

Tuesday, March 9, 1926.

Report of the Newspaper Conference.

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

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

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

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

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

2.

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

00859

3.

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

00850