

Newspaper Conference, Friday afternoon, October 1, 1926.

THE PRESIDENT: I haven't any information about the proposed plan to market German railway bonds in this country. That will be very largely a question for private investors to determine. I did not understand that any one had suggested that the United States Government should purchase any German railway bonds. If there is any suggestion of that kind, I think I can say that it would not be done. If it is a matter for private investment, private investors will determine largely what they wish to do. It is customary in cases of that kind, I think, to inquire whether the United States Government has any objection. Of course, no intimation about what reply in that case could be made until the inquiry is made and we could see then what is involved.

Nor have I any information about the formation of a combination of steel companies in Europe. I assume that that is for the purpose of different organizations and different concerns and different companies in Europe cooperating with each other, supplying each other with the raw materials that may be advantageously disposed of by exchange, and so on. I do not judge that it constitutes any menace to the steel producing concerns of the United States.

I do not expect to attend the Army and Navy football game in Chicago. I should like to go but I doubt very much if I can get away. I think I have seen reports in the press containing the categorical statement that the President would attend. I know the temptation to advertise coming events by the assertion that the President is going to attend. I think that ought to be limited to the statement that the President has been

invited. It will serve for all advertising purposes just as well, and it is not quite fair to the Presidential office to put out a statement that the President is going somewhere unless it is certain that he is going. Of course, newspapermen here in Washington can usually ascertain that by calling up the White House. As I have said, I would like very much to go to that game but I do not believe I can get away; I do not see how I can.

QUESTION: On that subject, will you do any Fall travelling?

THE PRESIDENT: I haven't anything in mind now.

THE PRESIDENT (continuing): I haven't gone into the subject of the precise character of the reply that has been framed at Geneva to the proposal of this country to adhere to the World Court, and have made no decision about it. Quite naturally, we shall wait until the formal response comes from the various nations that are signatories to the protocol of the Permanent Court. They may require some consideration and study, and, quite naturally, I should confer with various Senators as to their opinion before making any final determination. The proposal is quite distinctly a Senatorial proposal, and I should want to confer with men in the Senate to see what they think of the response before I should determine what action our Government would probably wish to take. Personally, I am sorry that the response was not more in the nature of an acceptance of the American proposals.

I do not know of any movement to have the United States withdraw its application other than from some of the Senators that proposed passing the resolution of adherence, but, quite naturally, the response of the governments as it is anticipated leaves the matter very much in doubt

in this country.

QUESTION: May I ask as to the constitutional status of it? If it is acted on by our Government does it have to go back to the Senate?

THE PRESIDENT: No.

QUESTION (continuation): It would be unacted on in the Senate?

THE PRESIDENT: I am not certain just what the standing would be. This was a little different proposal from the ordinary treaty in that it first asked the consent of the Senate really to make it a treaty. Ordinarily a treaty is negotiated and sent to the Senate for ratification. Because there was in existence already this treaty between the forty-five or fifty nations that had made their agreement to set up the International Court, which treaty provided that our government could adhere by taking certain action, the treaty itself was not submitted but simply a message sent to the Senate asking its consent to adhere, which was expressed in the resolution, so that I am not sure what the standing would be.

Here is a very interesting suggestion that I should discuss the administrative and political problems in the forthcoming two years. That I would hardly be able to do. There is one problem that I have to keep under constant emphasis, and that is economy and government expenditures. I think that in the past few weeks I have detected some evidences that in the coming session of Congress a good many efforts are going to be put forth to secure considerable expenditures of money. I think all problems requiring large expenditures of money ought to be very carefully considered before we embark on new enterprises. You will recall that we have

provided a public building bill, which it is estimated will take about \$25,000,000 a year. We are enlarging our river and harbor appropriation so that for the current year it carries \$50,000,000, - which is more I believe than at any time since the war. And I think, as I have said, that I detected in the air, as they say, the formation of plans to make a raid on the Treasury. Now, it is very important that this country keep down its expenditures. If it will do that, I think a great many other problems will solve themselves. But I have been over that so constantly in my addresses and in these newspaper conferences that I do not want to reiterate it now. In that connection, I learned this afternoon that one of those rather customary stories that start this time of the year and keep up until the army and navy appropriations have been made is about to be printed that the budget is going to require a large reduction in the Army. There is no foundation for that story. I have the word of the War Department that no reduction is contemplated in the size of the Army. It varies some in accordance with the number of men going out, the number of men coming in, and the activities of the recruiting offices, but it stands at about 118,000. Sometimes, for some temporary purpose, they may let the number run down some and use that money for something else, and then when that purpose has been served, the numbers are recruited up to their full size. Quite naturally, we look at the expenditures of both the Army and the Navy carefully, because they are very large, they constitute very large items in the national expenditures, and unless we keep careful supervision over them, we are liable to run into excess. But there is no reduction contemplated. We expect reports

of that kind, as I have said, from now until the appropriation is passed. Sometimes they go to the extent, in getting the naval bill through, of intimating that this country is about to be attacked by some foreign nations. Sometimes it does not go quite as far as that. I think the country at the present time is perfectly secure. The Army and Navy are both in good enough condition to take care of our defensive needs. I expect that they will be maintained as they are about now, making such savings as we can, but making such renewals as are necessary, and such expenditures as may be required. What I am trying to indicate is that we expect to go on as we are going. I should not want to be reported as saying that we are about to have a very large Army, a very large Navy, and a very large Aviation force, nor should I want to be reported as saying that we are about to reduce greatly the size of our naval and military equipment.
