that might possibly be adopted for the purpose of reaching that result.

My message goes up to Congress at 12:00 o'clock - I think it has gone.

Mr. Sanders: It is being read now, Mr. President.

President: That covers about all I need to say about Government affairs in one day. I have already covered the questions that came in.

Friday, December 9, 1927.

Report of the Newspaper Conference.

I have every reason to suppose that any report that Ambassador Morrow is undertaking to arrange a meeting between the President of Mexico and myself is without the slightest foundation. Such comment as I care to make at this time relative to rivers and harbors and inland waterways improvement and navigation of inland waterways is in my message. There is one comment that I might add -- that it is quite discouraging for the United States Government to undertake to help people and find that it only lands itself in a very disagreeable controversy. That has happened on some of our irrigation projects, where the Federal Government has expended a great deal of money and was under a good deal of expense in order to irrigate land and redeem it for cultivation, and sometimes the results have been that the Secretary of the Interior washung in effigy for his pains. We have gone to a great deal of trouble and a perfectly enormous expense in relation to shipping, and our being in that business is something that also lands us in a good deal of controversy. There is some controversy, I don't know what it is, about the Mississippi barge lines. I thought we had gone a considerable distance, and been quite generous in providing for it. Now, these are not reasons why the U. S. Government should not go ahead and do whatever is required to be done, but they are difficulties that it seems might be eliminated to a considerable extent, if those for whom these things are done would try and have a reasonable appreciation of the efforts that are being made in their behalf. Of course, the principle that I am trying to illucidate is the very extreme difficulty of the Federal Government engaging in the transaction of business that isn't strictly a government business. As soon as it undertakes to do that the people that are helped or harmed immediately begin a political agitation about it. It results in controversies that it would

be much better to keep out of and is one of the main reasons why the United States

Sovernment ought to keep from undertaking to transact business that the people themselves ought to transact. It can't function along that line. As soon as the

Sovernment tries to transact such business, the people with whom it is being transacted don't regard it as the Government's business. They regard it as their business. They think it ought not to be done for the benefit of the Government in a

way that would be for the benefit of the Treasury or all the people, but that it

ought to be done for their benefit. And that always creates a situation that it

is extremely difficult to contend with and one which is practically impossible.

So that it is my policy, in so far as I can, to keep the Government out of business,

not

withdraw from that business that it is engaged in temporarily, and/to be in favor

of its embarking on new enterprises.

I do not think the question of whether a man might be called a military man or not is one of very great importance in relation to the Governor Generalship of the Philippine Islands. I suppose what is meant by that is the attitude of mind of the man. Some civilians may have what I would designate as a very military type of mind. Some men who may be officers in the Army and the Navy might not have a military type of mind at all. I think this — that the Governor Generalship of the Philippine Islands would probably be better administered, as any civil office would be, by a man who didn't have a predominantly military type of mind. That wouldn't by any means eliminate plenty of men we have in the Army and Navy, and I would not think that Governor General Wood was a man that had a predominant military type of mind.

I have appointed Judge Tilson to be a Judge in George and naturally I want him to be a Judge down there. I do not know yet what can be done in order to secure that result.

I had some matter that I thought was of some importance to reveal to the press, but I don't happen to recall just what it was now. I know I had it in mind for several press conferences.

Mr. Michaels: May be it was the Governor Generalship of the Philippines, Mr. President.

President: No. Well, I have given you sufficient to write about for today. We will save that for some other time.

Tuesday, December 13, 1927.

Report of the Newspaper Conference.

I have set out in my several messages to Congress my recommendations relative to coal legislation, sometimes in more detail than others, but in general that the Executive ought to be empowered to deal with an emergency, when one seemed to be impending, by having some fuel administration that would take care of the distribution of coal, and also to appoint an emergency board to do what it could to settle any labor controversies. That would be a board that would come into existence, both of them, when an emergency arises and when the emergency has gone out of existence the boards would go out of existence. I did not contemplate setting up any permanent board or commission for tither of those things. I don't see any reason for any permanent board.

I have referred to the State Department a suggestion that came to me that something might be secured relative to the World Court by further negotiations. I haven't in mind exactly the language of the replies that were secured by the Department when it notified the different countries that were signers of the treaty that our country was willing to adhere to it in accordance with the resolution passed by the Senate. Whether there is anything in thosethat would give any encouragement to further negotiation, I therefore could not tell. So far as I know, they were not of a nature that encouraged the thought that further negotiation might bring about positive results, and so far as I have made inquiry of men in the Senate who were very friendly to the World Court proposal they have uniformly indicated to me that they would not be willing to support any modification of the position that the Senate had already taken. I thought the general result of the conference that was held by the other members of the Court was quite a strong indication that they would not wish to have our country become a member of the Court if it was going to involve any modification of the present

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rules governing the action of the different countries that have established it, in relation to it.

The Navy Department is making a study of what plan it may wish to submit to the Congress for carrying out the suggestions that were made in my message relative to a building program. Any definite conclusion has not yet been arrived at, though several different plans are in contemplation. The main part of the program would be the enlargement of our craiser forces. That, as I stated in my message, was something that we have known all along must be done. It needed to be done had we made a limitation agreement, and it needs to be done just as much and perhaps more so without any limitation agreement. I have not read the article in the Times. I have seen the headlines. From my own knowledge, the headlines do not always accurately represent the statements that are in the body of an article. The headlines in the New York Times are not substantially accurate, and of course any statement that I have approved a program is entirely inaccurate. I have not approved any, and the Navy Department has not yet come to a final conclusion regarding one.

I do not know whether any information has come to the State Department relative to a reported assault made on an American citizen in Rumania. The Department would of course deal with that in the usual way, and we should undertake the usual methods of protecting the persons of American citizens when they are abroad.

Though I have known for some time that Chairman Butler did not contemplate being a candidate again for the Senate in the coming year, I have no information about his statement other than what is already in the press.

I was talking with Admiral Jones today about the needs of the Navy and gathering more information from him relative to the developments that took

place in Geneva.

It has already been announced that I have nominated Albert H. Denton this here is Arthur H., the name is Albert H. - of Kansas, to be on the Shipping
Board in the place of W. S. Hill. Mr. Hill had a recess appointment that I made
I think in June. Knowing at the time it was a recess appointment I did not at
that time come to any definite conclusion as to what course I mighttake when I was
to fill the place permanently. Mr. Hill has been, I think somewhat bothered by
his financial condition and his connection with some financial institutions in his
State.

My interest concerning the proposed flight of Colonel Lindbergh to Mexico and Cuba is in nowise official, but the same interest that other American citizens, I assume, share toward it. He goes there as a private citizen at the invitation, as I am informed, of the Mexican people or Government, or both. I think it will be of interest to them to see him, and will be helpful in promoting the navigation of the air and aviation in general. I referred to my interest, especially in encouraging aviation to all points south of the Rio Grande, in my message. I think the Colonel's flight to Mexico and Cuba will stimulate interest in some government encouragement of that kind.

I haven't done anything further about my expected trip to Havana.

Friday, December 16, 1927.

Report of the Newspaper Conference.

There has been so much already written about the flight of Colonel Lindbergh to Mexico City that it would require more invention than I have to add anything new or fresh to what has already been said. I suppose what the conference wants, though, is something that they can hang on the words of the President. It is quite evident that his flight there has had a very pleasing effect. It has evidently pleased the people of Mexico very much. The Government of Mexico has accorded him a most painstakingly cordial reception, and the President and the Mexican Congress have done everything they could to honor him. I have no doubt that his going there will increase the friendly relations between the people of Mexico and the people of the United States. I have no doubt that the Central American Republics would be very much pleased to have Colonel Lindbergh fly down there. I have no information whether he contemplates anything of that kind. I think I have seen it referred to in the press, but that is the only information I have about it. There is a further interest connected with that, which I referred to in my Message to the Congress, my desire to establish as soon as can be an air service between this country and the countries south of the Rio Grande. I think that Colonel Lindbergh's visit to some of those places would increase the already great interest in having something of that nature done.

Here is a question that recalls to me what I forgot the other day.

I constantly have it brought to my attention, and I see statements in the press from time to time, indicating that I have undertaken to be engaged in one kind of employment or another after the termination of my office as President of the United States, and I was going to say that there is no founda-

tion for any suggestion of that kind. I shouldn't give it a thought myself, if it had not been brought to my attention through the press and otherwise. I am very glad to suggest to you, and you can suggest to the public if you wish to, that all reports of that kind are without any foundation and will be unless they are officially announced by me, which is likely to be a very considerable time in the future. It is a matter, quite naturally, that I haven't given any attention. I think some one asked me out at Rapid City. I said there that I usually had brought to me plenty of work to do and had no doubt that would continue. But while I remain in the office of President I do not expect to make any arrangement whatever for any future kind of employment. Here is a suggestion inquiring whether I might go to the Senate or the House in the future. I haven't any present intention of going back on that end of Pennsylvania Avenue. There are going to be vacancies in the city Government in Northampton. I do not know why the City Council of that town should be neglected in the press comments and reports.

I do not think the sentiment for peace in this country which is very strong, as it ought to be, and in which I most cordially share, will be unfavorable to the proposal to carry out the building program that is suggested in the bill which has been sent up. I judge from some newspaper comment that I have seen that the process by which bills of that kind are sent to the House and the Senate may not be fully understood. Under the Bureau of the Budget law any bill of that kind that is to be submitted that calls for an expenditure of money is first presented to the President through the Bureau of the Budget to inquire whether it would be in conflict with his financial program. This bill, of course, what through that regular process, and I replied that it was not in conflict with my financial program.

Of course, I wouldn't want to state that I would positively approve or veto any bill that was on its passage through either house of Congress. The only thing I could say about any bill I think would be that I would take it and consider it when the bill reached me, and try to decide it on its merits. It is my opinion that the bill that has passed the House, reducing taxes \$289,000,000, carries the reduction further than is warranted by the prospective condition of the Treasury. Of course, nobody knows what is going to happen in the future in relation to the business of the country. It is quite improbable that during the year 1928 the country will experience a great business boom that will very greatly increase the taxable income of the country. It is possible, but not probable. It is possible that there might be a serious depression, due to some events that can not be foreseen, that would very greatly reduce the taxable income. I do not think that is probable. It is possible. The probable condition of the Treasury is that which has been indicated, a surplus of \$252,000,000, of which \$75,000,000. I think it is \$75,000,000, is nonrecurring. That means the surplus that is to accrue from taxable revenue is \$177,000,000. That does not support a tax reduction of \$289,000,000, and the surplus that I have indicated at \$252,000.000 is made without taking into account the probable increases in expenditures for flood control or some increase in the Navy, and, I think, the amount of money that will go out of the Treasury when the alien property is returned. There are other very considerable items. Of course, in doing a business of \$4,000,000,000 it isn't safe to whittle the margin to nothing. Those are some of the reasons why, as far as I can see now, the proposal to reduce taxes by \$289,000,000 is too much.

Question: Would you care to state what you think is a safe limit?

President: Yes. We have stated that in the tax bill - \$225,000,000.

That, I think, is safe, if it is reduced in the way that the tax bill provided for it to be reduced. If you take taxes off things that are certain and which you know you are going to get, and put them on a mess of uncertainties, then of course you ought not to make the reduction so large. That is what has been done by taking the tax off automobiles and leaving more of the taxes to be brought in in other ways. Of course, the bill will go to the Senate, where I know it will have very careful consideration, and I have every reason to suppose that it will be brought within the proper limits, then adopted by both houses.

There was another matter that I was going to mention to the conference, and that is the proposal to erect a memorial to Abraham Lincoln and his mother in the State of Indiana in the county where Lincoln lived for 14 years. I understand that that is the county where his mother died and is buried. The cost of the memorial is to be \$1,265,000 and there is so much interest in it in that State that already the people of that State have come forward with their quota of money that is to be raised. A memorial of that kind is a very proper enterprise, not only on account of its patriotic significance, but on what we should expect to be the artistic excellence. There is some memorial at that place to the mother of Abraham Lincoln. I have seen pictures of it, but it is not as large or as fine as the situation warrants. I am very much pleased to see that there is a very considerable number of citizens and former citizens of Indiana that have associated themselves together to carry out this very good work. It was presented to me by Mr. Richard Lieber and Senator Watson, the other day.

Tuesday, December 20, 1927.

Report of the Newspaper Conference.

I haven't in mind at the present time any particular action relative to the tax reduction bill. It is quite apparent that there was an effort, commendable in itself, to hasten the bill through the House, perhaps without any sufficient appreciation on the part of a good many members of the House just what the result would be of some of the provisions that were put into the bill. The Congress usually comes to a quite sensible conclusion about things when it has time to find out what the facts are and understands what the result of their actions is going to be, and I should expect that the hearings that will be held before the Committee of the Senate would develop the strong features and the weak features of the present bill and result in such amendments as are necessary to make it a bill that would be fairly in harmony with what the Treasury Department, under the guidance of Mr. Mellon, thinks is sound taxation policy.

President Little of the University of Michigan came in yesterday —
he is a member, I don't know but President, of what I understand is an association of Presidents of State Universities — to tell me of the interest that they have in the development of education and their desire to cooperate with the National Government along that line, and especially to be helpful in adopting the carrying out of a sound policy on the part of the United States Government in the expenditure of money that it appropriates for research and investigation and experimentation. We are making quite large appropriations of that kind which go to the agricultural colleges, I think almost exclusively. In many of the States those colleges are a part of the State University. In some of the States they are separate institutions. In Massachusetts, for instance, we have no university, because the field was very early covered by institutions that

the State and local communities had contributed to in establishing, the first one being Harvard, and all our agricultural colleges are separate institutions.

Question: Was he the head of Massachusetts Agricultural College at one time?

President: No. President Butterfield of the Agricultural College in Massachusetts was the President. So I told him I knew about the situation from my experience in Massachusetts, in part, and that I would do what I could to cooperate with him and see that the money that was appropriated by the U.S. Government was put into places where it could be best expended, but that I thought there would be a great deal of hesitency on the part of Congress to make a division of the money and have part of it go to universities that had a State Agricultural College under them and part of it go to State Universities that did not have an Agricultural College under them. I thought the Congress would probably be very loath to divert any money that was going directly to agricultural colleges into the use of many of the state universities, even though there might be quite a strong reason for it by reason of state universities being better equipped in some instances to carry on experimentations and investigations that it is proposed to carry on under the money that Congress appropriates.

I know almost nothing about the attitude of the U. S. Chamber of Commerce relative to flood legislation. Sometimes the Chamber can be helpful, sometimes I haven't thought they were helpful. They might get some information about that which would be of assistance to Congress. I suppose what they have done is to ask the opinion of their constituent members relative to certain questions, I think as to how the expense should be met of building such works as are necessary for flood control in the flooded region. I set out in my message my opinion about that and the bill that was sent up and the report - I think it was

accompanied by a bill. The report anyway of the Engineers asked for a trifling contribution from the areas that were to be benefitted. I think they figured it out to be something like 30¢ per acre per year for 10 years. It was about 10% I think of the money that was expected to be expended in the region. No, it was 20% of the cost of the erection of the dikes and works of that kind. Of course, that was necessarily an arbitrary figure. The present policy has been for the locality to contribute 1/3. I thought that probably would be a rather difficult burden for them to meet and so I approved the recommendation of the Engineers that it be reduced to 1/5. Per acre it seemed to be rather a trifling amount, and there may be local conditions and so on that make it impractical. I don't know about that. That would only be developed at a hearing by the Committee. The plan of the Engineers as presented is a proposal of/most extraordinary generosity that was ever made by the U. S. Government -- to put in a system of flood control there at a cost that is about the amount that the Panama Canal cost. As an engineering accomplishment, it is second in rank to anything that has ever been undertaken by the National Government. It is second only to the Panama Canal.

Question: Have you received any estimates of the cost that the states say they will have to expend on the lands that have to be condemned?

President: No, I haven't. That is one of the things that necessarily will have to be taken into consideration. The Engineers did not think that would be very large. It was borne by the states and localities. If it has to be borne by the U. S. Government the lands will probably turn out to be quite valuable — so valuable that perhaps a tax of 30¢ an acre for 10 years would be considered quite an insignificant sum. But as I said in my message, we want to approach this in a broad and generous spirit and undertake this work, which is the greatest the United States has ever undertaken expect the Panama Canal, with a desire to

clean it up and as far as we can guarantee that region from any other such catastrophe as happened to them during this present year. Whether that means some small contribution or not is not a matter of great consequence, so far as the money is concerned. I thought the principle is quite important. It is especially for their benefit. They will have an interest in seeing that it is done properly and economically, if they make some small contribution to the cost.

I don't know of any special Christmas pardons that are likely to come along. There may be some that are up for consideration in the Department of Justice. I am issuing pardons all the time, so that so far as pardons are concerned every day is Christmas over here.

I don't know of any comment that I can make relative to the disaster to the S-4 submarine, other than the expression of extreme sorrow and regret that a disaster of that kind has occurred. I am receiving constant reports from the Department that they are doing everything that it is possible to do to rescue the men and raise the submarine. Efforts are almost entirely impeded by very severe weather. But everything that it is possible to do will be done.

I haven't any special plans that I know of for the observation of Christmas, other than those that are customary. I expect to go down and help light the Christmas tree. There will be carol singing at the White House by some musical organization that is connected with the Interstate Commerce Commission. They have a glee club or something of that kind. I don't know just what the name of it is. They will sing at the White House Christmas eve. As Christmas comes on Sunday, I don't know whether any religious institutions of the city will hold services on Monday or not. If there is a religious service at our church Monday morning, I shall probably attend. It is my usual practice.

Mr. Stimson recently appointed Governor General of the Philippines came

in this morning. He is conferring with the Insular Bureau of the War Dept.

and the Secretary of War. He is going to meet with the Committees of the House
and the Senate that have especial charge of legislation dealing with Philippine
questions and he expects to start for the Philippines in the very near future.

As I understood it, he had no new or changed or particular policies to announce.

He will go out there to undertake to execute the organic law of the Islands and
cooperate with the Philippine officers in doing what he can to provide a good
government.

I mentioned the other day that any reports about what I was going to do when I finished being President were made entirely without consultation with me. I forgot to mention one report that is going around. I mention it now because I don't want to be accused of acquiring property under false pretenses. I am having sent to me quite a number of jackknives. I don't recall that I ever made any suggestion that after I finished my term of office I was going to engage in the occupation of whittling. I did some when I was a boy. I haven't applied myself to that for a good many years. I hesitate to spoil anything like a good newspaper story, but, as I say, I don't want to keep getting jackknives under false pretenses.

Friday, December 23, 1927.

Report of the Newspaper Conference.

I don't know whether it will be possible to find another Radio Commissioner before Congress reconvenes. I doubt if the appointment can be made before that time. In fact, I don't know just what the powers of the President are about an appointment while there is a recess of this kind, whether it leaves the President with authority to appoint as he would have authority if Congress has taken a summer recess, or whether it simply leaves him as he would be if he undertook to make an appointment during the night while Congress had adjourned or recessed from one day to another. I have had several men in view for this place. It takes some time to look one up, and each one of those that we have been able to determine might be otherwise available we found when the place was offered to him that for personal reasons he could not accept it. So while we have been making considerable efforts on it — I wanted to make the appointment before Congress came in and wanted to send up all the names together — we haven't been able to find a man that would take it that was satisfactory.

This is the season of the year when the press begins to have stories about the destitute condition of the Navy and the deplorable plight of the Army. I think I havehad occasion before to comment on the fact that we never get the Army and Navy appropriation bills through without stories of that kind. I don't know just why they are put out. Perhaps it is a continuation of the days gone by when it was difficult to get appropriations as large as the War Dept. and the Navy Dept. wanted for national defense. That isn't the case now. Congress is disposed to be very liberal in providing for national defense. Of course, the budget estimates are always liberal. My budget estimates for the present year are creeping up towards \$100,000,000 more for national defense for the

War Department and the Navy Department than they were for the appropriations two or three years ago, and I think the country can rest fairly easy under the knowledge that the Bureau of Operations of the Navy and the General Staff of the Army are compsed of very competent men and that if they are expending the \$700,000,000 or \$800,000,000 that are expended for national defense purposes the Army and Navy are in pretty good shape. They are never as large or as well equipped as some people would like to have them, but I think it is safe to say this that both the Army and the Navy are in better shape than they ever were before in time of peace. Some of our naval ships are getting into condition where it is necessary to have renewals and that is the reason for part of our building program. Some of our war material will have to be renewed. Perhaps it is some indication to you of the amount of war material we have on hand when you recall that the freight bill for moving part of it that is located up near Baltimore and in New Jersey is going to be over \$2,000,000. It takes quite a considerable amount of war material, which it will be necessary to move to keep those places in absolute safety, when the cost of the freight for such a move is some over \$2,000,000. And that is only a part of the ammunition that we have on hand. I referred to all these things in my message. "e have need at from time to time to renew our ammunition. It deteriorates somewhat after it has been kept on hand for a number of years, and that is the case with some of our ammunition now.

Those of you that were with me during the summer will be interested to know of the season's greetings that I have just received from the people at Hermosa. I am much pleased to receive that. Of course, it is heartily reciprocated.

I shall not see you again until after Christmas. I wish you all a very Merry Xmas.

Tuesday, December 27, 1927.

Report of the Newspaper Conference.

There isn't anybody especially under consideration for appointment to the vacancy on the Supreme Court, I think it is of the District, due to the resignation of Justice Hoehling.

I do not think any final decision has been made, but I am advised that the State Department is exploring the matter of the shipment of some airplanes which have been bought by the Mexican Government and some arms or munitions or something that they have also bought, which are in this country, into Mexico.

There doesn't seem to be very much news this morning. Mr. Sanders suggested that as Congress wasn't in session now, news was not very plentiful.

I would especially like to thank the press for the very generous way in which they handled the little Christmas message that I sent out.

It was carried in all the papers which I happened to come in contact with, and Iam receiving quite a good many messages of appreciation and compliment on the message.

Friday, December 30, 1927.

Report of the Newspaper Conference.

Here is a suggestion that I review the work of the United States

Government for the year 1927. That doesn't hardly seem to me a feasible thing
to do in a newspaper conference and I rather think the members of the press

could do that very much better than I could without my assistance.

I do not understand that the Secretary of the Treasury is making any suggestion about either delaying or putting forward the tax reduction bill. He made some answers to some queries that Mr. Smoot made to him as to what the result might be if the bill were delayed until after March 15th. The question of whether it ought to be delayed or not is of course entirely a matter for the Congress to decide, and I haven't enough information about the situation in the Senate to give an opinion on it that would be of any particular value. If the bill could be taken out of the Committee and passed in the form in which it was suggested by the Secretary of the Treasury that it ought to be passed, I think everybody that is connected with the Administration would be glad to see that done at once. But I understand that there is a disposition to dispute the figures that were given by the Secretary of the Treasury, and if they are not to be taken and relied on then evidently some other method will have to be adopted of finding out what the exact situation is. That, I suppose, involves waiting until the returns for this year are made, in order that the Congress may be in possession of those figures when the matter is up for their action.

I haven't examined the constitutional question, so that I would not want to venture a final and authoritative statement relative to our adhering to the treaty establishing the World Court by a resolution of Congress, instead

of by a ratifying vote in the Senate. But I am of the opinion that adhering to it constitutes entering into a treaty, and in order to make the treaty it is necessary for the President and two-thirds of the Senate to concur.

I haven't seen the reports which may have come to the State Department relative to the exact form of proposed legislation in Mexico concerning titles to land that are held there by United States citizens and corporations, so I don't know to what extent the proposed action would settle the questions that have been in controversy. It was my understanding, though, that it would provide an answer to substantially all the questions involved relative to petroleum lands. I don't think it has any relation to the other land laws, which are also important, but which may be adjusted by some other method.

I haven't seen the address made by Governor Ritchie, so I can't very well comment on it.