

Friday, October 7, 1927.

Report of the Newspaper Conference.

The committee of shippers in the Mississippi Valley who are here for some conference called in to pay their respects to my office. I told them of the great interest that I felt in having our Mississippi Valley opened up to navigation and I think I expressed to the conference at the last meeting my satisfaction in knowing that the work on the Ohio was so near done. And I also spoke to them of the barge line on the Southern Mississippi and the line that has just been opened on the Mississippi between St. Louis and the Twin Cities. Those barge lines were put in, as I understand, in the nature of demonstration lines. They are experimental. Their inception is for the purpose of seeing whether it is possible to operate transportation of that nature successfully. I don't take it that it has been the intention of Congress to put the U. S. Government definitely into the transportation of freight on our inland rivers. It is my understanding that the law provides that these experimental routes are to be put on and then disposed of under the general policy of the Government that that kind of work can better be done by private initiative, than it can by the U. S. Govt. I am very glad to cooperate in anything of that kind, yet on the other hand I should want to be quite careful about embarking the U. S. Government on any permanent commitment to go into the shipping business on our inland waterways.

Query: Did they ask you to recommend \$50,000,000 to the next Congress.

President: No, they didn't make any request of me except to come in to shake hands with me and tell me that they were a committee that had come in to confer with the War Department. I would like to make this distinction quite clear, that my view of sound policy is that we ought to do everything that it is reasonable to do to encourage private enterprise, as distinguished from putting

the United States Government permanently into the business of transportation on our inland waterways.

Mr. Morrow has been here in conference with the State Department in the regular course of business that a new appointee always takes up in the diplomatic service before departing on his mission.

I am very glad that this question has been asked about tax reduction and debt reduction. I intended at the last conference to be sufficiently specific and think twice I said I wanted a reasonable rate of taxation always, but I did speak of the great importance of paying off our national debt. Now the proper inference to have been drawn would be that I was opposed to extravagance, rather than that I was opposed to tax reduction. (Quite loud) I am opposed to extravagance, rather than to tax reduction. I thought some of the members of the press did not quite understand it. I want, of course, the payment of the national debt as quickly as possible together with any reasonable tax reduction that can be made. We have been pursuing that policy for several years successfully and I want to have it continued. So that while I am in favor of debt reduction and also in favor of tax reduction, I expect to accomplish both purposes by also being in favor of constructive economy and scrutinizing with great care all proposals to embark the Government in any new enterprises that are not absolutely necessary. We have to do such things as to take care of floods, whether they occur on the Mississippi Valley or are likely to come down through the White House roof.

Query: Has there been any such disaster, Mr. President?

President: I said likely to. Yes, we have sometimes had leaks in the White House roof since I have been there. But I think they have been taken care of now.

There is no announcement to be made relative to posts at Havana or Manila.

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So far as I know, the United States Government is neither favoring nor opposing any particular candidate for the office of President of Nicaragua.