

Tuesday, February 1, 1927.

Report of the Newspaper Conference.

I am not able to give the exact number of craft that the Navy has sent to China. We have several around in the Shanghai region. I think as I indicated at a previous conference, we have about 4,000 Americans there and we are doing what we can to afford them protection. Of course if we have a number of vessels there they would be serviceable in case the Americans desired to leave, or such part of them as might wish to be taken out. I don't anticipate that that is going to be necessary, but it is always a contingency in a disordered condition of affairs like that which now exists in China.

No arrangements have been made for dealing with the Chinese groups, other than that which was indicated in the prepared statement that Mr. Kellogg gave out some time ago, indicating our entire willingness to proceed by that method if such a method could be arranged.

There isn't anything that I could say about farm relief, other than what I have said in my several messages. I spent considerable time and space on that in my last message to the Congress.

And nothing new that I could say about constructing additional cruisers at this time. That is also dealt with in my budget message.

My budget message also made such recommendations for expenditures in the air force as I thought were warranted at this time. Of course every one understands, I suppose, that the President makes and submits a budget to the

Congress because Congress by a duly enacted statute has created a law authorizing and requiring that to be done, and in that the President makes such a distribution of funds that are available as would seem best to give a balanced expenditure to the several departments. None of the Departments, so far as I know, ever get all that they ask for, but I think it is fair to say that all departments are substantially satisfied - I have used the word satisfied rather than content - with the recommendations that I finally make. As I said in my budget speech last Saturday evening, if we should make a great many more recommendations than we do and entirely exhaust the resources of the Government, we wouldn't be able to provide for carrying on all the governmental projects that a great many people of the country, a great many people in the Departments, would like to see carried on. The element of time always comes in on these things. Ultimately I expect we shall be able to pay off the national debt. We all know very well that it can't be paid off in a year. Ultimately we are going to build an air force. We can't do it in one year. Ultimately I am in favor of some additional building in the Navy, We are building 5 cruisers now. We can't do all the building that I might like in a year. Ultimately we are going to do a great deal in river and harbor improvement. We can't do it in one year. Now, the budget is for the purpose of establishing, so far as it can, a scientific expenditure of the resources of the Government, so that they will be evenly balanced and, apply to each of these various projects what we can reasonably apply during any one year. Of course, under the Constitution the Congress has the authority to make appropriations. The budget doesn't undertake, the budget law, to divest the Congress of

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that power. Again, as I said in my speech, the Congress has not in any one year gone so far in expenditures as has been recommended by the budget. That is, in each year the Congress has made a smaller appropriation in the aggregate than the budget has recommended. Of course that isn't intended at all as criticism, it is intended rather to be a statement of fact. If I were to pass any criticism on it, I would say that I thought it indicated a great deal of care and thought on the part of the Committees of the Congress and of the Congress itself in the appropriation of the people's money. That is somewhat of an elaboration of the relation of the budget law to the appropriations in general. I make such recommendations as seem to me correct. It would be very wonderful if with the new light that might arise from the hearings they ~~you~~ didn't find some items that can be increased and some that can be decreased. That is why the budget goes to the Congress. If there wasn't any need of any further action, if it could be done under the Constitution, I think some arrangement could be made by which the Congress wouldn't have to pass on it. But it goes to the Congress in order that they may make the appropriations which they are authorized to do under the Constitution.

I haven't received any information from the Department in relation to the reported message from Admiral Williams that 104 Americans are missing in China. That naturally is cause for inquiry and solicitude. I don't think it warrants great alarm, on account of the disordered condition. That probably means that a person that was supposed to be at (A) is now not found there, and

there is every reason to suppose that that person has moved to some other locality where it is thought it would be more safe and convenient.

There isn't anything that I can say about coal legislation, other than what I have said in my message. The situation there seems to be that when there isn't any dispute in the coal industry it is very difficult to get any action of the Congress, and when there is a dispute then the action of the Congress is not likely to be helpful. Of course, it is very difficult to pass legislation concerning an industry when there is a strike on in that industry.

I don't recall that I have ever made any recommendation about the passage by Congress of any law that would undertake to regulate legislative agents. We have a law of that kind in Massachusetts. It works very well for the Massachusetts legislature. I am not sufficiently informed about the practice here in Congressional activities of that kind to know whether a law of that nature would be helpful or not. I can see quite a good many difficulties in its administration of a nationwide forum that wouldn't attach to a law of that kind for a single state. It is quite obviously a question for the Congress to settle itself and make such rules and regulations as it wants to have itself, rather than to have suggestions of that kind emanate from the Executive.

It is quite obvious that while I am very glad to give any information that I have at any time touching the relation between our country and other countries, that the serious matter of the conduct of relations of that kind has to go forward through the regular diplomatic channels and that I couldn't undertake through the press to do anything that might look like the conduct of our

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national affairs through that medium. I wouldn't think that another country would feel that that is quite the thing to do. If we had something about which we wished to confer, or about which we wished to negotiate, why the thing to do would be to communicate that fact to that country. Now, I don't mean that it isn't perfectly proper to state to the press the general policy. That I do constantly. That was the nature of the message that I sent to the Congress, the nature of the statement that Secretary Kellogg made the other day. But when it comes down to specific questions and negotiation, why those of course are more profitably taken up directly with the countries concerned, if we wish to accomplish any practical results, than to undertake to do something through the indirect agency of the public press.