

Newspaper Conference, Friday afternoon, September 24, 1926.

THE PRESIDENT: The Attorney General for Ontario, Mr. W. F. Nichol, and the United States District Attorney for Western New York, Mr. Templeton I think, came in this morning, Mr. Templeton coming in to present Mr. Nichol to me. I understood that they had been in conference relative to some matters relating to smuggling and to the illegal sale of intoxicating liquor, and they were both pleased at the cooperation each was giving the other for the purpose of breaking up those illegal transactions.

Secretary Work, who is head of the Department of the Interior and has charge pretty much of everything in Alaska, has been away since I have returned to Washington, and I haven't had any opportunity to confer with him, so that nothing has been done since my return relative to the appointment of some Department of Justice officials in Alaska. It is exceedingly difficult to get any information that one feels is entirely reliable. There are several factions up there - as I think I explained to the conference on a previous occasion - about 20,000 white people. One in eleven, I think, is on the Federal payroll, the other ten are very anxious to get on it. Some of them are willing to displace the persons that are now on the pay-roll for the purpose of getting on themselves. And for that purpose they present various claims and charges against those in Alaska who happen to be holding office. The persons holding office themselves deny those claims and present many counter-claims and recriminations against their accusers.

So, as I say, it is difficult to find out exactly what the state is there. Of course, every one knows that Alaska is more or less a frontier -- I haven't any doubt that it has splendid people -- but it still is a frontier, and standards there are not quite the same that they would be in Concord, Massachusetts. I should like to establish a stable, respectable government there as Concord has come to be famed for. That's right, isn't it, Mr. Joslin?

MR. JOSLIN: I think so.

THE PRESIDENT (continuing): Concord has that reputation. But it doesn't seem at the present time possible for me to do that. I am doing the best I can with the material on hand. I had thought - and Senator Cummins advised me - that probably it would be necessary to get some men in the States who would be willing to go up there and hold some of the offices. That's not so very easy on account of the long distance away and the comparatively small compensation, yet I think we can work towards a better government up there all the time.

There isn't anything I can say in the way of comment that would be of very much value concerning the reports that have come from Geneva as to the action taken there relative to our adherence ~~relative~~ to the International Court or the Permanent Court for International Justice. The reports that have come on their face do not look very encouraging, but before we can pass any final judgment it will be necessary to see what official action the nations which are members of the Court take in relation to our proposal that we adhere to the Court on certain reservations and conditions. When we get their replies we can make a final decision about

what to do.

The Cabinet this morning discussed for some time the question of commercial aviation, and what might be done to encourage that branch of our industrial activities. The Government has on hand from ten to twelve thousand Liberty motors that were made during the war, and perhaps some of them just after the war, and the Department of War has under consideration what it can best do with those motors in order to promote commercial aviation. They are first class motors in every way. I have forgotten the name now but the man who started to go to the Pole last year -- the one before Byrd -- I think the Secretary of the Navy said that the Navy insisted that he have his plane equipped with Liberty motors. It is not the one Commander Byrd used - he used another motor. That was because last year the motor that was used this year had not been sufficiently tested out to know its possibilities and limitations. The Liberty motor is a first class motor, but it does not develop as much speed as some of those that have been perfected since that was made. Aside from that I understand it is first class in every way. It has been suggested that those motors might be sold to the trade in such a way as would give them an opportunity to equip planes at somewhat less expense than they have to pay for all new motors. This commercial aviation, I think, requires three motors to a plane, and for each motor in the plane it is necessary to have two laid aside, so that there are nine motors to a plane, and at \$5,000 for each motor, it makes a total of \$45,000 a plane that it is necessary to invest. These Liberty motors could be sold for something less than that

because the Government would only use them hereafter for experimental and teaching purposes. We think that in that way we might be able to help the industry. That would not be done, however, if it would interfere with the manufacture of motors, because one of the main objects of the Government is to develop here plants for the manufacture of air-planes. It is understood that at present those plants are enjoying orders that are up to or exceed their capacity. The details of this proposal will be worked out later.

The Post Office Department reported that it had been able to render a good deal of assistance in Florida. It sent eight or ten inspectors down there. The postal facilities in Florida are now back in their original shape so far as the receipt and transmission of mails are concerned. Some of the post offices were injured there very likely and they have not been entirely repaired, but the receipt and transmission of mails is going on now with its regular normal rate.

Secretary Kellogg reported that an armistice had been signed between the two contending factions in Nicaragua, and that Admiral Latimer was doing what he could there to compose their differences. I think our country has offered its good offices.

QUESTION: Mr. President, may we go back to aviation? Mr. Litchfield of the Goodyear Company was in to see you about lighter-than-air machines, and you haven't mentioned anything about it.

THE PRESIDENT: There isn't much to say. The aviation bill that was passed last Spring provides for the building of two lighter-than-air craft. Now what we ought to do about that has not been determined. He told me

that it was quite important that lighter-than-air craft should be built in very large units. I think the Los Angeles and the Shenandoah are something like 2,000,000 cubic feet, and the new plan would be to build one of 5,000,000 or 6,000,000 cubic feet. It would have a carrying capacity of about 140,000 tons - no it cannot be 140,000 tons - 149 tons I think it was. That is under consideration and no final decision has been made. There was, as you will recall, an appropriation for some \$300,000 to participate in the experimental building of lighter-than-air craft to be composed of metal. That work I assume is going on. I haven't heard anything about it lately but I assume it is.

I haven't any information about the resolution adopted by the assembly of the League of Nations to convoke a general disarmament conference before the next assembly. I want to see just what they concluded before commenting on it in any detail. General conferences are very difficult. The land disarmament got under way in conference - and that includes eighteen or twenty countries in Europe that have been working on the problem at Geneva - and the number of countries included makes the arrival of any agreement very difficult. Of course, it makes it all the more difficult when it comes to naval limitation because some of those countries have no navy at all - some of them I think do not even front on the ocean - and to have them take part in discussions and conclusions as to what ought to be done about naval disarmament makes the situation difficult to deal with. Now if this is to be a conference of all the members of the League I hope it will be successful of course, and I will do anything I can to make it successful. But, knowing the difference of attitude of

the South American countries toward disarmament questions, and that which exists in Europe and in our own country, I should be afraid that any final agreement which would be helpful would be very difficult to secure.

I haven't any more very definite information about the probable surplus for this fiscal year. I was advised by General Lord this morning that some of the estimates of income had not been as large, or some of the receipts, had not been as large as had been expected and that some had been larger; some of the expenditures for the various items were not as large as were expected and some have been larger. So it is difficult to say what the final outcome will be. But the whole situation seemed to indicate that there will probably be something in excess of the \$185,000,000 surplus for the fiscal year that was estimated the first of last June. Of course, that all depends on what additional appropriations may be made at the coming Congress. The coming Congress begins in December and ends in March - all of which is in this fiscal year - and the amount of surplus that will be on hand on the first day of next July of course depends on what additional appropriations and supplemental appropriations may be made. I do not suppose that any one expects that it will be possible for the Congress and the Executive working together to cut down any of the appropriations that were made, though, of course, it is possible, and we do that right along to save something when we make our expenditures out of the appropriation that has been made.
