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CONFIDENTIAL
Press Conference #392
Executive Offices of the White House

August 17, 1937, 4.05 P.M.

THE PRESIDENT: I don't think there is any particular news. We finished today -- no, yesterday, the list of fire-hazard schools and that is being given out at the Interior Department today. Today we have been working on the health-hazard schools and we finished those today. Thursday we will take up the moral obligation bond issue list and that will be pretty nearly cleaned up by the end of the week.

Q Have you set an outside limit on that total?

THE PRESIDENT: We are not considering totals at all. We are just going into -- actually they will be away under the estimates.

Q Have you made any determination on the District Tax Bill?

THE PRESIDENT: Not yet.

Q Any comments on the developments of this Brazilian Naval Leasing Proposal?

THE PRESIDENT: I think the State Department has covered that pretty well.

Q Can you add anything to the State Department's earlier announcement?

THE PRESIDENT: I have not seen what they said, so I do not dare comment. However, I endorse what they said.

(Laughter)

Q Can you talk, for background, on the application of the Neutrality Act in this China-Japanese War which it not a war?

THE PRESIDENT: Yes, I will do it entirely extemporaneously and without attribution. This is not background because this is without attribution. Suppose I put it to you the way I explained it to the Cabinet the other day, on Friday. You know, I go back in my ancestral history to about 1831 when my grandfather went out as a super-cargo to China and he first went to, I think it was Macao. Of course there were very, very few Europeans in there at the time -- there were British and Americans and French and Portuguese and Italians and a few Germans, not many. Well, to put it in words of one syllable, they all congregated on the waterfront and put up their hong, as they were called, their trading houses.

China, in those days, had a very loosely-knit empire, Peking being only in theory the governing point. They had a series of provincial governors, overlords, war lords, and practically their only connection with the central government, which was the emperor, was the payment of a certain amount of tribute or tax every year.

Then, within each province, the provincial lord had local mandarins, local officials, and again their

principal connection was the turning over of a certain amount of taxes to the provincial governor. The result was almost a complete system of local self-government without anything at the top, without any centralized control.

Well, as the Europeans came in, they were subjected to the possibility of attacks or riots depending on local political conditions, the local friendship or enmity of the local mandarin or the provincial governor, but nearly always a local proposition, so they had to stick together.

They found also that the Chinese courts in those days did not dispense justice according to the ideas of Western civilization, so they established courts of their own. So, after a while, and this goes back just about a hundred years, there grew up this system in various ports in China of the Europeans banding together for mutual self-protection on the shore-front. They had their own little local companies of militia, they had their guns, and then, from time to time, there would be an American warship and British and German warships in there and, if you go back in our Navy files, you will see that they worked with the other Western nations so that there was always a certain amount of European war protection for these shore points that these Europeans lived at.

Gradually, as treaties came into existence, these became known as treaty ports -- they were built sometimes by treaty and sometimes by general agreement among all the Western nations for the protection of Western nationals in these ports and for the setting up of extra-territorial jurisdiction. That was because China was such a loosely-knit aggregation of four hundred and twenty-five million people and it has only been, really, since the days of Sun Yat Sen that there has been any serious attempt at solidifying China into a National sovereignty.

The result is a situation which is an anomaly. We do not do the same thing in other parts of the world. It is something that has grown up over a hundred years, hence the fact of extra-territorial courts which we have been expressing our willingness in the last four or five years to get rid of as soon as it is possible to do so. We have talked with the Chinese Government about it and with other nations about it and the time will undoubtedly come when we will give up the extra-territorial courts on the reasonable assurance that the Chinese courts will give substantial justice in any case between Chinese and Americans or Americans and foreigners.

At the same time, there is an historic background for the fact that we have troops there. It is an

inherited situation. Some of you can remember the Boxer Rebellion which again showed the lack of national unity in 1900. At that time there was a rebellion against the Empress and, as I remember the facts, very cleverly the rebels were sold the idea that instead of attacking the Chinese Government they should attack the foreign devils, which they proceeded to do. The Legations^{were} besieged and an expedition was sent in, an international expedition.

After the Legations were relieved and the rebellion put down, there was an agreement made by which China paid an indemnity to all of the nations -- the American indemnity being returned to China to be spent in the cause of education. Since 1900 we have maintained marines at Peking and a small force at Tientsin, kept there by agreement with both the Chinese Government and the other nations to safeguard the Legations and the Embassies up in Peking, which is about 75 or 80 miles inland.

The Shanghai situation goes back, I think, to 1927 when we went in with other nations. There was a big blowup in Shanghai in 1931 and we have stayed since then. It is our objective, of course, eventually to get our marines and soldiers completely out of China as fast as it is a practical thing to do.

Now -- again not for attribution -- in regard to the present situation on neutrality, the situation there is a very different thing from the situation from the beginning of the Ethiopian War. At the beginning of that War, the Italian Minister to Ethiopia was taken out of Ethiopia and the Ethiopian Minister in Rome was sent out of Italy. In other words, all relations between Ethiopia and Italy were stopped. Furthermore, the Italian Army went in and commenced a perfectly definite war in Ethiopia, with the full recognition on the part of both governments that a state of war existed.

At the present moment, as far as the latest dispatches would indicate, the Chinese Ambassador in Tokio is still in Tokio and accredited to Japan and, as far as I know, the Japanese diplomatic relations with China have not been severed, although there was a dispatch that the charge d'affaires of Japan had left Nanking. However, that does not necessarily mean that they have severed diplomatic relations. We do know that there are conversations proceeding in different parts of China between representatives of Japan and representatives of China and, therefore, it cannot be put in the same category of a state of war as the Ethiopian situation.

Of course things may change; it is on a 24-hour basis, and we cannot tell when they will change.

There isn't any more story in it and I think that covers it pretty well.

Q Is there any likelihood of your proclaiming that a state of war exists unless they recall the Ministers?

THE PRESIDENT: That I cannot say. As I say, I am on a 24-hour basis. That is too "iffy." There might be other circumstances.

Q Do you care to say anything, sir, about your talk with Judge Sykes of the Communications Commission?

THE PRESIDENT: Well, we were checking up on a lot of things, nothing in particular.

Q There are still some judiciary appointments to be made, such as in Chicago and elsewhere. Do you expect those to be made before --

THE PRESIDENT: Some, but not all.

Q How about Commissioner Landis' successor?

THE PRESIDENT: There isn't any vacancy.

Q Any more appointments to the Communications Commission?

THE PRESIDENT: I sent up one today. There will be one more after today's.

Q Mr. President, can you tell us something about Commander Craven, whom you appointed? Were you associated with him during War times?

THE PRESIDENT: Just as much as I was associated with 31,000 officers.

Q I think he was pretty close to you in communications in the Navy during the War?

THE PRESIDENT: One of many.

Q Do you expect the defeat of wages and hours legislation?

THE PRESIDENT: Isn't that still an "if" question?

Q I don't know; your leaders admit it.

THE PRESIDENT: You never can tell. You are a little premature.

Q There have been reports printed in the morning papers that you were planning or discussing calling a Special Session of Congress. Can you tell us anything about that?

THE PRESIDENT: That is "iffy." (Laughter)

Q When Mr. Farley was here last week, did he discuss with you anything more about leaving the Cabinet?

THE PRESIDENT: No, did not discuss it at all.

Q Will Commander Craven be Chairman of the Communications Commission?

THE PRESIDENT: I really haven't the faintest idea. Don't ask me because I don't know whether I appoint or they elect.

Q Can you comment on reports published today quoting Mr. Van Devanter as saying that he thinks the upshot of

the Court fight will be that the Court will stay at nine members?

THE PRESIDENT: Some people in the Senate would ask you, "How do you count nine members?" (Laughter) Read the debate.

Q I did.

THE PRESIDENT: Are you any wiser?

Q Some.

THE PRESIDENT: I am not. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #393
Executive Offices of the White House
August 20, 1937, 10.30 AM

THE PRESIDENT: I don't think there is any news at all. We have had a flash but no official report from Shanghai that a shell fell on the cruiser AUGUSTA. You have probably had that too. We have not had anything further than the flash.

Q What does it mean if things like that continue to happen over there to our ships?

THE PRESIDENT: I think it is almost bound to happen in a situation just like that.

Q What can we do about it?

THE PRESIDENT: I think people on the spot can tell better than we can.

Q May I clear up a little of this uncertainty about the Naval Hospital? Have you finally decided --

THE PRESIDENT: No, I have not been out to see all of them. I think there are two other sites.

Q Are you going to see them?

THE PRESIDENT: Yes, we are going to take another little trip.

Q Mr. President, what are the odds on another session?

THE PRESIDENT: I don't know. I am trying to make book at the present time.

Q That is what we are doing.

Q There are books being made around the Capitol on whether or not you are going to sign the Sugar Bill. Do you know the odds on that?

THE PRESIDENT: I have not read the amendments that were put on.

Q In connection with this voluntary census of unemployed, what would be the definition of the word "unemployed" in that connection?

THE PRESIDENT: That will be, very largely, up to the individual. In other words, it will be a registration and the questions will be kept just as simple as it is possible to keep them. Then, depending on those questions, people will be given certain qualifications.

Q Will it be quite an exhaustive questionnaire that they will fill out?

THE PRESIDENT: No.

Q It will not be?

THE PRESIDENT: No. We want to avoid^a/doorbell ringing campaign at this time and trying to ask too many questions about the family history of their great-grandmother. We want to try to make it something practical. The chief thing we want to know is how many people there are out of work who can work and want work.

Q At one time, sir, you had a doubt about the value of an unemployment census. Do you still have that?

THE PRESIDENT: I think it will help. I think it will answer a good many rather silly questions that have been raised in newspaper offices.

Q Mr. President, Mr. David Lawrence, who is Democratic State Chairman of Pennsylvania, and also --

THE PRESIDENT: I am glad you identify each one of them.
(Laughter)

Q Mr. Lawrence says that persons in Washington have asked him to run for Governor in 1938. Do you know who those persons may be?

THE PRESIDENT: I had not heard of it; never heard of it.

Q Have you decided what you are going to do about the Army Housing Bill that came down this week?

THE PRESIDENT: It has not come back yet; I don't know.

Q Are we any nearer invoking the Neutrality Act you talked about last week?

THE PRESIDENT: We are talking about it every day.

Q There was a letter addressed to you yesterday by some society for the prevention of war urging immediate application of the Neutrality Act.

THE PRESIDENT: I think we have more knowledge on the subject

than any private society, without derogation to them.

Q When discussing that last week you cited as one of the reasons the fact that China and Japan still have diplomatic relations and that a Charge d'Affaires was still in Nanking. The reports are now that he has left Nanking.

THE PRESIDENT: Does that mean, however, that diplomatic relations have been broken off?

Q No.

Q Wasn't that a Consul General instead of a Charge d'Affaires?

THE PRESIDENT: I think so.

Q In the District of Columbia there is an Alley Dwelling Authority which is a Federal Commission entirely, reporting to you. Do you happen to know whether or not that will have authority under the Housing Act --

THE PRESIDENT: I have not looked into it. All I know is that Bob Wagner, when the Bill went through the Senate, was perfectly sure that it would be the Housing Authority for the District. But I do not know what has happened in the House on the Bill.

Q I don't know that anything has happened to it to disturb that. The question was whether you would be willing --

THE PRESIDENT: I would be glad to have them act because they

have done a grand job, a perfectly grand job.

Q There is considerable speculation that you will take a trip to the Coast this Fall.

THE PRESIDENT: Steve (Early) came in and I told him two dates and that is absolutely true. I have not any dates except the 17th of September, which is the Antietam celebration in the afternoon and the Constitution Party at the Washington Monument in the evening, and the other date is Warm Springs. I haven't any plans.

Q Have your week-end plans been made?

THE PRESIDENT: No, not even week-end plans.

Q Do you plan to go to Hyde Park shortly after adjournment?

THE PRESIDENT: Within ten days. It may be two days and it may be ten days.

Q Any truth to the report that you are going to see the New England Governors on flood control?

THE PRESIDENT: I don't know; are they coming in?

MR. McINTYRE: No, sir.

THE PRESIDENT: Mac says, "no".

Q Do you favor the child labor legislation that has passed the Senate and is now up in the House?

THE PRESIDENT: I have not read it yet.

Q The new flood control law just going through Congress gives

the President power to remit 50% of the local cost where communities cannot raise money. Do you favor that sort of discretionary authority?

THE PRESIDENT: I would much rather I did not have it. But there are certain cases, certain communities along the flood rivers, where a system of levees is required and where they have no levees at the present time, and the community cannot pay for the land. I would much rather that Congress determine that in each case. However, if they put it up to me and if it goes through, I will have to decide that for them.

Q Will you set up some form of regulations to determine the degree of poverty?

THE PRESIDENT: Well, we have the same sort of thing now on PWA projects, on schools and so forth and so on; we cannot give them the money, 45%, unless they show they have come to the end of their borrowing power of something of that kind. There is nothing very new in that.

Q How is the 10% kitty in the Departments?

THE PRESIDENT: It is coming on fine; it is all right.

Q Are you accomplishing results?

THE PRESIDENT: Yes, we are getting on all right.

MR. EARLY: Getting back to your New England flood conference,

Governor Hurley of Massachusetts reports that he cannot get the Governors together at this time.

THE PRESIDENT: Steve says Governor Hurley reports he cannot get the Governors at this time, so he is withdrawing a request to meet me today or tomorrow and they will come down some time later on.

MR. YOUNG: Thank you, Mr. President.

CONFIDENTIAL
Press Conference #394
Executive Offices of the White House

August 24, 1937, 4.15 P.M.

THE PRESIDENT: You are going to have a bad time. I haven't any news for you and your bosses are telling you to write columns. How are you going to do it?

Q Write columns. (Laughter)

Q There is a lot of room for speculation. Where are all those 175 bills?

THE PRESIDENT: Well, don't mix up speculation with news. You had better label it. (Laughter)

MR. DONALDSON: All in.

THE PRESIDENT: We have been having a discussion in the front row as to how to write stories. I said that I was terribly sorry but I had been so busy that I haven't any news and that is pretty tough on you people because you are called on to write columns. Earl Godwin piped up and said, "We will write them anyway." And then somebody else said, "We have to put in speculative stuff." I said, "Fine, but suppose you mark it 'speculative' at the top of the paragraph."

As a matter of fact, I really have been too busy to give you any news. I have been signing bills and I'm going to keep on signing bills. And I'm also doing a lot of studying.

The only thing I can tell you about is that on the Joint Resolution on Cotton, I'm going to sign that this afternoon. Somebody asked about the status of the FACA, the Federal Alcohol Control, and the answer to that is that there is no change contemplated. It is going on the way it is going.

Q Mr. President, in order that we might arrange our vacations and things like that, could you straighten us out on the Special Session problem which is bothering everybody?

THE PRESIDENT: We talked about it at lunch and the matter is under advisement and I cannot tell you any more than that because I don't know. It affects my vacation too.

Q Last Sunday night Mr. Farley made a speech to the Young Democrats in Indianapolis, preaching the spirit of party unity. At the same time, at the same hour in Washington, Senator Guffey made a speech in which he called for expulsion from public life, on account of their opposition to your plan, your Court Plan, of Senators Wheeler, O'Mahoney, Burke and so forth. Will you please tell us which speech was closer to your own ideas? (Laughter)

THE PRESIDENT: Your question is based on a complete fallacy and that is that I have read any speeches in the past two weeks. I haven't even read Jim's ^(Roosevelt) speech or my

wife's speech, and those would be the first I would read.

Q Will you accept my statement as to what they contain?

THE PRESIDENT: No. (Laughter) Without any implications about your veracity; it is all right.

Q Have you any answer to the charge of John L. Lewis that the Democratic Party has been unable to fill its campaign pledges?

THE PRESIDENT: Same answer.

Q Have you taken any action to stop the sale of campaign books?

THE PRESIDENT: I don't believe I have read anything other than the headlines for the past two months.

Q Would you care to amplify for the record or off the record Secretary Hull's statement of last night?

THE PRESIDENT: I read that with great care because it was submitted to me before it was sent out and I wrote on it -- if you will get hold of the original, on the top you will find written, "Okay, I heartily approve, FDR."

Q Did you sign the Army Housing Bill yet?

THE PRESIDENT: Not yet. That has not come to me.

Q Have you decided whether you are going to make nine or ten-cent cotton loans?

THE PRESIDENT: Not yet.

Q Are you going to sign the sugar quota bill?

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THE PRESIDENT: It has not come to me yet.

Q Mr. President, can you tell us what you think of the record made by Congress?

THE PRESIDENT: Oh, no. (Laughter) It is the fifth Congress and I don't think I have made any statement about previous Congresses, have I? I have not. We will be consistent and treat this one like the previous ones.

Q You missed an awfully good show last Saturday afternoon.

THE PRESIDENT: So I hear. Some of them drifted down late and told me about it.

Q Did you read the record of that debate in the Senate, Mr. President?

THE PRESIDENT: No.

Q Any prospects of a Western trip?

THE PRESIDENT: I haven't the faintest idea. I haven't made any plans at all, except that I'm going to Hyde Park Thursday night and I think I may, about a week from then, in order to get away from the telephone, get on board the Potomac and go down to Long Island Sound and watch some of those six-meter races, or whatever the size is. They are those little bits of boats. They are the International Races.

Q They are the star boats?

THE PRESIDENT: They are not star boats. I think they are called six-meter boats. They are about 19-foot waterline.

Q Did the visit of Mr. Biggers have any significance this morning?

THE PRESIDENT: No, we talked over various things and I asked his opinion on quite a lot of things. He is one of the people whose opinions I like to ask. There are a good many of them, as you know, scattered all over the country.

Q Are you going into the general question as to the sites on dams that are being built in all sections of the country, the Pittsburgh district as well as the four States in the New England compact?

THE PRESIDENT: I think so. The War Department has a policy they are following out. You had better get it from them. In other words, we don't want to build dams on other people's property with our money. That is about the size of it.

Q Is the argument back of it the power --

THE PRESIDENT: Everything, everything.

Q Mr. President, where is the sugar bill now, in the State Department?

THE PRESIDENT: I don't know. I think it is probably in Danny Bell's office.

Q Is that the last stop in its journey before it comes back to you?

THE PRESIDENT: Yes.

MISS CRAIG: Thank you, Mr. President. (Laughter)

CONFIDENTIAL

Press Conference #395

Dutchess County Fair Grounds, N. Y.

August 31, 1937, 3.00 PM

Q Mr. President, this has been a working vacation, has it not?

THE PRESIDENT: I have a flock of bills that I haven't even looked at today. What have you been doing? I hear you have been taking some of Mac's money.

Q It is good money, too.

THE PRESIDENT: Not to Mac.

Q Anything to be said on the Far Eastern situation today?

THE PRESIDENT: Nothing to be said except what has come out in the papers. Really, you have the whole story -- it is all in the State Department.

Q Anything you can say about it?

THE PRESIDENT: No, I am on the telephone about three times a day.

Q Still on a 24-hour basis?

THE PRESIDENT: Still on a 24-hour basis.

Q Have you disposed of the sugar or housing bills?

THE PRESIDENT: Not yet, but that will be very soon.

Q I suppose the Special Session is still under advisement.

THE PRESIDENT: Just as I said before.

Q Can you tell us anything more about the possibility of a trip out west?

THE PRESIDENT: No, Bob (Post). To be quite frank, I haven't thought about it since coming here. I am going to begin thinking about it in the next few days.

I think everything is awfully quiet. I have been cleaning up a lot of work.

Q We noticed that.

Q We have been making some arrangements to cover your fishing cruise.

THE PRESIDENT: Have you got a boat?

Q We think so. Bob (Post) is trying to make arrangements for one. We would like to --

THE PRESIDENT: I think the best thing to do would be for all of you, instead of going down the river, which would cost you more money, it would be better for you to get a boat in New York and get aboard about midnight Thursday. We will get down, through New York, just about midnight, and you could then pick us up wherever you are. We go down the North River and out through the East River and Hell Gate.

Q Then you intend to go around the Battery and not through the Harlem Canal.

THE PRESIDENT: I think we will go down around the Battery.

Q Can we have a rendezvous with you on the Hudson?

THE PRESIDENT: We will let you know Thursday morning about the exact time we will be passing the Battery and you can pick us up, probably on the East River.

Q Will you make any anchorages in different spots?

THE PRESIDENT: I will anchor at night except for that first night, but I haven't any plans.

Q Approximately what time will anchorages be made? Have you any idea?

THE PRESIDENT: No, it depends entirely on where I am headed for. My general thought is that if Friday is a nice day we might stop Friday afternoon and see the six-meter races off Huntington and then go on from there in the direction of Montauk or Block Island and spend Saturday and Sunday and Monday at the far end of the Sound and then come back Monday night.

Q Will you see the races on Tuesday?

THE PRESIDENT: Either on the way down on Friday or on Monday.

Q When do you expect to get back?

THE PRESIDENT: We will land here Tuesday.

Q Would you like to say anything for the local press concerning the time you will be here and the reception on Moses Smith's farm?

THE PRESIDENT: Well, I think you have all the news there is.

I will be back here probably Tuesday on the boat and stay for perhaps a week before I go on to Washington for the the Constitution Day exercises, and then I will come right back here after the 17th, probably the 18th or the 19th.

Q In that connection, Mr. President, what have you decided about the 20th of September, the American Legion? Colonel Johnson, I believe, renewed that invitation to go to New York.

THE PRESIDENT: I would like to go if I can arrange it, but I doubt very much if I can arrange it.

When I leave here, I am going back to work on bills.

Q Any comment on the sugar bill?

THE PRESIDENT: No, because it has not been acted on.

Q Mr. President, for our information, for background anyway, could you discuss what your action on the sugar bill would mean as to the possibility of a Special Session? Would a veto be an indication of a Special Session?

THE PRESIDENT: No, no relationship at all.

Q Then, in case of a veto, I understand that the present regulations go out of effect on December 31st.

THE PRESIDENT: You are right on that, perfectly correct. In case of a veto, it might be an indication of a Special Session. But, on the other hand, in the case of a

signature it would not necessarily be an indication of no Special Session. (Laughter)

Q The indications are rather strong for a Special Session.

(Laughter)

Q Are you going to see Ambassador Bingham tomorrow?

THE PRESIDENT: I think he is coming up tomorrow.

Q Anything in particular?

THE PRESIDENT: No, nothing at all. Mac gave you the lowdown on that.

Q Is he over, as reported, to advise on the Anglo-American --

THE PRESIDENT: Didn't Mac give you the lowdown on that?

MR. McINTYRE: I did. I told them that he had asked for permission to come home for personal reasons.

Q He is going back?

THE PRESIDENT: Oh, yes.

Q The way I prefaced that sugar law question, how should that be used?

THE PRESIDENT: I think you can use it in that way, but without attribution in any way.

Q Without attribution?

THE PRESIDENT: Without attribution. Just a darn' good guess. That is a perfectly legitimate one.

Q I am glad you approve one of my guesses. (Laughter)

THE PRESIDENT: The exception proves the rule, you know. It is all right. (Laughter)

Q If there is a Special Session, is it more apt to be late than early?

THE PRESIDENT: I am not saying anything about a Special Session. You are crowding the mourners now. One hypothetical question was enough.

Q For one day. (Laughter)

Q There is one thing, just so that we may lay our lines of action. With respect to your action on the sugar bill, you will be leaving Thursday afternoon, late. Will we get it before we leave?

THE PRESIDENT: You will get it before you leave, in plenty of time. I will tell you what I will try to do: If I can get through I will try to give you action on Thursday around two o'clock.

Q We can say that?

THE PRESIDENT: I'm going to try to.

MR. McINTYRE: I don't think you want to use that.

Q I was asking more for guidance than for use.

THE PRESIDENT: It will be just an effort on my part because there might be three or four things that I may have to get some information on at the last minute.

Q That would free us from worry on all those bills too.

Q Thank you, Mr. President.

CONFIDENTIAL

Press Conference #396

On board the USS POTOMAC, off Block Island, R. I.

September 4, 1937, 11.00 AM

THE PRESIDENT: I have been trying to take up this thing -- it has been made public but has never been used -- I have here the total figures of all the classes of PWA grants and loans under the PWA Extension Act of 1937. I am afraid I'll have to give you figures. We have all the PWA allotments ever since the Bill passed. We have had categories in accordance with Sam Rayburn's statement on the floor of the House to determine what would be the rules for distribution of local grant money -- five categories are mentioned: The first category was for school projects to replace, eliminate or ameliorate existing school facilities or conditions which are hazardous to the life, safety or health of school children. There were two categories of applications here which we threw out: One were those applications for Federal money to relieve overcrowded conditions -- obviously, it was felt that this was not an obligation of the Government but of the local authorities. The second category which was thrown out was where fire hazards could be corrected by minor alterations and repairs which would cost but a few thousand

dollars -- such as widening front doors, replacing wooden stairs with steel stairs, protecting pipes in basements, replacing wooden fire escapes with steel ones -- all minor repair projects -- these were not obligations of the Federal Government. Applications were approved where the funds would be used to overcome obviously dangerous conditions, or to eliminate scattered and unsanitary schools. I was surprised to learn that in some cases the construction of one new school, we could eliminate six to twelve old wooden schools. These were allowed. In class one we had applications for sixty million dollars -- that is for eliminating hazardous conditions and replacing or eliminating existing facilities. We allowed sixteen million dollars.

Q Is that total valuation of construction or new allotments?

THE PRESIDENT: All allotments -- this is all Federal money, \$11,000,000 of loans were applied for -- \$11,000,000 -- we allowed \$2,000,000.

Q Were the \$16,000,000 outright grants?

THE PRESIDENT: The \$16,000,000 were actual outright grants -- \$2,000,000 in loans. I have these papers here and can give them to you -- they have been made public.

In the second classification -- that was for projects

which had been authorized by the locality and for which bonds and other obligations had been authorized up to last June 29th -- these were for all kinds of improvements but most of them were for schools -- dormitories at State Universities -- some paving jobs -- that was what we called the "moral obligation" class. The total applied for was \$70,000,000 of grants and we approved applications for \$55,000,000. The total applications for loans totaled \$22,000,000 -- we allowed \$6,500,000. These were all local projects -- counties, towns, cities, et cetera. There was included sanitary sewers -- in that we adopted a brand new Government policy -- no money of either grants or loans to any municipality where their sanitary sewages emptied into any stream or other waters at a point where it would create pollution. There were two quite interesting exceptions -- the first was in the lower Mississippi where our health people said that the water became aerated to such an extent that pollution would not occur and it was perfectly all right to permit the sewage system to drain into the river. I was surprised that this was true but there is the statement of the health people. We allowed connecting sewage for the city of Memphis -- it will drain south of the city and

not along the waterfront. Springfield, Massachusetts -- where the new sewage system will eventually, though not immediately, be used for sending the sewage to a sewage disposal plant -- but for the time being it will run into the Connecticut River.

Then came the third classification -- projects for which appropriations have been made by State Legislatures -- they applied for \$15,000,000 -- we gave them \$14,500,000 in grants -- there were no loans involved.

Q \$14,500,000?

THE PRESIDENT: Yes, \$14,500,000.

Then came the fourth classification -- projects to be financed by issuance to contractors tax or assessment securities at not less than par value. They applied for \$15,000,000 -- we gave them \$2,500,000.

Then the fifth classification is old fund projects for which funds definite allotments have not been made -- where the funds are hung on a peg -- the total is \$54,000,000 -- we gave them \$9,000,000 in grants, \$11,000,000 in loans.

Q How much in loans was applied for?

THE PRESIDENT: \$78,000,000.

Now I can give you the totals by States but the

trouble is that the total figures do not prove anything. In other words, one or two very large projects, like the Crosstown Tunnel in New York, will throw the whole State out of balance. But you can see by the figures that it runs along a pretty even basis. I have the total figures here, of the five classifications. There were \$204,000,000 grants applied for; we allowed \$96,000,000. There were \$119,000,000 loans applied for; we allowed \$19,000,000. I will have to revise that \$19,000,000 in loans because it does not include New York and Nebraska -- with reclamation and power it is \$46,000,000 in loans. These are the latest figures. Sorry I cannot check them with you -- it is \$102,000,000 in grants instead of \$96,000,000. That includes other projects within these five classifications. The latest figure is \$102,000,000 in grants, \$46,000,000 in loans.

Q What is the cost of the projects involved?

THE PRESIDENT: I will have to do it for you on a grant basis and will have to estimate it. This is all right. The total cost of these projects is \$254,000,000, plus \$318,000

Q Of the projects allowed?

THE PRESIDENT: Yes. There were \$102,000,000 in grants and \$46,000,000 in loans -- the balance is financed by the

localities themselves. You can take these papers.

Q Does that wind up WPA?

THE PRESIDENT: No. There are a certain number of projects on which we must have more information, but the total addition will be small. This that I have given you covers about 90%. Some projects are dependent on court decisions; if favorable, they will be financed by funds on the peg.

Q Would that come out of old money.

THE PRESIDENT: I think so. Harry (Hopkins), would any of it come out of old money?

MR. HOPKINS: I do not think there is any new money involved.

THE PRESIDENT: Authority was given to dip into the revolving fund for \$400,000,000 on these figures. We will not need to do it.

Q That \$400,000,000 is to be obtained by securities already had?

THE PRESIDENT: We have been authorized to use the general revolving fund instead of turning back the money. The cash available and unobligated is \$40,000,000 so that it will not be necessary to dip into the RFC. We have \$127,000,000 that can be sold to the RFC -- this doesn't hit the budget at all.

Q Have you gone over WPA with Mr. Hopkins?

THE PRESIDENT: Not yet; he says "not soon."

Q Were you listening in on the radio Friday when J. L. Lewis made his speech?

THE PRESIDENT: I do not think so.

Q What was your reaction to the speech?

THE PRESIDENT: There wasn't any.

Q What are your plans for the next twenty-four hours?

THE PRESIDENT: Stay here.

Q Have you decided whether you are going West?

THE PRESIDENT: Not yet. Things depend a lot on the Chinese-Japanese situation. When I get back I will look over things and would like to go but do not say I can. If I do go it will not be a speech-making trip but an intaking trip. There are various things I want to look into. There will be no politics.

Q Does that mean you will not make any speeches?

THE PRESIDENT: Might say a few words occasionally. It will be just to look things over -- something like the drought trip -- I did not make speeches on the drought trip.

Q Have you come to any conclusion about a special session?

THE PRESIDENT: Not yet.

Q What do you hear about the Far East?

THE PRESIDENT: Nothing more than you see in the papers. There

are still 7,780 Americans in China. They are scattered all over the place. Of course, word has been sent to practically all of them strongly urging them to leave, but a great many are disinclined to come out. Those who have the opportunity to come out and refuse to do so are staying there at their own risk.

Q Is the policy the same as it was with Italy and Ethiopia?

THE PRESIDENT: The same as in Spain.

Q Is your policy with respect to the Neutrality Act the same as it was?

THE PRESIDENT: Still on a 24-hour basis.

Q What effect would invoking the Neutrality Act have on the Nine-Power Treaty? Do you have anything in mind about that?

THE PRESIDENT: I do not think the two things tie in. The difficulty about Neutrality at this particular time is the difficulty of maintaining ships in the ports if we issue a proclamation -- the problem of the Marines in Peiping -- they are there whether we like it or not -- the Army in Tientsin and the Marines in Shanghai. It is a nice question -- how we can issue a proclamation of Neutrality and maintain this and still get Americans out -- it is a difficult problem. It is very difficult to make

the two things work together. The thing is complicated further -- no one knows where the next pressure area is -- the main port of evacuation next may be Canton, or Foochow or Amoy or Chungking -- it is impossible to tell.

Q Do you have any reason to believe Japan is obtaining foreign credits from any sources?

THE PRESIDENT: I do not think so. We would know about them if they were.

Q Have you taken any position on the Nazi party which Ambassador Dodd did not attend?

THE PRESIDENT: No. When an American Minister receives an invitation from a Foreign Office to go to a party, he has to go. That is about the answer. I imagine the thing was discussed by a good many people, but being a diplomat you have to go when you are invited. Say I especially invite through the State Department the Diplomatic Corps to attend the Antietam celebration -- they would have to come no matter how much they disliked the idea. That is all there is to it.

Q Still plan to get back to Poughkeepsie Tuesday?

THE PRESIDENT: Probably. If tomorrow does not turn out to be a fairly good day we may head that way.

Q Any fishing luck?

THE PRESIDENT: Good luck -- bass, porgies, tautog. Doo

O'Connor got that last one -- tautog. We all had fish for
breakfast.

Q How long do you plan to stay in Washington after you get
back?

THE PRESIDENT: Three or four days. Go down about the 14th
and leave Friday the 17th or Saturday the 18th, back to
Hyde Park.

Q If you go to the Northwest, what time will you leave?

THE PRESIDENT: Soon after, if I can. I have not determined
it yet.

Q Will you stop at Bonneville and Coulee?

THE PRESIDENT: I don't know.

Q Thank you, sir.

CONFIDENTIAL
Press Conference #397
Hyde Park, New York

September 11, 1937, 11.20 A.M.

THE PRESIDENT: Good morning.

Q Good morning, Mr. President.

THE PRESIDENT: Where is Casey?

MR. HOGATE: Good morning, Mr. President.

THE PRESIDENT: Glad to see you. I don't think there is any news at all today. That is very sad but I have been trying to give them lots of stuff, trying to manufacture news for them day after day, so, finally, after three or four days it has run out.

Q Are you going back to Washington sooner than you had expected to?

THE PRESIDENT: No; I don't know what night but I think it will be Monday or Tuesday night.

Q It might be Monday?

THE PRESIDENT: It depends on how things jam up. Look at this (indicating pile of correspondence), that is unfinished work.

Q Mr. President, there were two totally unrelated events that happened last week: the French nationalized their railroads and Carroll Miller, speaking before the Utilities Commission in Utah, said something about throwing all the railroads in the United States

into one system and that has aroused at least renewed discussion about nationalizing our own railroads. I wonder if you have any thought on that?

THE PRESIDENT: I have not even heard of it.

Q My recollection was that in your Salt Lake City speech you very definitely laid out, supplied a plan whereby these roads -- it followed that they could stay privately-owned and operated -- you thought --

THE PRESIDENT: Oh, yes; that was in the speech in Salt Lake City. I have not said anything further since then. I have not said another thing since then that I remember to change that.

Q I am glad I asked the question but let us put it off the record.

THE PRESIDENT: Go ahead, don't beat around the bush.

Q All right, do you favor nationalization of the railroads of the United States?

THE PRESIDENT: Only as the last possible resort. I have wanted to keep them privately-owned all along if it is possible to make them go in private ownership. I think we have all favored that, the Interstate Commerce Commission and everybody else.

Q Can we use that?

THE PRESIDENT: Yes, you can use it.

Q Mr. President, the situation in the Mediterranean and in the Far East has created a psychological atmosphere in America here that has everybody jittery --

THE PRESIDENT: Yes, all over the world.

Q You anticipated me.

THE PRESIDENT: Yes, all over the world and rightly.

Q That is true.

THE PRESIDENT: And rightly. I think that is all that one can say. And that is not only in financial circles, it is in every home all over the world, not just the United States but in every home all over the world and with respect to every democratic government. I don't know about the others; I am not speaking for the others but I can come pretty close to speaking for the democratic governments of the world. You can use that too.

Q Thank you.

THE PRESIDENT: I think he (Mr. Francis McCaffrey) is doing pretty well this morning. He is getting some real news.

Q (Mr. Hogate) I did not know he had it in him.

THE PRESIDENT: Did you catch him first?

Q (Mr. Hogate) No.

Q (Mr. McCaffrey) No, we are bitter rivals for the minute.

THE PRESIDENT: I wondered.

Q (Mr. McCaffrey) But the best of personal friends.

Q Mr. President, is there anything further you can tell us about the Americans in China?

THE PRESIDENT: No, no more than what has appeared in the papers.

Q I saw a story yesterday that Mr. Hull had said that full protection would be extended indefinitely and so forth?

THE PRESIDENT: This (indicating) came in this morning. It is a copy of the statement to the Press yesterday on the Far Eastern situation. I will read it. (Reading from a resume of Secretary Hull's Press Conference)

"On yesterday I was asked some detailed and, to a certain extent, theoretical questions about our evacuation -- about our policy toward our Nationals in Shanghai. I said: 'I tried to make it as clear as possible the situation as it appeared from week to week and sometimes day to day in all its essentials. When disturbed conditions arise in a country where another country has Nationals, the question of the responsibility of that country towards its Nationals in the disturbed area is one question that presents itself to the government. When

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conditions became more or less turbulent in certain areas of China, this government had a fair conception of what its responsibility was toward its Nationals in connection with furnishing protection against unorganized mobs or uncontrolled groups of disorder and also in furnishing them with facilities for evacuation. That responsibility was very clear. The government is going forward with entire unanimity from the beginning in the performance of that responsibility. There is no misunderstanding by anybody, anywhere, and that is the only question that is presented."

Have you read all of this?

Q We have the general gist of it, sir.

THE PRESIDENT: Then, speaking off the record for one sentence -- this is off the record, because that is what it is, (he said) "That is the only question that is presented." In other words, I would have said all that by saying, "Get out, that is an 'if' question." (Laughter) But I am not nearly as polite. You have got all the rest.

Q Mr. President, in connection with China, after all reasonable efforts have been made to evacuate Americans there and all have been notified, does it then follow that you will withdraw the ships?

THE PRESIDENT: My answer to Mr. Durno is this, "That is the only question that is presented."

Q Oh, I don't want to hear that again. (Laughter)

Q Any decision as yet, sir, on the Western trip?

THE PRESIDENT: Not yet and probably won't be until after I get to Washington.

Q Anything on the Special Session of Congress?

THE PRESIDENT: No.

Q Would it be a fair assumption that that decision will not be made until after the Western trip?

THE PRESIDENT: I don't know, Bob (Post). I really don't know. I haven't any idea myself. I would not know what to write on it. Take it under advisement and when there is a decision I will let you know.

Q Your Constitution Day speech was written for you by Mr. Warner in the Tribune. I wondered --

THE PRESIDENT: I haven't the faintest idea -- I haven't begun to write it. I think we ought to have a prize for the columnist who gets the closest to it. George has developed into a columnist now. He would qualify. Isn't that right?

Q (Mr. Lindley) I think he would make a good one.

THE PRESIDENT: He is a good columnist but he is not a good news reporter. (Laughter) Isn't that right?

Q (Mr. McCaffrey) He had better duck.

THE PRESIDENT: That is right; we all know it. We can talk that way in the family. (Laughter)

I don't know that there is any other news. You have the list of people coming today. It consists of Bernard Baruch, who is coming to lunch to tell me what he saw on the other side. Then we have the Home Club at 3, and I don't think I will talk about anything except the general line I have used before about local planning. I may say something about the school situation in the Town of Hyde Park, which is serious.

8-17-55
[rec]

Q You have seen Ambassador Bingham and Mr. Gunther and Mae Veagh Mr. McVeigh and Norman Davis is coming up --

THE PRESIDENT: He is coming Sunday, yes.

Q And I suppose you will see William Phillips when you get back to Washington. They all seem to be coming back at the same time. I was wondering --

THE PRESIDENT: No, they all came in separately.

Q Any conference planned?

THE PRESIDENT: Every time that anybody comes back from the other side I see them and talk to them just to keep in touch. This time of the year they are very apt to come back because they have children going to school.

Q Do you have any message to the Democrats of Dutchess County?

THE PRESIDENT: Not even that. (Laughter)

I am going to discuss international affairs
with Mr. Hogate now.

Q Don't let him scoop us.

Q Thank you very much, Mr. President.