

Tuesday, November 3, 1925.

Report of the Newspaper Conference.

I haven't any additional information relative to another Limitation of Arms Conference. I assume that is what this means, rather than an inquiry about a Traffic in Arms Conference. This is the inquiry of the International News Service -

Press; Disarmament Conference.

President: Yes, I thought that was what was meant. There is no development since I last made quite an extended statement to the newspaper men.

I haven't made any final decision about further - additional - leave for General Butler. As I indicated Friday, I think it is very improbable that I can grant him additional leave. You are all familiar with the letter that I sent to the Mayor which I published in order that the Mayor might not only be familiar with it, but the people of Philadelphia.

I don't recall now whether I have had an invitation to go to Louisiana next year. It seems as though some one came in and spoke to me about going to New Orleans. I would like to go down into the South, especially Louisiana, to go to New Orleans, because I have never happened to be there. I have been in most of the states of the Union, as far South as South Carolina. I haven't visited Florida. I judge from the current news reports that Florida is not in need just at the present time of additional guests, but I should like to go down there very much. It is a wonderful country. I haven't been in Louisiana or Mississippi. I have been in Texas. I think those are all the states of the

Union, with the possible exception of North Dakota, Montana and Idaho. When I went West once, I went over the Santa Fe and back another way, and another time over the Union Pacific and came back over the Canadian Pacific, so I didn't get into Idaho and Montana. I don't think I have been in North Dakota. The other states I have been in. But I haven't any plan about going South. It takes a considerable time to get down there and back. I think it is very doubtful if I can pay a visit to that state during the coming winter.

I have two or three inquiries here about the court martial of Colonel Mitchell. As I said the other day, I don't want to make any comment about that. It is before the court. While it is pending there I prefer not to make any comment, and I don't see any reason for making any at this time. If any occasion should arise that might change my opinion about it, why then I will make comment, but I don't imagine that that is likely to occur.

I haven't made any final decision about the proposed reduction on the tariff on linseed oil. I am having a careful study made to see whether it might possibly have any effect on the production of linseed - flax in the northwest. I rather imagine that those interests, the farm interests, would be protected by the cost of transportation, so that a slight change at the seaboard on the tariff on linseed oil wouldn't have an effect of lowering the price of flax and its products on the farms. I think most production is in the northwest, North Dakota. That took the place two or three years ago of wheat when wheat was very low. It happened that they could raise flax and raise it profitably, and as a result of that condition under the present tariff I think that production of flax here is very

swiftly catching up with consumption, so that it looks as though in a very short time we should be producing here enough flax and flax seed to supply the nation's needs for linseed oil and other flax products - not enough probably for linen as a good deal of fine linen comes in which I suppose isn't made in this country, though I don't want to make any definite statement about that because I haven't any accurate information. But that is the matter that I have in contemplation here, to see whether some reduction could be made on the tariff duty on linseed oil without injuriously affecting the farming interests.

I hardly know what to say about this inquiry about the observance of Armistice Day. My feeling about it is rather to the effect that it ought to be left to the disposition of different localities, I was going to say different individuals. The Congress has not, as it is stated here, made that a national holiday, but its observance has been quite universal I think in past years, and I should imagine that the best rule to follow as far as any standard that I could lay out would be for each individual or each industry or each locality to make such observance of the day as they think is fitting. I believe it has been my practice to go over on that day and put a wreath on the tomb of the Unknown Soldier, and I am planning to carry out that practice this year. Then I think they usually have meetings of one kind or another in the usual places of assemblage. Probably there is some observance of it in the public schools, some observance in places of public worship sometimes during the day and sometimes during the evening. I think those are all appropriate.

4.

I have already spoken about the additional leave for General Butler.

I have had two short conferences with Chairman McKenzie of the Muscle Shoals Commission and they are working to secure a unanimous report. There are some details on which the Commission has not yet reached a unanimous decision. I am of the opinion that they will and that before Congress comes in they will have worked out a plan for the use of Muscle Shoals. I think I have made quite a number of statements about it in my messages to the Congress and in several conferences with members of the press. I haven't any new information about it that would lead me to materially change my attitude toward it, but I should expect that anything that the Commission would report would be something that would receive my support, and expect it would receive the support of the Congress. There are two questions there. The production of nitrates, which I think is exceedingly important. We import all of our nitrates now. The difficulty in working this out is because the production of nitrates ~~is~~ by artificial means is in its experimental stage and no one knows just how we can best provide for it. The other of course is the question of power. But I think that production of nitrates ought to be the fundamental question. First as a question of national defense, because we need nitrates even in time of peace, to provide for the necessary production of ammunition which we keep on hand. It deteriorates so that it is necessary from time to time to dispose of some of the old stock and replenish it with the new stock. And in addition to that of course is the question of such nitrates as we use for fertilizer. That is important too.

00729

I think those are the main features of the problem, and I think from what Chairman McKenzie told me that they will be able to work out something that will be acceptable.

I don't know of any advice that the administration has given to American bankers relative to loans to municipalities of foreign nations which have failed to fund their war debts to the United States. Each one of these requests for loans is taken up on its own merits and disposed of on its own merits.

I haven't taken any action on the resignation of Arnold J. Hellmich of St. Louis as Collector of Internal Revenue. I received a telegram from him placing his resignation in my hands, which I sent over to the Treasury Department for their advice concerning it.

I have talked with two members of my Cabinet - I forgot to state that - about leaving General Butler at Philadelphia.

I have somewhat expected that my father, Colonel John C. Coolidge - he likes to have the C put in. I don't know whether he thinks he might become confused with his grandson. He likes to have it put in, and it doesn't take up much more type. I have asked him to come and stay during the winter at the White House. I spoke to him about it when I was up there last summer and have been in communication with him relative to it, and I received a letter this morning from the Attorney General saying that my father was yesterday at the bank meeting at Ludlow and seemed to be in good spirits and was getting on

comfortably. But the winters up there are very cold. The house is heated by wood. I thought it would be much more comfortable for him if he could come and stay at the White House. I rather think that he will come. That is for him to decide. I want him to consult his own wishes about it, of course, and stay wherever he thinks he will feel most comfortable and have the greatest peace of mind.

I haven't seen Mr. Dalton who is making a survey of our shipping interests for me since the morning that he came down here and had breakfast with me and then went over to the Shipping Board to begin his investigation. I inquired for him one day last week and found he wasn't in town, so I haven't any idea about how he is getting along other than what would be indicated by my general confidence in the man and his ability and experience.

I don't expect to go to the Army and Navy football game in New York. I am going up there on the 19th and wouldn't be able to get up there again.

I haven't any additional information but what has already been made public as to what surplus is probable for the next fiscal year, nor as to the maximum of appropriations. The work is now going on. The Budget Bureau and the different departments are investigating what the needs are. Of course we shall try to hold the appropriations down as low as we can commensurate with the needs of the service. It is helpful in making the budget and helpful to the departments if we set some limit and try to work toward it, but there isn't any hard and fast limit. We have to make such appropriations as we find the occasion requires. I can't give any exact amount that I would say could be cut off from

7.

the present tax revenue. Roughly I supposed it was about \$300,000,000. I think the figures that have been mentioned were \$290,000,000. Now, correct information about that would be secured at the Treasury. They not only have the figures of what is coming in, but they are in touch with the business situation throughout the country, so that they can make some estimates about the coming year. It may be that it would be perfectly safe to have a larger tax reduction than that. It may be when we get the budget completed it will appear that there are charges necessary to be made against revenue so that it couldn't be increased above \$290,000,000. I should say that would be the minimum, but those details and figures are all being worked out by the Treasury Department and the Committee on Ways and Means.

00732