

CONFIDENTIAL

Press Conference #531,
Executive Offices of the White House,
March 21, 1939, 4.05 P.M.

THE PRESIDENT: When is Barry (Barry Bingham, of the Louisville Courier) coming up?

Q (Mr. Ulric Bell) Not very soon.

THE PRESIDENT: Tell him I want to see him.

Q We were fingerprinted out there.

THE PRESIDENT: You were? Good for you. The interest in the thing would be not to see who is fingerprinted but who refuses to be fingerprinted.

Q Ruby Black has a message for you.

THE PRESIDENT: Who has?

Q Ruby Black.

Q (Miss Ruby Black) Randall Le ~~Houf~~ of the Niagara Falls Power Company asked me to give you his love. I am down covering the hearings.

THE PRESIDENT: Good; I have not seen him for a long time.

Fred (Mr. Storm) is wanted in Norway.

Q (Mr. Storm) For stealing 10,000 tins of sardines. (Laughter)

MR. DONALDSON: All in.

THE PRESIDENT: I call your attention to the fact that this is the first Press Conference that the new member of the Secretariat has had the courage to attend. (Referring to General Watson)

Q A rousing hurrah!

Q May I ask what his title is? Is he the Secretary-General?

THE PRESIDENT: That is right.

Q Has he a passion for anonymity?

THE PRESIDENT: Absolutely. And the president of the White House Correspondents' Association has been fingerprinted, and the interesting thing will be not who gets fingerprinted but who does not get fingerprinted.

I do not think there is any other news at all.

Q Are you going to have your fingerprints made?

THE PRESIDENT: I got mine both in Albany and down here already.

Q (Mr. Young) Thank you, Mr. President. (Laughter)

Q Mr. President, have you had an opportunity to look at the Pittman Neutrality Bill as yet?

THE PRESIDENT: No.

Q Have you seen the press reports on it?

THE PRESIDENT: Yes.

Q On the basis of those, would you care to comment?

THE PRESIDENT: Only the way I did last week. Read the January fourth Message.

Q Any new nominations in sight, sir?

THE PRESIDENT: I do not think so; they have been coming pretty thick and fast lately.

Q You gave us a pretty good judge today.

THE PRESIDENT: Right.

Q Anything new on taxes?

THE PRESIDENT: No. I have just sent up to Senator Harrison the figures he requested or, rather, I just dictated the letter and it will go up tonight.

Q Any other conferences?

THE PRESIDENT: I think they are coming back next week. I don't believe they will have enough in the way of returns until next week.

Q What do you think of the foreign situation, Mr. President? (Laughter)

THE PRESIDENT: Well, I am not happy, Fred (Mr. Essary).

Q (Mr. Essary) Will you say, sir, if there is any basis whatever for reports coming from Europe that you have suggested to certain nations of Europe a general boycott of Germany?

THE PRESIDENT: That is not so; nothing in it.

Q Could you comment on the apparent inconsistency of denouncing German exports to this country through subsidy and, at the same time, subsidizing wheat and possibly cotton exports?

THE PRESIDENT: I do not think there is any relationship between the two, otherwise the question is all right.

Q Mr. President, the income tax returns for the first twenty days of this month were thirty per cent below last year and yet they are satisfactory?

THE PRESIDENT: They are substantially above the estimate and those two things should be put together.

Q Could you comment as to why, what conclusions have been reached as to why they are substantially above the estimate?

THE PRESIDENT: No, they just are; that is all.

Q In the absence of Warren Francis, is there anything you can tell us about the transient problem in California, in regard to relief?

THE PRESIDENT: I cannot, Fred (Mr. Storm). I have a long report in my basket I have not read and when I get around to it I will have various interested people in. I have not read it yet.

Q There is a great deal of discussion about a long-range tax program;

that is, one that would be at least for five years, the idea being that some curtailment of the Government revenues would undoubtedly result from such a program in the first year or two but that over a five-year period the revenues would at least probably equal and possibly exceed those we receive today from the present structure. Would that, in your opinion, be barred as a possibility in view of your statement that no reduction in corporate taxes is contemplated?

THE PRESIDENT: Again, if you will read the Annual Message to the Congress you will find the answer.

In other words, quite simply, we have the choice of following the policy recommended in the Annual Message or of adopting the other policy which has been advanced by perfectly well-meaning people and that is by cutting down certain expenditures of the Government, which as I pointed out in that Annual Message must in order to be substantial come out of certain obvious items which can be readily cut. Relief for the unemployed, all forms of public works, social security for the aged, slum clearance and various other items which today give work in large volume -- all of those being predicated on the guess of many well-meaning people -- that thereby, taking away employment from several million workers, business will automatically pick up that entire slack plus the other large number of people who are out of work but not in any way being helped by the Government.

If there was some guarantee that this would happen, it would be well worth considering. I doubt, however, whether it would meet with popular approval if it were tried and the result were

not attained.

There is the answer. It is a hot one. (Laughter) It is purely extemporaneous but I think I said a mouthful.

Q Can we quote that, too, Mr. President?

THE PRESIDENT: Yes.

Q That would include the whole statement you made?

THE PRESIDENT: Yes.

Q Mr. President, if the collections continue to run ahead of estimates, would that make any difference in your policy?

THE PRESIDENT: No. It simply means the deficit would be less. It is not a very large amount. At the present time total collections run between thirty-five and forty million dollars ahead of the estimates and that would take thirty or forty million dollars off the deficit and anything we can do to decrease that, the better it is.

Q Has anybody yet been able to show you how various corporate taxes could be revised without reducing the total revenue?

THE PRESIDENT: Oh, yes; there are various proposals. I think we talked about this the other day and the figures I am sending to Senator Harrison relate directly to that, the elimination of two or three of the very small corporate taxes -- I say relatively small -- and in place of them putting on an increase in the percentage tax, the state income tax. The difficulty is that one cannot eat one's cake and have it. If the percentage taxes are increased, you face an immediate dilemma. If you increase them on the small corporations, there will undoubtedly be protest from 153,000 corporations out of 200,000, which make less than \$10,000

a year. In other words, if they have to pay more in dollars into the Treasury, it is going to work a great hardship on those small corporations that are struggling to survive, 153,000 out of 200,000. On the other hand, if you favor them and do not increase their taxes over what they are paying now, you have got to put the whole burden of taking up the additional amount of revenue needed because of the repeal of these two or three small taxes, running about two hundred and twenty or two hundred and thirty millions, you have to put that whole burden on the big corporations, principally the corporations earning over a billion (million) dollars a year and those are corporations that are making most of the requests for a change.

MR. EARLY: You meant over a million?

THE PRESIDENT: Did I say over a billion? I meant a million; that is right. It is between friends.

In other words, most of the increase would come from big corporations. But, if we do eliminate them and put on a percentage increase in the income tax, without hurting the little fellow, the whole burden of the two hundred and twenty or two hundred and thirty millions will have to be borne, ipso facto, by the big ones and I doubt very much if that will be extremely popular with these advocates of the change.

Now, you see the dilemma?

Q Will you tell us what those two or three small taxes being considered for elimination are?

THE PRESIDENT: I have not got the thing right here. One is the excess profits and the capital stock tax. They go hand in hand.

If you are a tax expert you will know why they go hand in hand.

If you have one, you have to have the other.

Q What about the surplus?

THE PRESIDENT: The same thing.

Q What about the carryover?

THE PRESIDENT: The same thing.

Q When the undistributed profits tax was put in, that was to increase the velocity of money and to stimulate business?

THE PRESIDENT: That was one reason. The other was the use of the old method for -- everybody was agreed on it at the time -- for the evasion -- avoidance, excuse me -- avoidance of income taxes by a rather small group of very rich people who had a large portion of their investments in companies which they controlled. Therefore, by letting the profits ride in the corporation by not declaring a dividend, they were building up their property without any income tax on it. Everybody recognized that at the time.

Q That was the objective then. Now the objective is whether or not it will decrease the amount of money coming into the Treasury?

THE PRESIDENT: No. Of course it is rather an interesting thing. I have said it in two Press Conferences lately. The request for these figures came from Senator Harrison. You will remember, too, that Senator Harrison agreed right here at his very first conference that the total amount of money to be paid by corporations, whether it be in three or four different taxes or one tax, should not be decreased, and the papers of the United States have failed to print that. Now, I am saying that as a fact. In fact, almost every paper I have read has said that that was something the Pres-

ident was insisting on. Now, we might just as well get it straight. I was asked that question within the first three minutes of the first Conference and Senator Harrison said, in so many words, "Of course there is no thought of decreasing the number of dollars paid in taxes by corporations." Now, that might just as well be printed. This is the third time I have stated it and it has not been printed.

Q Senator Harrison said the same thing.

THE PRESIDENT: Yes, but it has not been printed.

Q It has been printed.

THE PRESIDENT: I have emphasized it twice and it has not been emphasized in any paper or any Press Association story I have seen.

Q You probably gave us a better lead, Mr. President.

Q Were those the objectives as a first step to reenact the undistributed profits tax, whether, that having been done you are now willing to let it go --

THE PRESIDENT: (interposing) Personally, I do not think that very important objective of avoiding tax avoidance ought to be eliminated from the tax laws of the United States any more than we need go back and allow people to incorporate yachts.

Q Is it proposed to repeal this tax and substitute a flat income tax? Was that proposal made from the Hill or the Treasury?

THE PRESIDENT: Senator Harrison asked for it, that is all I know. He asked what would happen and what would be the effect of different methods of increasing the percentage of taxation and that is the thing that is going up today.

Q .(Mr. Walter Trohan) On behalf of the new Secretary, Mr. President,

thank you. (Laughter)

THE PRESIDENT: Is that all right, Russ (Mr. Young)?

Q (Mr. Young) Yes, sir; it is all right.

Q Mr. President, what does this mean now? Does this mean that the tax revision is out or still in the picture?

THE PRESIDENT: Oh, no. Heavens, this thing will take weeks more of study. We will be asked for more figures. It is perfectly proper, all going along very well.

Q You favor a new corporation tax this session?

THE PRESIDENT: I am not favoring anything. It is still in the study stage, furnishing figures.

CONFIDENTIAL

Press Conference #532,
Executive Offices of the White House,
March 24, 1939, 10.45 A.M.

THE PRESIDENT: Good morning. I do not know whose cold I have caught.

Q How are you coming along, sir?

THE PRESIDENT: Oh, just my whole nose is clogged up.

You know the Irish remedy for a cold is to sit with your nose over a peat fire. It is the greatest thing in the world.

Q Did you ever try it?

THE PRESIDENT: I never did try it.

Q That is the reason you are here today, Mr. President. (Laughter)

THE PRESIDENT: Probably. (Laughter)

Q We have a lot of questions today.

THE PRESIDENT: Everything is very quiet.

MR. DONALDSON: All in.

THE PRESIDENT: I do not think there is any particular news today. I hope we will have a quiet week end.

Q Mr. President, is the name of Dr. Hutchins, of Chicago, under consideration by you for the S.E.C. vacancy?

THE PRESIDENT: I have done nothing, one way or the other.

Q Do you agree with Marriner Eccles that the great majority of the people would like to have the budget balanced at once?

THE PRESIDENT: Pete (Mr. Brandt), I have only read the headlines and I have not read what he said.

Q He said the great majority wanted --

THE PRESIDENT: (interposing) I would have to see what he said, Pete (Mr. Brandt).

Q Mr. President, have you heard what Secretary Morgenthau said about a limited old age fund?

THE PRESIDENT: No, I have not. Did that come up yesterday?

Q Yes, sir; has been released.

THE PRESIDENT: I have not read it.

Q Do you think that a limited fund is advisable?

THE PRESIDENT: What do you mean?

Q He proposes several alternative methods of taxation and suggests that some method be devised to assure that the funds obtained will be earmarked for old age security.

THE PRESIDENT: I do not know what he said but I take it you are referring to what we have all been working on for the last three years, which was to eliminate what, under the existing law, has been very properly criticized and that is the unlimited reserve. Now, of course, it has not been true that we would build up, as has been printed a great many times, a forty billion dollar reserve and things like that because, even under the present law, after a comparatively short period of years -- I have forgotten what the date is -- the outgo of funds would be at least equal to the income from payments. But, even at that, the present law does give the possibility of building up a reserve that, from the point of view of insurance methods, would be too large, so we have been trying to arrive at some figure of reserves that would be sound from the actuarial point of view. That is a definite objective. I cannot give you any details because that is a thing that is being talked about. The general thought is that there should be actual reserves to take care of payments, assuming that there were

no contributions -- old age payments over a period of somewhere from three to five years, and that that would probably be sufficient.

Q Might it be feasible to reduce the rate of taxation so as to prevent that?

THE PRESIDENT: That goes into the other question: How fast do you want to build them up? The main thing, we do believe, is that you ought to have reserves sufficient to last for from three to five years. As far as we can tell, that is sound from the business point of view.

Q Has any figure been fixed?

THE PRESIDENT: No.

Q I mean, what would be necessary from three to five years?

THE PRESIDENT: Various figures have been fixed. I cannot remember them offhand. I can give you one figure: the average in thought is somewhere around two and a half to three billion dollars.

Q A year, or over the whole --

THE PRESIDENT: (interposing) No, for the reserve, but that is just recollection on my part. You had better check.

Q That is just a protection reserve?

THE PRESIDENT: Yes.

Q Has any thought been given to a change in the tax basis, that is, the payroll tax?

THE PRESIDENT: The payroll tax? Of course you can work out almost six or eight different plans on that, again depending on how fast you want to build up the reserves.

Q Is it too early to say that you may ask Congress, before it adjourns,

to cut the increase that will take effect next year in the tax?

THE PRESIDENT: That is what the Congress is studying now. That is what all these hearings are about.

Q Anything on the cotton situation?

THE PRESIDENT: I have not heard a word about it for a week.

Q Do you think you will go down the river over the week end?

THE PRESIDENT: No. I will stay right here and then go to Warm Springs next Wednesday night, subject to postponement or cancellation.

Q You were asked if that was just a protection reserve, that two and a half or three billion dollars?

THE PRESIDENT: Every reserve is a protection reserve.

Q Yes, but I wanted to know whether that was only a part of the reserve, just for emergency?

THE PRESIDENT: No, that would be the total reserve.

Q When you were meeting with Ed Flynn yesterday, did you discuss pardons for certain state and mortgage title officials in New York?

THE PRESIDENT: That was not discussed at all.

CONFIDENTIAL

Press Conference #533,
Executive Offices of the White House,
March 28, 1939, 4.15 P.M.

THE PRESIDENT: I have got a lot of stuff for you today. About fifteen minutes ago I was going to say I hadn't anything. It has all just turned up and most of it is complex.

Q That is swell.

THE PRESIDENT: You like complex stuff?

Q I write shorthand; I do not care how complex it is.

THE PRESIDENT: Things that lend themselves naturally to a good smashing lead.

Q There isn't much headline stuff in that.

THE PRESIDENT: Somebody asked the other day about the problem of the interstate migration into California and I told you that I had got a report on it. I am sending the letter from Harrington (Colonel Harrington) and the complete report to Representative A. J. Elliott, Chairman of the California delegation on interstate migration and its effect on California, and you can get the whole thing from him.

I will try to summarize the letter: There were eight federal agencies under the chairmanship of Mr. Harrington, who discussed this problem of interstate migration into California. It was W.P.A., Farm Security, U. S. Housing, Social Security Board, Surplus Commodities Corporation, Public Health Service, the Office of Education and the U. S. Employment Service. They made a unanimous report.

I can divide it into two parts: The first part calls atten-

tion to the fact that this is not only a California problem but that interstate migration is a national problem and, as such, for permanent legislation or relief, has got to be considered from the national point of view and not just one corner of the country.

(Reading)

" no Federal Agency or group of Agencies can effectively deal with the broad problem in its entirety under present powers and limitations. If anything is to be done, special legislation would have to be enacted by the Congress, providing for nation-wide planning."

He then suggests that such legislation might take the form of authorizing action along three lines: (A) The resettlement of migrants who are now in California and other states and who can become self-supporting in those areas to which they have gone.

Secondly, the return of those migrants who are willing to resume residence in the state of their origin and giving assistance to them to establish them back where they came from. The third is the resettlement of other migrants in areas where employment suited to their abilities is most likely to be found.

The committee states that they believe the decision as to whether such legislation should be enacted rests with the Congress.

Now, you come down to the second part, which relates to what we can do now through existing federal agencies without any change in the law, except in the case of three of them additional funds would be needed. They point out that the U. S. Employment Service can disseminate information on employment to prevent the further flooding of California with more migrants. Secondly, the Federal Surplus Commodities Corporation, working with the Farm Security

people and the California State Relief Administration, can give a wider distribution of available surpluses for the benefit of needy migrants who are now in the state. And, third, the Farm Security Administration can continue to provide camp facilities and small homes for rural migrants. Those, however, would require additional funds and authority to extend their activities.

Fourth, the Public Health Service can extend its control of disease and treatment of the farm migrants. This will take more money. And, finally, the U. S. Housing Authority can cooperate with the local housing authorities in building more low-rent dwelling units, but here again a further authorization of funds is necessary.

Finally, they say that all these present activities, if they are to be enlarged, ought to be tied in so as to prevent duplication, overlapping, et cetera, with some existing central agency, and they suggest that that central agency to tie in the federal agencies should be the California State Relief Administration.

Anybody further interested can get further details from Congressman Elliott. Thank you very much.

Q Has it gone?

THE PRESIDENT: It will go.

Q Anything on the cotton export situation?

THE PRESIDENT: Yes. That is No. 2. You took the words out of my mouth.

In order to clarify the picture up on the Hill and with the public in regard to the cotton problem, I wrote out, with the aid of several people, the following statement so that it would be

more clear than if I merely talked it extemporaneously, and Steve (Mr. Early) will have copies for you as you go out.

I do not believe that I can add very much to it because I believe it covers practically all the points that are coverable at this time. (Reading)

"The cotton situation requires prompt and effective action. Loan stocks total more than 11 million bales and if our exports continue at their present rate, our shipments of cotton abroad for the year ending August 1, 1939, will be the lowest in more than fifty years. And unless we build a spillway out of the loan we are likely to add several million more bales from the 1939 crop to the mass overhanging the market. Carrying charges alone on the cotton already in the loan approximate \$45,000,000 annually.

"The present status of the cotton industry goes back in large part to the almost 19 million bales of cotton we grew in 1937. This record crop followed the invalidation by the Supreme Court of the control provisions of the original Agricultural Adjustment Act."

That, I think, in fairness should be emphasized because it is a matter of just plain historical fact.

"Since that time another law enabling an effective control program has been enacted --"

But, if you remember, that law missed the next year's crop because it was passed so late that nearly all the cotton was in the ground.

-- but several years of adjustment will be necessary to bring our supplies to normal.

"So great is the cotton surplus that the current loan of 8.3 cents a pound--a loan only a little more than half of parity--has proved a price pegging loan. Foreign cotton is underselling our cotton in world markets and is likely to continue to do so until we restore American cotton to its normal competitive position.

"This might be done by abandonment of the loan if we did not take the welfare of the growers into account."

In other words, if we took off all control, we would have to adopt the policy of quite a number of editorial desks, let them grow all they can and let the farmer get what he can for it, even if it is only $4\frac{1}{2}$ ¢ a pound. However, I am thinking of the southern cotton grower and I know that he will go broke worse than he is today, which is bad enough, on $4\frac{1}{2}$ ¢ cotton, no matter how much he raises.

Q Have you abandoned the loans you have, or the loan policy?

THE PRESIDENT: Abandoned the loan policy? (Reading)

". . abandonment of the loan for this year means a sharp drop in the already pitifully meager income of producers. The continuance of protection for the growers necessitates the continuance of the loan for 1939 and with that continuance, action to prevent the loan from doing more harm than good.

"A cotton program at this time should include the following objectives:

"(1) The merchandising in an orderly fashion of our excess supplies of cotton;"

Now, those excess supplies -- this is not in this statement -- they amount roughly to about 8,000,000 bales because the total carryover today is 13,000,000 and, as I was saying to several people this morning, of course one way to do it would be to put it into the Mississippi and tow it out, and tow it well out into the deeper water and let it sink. Now, that would leave us with what might be called a normal carryover of 5,000,000 bales. That would be all right. Or we could take it and burn it up, have a big bonfire, and that would be all right.

So, necessarily, the problem comes down -- because we cannot do either of those two things -- to getting these 8,000,000 bales in some way out of the United States. That is the simplest way

of doing it. If we can do that we will have a normal carryover of 5,000,000 bales and, through the control processes, provided we do not get any more laws knocked out by the Supreme Court, we hope to carry on through the years, growing enough cotton that the market, domestic and foreign, will take up and consume. Now, that is the objective. (Reading)

"(2) The maintenance of our fair share of the world market for cotton;"

which, of course, is way below the average of the last ten or twenty years. (Reading)

"(3) The protection of producer income;"

That is to prevent the cotton farmer dropping down to $4\frac{1}{2}$ ¢ a pound, which was about what it was before we got here.

"(4) The accomplishment of our aims with the least possible cost to the Treasury!"

There have been a great many plans proposed, some of them running as high as \$400,000,000. a year out of the Treasury over and above the soil erosion payments.

"Various proposals are pending which aim at the retention and expansion of our foreign markets for cotton and the reduction of loan stocks. Of them, I believe the best plan is an export program for cotton, a program which would include a payment on all cotton exported during the life of the plan.

"The details of such a plan remain to be worked out but it probably would include:

"(1) A payment of \$1.25 per bale to producers who release their loan cotton to the market."

That is a device that was very successfully used about two or three years ago and the loan cotton was at that time released by a payment of, I think, that same amount.

"(2) A moderate payment on all cotton exported after the plan goes into operation.

"Such a plan would protect mill inventories by fixing a rate at which cotton could be released from the loan. I believe there is ample authority under existing legislation to establish import quotas which would protect both the domestic producers of raw cotton and probably domestic manufacturers as well from foreign importations. A payment could be made on exports of manufactured goods so the program would not put them at a disadvantage in the world markets.

"Frankly, I wish it were possible immediately to expand domestic uses of cotton to the point where our own people would absorb the surplus. That time has not yet arrived and pending its arrival our farmers and consumers too will be injured unless we protect our foreign markets.

"The plan does not contemplate payments on exports in excess of our average exports over a representative period in the past."

Now, that is a very important factor in this general suggestion.

"What we are proposing is to restore the normal competitive position of American cotton and our normal share in the world market.

"An export plan for cotton should cost a good deal less than proposals to pay the growers to keep their cotton out of the loan. The export program calls only for payments on cotton sold abroad; the other plan calls for payments on all the crop. And the export proposal promises to be more effective in retaining and expanding our foreign markets.

"As you know, an export program has been in effect for wheat for several months. This program was adopted to retain our share of the world wheat market. I believe the majority of wheat producers will agree the plan is one of the reasons why wheat prices in this country are more than twenty cents higher, as compared with the normal relationship, than Liverpool prices. The rejection of an export plan for cotton is certain to raise doubts as to the advisability of its continuance for wheat.

"I want to emphasize that the proposal for a cotton export program is in no sense a repudiation of the reciprocal trade programs. If the spirit

behind these trade programs had prevailed in the postwar era it would not be necessary now to take steps to protect our export markets. The reciprocal trade programs are an effort to restore order out of the chaos prevailing in international trade. They should be pressed vigorously.

"I believe the export plan, if put on a sound and workable basis, will not only help the cotton farmers, but will help the entire industry. As I see it, this plan would not do away with the long established system for handling cotton but would eventually reduce surpluses and restore trade so that this system could be put on a firmer basis."

I think that covers it all right and I do not know, I do not think I can summarize any more closely than that.

Q I did not quite understand the \$1.25 a bale to producers who had held on to their cotton?

THE PRESIDENT: It would release their cotton to the market.

Q Did I understand you to say that there would be quotas on imports of cotton and textiles into the United States?

THE PRESIDENT: Practically. In other words, we could work out under the present law, through the U. S. Tariff Commission, a method that would prevent this export cotton from coming back into the country and, at the same time, prevent goods manufactured from this export cotton from coming in here and underselling American manufactured goods.

Q Not by increasing the tariff rates?

THE PRESIDENT: One or the other, but probably quotas will do it.

Q Won't that violate the terms of the British Trade Agreement?

THE PRESIDENT: No; that could be worked out.

Q You figure this plan could be put in without additional legislation?

THE PRESIDENT: No. I think this plan takes the enactment of a very,

very simple law. I think it can be done, from what I am told, on one page.

Talking about the cost, some of the plans, as I say, have gone up \$450,000,000. over and above soil conservation payments. This plan would cost, on cotton, probably about \$15,000,000. between now and the first of August and, for the following year, somewhere between \$60,000,000. and \$90,000,000., which is a very definite saving to the Treasury over any of the other plans suggested.

Q Would there be an amendment to the tariff law?

THE PRESIDENT: No.

Q You would not call this a plan to dump cotton, would you?

THE PRESIDENT: No, for this very simple reason, that it merely puts American cotton into the world markets on a basis no higher than what it has been over any previous period.

Q Does that mean selling to the world market at the world price?

THE PRESIDENT: Yes.

Q Not below the world price?

THE PRESIDENT: No, because whatever the world price is, that thing seeks its level from day to day.

Q As I understand it, does it throw eight cents worth of cotton into five cents?

THE PRESIDENT: No. It is a thing that will be done by negotiation and there are various voids in the world market which may be filled up, we believe, without destroying the world price.

Q There is no intention, then, of selling at any point below world prices?

THE PRESIDENT: A great part will be taken up by negotiation to fill voids and not to reduce the world price.

Q Any figures on the number of bales likely to be moved between now and August?

THE PRESIDENT: No.

Q Did you indicate what the law would provide?

THE PRESIDENT: What?

Q The legislation which would comprise about one page?

THE PRESIDENT: I had better not tell you because I am afraid I might make a mistake, but it does relate to specific authority for the Surplus Commodity Credit Corporation and, I think, an appropriation of \$15,000,000.

Q This would be independent legislation, sir?

THE PRESIDENT: No.

Q Not an amendment?

THE PRESIDENT: Yes, it is an amendment to an existing law.

Q Would that apply only to cotton?

THE PRESIDENT: Well, we are only talking about cotton today. Let us confine ourselves.

Q What do you consider a representative period of past years upon which to fix the amount of exports?

THE PRESIDENT: The Congress decides that itself. I do not care. Let them make it five or ten or fifteen or twenty. It works out about the same.

Q Does this involve barter?

THE PRESIDENT: No, it does not.

Q Can you give us some idea of what the moderate payment on cotton

exports might be?

THE PRESIDENT: No, I do not want to rig the market.

Q Are you going to send up a special Message on this, recommending this particular course?

THE PRESIDENT: No, I do not think so; I think this will be sufficient.

Q Are you planning to ask Congress again to pass taxes to raise the \$250,000,000. that they are just about to vote --

THE PRESIDENT: (interposing) I made that quite clear the other day, I think; they got it through the press.

Q Can you tell us anything about your talk with the Spanish Ambassador?

THE PRESIDENT: We talked about the problem of Spanish refugees.

Q Any help you can give us on that?

THE PRESIDENT: No; just an awful lot of them.

Q Mr. President, in regard to this migratory labor, transient relief report: Are you merely going to send that up to Elliott (Representative Elliott, of California) and then wait for Congress to take the initiative?

THE PRESIDENT: I suppose the next step will be that some of them will be down here.

Q I thought there might be supplementary steps by them?

THE PRESIDENT: No; I would like to talk it over because it is a big problem.

Of course, one of the problems, in addition to this question of migratory families and individuals who have been drifting into certain centers, is the problem also of a migratory population that runs as high as three or four hundred thousand people who are not in any way to be compared with people who go to California

but who just drive around from place to place in automobiles. They have no home; they have no domicile and, therefore, no community is in any way responsible for them. They get stranded some place and just get pushed on into the next county.

Some day, the people of this country are going to do something about that. There has been a good deal of talk about some method of requiring every person in the United States to have his or her roots down somewhere -- some community that they belong to and that belongs to them. It is still in the stage of very preliminary study but I think, before we die, that there will be something along that line. People ought to have a home somewhere.

Q Anything in the call of the British Ambassador?

THE PRESIDENT: No.

Q Anything on the King and Queen?

THE PRESIDENT: Personal matters.

Q Can you comment on the Supreme Court decision yesterday on the taxation of salaries?

THE PRESIDENT: I was delighted to see it and somebody will ask me the question, so I will anticipate it: Can I find the \$5,000.? The answer is that if the Justices of the Supreme Court from New York are liable to pay on their state income tax returns, I will too.

Q Are you in a position, sir, to comment --

THE PRESIDENT: (interposing) To pay? No, I am not. (Laughter)

Q -- to comment on any aspects of that decision in relation to the taxing of Government securities?

THE PRESIDENT: Well, it is -- I will put it this way, that it is a very definite step towards carrying out that recommendation that

I made. From the point of view of dollars and cents it is only about one-fifth of the way so I hope that we will go the other four-fifths of the way.

Q No bill has been introduced in Congress to tax -- to permit reciprocal taxation of income on securities. Are you going to do anything about that?

THE PRESIDENT: I made the recommendation.

Q Twice.

THE PRESIDENT: And talked about it a good many other times too.

Q I will ask you a small question: What are you going to do with the Cosgrove portrait of Lincoln, now that you have the ~~Healy~~ portrait?

THE PRESIDENT: I do not think I can. In other words, before a decision is made I will have to ask the Fine Arts Commission to come down to the White House and ask if what I want to do is O.K. with them. What I want to do is take the old portrait, which is very, very large and hides the paneling on the north side of the dining room -- it is not a good portrait -- I want to take that and put it below in the general Diplomatic reception room, where there are large portraits of similar nature, and take the new portrait, which I measured the other day, and put it over the mantelpiece in the dining room, which is a very good place for it. I may do it without asking the Fine Arts Commission or I may send for them and hope that they will approve.

Q Do you favor the establishment by Congress of a Niagara River Authority?

THE PRESIDENT: I have not taken it up at all. I only read the head-

lines.

Q Can you tell us what you discussed with Ed Birmingham, the Democratic State Chairman in Iowa?

THE PRESIDENT: Oh, just passed the time of day. He was here.

Q In authorizing the 45,000-ton battleships, did you have in mind the refusal of the Japanese last year to reply to our request with respect to their intentions?

THE PRESIDENT: It was one of a number of reasons.

Q Can you tell us what the others were?

THE PRESIDENT: No.

Q What is the status of the Southern Illinois hospital fight now?

THE PRESIDENT: Oh, I guess it is in my lap. It is somewhere down at the bottom of the basket; I have not reached it yet.

Q Any idea of how long it will take to get to it?

THE PRESIDENT: No; I do not believe I can do it before I leave.

Q Can you tell us what reports you are getting from the peace negotiations between the A.F. of L. and the C.I.O.?

THE PRESIDENT: We are getting them all right.

Q Do you have any opinion on whether or not these hearings on the Wagner Act may have some effect on the negotiations? The C.I.O. representatives seem to think they will hamper and the A.F. of L. seem to think that they will help.

THE PRESIDENT: I do not know; I never thought of it.

MR. EARLY: They do not begin until April eleventh.

MR. YOUNG: Thank you, Mr. President.

CONFIDENTIAL

Press Conference #534,
In front of Veeder Cottage, Warm Springs, Georgia,
March 31, 1939, 11.30 A.M.

THE PRESIDENT: Well, you have never been down here before. How do you like it?

Q Fine.

THE PRESIDENT: Well, do you feel better?

Q All of them in the hay by twelve o'clock, Mr. President.

THE PRESIDENT: That is going some. After being up twenty-six hours, that is pretty good.

Q Out of the hay at 8.30. We get fined if we don't. (Laughter)

THE PRESIDENT: I was sorry to make you work yesterday.

Q We did not mind.

THE PRESIDENT: I did not have anything prepared. You went back to the old days and had to write your own stories.

Q It is a good thing, once in a while.

THE PRESIDENT: I never made so many speeches in such a short time in my life.

Q It carried us back to the old campaign days.

Q That is right. We would not get that many platform appearances.

THE PRESIDENT: I still do not know what I said.

Q You said a mouthful at Auburn.

THE PRESIDENT: The only mistake I caught was that I did not say anything about a milk and cream train for here; that part of the story related to the Florida milk train for Florida.

Q That is the way it came up, about a milk train.

THE PRESIDENT: The A.P. story that I read in the Atlanta Constitution

said I could not buy milk and cream made in Warm Springs.

Q Was that in there? (Laughter)

THE PRESIDENT: I guess they edited you; it is all right. You could get all the milk and cream you want down here. It was not certified.

Q From Georgia?

THE PRESIDENT: Oh, right around here. But it was not what you would call from inspected dairies.

Q It would last twelve hours?

Q From contented cows?

THE PRESIDENT: That is right. (Laughter)

Q Mr. President, have you seen the papers this morning that Great Britain has indicated willingness to fight if Hitler moves in against Poland?

THE PRESIDENT: Yes and I have been in touch with the State Department and Europe and probably will continue to be in touch with the State Department and Europe two or three more times today.

Q Whom were you in touch with in Europe, Mr. President?

THE PRESIDENT: That I cannot tell you.

Q By telephone?

THE PRESIDENT: Yes.

Q We can fix that up. (Laughter)

THE PRESIDENT: You will. (Laughter)

Q Mr. President, what is the move over there which is threatening Poland at the moment?

THE PRESIDENT: Well, look, suppose I give you a background story without attribution. Does anybody understand what that means? In

other words, do not bring me into it.

Q Yes.

THE PRESIDENT: What is concerning Europe and all the rest of the world, not just Europe but all the rest of the world, meaning the Near East and the Far East and Africa and the Americas, is that the hope that the world had last September that the German policy was limited and would continue to be limited to bringing contiguous German people into the Reich and only German people, without bringing other races under the Reich, that those hopes have been dissipated by the events of the last few weeks. In other words, that they have brought into the Reich a great many million Slavs, that in addition to that they have brought under the domination of the Reich a great many million Hungarians, and that they have brought in part under the economic domination of the Reich a good many million Roumanians, none of which squares with the announced intention of Hitler up to and through the events of last autumn.

Therefore, it is felt by people in every continent that where there was a limit last autumn, there is no limit today. It makes a very different picture. And, there being no apparent limit today, this new policy may logically be carried out on an increasing scale in any part of the world.

From our point of view such a policy could, in the absence of any check to it, -- that is spelled "ch" and not "Cz" -- means German domination, not only in all the small nations of Europe, but might extend very possibly to other continents.

We also know from the newspapers that there has been -- that

there have been many stories of the fear of Switzerland, of the fears of Holland and Dutch Colonies, of the fear of the Baltic States, Finland, Estonia, Latvia, of the fears of the Yugoslavs, and the fear, which you read about in the papers also, of people in Asia Minor, Turkey and Persia, for example. In other words, a general fear of an effort to attain world dominance, and make subject to them a great many other nations and races. That is what is giving the world concern today.

Now, on the current situation, it seems to have been made clear by England and France today that they have decided there must be a halt to the continuation of a policy seeking to dominate other nations and peoples and, therefore, by their action, it has been put squarely up to Germany that if there should be war it would come only by an invasion of some other nation by Germany; that there will be no war if there is no such invasion.

Thereby, the world is being put on notice as to where the responsibility will lie if there is war.

Now, don't put (quote?) this. It is just words of one syllable stuff. I think it covers it pretty well and that is all that can be said.

Q I was wondering at the beginning whether you said that brought these millions of Slavs, I wonder whether you meant the Czechs?

THE PRESIDENT: They were originally Slavs. Call them Czechs and Slavs, that is the easiest way.

Q You heard of the Japanese action, Mr. President?

THE PRESIDENT: What was that?

Q In connection with those operations --

Q (Mr. Oliver, interposing) I have a message here, Mr. President, that you may want to read (handing a telegram to the President, which telegram announced that the Japanese had assumed control over the Spratley Islands).

THE PRESIDENT: Well, I cannot comment on it because I have not been told about it.

I was very glad to see that the Senate Committee yesterday turned down the increase in the tariff duty on oils and fats by a vote of -- I have forgotten what it was but it was a substantial vote. Steve (Mr. Early) sent it in. It was thirteen to six or twelve to seven.

Q From where, the Philippines? They have been interested in this subject.

THE PRESIDENT: No, this is from all over.

Q Mr. President, on the foreign thing, has there been any decision about Franco yet?

THE PRESIDENT: No.

Q Norway, Sweden and Denmark, I think, recognized Franco today.

THE PRESIDENT: Did they?

Q Mr. President, your statement in connection with the Senate action, is it because of the reciprocal trade policy?

THE PRESIDENT: Yes. In other words, the simplest way of putting it is that the amount of oils and fats that are coming in today is a very, very small percentage of our total use of oils and fats. But it does give those countries which send them to us the exchange by which they can buy American products and have been doing so in increasing volume.

Q Mr. President, we got a pond in front of our house for those fish.

Mr. Murphy suggests that we might send you a fishing license?

THE PRESIDENT: It is not a bad idea. I will tick (telegraph) up to the White House to get my rod. I will need my big rod with the heavy reel. (Laughter)

Q You had better get Watson's elastic measure, too.

THE PRESIDENT: I will.

Q Any callers coming down in the next few days you want us to know about?

THE PRESIDENT: No callers, not a single appointment ahead yet, except tomorrow's party. What time is that, Bill (Mr. Hassett)?

MR. HASSETT: Three o'clock.

Q You mean the dedication of the buildings?

THE PRESIDENT: Yes.

Q Do you expect to act on the reorganization bill?

THE PRESIDENT: Yes, I think so, that and the defense bill. I will have to do some studying on them.

It is suggested that we save the dedication (of the Warm Springs schoolhouse and hospital) for morning release.

Q That suits us.

Q It is a very hot story, but we will do it, Mr. President. (Laughter)

Q Are you going to take Harry (Mr. Hopkins, who was riding alongside of the President) down in the pool with you?

THE PRESIDENT: Yes, I am going to make him take a bath. He has not had one for two months.

Q Are you going to give him that medicine ball treatment? (Referring to the game of water polo in the pool which the President had on

previous occasions played with some Cabinet Members, particularly Mr. Farley, and which he had turned into a pretty strenuous game)

THE PRESIDENT: Yes.

Q Have you been discussing anything with the Secretary of Commerce, Mr. President?

THE PRESIDENT: Yes. Last night we discussed the relative merits of bridge and poker. We came to no conclusion.

Q Anything said about the ponies?

THE PRESIDENT: About what?

Q Ponies?

THE PRESIDENT: No. Remind me to tell you a story about the ponies.

MR. HOPKINS: I will, don't worry.

Q In Senator Barkley's program, which he outlined yesterday, there is no mention of tax legislation except on the Social Security tax?

THE PRESIDENT: Was it an exclusive statement? Did he outlaw things he had not mentioned?

Q In the story I saw he did not.

THE PRESIDENT: Then I would not assume anything.

Q On this Social Security thing, you recommended elimination of this one per cent increase?

THE PRESIDENT: That is one of the four plans.

Q Anything --

THE PRESIDENT: (interposing) Yes if you want to call it "must" legislation: You heard my statement the other day. There isn't any "must" legislation but we submitted, I think, it was four plans.

Q Secretary Hassett made his bid for the Gold Coast last night. He

is working his way up gradually. He brought a dinner jacket.

(Laughter)

THE PRESIDENT: Well, we might put him into it. How many trips before he gets the thirty-third degree?

Q It will take a long time. He has got to get rid of that accent.

THE PRESIDENT: You get as far as the Shrine this time.

Q You go there Sunday, I think.

Q Have you any plans, side trips or anything like that?

THE PRESIDENT: Yes. I wanted to ask you whether you want to go to Pine Mountain?

Q Next Thanksgiving. (Laughter)

Q We do not want to go.

Q We are not going there, are we?

THE PRESIDENT: Sure. I will tell you what you can say if you want and that is that, of course, in view of the European situation, our stay here is subject to change without notice. I guess you are torn as to whether you want to go to Washington without going to Pine Mountain or stay here and go to Pine Mountain?

Q If necessary, we will go to Pine Mountain.

Q In connection with this foreign situation, anything you can tell us with respect to the direct interest of the United States in it?

THE PRESIDENT: No. I should think you would see, from what I said --

Q (interposing) I did not think --

THE PRESIDENT: (interposing) You can draw your own conclusions as to the interest of the United States.

Q Exactly.

THE PRESIDENT: I think things look very nice. Do you like the cottage?

Q Yes, sir; very well.

THE PRESIDENT: You aren't all in this? Where is the other?

Q The E. T. Curtis (cottage).

THE PRESIDENT: That is the one that burns up?

Q No, that was the Joseph cottage.

THE PRESIDENT: But there was a fire here in the Curtis cottage. Keith Morgan's (cottage) almost burned up.

Q Yes, that is the one.

Q Thank you, Mr. President.

THE PRESIDENT: I am going down to get a swim so you can really put that in.

Q Did they agree on a name for the new school?

THE PRESIDENT: No, not yet.

CONFIDENTIAL

Press Conference #535,
In front of the new Medical Building, Warm Springs, Georgia,
April 1, 1939, 3.45 P.M.

THE PRESIDENT: You people haven't had anything new today, have you?

Q No, sir.

THE PRESIDENT: Neither have I. I have not had a thing today except
the U.P. and the A.P. reports.

Q Of the Hitler speech?

THE PRESIDENT: Yes. I have not had anything else.

Q How do you regard it?

THE PRESIDENT: I do not know; I cannot tell. Just like that Mussolini
speech about a week ago Sunday. The first report was entirely
different from what it was afterwards. Just picking out the high
spots.

Q Did you talk to anybody in Europe since the speech?

THE PRESIDENT: No. No, I have only talked to Washington today.

Q Has the situation eased up any in your opinion?

THE PRESIDENT: I do not know. I cannot hazard a guess. I suppose
now, it being fairly late in the afternoon, I won't talk to the
other side at all because it is getting pretty late over there.
I guess they are digesting it.

Q Very funny the way it faded off the air.

THE PRESIDENT: Yes.

Q They cut off all telephone communication with London, too.

THE PRESIDENT: Telephones too.

Q Shut completely off for about an hour.

THE PRESIDENT: What do you suppose is the idea?

(There was no answer to the President's question.)

Q Great country.

THE PRESIDENT: Doc (Mr. O'Connor) thinks they did not want to interfere with the speech --

MR. BASIL O'CONNOR: (interposing) My speech. (Laughter)

THE PRESIDENT: His speech, I mean. (Laughter)

Q We will tell them he is through now. (Laughter)

Q I will report you to Dean Young (Mr. Russell Young). (Laughter)

Q Have you been in touch with Washington today, Mr. President?

THE PRESIDENT: Oh, yes; twice.

Q You have not signed any bills?

THE PRESIDENT: No; have not had time. Nothing today.

Q What are your plans for tomorrow?

THE PRESIDENT: I have not thought of it. I will do nothing, if I can.

Tonight is a good night to have a party because there won't be anything tomorrow.

Q No Pine Mountain?

THE PRESIDENT: No.

Q One of those regular nights.

THE PRESIDENT: Deacon (Mr. Coleman Jones), how are they behaving, all right?

Q (Mr. Jones) As far as I can see, but I do not see very clearly; not after dark anyway. (Laughter)

THE PRESIDENT: Yes.

Well, I suppose we had better toddle along.

CONFIDENTIAL

Press Conference #536,
In front of Veeder Cottage, Warm Springs, Georgia,
April 4, 1939, 11.30 A.M.

(The President was seated in his automobile.)

Q Good morning, Mr. President.

THE PRESIDENT: Good morning. I don't know how you will be able to get your angles. (Speaking to the photographers who were endeavoring to take pictures, both stills and movies, of the President's Press Conference)

Q Johnnie (referring to John Thompson) has no trouble.

THE PRESIDENT: Bill (Mr. Hassett), have you that memorandum I dictated last night? This is one of those things we have to do occasionally. The background of it is that Congress and the leaders are trying to get away from riders, that is to say, from legislation that has no connection with the main subject of the bill. This is just for background but because the leaders, I think in both parties, are trying to stop the practice of [non-riders], I am calling attention to one which is the first instance this session, all in the good cause of trying to stop it. Bill (Mr. Hassett) has got this thing for you, which you can use -- what do you think Bill? -- as a statement. (Reading)

"In signing the Bill for emergency National Defense in relation to the Air Service and the purchase of a large number of additional planes --"

That was the subject of the bill. In other words, it relates to additional personnel and more planes -- what was it, 350,000,000? --

-- it is necessary to call attention to a so-called rider which was added to the Bill but which has no relation whatsoever to the title or the purpose of

the Bill.

"This rider gives the same retirement and pension privileges to Reserve Officers and enlisted men who may become disabled while on temporary thirty day duty as is accorded to regular Officers and men of the Army. In other words, any civilian, under certain circumstances, would get the same disability retirement privileges as those whose whole time is in the Government service.

That has no relationship to aviation at all.

"This question is, of course, open to full and adequate study, but it seems a pity that without this study this clause, which will cost the Government a large sum of money, --"

I did not put in the total but I think, just as a guess, it will cost five or six million dollars a year in a few years.

-- has been tacked on to an emergency defense measure to which it has no relationship whatsoever."

Well, of course I went ahead and signed the bill but I could not very well veto the bill just for that one clause.

Q We will get that statement, will we?

THE PRESIDENT: Yes. And it is made in full cooperation with the leaders.

Q What do you hear on the foreign situation?

THE PRESIDENT: Practically nothing, Fred (Mr. Storm), that you haven't already got in the papers. In other words, there is no news at this end.

Q Did you see the stories that appeared in this morning's paper that Germany was not going to wait for Great Britain to throw the so-called ring of steel about that and that some swift action on the part of Hitler was looked for over there?

THE PRESIDENT: I cannot comment on it.

Q Any comment, sir, on --

THE PRESIDENT: (interposing) In other words, frankly, off the record, it may have been the same kind of a story coming out of Germany as I gave you here the other day. "Sources close to the President," you know, you can work it both ways, therefore I cannot comment.

Q What reaction did you get to the story?

THE PRESIDENT: Very good. Oh, yes, that was put on the cables right away. You need not worry about that.

Q Mr. President, having signed the Reorganization Bill, have you given any thought to the appointment of those six Executive Assistants?

THE PRESIDENT: No, or to the thought of what to do about any plans of reorganization. I am frightfully sorry to have to saw off the limb that one or two got yourselves out onto.

Q Which particular limb; there were so many? (Laughter)

THE PRESIDENT: There are a good many of them. Yours is one of the worst, John (Mr. O'Brien), oh, boy!

Q We did not say when it was going to happen.

THE PRESIDENT: "Working hard." As a matter of fact, I have not done any work whatsoever since I have been down here except the foreign thing. I have not discussed the domestic or international situation with anybody. It is just unfortunate. Neither had Corcoran and Hopkins had a previous row, John (Mr. O'Brien). But do not say it was a fib; just say it was a sheer invention. I don't know how you get out of it. How do you?

Q (Mr. Storm) Just forget about it.

THE PRESIDENT: Neither did Tom (Mr. Corcoran) arrive surreptitiously or keep himself aloof, and it is a fact that within two hours of

his arrival we had him down to a cocktail party at which some of you were present. No, do not use the old bean; the weather is too nice. Just write news.

Q I had a wire this morning saying that the contract subcommittee, representing the Appalachian soft coal operators and the United Mine Workers, reported a deadlock, leaving it to the full conference to decide whether agreement was possible. Have you been in touch with that situation?

THE PRESIDENT: No. Is the Mediation Service at work on that?

Q I do not know. But you are not?

THE PRESIDENT: No, it is a negotiated agreement.

Q (Mr. Walter Trohan) We are having an election in Chicago. Will you send your congratulations to Mr. Kelly now? The polls have not closed but you might just as well do it.

THE PRESIDENT: I can tell you a very nice story on that. I might later on give you the story.

Q Will you send one tonight?

THE PRESIDENT: I do not know; the election has not been held.

Q (Mr. Trohan) It is all in the bag, by a half a million at least.

Q (Mr. Storm) Mr. President, to get back to the foreign situation, do you share the view expressed both here and in this country that there will be a war this summer?

THE PRESIDENT: Really, Fred (Mr. Storm), what a question. What have you been doing, playing the market?

Q No, sir; I have got a few shares of stock but it won't make much difference.

THE PRESIDENT: Are you short or long?

Q I own it outright, sir.

Q I believe Barry Bingham (of the Louisville Courier-Journal) is coming down here today. Any particular reason?

THE PRESIDENT: No.

Q Have you anyone coming down that will make any news?

THE PRESIDENT: No.

Q We are short of news. (Laughter)

Q We will even take "Sources close to the White House" for a real good one.

THE PRESIDENT: I'd write a sensational story, if I were in your place.

Q On what?

THE PRESIDENT: I would start it off and say, "This is strictly a news story. We are in Warm Springs and are supposed to write news.

During the past few days there was no news so we invented some --"

Q (interposing) We wrote that anyway.

THE PRESIDENT: -- today there is no news and that is news."

Q I can just see the recalls pouring in.

THE PRESIDENT: On the contrary, you would make yourselves famous and get in the Hall of Fame.

Q Yes, and never get back to Warm Springs.

Q Did you study Mr. Frank Gannett's suggestion last Saturday?

THE PRESIDENT: What has he been doing?

Q He suggested to a Young Republican gathering that you submit a resignation.

THE PRESIDENT: To whom, to put him in my place?

Q That is his idea, remotely.

THE PRESIDENT: Is he the man that announced his candidacy for the

Presidency in London?

Q Yes, sir; he is Beaverbrook's candidate.

Q I happen to come from the same town he does. I know he could not carry his own election district.

THE PRESIDENT: Good. Put that in a story.

Q Tell us, off the record.

THE PRESIDENT: All right. Put it this way: that a good friend of Beaverbrook's candidate comes from the same town he does and says that he could not carry even his own election district. They will never pin that on you. It is all right.

Q George Durno says that you should put in parentheses, "fired from one of his papers." (Laughter)

THE PRESIDENT: I do not think there is any news.

Q Can you tell us anything about economy and efficiency under your Reorganization Bill?

THE PRESIDENT: All I did was to read it and sign it.

Q Did you notice that the Senate Committee held tight to \$100,000,000. for emergency relief?

THE PRESIDENT: Today?

Q Yesterday; that is, the subcommittee.

THE PRESIDENT: They did not make a report to the full committee?

Q They had a vote.

THE PRESIDENT: Not a final vote.

Q They deferred. They are going to have another meeting before they make a report to the full committee.

THE PRESIDENT: I do not know what is up in the Senate. Have they something on the calendar?

Q How about the Smith Bill?

THE PRESIDENT: It comes up after the present, the immediate bill. It won't come up until this thing of today is settled, and then Smith and then relief. Isn't that it?

Q I don't know.

THE PRESIDENT: Is there a meeting of the full committee today?

Q Yes, I think so.

THE PRESIDENT: Of course, on that ^srelief bill it is simply a question of figures, that is all. I do not mean dollars, I mean people.

Q How many, Mr. President, will have to be dropped from the rolls if you do not get the full \$150,000,000?

THE PRESIDENT: If they hold it to \$100,000,000., it will be one-third of the number estimated if they did not give us any.

Q A third of a million?

THE PRESIDENT: About. It ran more than that by June. Four hundred thousand by the end of June.

Q It would be 400,000 by the end of June?

THE PRESIDENT: Yes. Isn't that right?

Q One hundred thousand a month -- 100,000 next week. (There was a pause while the correspondents were taking notes.)

Q Going out to the farm?

THE PRESIDENT: I have been there.

Q What is going on out there?

THE PRESIDENT: The cattle are still eating.

Q They do not put cotton in until later?

THE PRESIDENT: No, the cotton is going in now. Some cotton starts going in at the end of February in northern Florida and south

Georgia.

Q That just takes cold weather to kill it; it does not need the frost?

THE PRESIDENT: Cotton is not affected very much by frost.

Q Why does it go in this late? Weather and rain?

THE PRESIDENT: Rain, et cetera. Things do not start growing until it gets warm enough.

Q Is the possum preserve (referring to the Marvin Hunter McIntyre Possum Preserve) in good shape?

THE PRESIDENT: It looks fine.

Q Is Mac (Mr. McIntyre) paying taxes?

THE PRESIDENT: And the Hopkins contribution (referring to the outhouse) is all right. It does need painting.

Q We were thinking of sending Mac (Mr. McIntyre) a tax bill.

THE PRESIDENT: We ought to do that. Go up to Greenville and get a tax form. Ask Culpepper for one.

Q What do you think we should charge?

Q The limit.

THE PRESIDENT: You ought to put the land in at \$10. an acre. I should say the house is worth \$600. or \$800. Hopkins' house is worth \$100.

Q That's a two-holer. (Laughter)

THE PRESIDENT: All right; three hundred. That will run it up to about a thousand dollars. I think he ought to pay on that.

Q I think he should too.

THE PRESIDENT: Yes, he might contribute to the mess.

I do not think there is anything else. I haven't got a thing.

Q You are planning to leave Sunday?

THE PRESIDENT: Sunday afternoon about 2.30.

MR. HASSETT: Between 2.30 and 3.00 and get in --

THE PRESIDENT: (interposing) And get in about 11.00, and from there go to the White House and say "How de do" and throw out the first egg.

Q By that time they will be ankle deep in egg yolks.

THE PRESIDENT: Mrs. Roosevelt won't be there this year and I have got to do it.

Q There is a big golf tournament on.

THE PRESIDENT: There is a fellow named Belair (Mr. Felix Belair of the New York Times) who, I understand, because of the handicap is almost certain to win. (It was explained to the President that Mr. Belair had voluntarily reduced his handicap to one more consistent with his previous scoring.)

Q Felix has been taking lessons from way back. He makes 71 and turns in 120. (Laughter)

THE PRESIDENT: Yes, these scores that are turned in are a bit funny, including Ross McIntire's.

Q He claims a 19 handicap.

DR. MCINTIRE: No, I have 16.

Q That is too high.

DR. MCINTIRE: They gave it to me.

Q He is trying to get Captain Dan Callaghan as a partner.

Q They cut Felix down to 15.

THE PRESIDENT: What handicap did you get Carleton (Mr. Carleton Smith of N.B.C.)?

Q (Mr. Smith) 19.

THE PRESIDENT: You have got a chance?

Q (Mr. Smith) I don't know; I will tell you later.

Q Is the Secretary-General (Mr. Watson) coming down? He is threatening me with an action.

THE PRESIDENT: I liked the telegram from Russell Young and Earl Godwin.

Q (Mr. Trohan) I sent one to the General saying that you had ordered the Secret Service to investigate a flood of Brigadier General commissions. He came back and said, "I want to sue you but first I want to know if you are a man of any property." (Laughter)

CONFIDENTIAL

Press Conference #537,
In front of Veeder Cottage, Warm Springs, Georgia,
April 8, 1939, 11.45 A.M.

THE PRESIDENT: I hear you want a picture of the General? (Speaking to the photographers who desired to take a picture of the President with General Watson)

Q We will take that after the Conference.

THE PRESIDENT: Do you think he will look all right then?

Q Yes, I have got him out of the wind here.

THE PRESIDENT: Do you think he can survive that long? There is an awful strain on him.

Q I know, but he is bearing up under it nobly.

THE PRESIDENT: All right.

I have been talking all over the place this morning about the international thing and there is a statement being issued, I suppose about this moment, by the Secretary of State, which we talked over this morning and which is being given out by him with my full approval in relation to Albania. I won't tell you anything more about it because it speaks for itself.

Q Mr. President, have you been informed as to the latest news from there? I had a message a little while ago that the Italians marched into Tirana --

THE PRESIDENT: (interposing) The capital?

Q Yes. (Reading)

" . . . After futile resistance by tribesmen. King Zog had fled and was believed on his way to Greece, where Queen Geraldine and 3-day-old heir already had taken refuge. Count Galeazzo Ciano, Mussolini's son in law, to Tirana today by plane.

"Chamberlain returning tonight from Castle Forbes, Aberdeenshire, Scotland, to confer with Ministers on the Albanian situation."

THE PRESIDENT: That is what I got over the telephone.

Q Mr. President, did you talk to Europe by telephone?

THE PRESIDENT: Oh, yes.

Q Mr. President, there is a report in Washington that you have expressed opposition in a letter to Marvin Jones (Congressman Marvin Jones, of Texas) against the Ellender Sugar Bill. Anything you can tell us about that?

THE PRESIDENT: I cannot, Fred (Mr. Storm), because I have forgotten. Maybe I did and maybe I didn't. I would have to check. Anyway, I am opposed to it.

Q (Mr. Storm) That is all I want to know.

Q (Mr. Oliver) What does that Bill do, briefly, do you remember?

THE PRESIDENT: Well, it gives special considerations to cane sugar and, at the same time, will very seriously affect not only American citizens in Puerto Rico and the Virgin Islands and Hawaii, but also a very large population in Cuba, in other words, destroying their economy in our territories, our island possessions and Cuba, in order to help an infinitely smaller number of people in Louisiana and Florida. Apparently some people forget that Puerto Ricans and Hawaiians are American citizens and even the little Virgin Islanders, they are American citizens. It amounts to several million people.

Q Any important appointments about to be made?

THE PRESIDENT: I have not got one.

Q On this question of cotton surplus, has the problem been approached

from the standpoint that cotton is stockings and shirts and that the problem of getting rid of the surplus might be solved by distributing such cotton goods (A) to families on relief and (B) to needy school children, just as, out of the general tax funds, we give them free lunches?

THE PRESIDENT: Yes.

Q Is that being studied from that standpoint?

THE PRESIDENT: Oh, yes. It is a perfectly possible thing. It is largely a question of bales of cotton. We have to get rid of 8,000,000 bales and, of course, it costs an awful lot of money, in the first place, and it would provide an awful lot of stockings and shirts.

Q That is true.

THE PRESIDENT: It is a thing that probably could be done and use up half a million bales a year. The difficulty is in using up two million bales a year. It is a physical problem, both from the use of cotton and also from the use of children.

Q Have you made any further move in the relief controversy?

THE PRESIDENT: No, not a thing.

Q This is a hardy perennial, this question, but again, is there any study being made as to the desirability of giving military training to the boys of the C.C.C. camps in the light of our expanding military --

THE PRESIDENT: (interposing) I do not think so. I have not heard anybody propose it in the last month. In fact, the tendency in the C.C.C. camps, in view especially of the rider to the Emergency Defense Bill that I signed the other day, will be to replace a

good many of those reserve officers with civilians.

Q Mr. President, is there anything you can tell us about the visit of Dr. Hutchins?

THE PRESIDENT: Oh, you naughty little boys. I think the only thing I can say is this, that down here I have to be in a position of host and any good host tries to protect his visitors and when his visitors are annoyed by naughty little boys in the neighborhood, and have either mud thrown at them or nasty little fibs, there is an immediate obligation on the host, who has to protect his visitors. One of the simple ways of protecting his visitors is not to let the neighborhood gang know that the visitors are there.

Q Do you mean "gang"?

THE PRESIDENT: The neighborhood gang. That is different, not gangsters -- just neighborhood gang. I belonged to it when I was your age.

Q That would imply that we are still sophomores. (Laughter)

THE PRESIDENT: Deacon (Coleman Jones), isn't that rather nice? You and I are old fellows, we understand.

Q (Mr. Jones) Well, I don't know about that; I am nearly fifty-seven.

THE PRESIDENT: Yes, you and Bill and I, we understand; it is all right.

Q (Mr. Storm) Mr. President, can you tell us whom you talked to this morning abroad?

THE PRESIDENT: No; abroad, Europe.

Q Getting back to Mr. Hutchins, will he take a place on the S.E.C.?

THE PRESIDENT: We only had a social visit.

Q Mr. President, can you give us any idea as to what this Albania business means, as to what they are driving to? It does not seem

to be very valuable territory.

THE PRESIDENT: I cannot talk about Albania directly because that is covered in a State Department statement by the Secretary of State. But, if you want another story like last week, "sources close to the White House" on one phase that you have not touched yet, I think it would be all right to talk about it.

This is what might be called the second phase of military aggression. One of the results of successful military aggression by any nation or group of nations is the control of commerce, not only within their own territory but in other territories -- other independent nations -- which they can threaten because of their military power. For example, if military domination were to keep on expanding, the influence of that military aggression would be felt in world trade all over the world, for the very simple reason that the aggressor nations would extend their barter system. The nations of the world that pay better wages and work shorter hours are immediately faced, because of the barter system of the aggressor nations, with a loss of world trade. That is obvious because the aggressor nations can and do work their people much longer hours and for much lower pay.

Therefore, the nations that do not belong to the aggressor group are faced with three alternatives: The first is to build the old Chinese Wall around themselves and to do no world trade whatsoever, no exports, no imports, to try to live wholly within themselves. The result of the Chinese Wall method is to reduce, necessarily, the national income because they immediately are unable to export any of their surplus goods. But, assuming that

they do not adopt the Chinese Wall policy of having no trade, no shipping, you come down to the two other alternatives: The first is to lower their own standard of living and try to compete in the world markets by reducing the wages they pay and increasing the hours of work. That would be the alternative for us if we did not go to the Chinese Wall method. The other alternative would be to subsidize the export of American products as a national policy. Immediately you do that, it means that the subsidy has to be paid out of the Federal Treasury and, while it would begin on half a dozen products that had strong Congressional backing, it would get into the logrolling end of things and we would have to subsidize practically all of our products. That would mean a vast sum of money spent on subsidies and either that would add to the national debt or we would have to pay for it out of the taxpayers' pockets by increasing the whole of the tax system from top to bottom.

That is one reason why all of this, the continued expansion of military aggression, is necessarily bringing us every single day that it continues closer to the time when we will be faced with a loss of our trade and our shipping and have to make the choice of one of those three methods.

That is an angle of the present international situation that ought to be given a lot of consideration because it affects, of course, not only industries and industrial workers in the United States, large businesses, small businesses, but it also affects the farmers and all of the agricultural end of the country.

Now, that is words of one syllable, but I think you get the

idea. It is a phase of this thing, the international picture, that ought to be stressed.

There is a swell story for you.

Q Would you care to mention, Mr. President, for the same kind of treatment, what you were telling us going down on the train to Florida about constant disappearance of borderlines of independent nations and how that brings closer to every democracy the threat of aggression nearer its --

THE PRESIDENT: (interposing) Of course that is a part of current history, the continuing disappearances of the independence of small nations and, of course, you can go back to the famous Senatorial conference. What was said was, of course, perfectly obvious, that the continued political, economic and social independence of every small nation in the world does have an effect on our national safety and prosperity. Each one that disappears weakens our national safety and prosperity. That is all there was to the Senatorial conference.

Q This is still White House sources?

THE PRESIDENT: Yes.

Q I think we ought to be able to write something on that.

THE PRESIDENT: You are doing all right.

Q Are you going down to the pool?

THE PRESIDENT: Yes.

MR. STORM: Thank you, sir.

CONFIDENTIAL

Press Conference #538,
Executive Offices of the White House,
April 11, 1939, 4.00 P.M.

Q Hello, Mr. President.

THE PRESIDENT: Well, you do not know what you missed down at Warm Springs. We had a good time. Right?

Q Yes, sir.

THE PRESIDENT: A darn good time. Harold Oliver was a fellow with a lot of luck to get into the finals (referring to the golf tournament).

Q George Fox did it (referring to the fact that George Fox had won the golf tournament).

THE PRESIDENT: Yes.

Q He has a good set of nerves.

THE PRESIDENT: I have heard of winning things on the nineteenth hole but never on the twentieth. (Laughter)

I do not believe I have a thing today.

Q (Mr. Young) You have a big gate today.

THE PRESIDENT: A big gate. They will ask all kinds of questions and get no answers.

MR. EARLY: It is free. (Laughter)

MR. DONALDSON: All in.

THE PRESIDENT: I have got no news that is fit to print.

Q Mr. President, when the legislative leaders left the House this morning, they indicated that you would tell us something about their conference with you?

THE PRESIDENT: That was just so as to avoid telling you themselves.

. There is no news.

Q Do you have any appointments in sight, Mr. President?

THE PRESIDENT: I do not think so.

Q Has Federal Judge Thomas of Connecticut submitted his resignation?

THE PRESIDENT: I do not think I have had any resignations. You will have to ask the Justice Department.

Q Has it been discussed with you, sir?

THE PRESIDENT: Who?

Q Federal Judge Thomas of Connecticut?

THE PRESIDENT: I do not think I have had any resignations.

Q The State Department said yesterday that if you approved, they would begin negotiations with some foreign countries for bartering wheat and cotton for tin and rubber. Do you approve?

THE PRESIDENT: Oh, that was the statement that Senator Byrnes got out?

Q Yes, sir.

THE PRESIDENT: That has general approval as something that is a very interesting thing to develop. I hope it will go through. It is only in the very preliminary stage.

Q It is reported that you have taken an active interest in the Kansas City investigation?

THE PRESIDENT: Pete (Mr. Brandt), I do not know a thing about it except what I read in the papers, not a thing.

Q Have they been in touch with you, any of those people out there?

THE PRESIDENT: Not for a long time. Somebody asked if the Treasury was interested and I referred them to the Treasury.

Q Have you discussed it with Governor Stark (of Missouri)?

THE PRESIDENT: He mentioned it one time and he was referred to the

Treasury and the Department of Justice. You cannot get a story out of that; I am sorry.

Q Have you decided how much relief money you are going to ask for the next fiscal year?

THE PRESIDENT: I am not going to say anything about it until we take care of things up to the first of July.

Q Have you anything to say at Senator Lewis' funeral tomorrow?

THE PRESIDENT: Oh, no.

Q Could you elaborate any further on the bartering suggestion?

THE PRESIDENT: On what?

Q On Senator Byrnes' bartering suggestion?

THE PRESIDENT: Oh, no. I think it speaks for itself. You all know as much as I do about it.

Q The Senator said he expected the State Department would work up these negotiations within a few days. Is that your impression of the situation?

THE PRESIDENT: I think that is so but, frankly, I only get that from the newspapers and I do not know.

Q Does this replace the suggestion you made for selling the Government-held cotton abroad?

THE PRESIDENT: It does not replace, no; it is supplementary. In other words, the more you can get rid of by exchange for needed war materials, the less you have to do by some other method. You still have X number of bales to get rid of.

Q Does this replace the purchase of strategic war materials as provided in the Senate Bill appropriating forty millions?

THE PRESIDENT: It supplements it.

Q Would this Government be willing to enter a deal with Germany, Japan and Italy on the same basis?

THE PRESIDENT: I have not the faintest idea.

Q Mr. President, has the Treasury given you a report of income tax collections so that you can make a statement as to what they show?

THE PRESIDENT: Not yet.

Q Will that be done soon?

THE PRESIDENT: I have only been back since yesterday morning and haven't thought about it yet.

Q Will you make public the correspondence between yourself and Mr. Amlie concerning his withdrawal?

THE PRESIDENT: I suppose so, as soon as I read the letter.

Q Have you a report on express highways submitted to you?

THE PRESIDENT: No. There was a tentative -- it was not a final report -- from Public Roads and I think the final report is now being prepared.

Q Will that tentative report be made public?

THE PRESIDENT: No.

Q Mr. President, have you got anything to say about the foreign situation?

THE PRESIDENT: What?

Q About the European situation, sir?

THE PRESIDENT: No.

Q Nothing at all?

THE PRESIDENT: No news here.

Q Did you talk to Europe today?

THE PRESIDENT: No. You might read the Post (Washington Post) editorial.

It is very good.

Q Did you inspire it, sir?

THE PRESIDENT: No, I had nothing to do with it. I almost fell out of bed when I read it, but it is very good, very clear and very honest.

(Turning to the stenographer) Henry Kannee, will you take out the Post editorial and put it into the minutes of this Press Conference so that posterity will know what I am talking about.

(The Post editorial is copied in full below:)

"THE COLLECTIVE PRONOUN"

"'I'll be back in the fall, if we don't have a war.'

"These words, spoken by President Roosevelt to the group assembled at Warm Springs to see him off for Washington, were seemingly wholly unpremeditated. Actually it is proper to surmise that serious consideration preceded their utterance. None knows better than the President that his office makes his most casual public observation subject to interpretation as a matter of national policy. And no President was ever more skillful than Mr. Roosevelt in making the most of every opportunity to give a positive direction to public thinking on important issues.

"Most Americans realize today that the sweep of events has now brought Europe to the very verge of war. What is insufficiently realized is the tremendous implications of the impending catastrophe for every citizen of this country. In spite of the best-informed warnings to the contrary many still believe that another world war might leave the United States relatively undisturbed. In spite of the virtual certainty of American involvement there are many who would seek to achieve isolation by panicky legislation, or to seek shelter behind other paper guarantees of immunity.

"To those who would protect themselves by closing their eyes the President addressed his warning. Spoken to a little group in Georgia, it is equally applicable to Americans everywhere. 'If we don't have a war,' Mr. Roosevelt will revisit Warm Springs at Thanksgiving. But all personal plans, all future projects, are subordinate to that 'if.' The same, in one degree or another, holds true for all of us.

"There is speculation as to what the President meant by 'we.' Did he mean if the United States is itself engaged

in hostilities, or merely if a major conflict is raging overseas? Those who have followed Mr. Roosevelt's thoughtful speeches on the conditions necessary for peace will understand his choice of a pronoun. By 'we' he undoubtedly meant western civilization. A war affecting its foundations would immediately affect us vitally, whether or not the United States was at the outset physically involved.

"But there was a greater value than its stimulus to national thinking in the President's passing remark on Easter afternoon. Until it has actually started another world war is not inevitable. It can still be averted if the free nations are willing to show that they will take a stand before it is too late.

"Pressure from the Berlin-Rome axis will not ease until it reaches the point of serious resistance. Then only can a different and honestly conciliatory attitude be expected from the dictators. Nothing less than the show of preponderant force will stop them, for force is the only language which they understand. But, like less exalted bullies, force is to them a real deterrent.

"In using the collective 'we' the President told Hitler and Mussolini, far more impressively than he told Warm Springs, that the tremendous force of the United States must be a factor in their current thinking. He told the axis powers that the Administration is far from indifferent to their plottings. He made it plain that a war forced by them would from the outset involve the destinies of a nation which, as they fully realize, is potentially far stronger than Germany and Italy united.

"To make that plain at this crucial time is to help in preventing war. To make the dictators realize that there is a limit to unresisted aggression is in itself to set that limit. It is on that incontrovertible reasoning that the French have stiffened their policy. It is on that reasoning that the British are laying down the deadline. It is on that reasoning, through the application of which peace can still be saved, that President Roosevelt properly links the United States with the eleventh-hour effort to avert the shattering disaster."

Q Are these notes going to be printed for posterity?

THE PRESIDENT: Some of them have been already.

Q How about the rest of them?

THE PRESIDENT: Oh, we may, yes.

Q Have you read Mr. Amlie's letter yet?

THE PRESIDENT: Yes, but I have not had time to dictate a reply. I am going to as soon as I have time. You will get it.

Q Anything on S.E.C.?

THE PRESIDENT: No.

Q Thank you, Mr. President.

VERY CONFIDENTIAL
Press Conference #539,
Executive Offices of the White House,
April 15, 1939, 10.38 A.M.

(Note: The Secretary of State, Under Secretary Welles and Senator Key Pittman were present. The Press Conference was called on short notice and the attendance was small -- about 25.)

THE PRESIDENT: Good morning.

Q Good morning, Mr. President.

THE PRESIDENT: Quite a few people missing today.

Q Quite a few; yes, sir.

Q We really have correspondents here today.

THE PRESIDENT: Yes, the real correspondents this time. My Lord, is this all there are? They don't know what they are missing.

The cause for this -- what I am going to read to you -- is because for the second or third time I feel that we in this country should leave no stone unturned to prevent war and, having made this decision, the State Department, the Secretary of State and I, I think last night we both slept with a clearer conscience than we had had before.

In other words, in doing this, we are doing what we can to save humanity against war.

We sent off at nine o'clock last night the following two dispatches: The first is directly from me to Chancellor Hitler. The other is from the Secretary of State -- approximately the same message -- to Premier Mussolini. You understand the reason for that, that he is the Premier and Chancellor Hitler is the head of the State.

The messages are identical except for the transposition of the word, in one or two places, of "Italy" for "Germany."

Now I thought, as I went over it, that there are one or two little background things I could give you as I read it. It is very, very short, but let me interpolate as I go through it. This (interpolation) is not for quote or attribution -- it is background for you.

"THE WHITE HOUSE

April 14, 1939

"HIS EXCELLENCY
ADOLF HITLER,
CHANCELOR OF THE GERMAN REICH,
BERLIN (GERMANY)

"You realize I am sure that throughout the world hundreds of millions of human beings are living today in constant fear of a new war or even a series of wars.

"The existence of this fear -- and the possibility of such a conflict -- is of definite concern to the people of the United States for whom I speak, as it must also be to the peoples of the other nations of the entire Western Hemisphere."

You will note that I did not assume to speak for them. I said, "as it must also be for them."

"All of them know that any major war, even if it were to be confined to other continents, must bear heavily on them"

I did not say "all the people of the Western Hemisphere."

"heavily on them during its continuance and also for generations to come.

"Because of the fact that after the acute tension in which the world has been living during the past few weeks there would seem to be at least a momentary relaxation -- because no troops are at this moment on the march -- this may be an opportune moment for me to send you this message."

Well, in other words -- this is on the background end of it -- it has always been a problem for us in this country, if we try to do something by way of a message or an appeal for the averting of war, to do it at such time as there would be the greatest prospect of success. And there is, of course, less prospect of success in making any appeal when troops are actually on the march or have actually invaded another country.

I think we can remember at that point that in the last two instances of the ending of independence of two nations, they occurred -- both incidents -- occurred so fast and with such little warning that there would not have been time for us to make an appeal. That was true in the case of the invasion of Czechoslovakia and also the invasion of Albania. The thing was a fait accompli before you could get a cable over to the other side and, therefore, this seems to be an appropriate time to make this appeal because there are, at the present moment, no troops that are marching to the invasion of or have invaded some neighboring state. It is, let us say, a moment of peace.

"On a previous occasion I have addressed you in behalf of the settlement of political, economic, and social problems by peaceful methods and without resort to arms."

That was the time of Munich, last fall.

"But the tide of events seems to have reverted to the threat of arms. If such threats continue, it seems inevitable that much of the world must become involved in common ruin. All the world, victor nations, vanquished nations, and neutral nations will suffer."

If I were writing a story I would stress the word "neutral" -- "neutral nations" in recognition of the fact that there would be,

undoubtedly, a great many neutral nations but that they would suffer also.

"I refuse to believe that the world is, of necessity, such a prisoner of destiny. On the contrary, it is clear that the leaders of great nations have it in their power to liberate their peoples from the disaster that impends. It is equally clear that in their own minds and in their own hearts the peoples themselves desire that their fears be ended."

I think that applies to peoples in every nation of the world, literally without exception.

"It is, however, unfortunately necessary to take cognizance of recent facts.

"Three nations in Europe and one in Africa have seen their independent existence terminated. A vast territory in another independent nation of the Far East has been occupied by a neighboring state. Reports, which we trust are not true, insist that further acts of aggression are contemplated against still other independent nations. Plainly the world is moving toward the moment when this situation must end in catastrophe unless a more rational way of guiding events is found."

And, in connection with that, just for background, I think some of you will remember on the way down to Key West, I said that it might be possible that I would have to curtail my cruise and come back here. A good many people laughed at me for saying that. Of course it wasn't alarmist -- it was just straight, plain fact. It was not necessary for me to do that (to return) but, of course, after that Czechoslovakia ceased to exist and, when a thing like that happens, nobody can tell how far the fire will spread.

There is a good deal that has come out in the press about the danger of things on the other side and of course those published stories are implemented for us by the confidential information we receive from our own people on the other side. I think

we recognize not only from what you read but also add to that what we know from Government sources, that it is a pretty dangerous, pretty anxious moment in Europe.

"You have repeatedly asserted that you and the German people have no desire for war. If this is true there need be no war.

"Nothing can persuade the peoples of the earth that any governing power has any right or need to inflict the consequences of war on its own or any other people save in the cause of self-evident home defense."

I used the words "home defense" because nobody can get around that. That means "home defense" and does not mean defense thousands and thousands of miles away.

"In making this statement we as Americans speak not through selfishness or fear or weakness. If we speak now it is with the voice of strength and with friendship for mankind. It is still clear to me that international problems can be solved at the council table.

"It is therefore no answer to the plea for peaceful discussion for one side to plead that unless they receive assurances beforehand that the verdict will be theirs, they will not lay aside their arms. In conference rooms, as in courts, it is necessary that both sides enter upon the discussion in good faith, assuming that substantial justice will accrue to both; and it is customary and necessary that they leave their arms outside the room where they confer."

I would like to have used the American expression but they would not have understood it -- "Park your guns outside." However, this is a diplomatic way of saying the same thing.

"I am convinced that the cause of world peace would be greatly advanced if the nations of the world were to obtain a frank statement relating to the present and future policy of governments.

"Because the United States, as one of the nations of the Western Hemisphere, is not involved

in the immediate controversies which have arisen in Europe, I trust that you may be willing to make such a statement of policy to me as the head of a nation far removed from Europe in order that I, acting only with the responsibility and obligation of a friendly intermediary, may communicate such declaration to other nations now apprehensive as to the course which the policy of your Government may take."

I want to make one thing perfectly clear. You know English as well as I do. I said here, "acting only with the responsibility and obligation of a friendly intermediary". I mean "intermediary" and not "mediator." Now, they are entirely different words. You see the point? Of course there will be a danger -- this is of course off the record -- some of our friends on the Hill and some newspaper owners will try to make it appear that I will mediate. There is nothing in it at all. I am the post office, the telegraph office -- in other words, the method of communication. That is what I mean by "intermediary."

"Are you willing to give assurance --"

Here is the question:

"Are you willing to give assurance that your armed forces will not attack or invade the territory or possessions of the following independent nations:"

Now we come right down to brass tacks and name them.

"Finland, Estonia, Latvia, Lithuania, Sweden, Norway, Denmark, The Netherlands, Belgium, Great Britain and Ireland, France, Portugal, Spain, Switzerland, Liechtenstein, Luxemburg, Poland, Hungary, Rumania, Yugoslavia, Russia, Bulgaria, Greece, Turkey, Iraq, the Arabias, Syria, Palestine, Egypt and Iran."

Now you have got them all. No dodging; there is the whole works.

"Such an assurance clearly must apply not only to the present day but also to a future sufficiently long to give every opportunity to work

by peaceful methods for a more permanent peace. I therefore suggest that you construe the word QUOTE future UNQUOTE to apply to a minimum period of assured non-aggression--ten years at the least--a quarter of a century, if we dare look that far ahead.

"If such assurance is given by your Government, I will immediately transmit it to the governments of the nations I have named"

Then there is that whole list on the other side.

"and I will simultaneously inquire whether, as I am reasonably sure, each of the nations enumerated above will in turn give like assurance for transmission to you."

"Reciprocal assurances such as I have outlined will bring to the world an immediate measure of relief.

"I propose that if it is given, two essential problems shall promptly be discussed in the resulting peaceful surroundings, and in those discussions the Government of the United States will gladly take part."

Now, be careful! Be careful! I said "two essential problems" in which we would take part in the discussion.

"The discussions which I have in mind relate to the most effective and immediate manner through which the peoples of the world can obtain progressive relief from the crushing burden of armament which is each day bringing them more closely to the brink of economic disaster."

There is, of course, nothing new in our taking part in that because we have been doing it for a long, long time.

The other is the next sentence:

"Simultaneously the Government of the United States would be prepared to take part in discussions looking towards the most practical manner of opening up avenues of international trade to the end that every nation of the earth may be enabled to buy and sell on equal terms in the world market as well as to possess assurance of obtaining the materials and products of peaceful economic life."

Of course there is nothing new in that because, as you know, we have at all times been ready to confer and have done a great deal of conferring on the economic side of international problems.

So in that there is nothing, absolutely nothing, new that we have not been doing right along. Now you come to the third thing:

"At the same time --"

This is after those reciprocal assurances have been given.

"At the same time, those governments other than the United States which are directly interested could undertake such political discussions as they may consider necessary or desirable."

Well, of course all of you who cover the State Department know what that means. "Political discussions" relates to boundaries and territories and so forth and so on. We do not, of course, enter into that type of discussion. We have not done it since Paris and there is no prospect of our doing it.

Then, finally, just four short sentences:

"We recognize complex world problems which affect all humanity but we know that study and discussion of them must be held in an atmosphere of peace."

Same old thing -- "Park your guns outside."

"Such an atmosphere of peace cannot exist if negotiations are overshadowed by the threat of force or by the fear of war.

"I think you will not misunderstand the spirit of frankness in which I send you this message. Heads of great governments in this hour are literally responsible for the fate of humanity in the coming years. They cannot fail to hear the prayers of their peoples to be protected from the foreseeable chaos of war. History will hold them accountable for the lives and the happiness of all--even unto the least.

"I hope that your answer will make it possible

for humanity to lose fear and regain security for many years to come.

"A similar message is being addressed to the Chief of the Italian Government.

FRANKLIN D. ROOSEVELT"

Well, I think that covers it.

Q When was this message sent?

THE PRESIDENT: 9.00 o'clock last night.

Q They got it today?

THE PRESIDENT: That was three o'clock in the morning in Berlin and Rome that it was received over there.

Q May I ask whether the Pan American Union or, through other channels, the Latin American governments were advised that this action was being taken?

THE PRESIDENT: Nobody was advised. They were informed by cable during the night through our ministers and ambassadors down there and undoubtedly they are receiving this just about this moment. And in the same way, our embassies and legations in Europe were advised of it by cable last night.

Q There has been no consultation on this matter among the Latin American --

THE PRESIDENT: (interposing) Absolutely not. Great Britain, France or any other nation in the world was not consulted in any way and did not know anything about it.

MR. STORM: Thank you, sir.

THE PRESIDENT: You got a mouthful; better run.

CONFIDENTIAL

Press Conference #540,
Executive Offices of the White House,
April 18, 1939, 4.09 P.M.

Q. It looks like you are packed up to leave (referring to a box on the President's desk.)

THE PRESIDENT: Oh, no, that is a bunch of junk. It is a part of my filing cabinet.

If anybody thinks they are going to get anything today, they are mistaken.

Q. Haven't you anything?

THE PRESIDENT: I haven't anything.

MR. DONALDSON: All in.

THE PRESIDENT: I do not think I have any particular news today.

Q. Mr. President, what are your plans for going down to Charlottesville on Friday and how long will you stay?

THE PRESIDENT: I am going down to spend the night with Franklin and Ethel and coming back the next day.

Q. Franklin?

THE PRESIDENT: Yes, Franklin.

Q. Are you going to stay at the old place at Farmington?

THE PRESIDENT: I am going to stay at his house. It has been reconditioned since the fire. I got one spare bed, that is all.

Q. You are coming back Saturday night?

THE PRESIDENT: Either Saturday around noon or right after lunch.

Q. The Senate Territories Committee indefinitely postponed consideration of that Philippines Bill because they understood that President Quezon was coming. Do you know of that, sir?

THE PRESIDENT: I have not heard except that I read it in the newspaper this morning. There have been no official advices at all.

Q Of course you would recommend, sir, --

THE PRESIDENT: (interposing) I have sent a Message up on it, have I not?

Q Is the Administration request that certain monetary powers be continued in any way associated with the European situation?

THE PRESIDENT: No.

Q It is not?

THE PRESIDENT: No. It is associated with the world economic situation; put it that way. It is a different thing.

Q The orders for the return of the Navy last week seem to have come as a surprise to certain Naval officers who would presumably know in advance. Could you tell us what caused the sudden issuance of the orders or order to the Fleet?

THE PRESIDENT: Nothing more than what the Chief of Operations said. They are going back to their normal fleet bases.

Q Why five or six weeks ahead of schedule? —

THE PRESIDENT: Because the Navy is subject to daily change in orders.

Q Thank you. (Laughter)

Q Mr. President, you had a conference with six Government officials today and two of them said they listened attentively. Could we get anything on what they listened to?

THE PRESIDENT: Did they tell you anything?

Q No.

THE PRESIDENT: I can't tell you. They agreed they would not and I agreed that I would not.

Q Could you tell us anything about the subject of the discussion at that time?

THE PRESIDENT: No.

Q You don't sound very newsy, Mr. President.

THE PRESIDENT: I wish I could help you but there really isn't honestly any news at all.

Q Anything to say about the District Sales Tax?

THE PRESIDENT: No, I have not had a chance to even read the bills that were shown to me.

Q Did you discuss the Kansas City investigation with District Attorney Maurice Milligan?

THE PRESIDENT: No. I never met him before. He came in to say, "How do you do?"

Q Mr. Richberg said he discussed the question of Mexican oil. Can you give us any details about that?

THE PRESIDENT: No, except that he is hopeful and I am hopeful that the thing will be worked out.

Q Is it desirable that he return for further discussions with the President of Mexico?

THE PRESIDENT: I do not know; that is up to him.

Q Do you know whether he is returning?

THE PRESIDENT: I do not know.

Q Do you plan to intervene in the negotiations between the coal operators and the --

THE PRESIDENT: (interposing) I have not heard anything about that.

On Saturday the Department of Labor was working on it over the week end and I have not heard today what happened.

Q Have you given your approval to the amendments to the Wages and Hours Act introduced by Mrs. Norton?

THE PRESIDENT: I do not know. I have not seen the one introduced by Mrs. Norton but the general line-up by Elmer Andrews seems to be all right. That is, the objective. Of course I do not know the language.

Q Will you see them (meaning certain Members of Congress, etc.) about the Griffenhagen report (relating to the reorganization of the District of Columbia)?

THE PRESIDENT: Next week. I have not read it. I think, just as a tip, that it is primarily a Congressional responsibility.

Q Are there any further conferences planned with Pat Harrison and Bob Doughton on taxes?

THE PRESIDENT: No date set but I am sure we will talk in the next week or ten days.

Q Mr. President, do you have a relief message going up?

THE PRESIDENT: Yes, sometime soon, the next week or ten days.

Q Any comment on the reaction of the Latin American governments to your appeal?

THE PRESIDENT: No.

Q Mr. President, Mr. Barclay (Senator Barclay) said last week that you had asked for \$1,500,000,000 for relief. Is that approximately the right figure?

THE PRESIDENT: I told him we had put that figure in the budget and that I saw no reason, when I talked to him a week ago Monday, to change that figure at the present time. But, of course, I am right in the middle of studying the situation and I cannot give

you definite assurance what the message will contain.

Q Can you throw any light at all on the type of economic or trade steps or actions you might contemplate in the event your peace appeal is successful?

THE PRESIDENT: No.

Q No comment on that?

THE PRESIDENT: No.

Q Will there be an I.C.C. nomination soon?

THE PRESIDENT: I don't know; I have not got around to it.

Q How about the S.E.C.?

THE PRESIDENT: Probably pretty soon.

MR. STORM: Thank you, Mr. President.

CONFIDENTIAL

Press Conference #540-A, -- American
Society of Newspaper Editors,
In the State Dining Room of the White House,
April 20, 1939, 9.10 P.M.

(William Allen White, the President of the Association, introduced the individual members to the President. There were about 200 present.)

MR. WHITE: Mr. President, on behalf of the Society I want to thank you for your invitation. I want you to know that this is the largest assemblage of our Society that has ever gathered in this House. You are still the most interesting person. For box office attraction you have Clark Gable gasping for breath. (Applause)

We wish to say this: Most of us have agreed with most of the things that you have tried to do. If some of us have disagreed with a few of the things, it was in sorrow, not in anger, and it hurt us much more than it did you. (Laughter)

THE PRESIDENT: I am very glad that Bill put it that way. Of course I have got to admit that those things in which you have not agreed with me, I have not even felt sorrow, let alone anger.

MR. WHITE: Withering indifference?

THE PRESIDENT: No, merely a hope deferred, a hope deferred.

It is good to see you here. I think this is the seventh time that the Society has been in this room. We have always talked fairly frankly and with a good deal of, well, definite feelings. There is only one thing I would want to say and that is that I hope we go on this way for the eighth time.

As you know, this is a family party -- the world won't be

told about it. In other words, it is really in the family and off the record. There have been, I am sorry to say, one or two cases when one of the children out of the 129 who are either here tonight or were here before, where he has gone to the school and told the school about it the next day. Of course it does make it terribly difficult for all of us if we should happen, any of us, to go back to school tomorrow morning and tell the school about what happened in this Greek letter society to which we belong. This is, very distinctly, a club, a social club, and, therefore, we ought, I think, to regard it as such.

That is just by way of what I say every year. It does not always work but it has to be said every year. And I hope the year will come when it is not printed two days later somewhere.

Dave Lawrence made a gallant -- an honest and gallant attempt to get the discussion here on a high plane, and practical plane, and he asked various people to send in questions beforehand. It is the first time it has been done. Well, I hope the questions are not a cross section of the Society. There weren't many that came in. I think -- I suppose I had better read them to you so you can judge for yourselves. I do not believe that a great majority of these questions do represent a fair cross section of this Society. Some of them are ignorant; some are impossible; some of them show bias. They do not get us much further forward. There were a few of them that, I think, came within the category of honest, clear-cut discussion, which is what these meetings are for, especially on the question end. What was it, two years ago that I did the questioning? It worked awfully well;

it was grand; it was the best party we ever had. There were some amazing results. We began to get a cross section of the opinions of the newspapers of the United States and that, to me, is intensely valuable. It is probably, for the Nation itself, more valuable that I should get a cross section of the beliefs of the editors of the Nation than vice versa, much better for the conduct of the Government. And so I think you will forgive me if, perhaps, I ask questions tonight. Do not worry, you have the same right to take refuge in evasion if I ask you a question, as I have to take refuge in evasion if you ask me a question. It is 50-50 and may the best man or the best girl win.

Now these questions: I got Steve (Mr. Early) to list them up for me and I will read you some of them so as to give you an idea of the intelligence of the editors of the country. (Laughter) You are the jury. It is good, too. It was a grand effort and I hope very much that Dave (Mr. Lawrence), if he runs this show next year, will repeat it, and I hope that you will take more interest next year in his request for putting questions down, if you are going to do it that way. I am not impressed by this year's result and neither is Dave.

Well, let us see: This comes from up-State New York, which I am glad to see, being my own country, is so well represented here tonight. There is nobody here from Poughkeepsie and I will have to attend to that when I get home. We have three independent papers in Poughkeepsie, all run by the same man. (Laughter) There is a morning paper and an afternoon paper and a weekly paper so I will have to get after that gentleman who represents all three,

when I go back home next week and find out why he was not here. Anyway, this comes from up-State New York and not Poughkeepsie. I will protect the fair name of that city. (Reading)

"Did not Army-Navy air force jurisdictional conflict in Pacific Coast maneuvers summer of 1938 reveal necessity for air force under separate command (Lindbergh?) but coordinate with Army and Navy under new defense department? Have we profited by British air defense muddle before Munich by scrutinizing efficiency of our air force organization and methods in process of urging expansion?"

In the first place, the first part of the question says, "Did not Army-Navy air force jurisdictional conflict in Pacific Coast maneuvers summer of 1938 --" What was it? Who was the man that asked the question? What was the conflict? I am supposed to be Commander-in-Chief. I am supposed to know what goes wrong with an Army and a Navy problem. I never heard of it. Will you enlighten me?

Did this alleged jurisdictional conflict that I never heard of reveal the necessity of an air force under a separate command? The answer is very, very simple. The people in the United States who are charged with the defense of the country, the Army, the Navy and the Marine Corps, they have their air defense divisions just as much as they have destroyer divisions or submarine divisions or anything else -- they believe by an overwhelming and preponderant majority that it would be a mistake for them to have a third branch of defense under some kind of a new defense head. Well, I probably know more about defense, as a civilian, than anybody here except Joe Daniels, my old Chief. And all I can say is, having had some experience, as he has had, that unless the lay people in this country, the editors of papers, know a great deal more about

defense than we do, we have been on the right track all these years. It is also a fact that abroad, where they have tried three different departments, they have had to work out all kinds of co-ordinating machinery for that third branch. In other words, it did not work the way they thought it would. And people who are professionals on defense -- none of us are, literally none of us, nobody in this room -- they think it would be a mistake and I don't believe we could go counter to the best advice that we can buy. (Reading)

"Have we profited by the British air defense muddle?" Well, that is a statement that there was a British air defense muddle. Whoever asked the question, they should let us know about it. We do know last September the British air force was very, very weak. We also know, as a matter of practical fact, that the British, as a nation, have never learned large-scale production the way we have. I do not think it is quite fair, quite cricket, as the British would say, to call it a muddle. Is it cricket? I don't know. Does anybody in this room know enough about their problems of building aircraft prior to Munich? About their military problems, their political problems? Does anybody in this room assume to get up and call it a muddle? I don't because I do not know enough about it. Now, there is the answer. (Reading)

"Do we know enough about it by scrutinizing what happened? Have we profited by it?" Well, we have been doing the best we could. That is all I can tell you. (Reading)

"Is it true that out of Munich --"
Oh, here is a southern friend.

"Is it true that out of Munich grew an agreement between Chamberlain and Hitler to this effect:

"That Germany will be permitted to go unmolested, as far as Great Britain and France are concerned, in her move to the East, to fight Russia.

"That for this favor Germany will withdraw from the Berlin-Tokyo axis to permit Great Britain to fight her eventual war with Japan."

Well, I assume, of course, that when a question like that is asked that it is based on some reasonable fact known to the author of the question. Of course, naturally, it is a Baron Maunchausen type of question but I wish the managing editor of this paper, who asked the question, would tell me what it is based on. It would be very, very interesting to me to find out whether he believes the source and, therefore, what the source was. What was the source? Don't be afraid. Get up and tell me.

Perhaps it is carried out in the second part of the question.

"Pierre van Passen --"

Now who Pierre van Passen is, I don't know, for the very good reason that I never heard of him. He may be a very famous author.

(Reading)

"Pierre van Passen brings this out rather positively in his book, 'Days of Our Years,' although he does qualify some of his statements.

"He left me under the impression that some dirty work went on at Munich and what we are witnessing today is nothing more than a follow-up of the September agreements. If what van Passen says is true, the future promises some rather astounding moves."

Well, are we talking about news tonight or are we talking about Jules Verne or the people who read the stars? I don't know. I hope that is not news or the basis for news.

Here is one from up-State New York: (Reading)

"Because of the threat of war in which this nation may very possibly become involved, should not the President of the United States seek unity and harmony and an end to class struggle by an open and direct instruction to his subordinates that they are to cease making speeches tending to create discord and economic warfare within our borders?"

Well, what kind of speeches? Give me an illustration, do, please.

Look, don't be bashful! Good God, you are grownup people.

Q (Mr. Hugh W. Robertson of The Evening Dispatch, White Plains, New York) I wrote that, Mr. President.

THE PRESIDENT: Good for you. There is a fellow willing to speak up.

What kind of speeches tending to create discord?

Q (Mr. Robertson) I referred to speeches of your Cabinet members.

THE PRESIDENT: Who?

Q (Mr. Robertson) Mr. Ickes and Mr. Hopkins.

THE PRESIDENT: About the press?

Q (Mr. Robertson) Not particularly. About the relationship between capital and labor.

THE PRESIDENT: What particular thing? Again we have to be specific.

Q (Mr. Robertson) The general character of the speeches, Mr. President, that have been made over the last two or three years.

THE PRESIDENT: Well, what? I know the general character. What?

Q (Mr. Robertson) I haven't got their speeches with me.

THE PRESIDENT: That is the trouble. In other words, you are talking about the impression?

Q (Mr. Robertson) That is correct.

THE PRESIDENT: Right.

Q (Mr. Robertson) And my impression has been that a number of those

speeches have not been of the type which will knead this Nation into a unit in the event we have to fight. I never asked this question before, only when the threat of war came near to us. At that time -- you and I, who went through the previous war -- you were in the Navy and so was I -- knew it was important that we have an accord of all classes. I have felt, seriously, that some of the speeches that they have made have not been of the type which would bring us together in the next war if they kept on making them. That was the purpose of that question.

THE PRESIDENT: Well, I see exactly what you mean but, there again, I think we, all of us, do have to be specific. I have been criticized. You, if one talks to you, criticize. I can criticize you and you can criticize Ickes for saying that a hundred people largely control 75% or 80% of the industries of the United States. I can criticize you for it. You have a right to criticize Ickes for mentioning the fact. You can say it gives the wrong impression; maybe it does. But, after all, don't we have to think about whether the fact itself is true? Now, you can form your opinion as to the effect; so can I. It is perfectly all right.

Now, you bring it down to the war question: Of course, in time of war, it is the duty of everybody, members of the Cabinet, members of the Press, to get in behind the war. There is no question whatsoever and that did happen, very largely, 98%, in 1917. But, if you go back as a matter of record, about nine months before we got into the war, see what the papers of this country said in the summer and fall of 1916 about the then Government of the United States, who kicked? Nobody tried to curb the press in

the campaign of 1916. But, when we got into the war, 98% was all right and, if we should get into a war -- and I don't think we are going to -- you will find the press all right.

Q (Mr. Robertson) I am not worrying about the press, Mr. President.

(Laughter)

THE PRESIDENT: Here is from Ohio. (Reading)

"Do you think that lower taxes for corporations might strengthen business to such a degree that progress might be made toward the eighty billion dollar income which you expressed a hope for and that the government and the country might in the long run be the gainer because of a decrease in taxes?"

Well, you cannot answer the question unless you ask another one to go with it. Suppose we lower the taxes on the corporations, that is to say, I take it in the larger sense, lowering the amount of money that the Government would receive from corporations as a whole? All right. In order to do it, you have got to cut certain Government expenditures, unless you are to go worse in the red than you go now. A large part of those expenditures come from an effort to provide work for a needy people. Can I get any assurances that those people will be taken care of by private industry? If somebody will give me a method of doing it, grand, I will go along with it. Nobody has given it yet, nobody. There is the answer.

If I can get some kind of a plan, instead of merely a pious hope of cutting corporation taxes, I think we would have the basis of going somewhere. We haven't got it yet and I have been waiting for a good many years. (Reading)

"Is he going to run for a third term?" (Laughter)

Well, the answer is that this is 1939. (Reading)

"What is the President going to do to 'appease' business?"

That is from the same source. I do not think we need to answer it. (Reading)

"Will the United States be dragged into the European war?"

I devoutly hope not.

Here is one from down south: (Reading)

"Is your seeming dislike of the American press --"

There ain't any. He starts wrong. I love it. (Reading)

"Is your seeming dislike of the American press due more to comments by the columnists, to unfriendly editorial discussion or to what often is construed as coloring of the news?"

Well, that is easy. Perfectly simple. I read most of the columnists. I get quite a kick out of a good many of them. I never get mad with any of them. I think some of them are doing a pretty unpatriotic job but I do not lose sleep over it and they never get under my skin -- don't forget that. And one reason I never answer them is something that Steve Early said to me way back, I think in 1920. We did not have columnists but we had some equivalent of them. (He said) "Remember that if you are ever singled out, when you are in high public office, by a columnist or an editor, a column or an editorial, and they single you out for attack, whether you are Governor of New York or President of the United States, it is not going to help you to reply, but I will tell you what you are going to do: You are going to make the fellow that wrote that get such a terrible case of swelled head, because he

has been noticed, that it is not going to do anybody any good."

That is a little bit of political wisdom that I think Bill understands.

Q Mr. President, may I be pardoned if I interrupt for a moment? I have an idea, as I have listened to what has so far gone on, that, while we are all thrilled with this very delightful evening with you, we will not have gained much if we continue as we have, the discussion of these questions.

THE PRESIDENT: Well, I am honestly trying to go through them because they were honestly asked.

Q I grant that but I have this feeling, that at this present moment both we, as newspapermen, and the people of the country at large and the people of the world are most interested in an international situation which seems very threatening. I believe that you could discard those questions and, so far as you are willing to go and so far as it is proper to go, discuss, off the record of course, and offhandedly, the international situation so far as you see fit to go and as is wise to go. I feel that we could learn very, very much which would have a bearing on our future attitude with respect to a serious situation that appears to exist and I believe they would like it. (Applause)

THE PRESIDENT: I am a little bit embarrassed because, after all, these questions were sent in in good faith and in response to the request of the Society. I would like to ask Mr. White and Mr. Lawrence what they think of it.

Q (Mr. White) Well, Mr. President, the understanding was that these questions were sent in for the purpose of permitting an advance

study of the topics that might be of interest, but it was distinctly understood and the members understood that if you chose to answer none of the questions, no feelings would be hurt.

THE PRESIDENT: I was going to answer them all, though. I have got the synopsis here. I will do that; I will get to your suggestion but I do not want to overlook anything.

On observation, somebody has asked about Federal water pollution legislation. I cannot answer it because there are two or three or four bills up there on the Hill. As far as I know, I have not read any of them and I do not know what is coming out. I am in favor of eliminating water pollution and that's all, I guess.

On taxes and business, you had one (question) of them on this eighty-billion-dollar income and then one (question) from the South on getting the South out of hock by reducing the tariff downward. Of course please remember that we are operating, at the present time, under the ^[Hawley] Healey-Smoot tariff, which is the highest one the Nation has ever had and for which we were not responsible, but we are trying to increase trade by trade agreements.

On the cotton program, you know as much about that as I do. "Will Congress be asked to raise the \$45,000,000,000. debts ceiling?" The answer, of course, is "No." The Secretary of the Treasury and myself have said, "No" several times.

Then all the rest (of the questions) do relate to foreign affairs, one way or the other. If you want, I will talk to you, off the record, about foreign affairs.

I do not quite know how to start is, except this:

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I started myself -- I am talking personally now -- with a good deal of interest in foreign affairs because both branches of my family have been mixed up in foreign affairs for a good many generations, the affairs of Europe and the affairs of the Far East.

They started me off with a stamp collection at the age of eight and I got to know geography. Most people in this country do not know geography unless they are stamp collectors, and that is why I am encouraging the issue of stamps, of new memorial stamps and new series as much as I possibly can, not only because the Government -- Jim Farley -- is making about two million dollars a year clear net profit on it, but because it teaches geography.

I have had -- without naming names and talking about personalities -- I have had so many members of different branches of the Government who have shown, in talking to me, that they didn't have the foggiest idea of geography; not merely where countries were but a great many they never heard of; others, they did not know where they were. Very few people have any ideas of distances and the relations of one country to another.

In Government that I am talking about -- in Congress and the Administration -- very few people have any particular idea of ethnology -- I think that is the technical term -- nationalities. They lump all Latins into the same category and South Americans into the same category. They assume that the average citizen of Mexico has the same mentality, the same background by race and tradition, as the citizen of the Argentine, and yet I suppose they are as far apart, the Mexicans and the Argentines, almost,

as we are in the United States from the Mexicans. They are entirely different.

We love to generalize and, of course, one reason is that the press only has a certain amount of space available and they have to generalize. You are under a terrific handicap in getting out a paper, always. You have to put in all kinds of cluttering statements that are just part way true because they try to cover too much ground.

But, as I say, I have had, personally, though it is a question of pure happenstance, a historic background of knowing geography. Then I was given the privilege, in 1913, by my old chief, of coming down here and learning more geography, not only this country but the world, because the Navy was concerned with the world. It had to do with other things that went with geography, the relative military strength of other nations, the relative economic strength of other nations to conduct a war. There were the strategical and even, in the narrower places, the tactical positions that one country bore to the other countries. Therefore it is very largely a question of knowing in this country, quite frankly, that in spite of the tremendous strides that have been made in international knowledge in this country in the past twenty-five years, we still have a long way to go. There is one thing I have always taken my hat off to since 1914 and that is the fact that the press of the United States has, since that date, gradually worked itself into a position of carrying the best foreign news of the press of any country on the face of the earth. It is a perfectly grand job that we have done, not merely in the big

metropolitan dailies but in the smaller places in the country.

The intelligence and the actual space that has been devoted to foreign news has put this country in a position of knowing more about the world than any other country knows about us.

If you take the knowledge of the average American citizen about Europe, well, from my point of view -- I have got to be quite frank but, then, I have been in Government for a long time -- it is pretty sketchy, but it is a hundred per cent better than the information that the citizens of Europe have about the United States. They know almost nothing about us and that includes not merely the general run of mine of citizenship but, on the whole, while in most European countries they get what you and I would call a pretty good school education, they cannot visualize America.

I will tell you a story but, for God's sake, don't let it leak out. Mackenzie King about a month ago got word from Europe that the King and Queen would arrive in Canada on such and such a date; that they would be entertained and put back and proceed to Toronto by slow stages, and then to Ottawa, and that these preliminaries would take quite a long time. From there, they wanted to go to Vancouver and Victoria by train, stopping during the daytime at every important city between the East and the Pacific -- during the daytime -- but that at night they were willing, when the festivities were over in the late afternoon, to get on the train and roll a little way but, during the night, they couldn't sleep well if the train was rolling and, therefore, during the night the train would have to be put on a siding.

So dear old Mackenzie King said, "My God, in England I believe

honestly, in Buckingham Palace and the Colonial Office, they think that Vancouver is about the same distance from Ottawa that Edinburgh is from London. Sight-seeing in the daytime and go on a siding at night and get all the way across and back in a week!" That is literally true.

After all, a lot of us here who have been abroad and talked to intelligent Englishmen and intelligent Frenchmen and intelligent Germans, they just cannot visualize the conditions. But I think we can visualize them a great deal better, even though there are an awful lot of people in high places that still don't know their geography.

Now on geography -- let us use that as an example -- I had a meeting with the Senate Foreign Affairs Committee and I undertook to tell them what I think is a perfectly self-evident fact. I said, "What is --" -- I did not say, "What is" -- "What contributes to the defense of the United States?" "Well," I said, "one thing that is very important that contributes to it is the continued existence, political and economic, the independent existence of a great, of a large number of small nations. Now, if those small nations lose their political and economic independence and their political and economic and military resources fall under the sway of a very small group of nations in any part of the world, obviously there comes into being a concentration of control, military and economic and political, into the hands of a small group, far stronger than existed before and, therefore, in the future a greater political and military danger against us, if their eyes are turned against us."

Than I went on to specify and I said, "The continued political, military and economic existence of Finland has a direct effect on the safety of the United States." Well, of course, that is perfectly obvious to anybody that knows geography. It is a little bit of a country but it has resources. It has mines, it has forests, it has an extremely intelligent population, and Finland is no menace, no conceivable menace to the United States for a hundred years to come as long as Finland is Finland. Now, if by some chance Finland should come under the domination of some other nation, a nation which is expanding -- we need not name any names -- in a military way, seeking a new economy other than that which has been pursued for centuries by the world in unrestricted trading between nations, if Finland falls in an economic and military way under the sway of this rising nation, does it not affect the safety of the United States? Of course it does."

And then I went on and I said, "Esthonia." Well, does everybody know where it is? If I were to give you a blank piece of paper, to everybody in this room, could you put down just where Esthonia is? I wonder. Now, that is an interesting question. Get a piece of paper afterwards and let's play a game like pinning the tail on the donkey. Do you know where Esthonia is? What is the relationship between Esthonia, Latvia and Lithuania? They are all independent nations. Not their independence but their national pride goes back a great many centuries. They want to retain their national independence because with it goes something that is spiritual, something that is inside of the race that lives within their borders. We have always felt that when a nation that

was fairly homogeneous wanted to live its own spiritual life, as well as its own political life, it had a right to do it.

So I told the Senate Committee that the same thing applied to Sweden, Norway, Denmark, all these nations that I named the other day. Their continued independence in a military way, in a political way, in an economic way, those act as a protection to the safety of the future of the United States. That is the easiest way of putting it. And our policy is to encourage those nations to maintain their independence as they have it now. Of course we do believe in the majority rule and if, in a pre-exercise of the franchise within those nations, they decide to tie up, two of them together, or to merge with some other country, well, that is a free right of human beings to do it and we Americans would never put anything in their path to prevent the free exercise of the opinion of the majority of people in those nations.

Now -- I am talking, still, from a military point of view -- there are today in Europe -- it does not make much difference what the names are -- two nations, as I said the other day, who, whether we like it or not, have taken away the independence of three independent nations in the last four years, 1935 to 1939 -- less than four years. Well, you can pass up Ethiopia -- they were pretty wild people in Ethiopia, they were not very highly civilized from our point of view; maybe they would have come under that definition that President Wilson, I think, acceded to in 1919 in talking about backward nations, but I often wonder what right, inherent right, you and I have got to call any other nation backward. Have we a definite right to call any nation backward? The son-in-law

of the Emperor of Abyssinia came here to the White House in 1934. You may say he was a prince of the blood, or something like that. He could not speak English. I asked him something about the religion of Ethiopia and, through an interpreter he said, "Mr. President, I do not know that you know about our church in Abyssinia." I said, "I know a little about it." He said, "You know, of course, it antedates the Roman Catholic Church, don't you?" I said, "What?" He said, "Yes, the Abyssinia Christian Church was founded by St. Mark fourteen years before St. Peter ever went to Rome."

Are they wholly uncivilized people? I wonder. Anyway, their independence is gone. There is nothing much we can do about it except to maintain in our diplomatic relations, perhaps only as a gesture, a gesture of not recognizing the King of Italy as Emperor of Ethiopia. The gesture has been made and history will record that the protest was made and lived up to for about four years. I do not know how long it shall continue.

Well, quite lately, in a little over a year, the independence of Austria has been taken away without any vote on the part of the Austrian people. The Austrian Empire dates back -- of course the independence of Austria as a state -- over a very great many centuries and we thought then that perhaps that was the end of it. But no! Then came, this past fall, the Sudeten question. In the Sudeten area, the Reich claimed that they were German, that they talked German, and they were descended from Germans. Well, that was true, but they had a lot of other blood there too. There was no effort to have a vote taken. We know how the Sudeten area was annexed to Germany. And again there seemed to be some hope with

reason behind it because it was uniting Germany with Germans, even though it was not done after some popular expression of a vote.

Then we hoped that certain words were to be lived up to, that Germany was undertaking to unite under the same flag all people that spoke German and were clearly and definitely of German origin. I think we all hoped that that would be the end of it.

Then, no so long ago, Czechoslovakia, which was made up, what was left of it, almost wholly of non-Germanic people, made up of people of Slavic origin with a wholly different language and very different customs, a rather closely knit group of people, the Czechs, the Slavics and the Ruthenians -- well, overnight -- it was not a question of taking it over -- overnight it just plain disappeared and they were taken into the German Reich.

Now I believe a good many of us are beginning to ask the question: There has been a great deal of smoke; where is this thing going to end? Is it an attempt to get world domination?

And then, just two weeks ago, on Good Friday, in spite of every known kind of assurance the night before that there was no intention of invading Albania, the Albanians being under no possible conception Italians -- they are a different race entirely, of different origins, the most of them having different religions -- Albania disappeared and then that was followed by reports that other nations were going to disappear.

So, quite recently, Americans began to ask themselves the question: Where is it going to end? And then a lot of people said, "What the hell difference does it make? That is Europe." There were a lot of newspapers that said, "What difference does

it make? How does it concern us?" "Well, now, look at your geography." "Oh, well, we are not going into the war over it, in spite of lots of people."

But I saw people -- and I have seen in the last two or three days two or three people who came back from the other side, people who are in a sense experts; well, Charlie Lindbergh today was one of them -- and I have asked a question that I learned from Jack Garner, who puts things in terms of odds. He loves to put things in terms of odds. Well, the first question was, "What is your judgment about whether there will be a war in Europe?" And the answer in all three or four cases -- and these people, incidentally, are people that have just come from the other side and are rather trained to evaluate things; they know their geography and know the facts at first hand -- they have said that it is a fifty-fifty proposition, and one of them said to me, "I will bet either way." Well, it is coming pretty close to home as to whether there is going to be a war when it gets to be an even money bet. That is something to think about, whether it be in Washington, D. C., or Watertown, New York, a fifty-fifty chance there will be war in Europe.

How does it affect us? Then I asked the second question to bring out how it would affect us. And the question was, "If there is a war in Europe, we being completely on the outside, of course, who will win?" And the answer in every case was the same: "An even money bet." How do you like that? Every one of those people that I talked to knew more about it than anybody in this room, including myself, and I have a lot more information than any of you

have. They are a lot better qualified to lay odds than I am. They are better bookmakers; that is a homely way of putting it. First, a fifty-fifty chance of there being a war. No. 2, a fifty-fifty chance as to which one wins. I don't like it.

I have been held over the coals because I tried to tell the country the truth. Well, I went off to the Fleet maneuvers. I got word driving down to Key West, from the State Department, certain information. I cannot give you the information as to everything that comes to the State Department, obviously, for two very good reasons, excellent reasons. The first is that we get, as you do, a lot of information that does not turn out to be true. It is the best information that the Ambassador or the Minister can get and, mind you, they are sending from all over the world today; they are telegraphing to the State Department from every embassy and legation, two and three and four and five times a day. Now, we cannot give it out to you because, obviously, a lot of it is based on the latest thing they have heard and it turns out not to be true. Just like a newspaper, you have got to print it if it comes over the wire and a certain percentage of the time it does not turn out to be true. You do the best you can.

The other reason that we cannot give out this information is the obvious fact that if we did we would immediately dry up certain sources from which that information was derived. We have got to keep it quiet or our people, in different parts of the world, just could not get any more from that source. That is obvious. And so I think that the Diplomatic Service in the United States deserves an enormous amount of credit for the way they are

keeping this Government in touch.

Well, it was because of certain dispatches that I got that morning, driving down to Key West, that I got hold of the eight or ten boys who always go with me, (I got hold of them) at the noon hour at one of those camps on the Keys and I said, "Listen! I have thought it over pretty carefully and I have said to myself, 'I do not think it is fair to give this country -- this is the eighteenth or nineteenth of February; I am going to be gone twelve days off with the Fleet off the West Indies and I do not think it is fair to give the country the impression that everything is all quiet in Europe when it is not.'"

I was called an alarmist. Well, it did not happen in those twelve days. But it happened about ten days later, when Czechoslovakia disappeared off the face of the earth. Now, my remark to the Press that I might have to come back before my twelve days were up was based on definite information. I say definite information; it was the best information they had at that time that something was going to happen, and I wanted the country to be prepared for it.

Then you come down, come back to this question of odds and I will say these are not my odds, these are odds told me by pretty good guessers and there is a lot of guessing in the game: even money there will be a war and, if there is a war, even money that the -- what was it Mark Sullivan calls them? -- the totalitarian powers will win. How do you like that?

Well, that brings it home to Kansas City. Why Kansas City? Well, suppose they win. Now you come down to the real newspaper

field, guessing. Now, that is something we can all do -- guessing. What happens if the totalitarian powers win? I am not talking about the effect on democracy and religion and all the other things I think go together. The fact remains that under the totalitarian regime religion goes out the window, in large part, as far as Government is concerned; of course you will never get it away from the people themselves. But it means that they will dominate Europe. A victorious war means that the victors impose the terms. What are the terms? What do they want? Heavens, if they were to win a large European war, they would want domination of Europe and the things that go with Europe. It means the disarmament of the democracies so that they can never fight again, because you cannot fight modern wars with dear old William Jennings Bryan's idea, "A thousand men springing to arms overnight; pitchforks and table knives." You know that now. They won't have any arms. They would be out. At the same time, they would lose, obviously, their raw material resources, which would come under the domination of the totalitarian nations. That means raw material sources in Africa, and a large part of Asia and many of the Australasian islands, Sumatra and Java and so forth and so on, where there exists so large a part of the raw material sources of the world that is necessary to keep modern civilization going.

All right; we are not affected any, only indirectly. But you and I know that if -- let us draw a parallel: If Napoleon Bonaparte had won out that time that he organized the fleet to invade England, the fleet that never started, if he had taken England and destroyed the British Navy and British shipping, we would

probably have had an awful lot of trouble with Bonaparte dominating Europe, in Louisiana, and elsewhere in that territory somewhere in between 1805 and 1814. However, he did not do it, so it is all right. That is a pipe dream, but we have to think about pipe dreams. Suppose the raw material sources passed into the hands of military nations which, giving up the spiritual values, place emphasis entirely on efficiency and on the idea of power? What happens next? I am not talking about the United States; I am coming closer, though. Today they have somewhere around 1500 planes which can leave their countries tonight, be in the Cape Verde Islands tomorrow morning and be in Brazil tomorrow afternoon. They have got them. We have eighty planes that could get there in time to meet them. They have 1500.

Or let us leave out the military end. The Argentine is dependent entirely on the export, for instance, of cattle, wheat and corn. Nearly all of those three commodities go to Europe. Whoever controls Europe economically and, therefore, from a military sense too, can say to the Argentine, "We will take your products, your food, use it in Europe, and we will pay for it with our industrial products." What is the Argentine going to do? It means, virtually, political slavery, economic slavery, the end of real independence on the part of the Argentine. What would you do if you were President of Argentine? You will say, "Yes, I am awfully sorry to do it but we will starve if we cannot get rid of our corn, cattle and wheat and we know that we cannot sell them on this continent because every other nation on this continent produces all that it need consume."

They will say to Brazil -- they are good friends of ours -- "You people would be out of luck if Europe did not take your coffee and cotton and rubber?" Brazil would say, "Yes, of course." (They would say,) "You trade with us. We will take all your cotton and coffee and rubber and we will act as factors or agents and we will distribute it through Europe and we will send you, on a pro rata basis between the countries we own in Europe, we will send you their manufactured products."

Brazil would say, "By God, that is terrible; you are taking our independence away from us." And they will say, "Awfully sorry; take it or leave it."

That is a perfectly possible thing. I think that Ambassador Daniels will agree with me that that is a definite possibility in the future in Mexico. It is a very possible thing to happen. "We will take your oil and pay you in our goods."

What are we going to do? Of course with that goes military control of those nations. They cannot any of them fight against the totalitarian nations. They would not last a week. They have 1500 planes today. They cannot hop them directly across our 3,000 miles but they can do it in three hops, middle Europe, Cape Verde, Brazil, Yucatan and Tampico. I think I am a lot safer on the Hudson River than I would be if I were in Kansas. They (in Kansas) are awfully close to Mexico. It sounds fantastic to talk that way; it is not rational. I will ask you a simple question: Suppose this were April, 1933, and I was to say to all of you that in four years two nations in Europe will come pretty close to dominating Europe, offering a very definite threat to every other

independent nation in Europe. "The President is saying things that are crazy." You would have said that. And I would have had far less reason to say that in 1933, because none of us foresaw it, than what I am telling you tonight about the possibility of the next few years, because we have things to go on at the present time that we did not know in 1933.

Now, we all hope it is not going to happen and that we are not going to get into this game, except this: we know where the sympathies of the American people will lie. We are not going to send armies to Europe. But there are lots of other things, short of war, that we can do to maintain the independence, to help maintain the independence of nations who, as a matter of decent American principle, ought to be allowed to live their own lives. I think that covers it. It is a pretty serious thing.

Those are the possibilities; not the prospects, not even the probabilities, otherwise the odds would be different. They are possibilities; they ~~are~~ possibilities every part of the country ought to look at.

Of course there is one factor I have not mentioned and that is the factor of the Far East. We are not going to send troops to China or anything else. It is too militaristic to talk about that; it is silly. But the fact remains that there may be -- I do not say there is but there may be -- an unwritten gentlemen's agreement by which one of the nations in the Far East has been, in a sense, given free rein in the Far East.

Suppose they have that free rein in the Far East? Well, I don't believe it affects us an awful lot, but it might, in the

long run, because, with all the material resources that would be gathered into the control of that nation, when people get into that frame of mind, you never can tell where they are going to stop, and there are a lot of evidences on this continent that they are thinking to a certain extent in terms of this continent. You know, the Japanese have a very strong hold in various Latin American countries. It may be only for legitimate trade; on the other hand, we are all from Missouri -- we have to be -- and they may have other thoughts in the back of their heads. We do not have to get worried about it as long as somewhere back here you retain the little thought that they might join up the danger from the other side and make it even more difficult to defend ourselves. And, incidentally, defense, of course, is wider than it has been at any time. There is something about these Fleet maneuvers that we had. I did not want to scare people, so I did not tell you where they were held. People said they were held in the Caribbean and insisted on it because very few people know where the Caribbean is. There ought to be a map in front of everybody, all the time. Actually, in these maneuvers the Caribbean was blacked out; that is to say, so far as the Caribbean was concerned, it was dry land. So far as the maneuvers were concerned, it was dry land; I went in there to fish. (Laughter)

So the problem was this: the problem was made an attack from Europe, which had certain objectives. One was to land a comparatively small force of forty or fifty thousand men to make successful revolution in a South American republic, "A." These troop ships were supported by the main fleet of the enemy. Well, we

assumed that that was a violation of the Monroe Doctrine; rightly or wrongly, that was the assumption of the maneuver. The next objective of the attacking force was to occupy a base, a definite base that could be used for patrol planes and bombing planes and all kinds of planes somewhere down in the Windward Islands. The third objective was to theoretically snipe off, here and there, enough of the defending fleet, a few ships here and a few ships there and a few planes there until the defending fleet was so weak that the main attacking force, battleships and everything else, could move in and engage them and clean them up.

Well, of course, in the first place there are so many theoretical questions in these games that we never award the prize to either the attacking or defending fleet; there are too many ifs in it. But the fact remains that that attacking fleet was first discovered seven hundred miles from the nearest American land by the defending planes. So now you see the area of modern warfare. And, during the next few days, from the point of view of the defense, we discovered component parts of that attacking fleet -- if you remember your map -- as far south as the mouth of the Amazon River in Brazil and as far north as Charleston, South Carolina. In other words, the expanse of ocean that they were operating in from north to south was about fifteen hundred miles and a distance off the Windward Islands that are the farthest out part in the continent, a distance of seven hundred miles out towards Africa.

At the same time, from the point of view of the attacking fleet, they were able to send raiding planes, raiding submarines, raiding cruisers in. Several bases were destroyed in the Windward

Islands; the base in San Juan, Puerto Rico, was destroyed; the Guantanamo Bay base was destroyed and a theoretical base off the coast of Florida was destroyed.

Well, it was only a game, but it shows the range of modern warfare. I was thrilled by it and, although I was in pretty close touch, I had no idea that we could put, for seven days straight, that we could put six hundred planes into the air every day, either from patrol bases, as far south as Trinidad, off the coast of Venezuela, off Puerto Rico, off the decks of cruisers and airplane carriers, six hundred planes in the air steadily for seven days, and we did not lose a plane.

That is a pretty wonderful record but it shows the problems of modern warfare and it shows how terribly close Europe is to the United States.

And, just to elaborate for one second, it would take planes based at Yucatan, modern bombing planes, about an hour and fifty minutes to smash up New Orleans. It would take planes based at Tampico, fully loaded, I think about -- what is the distance, Bill, from Kansas City to Tampico, about seven hundred miles?

Q (Mr. White) I think quite a little further.

Q A thousand miles.

THE PRESIDENT: Well, at three hundred miles an hour, a little over three hours and a half to reach Kansas. Of course we would try to smash them up before they got there, but we do not know. It is an awfully small world.

Q What did Lindbergh have to say about aviation in Europe -- Germany, France and Great Britain?

THE PRESIDENT: I cannot give you those particular figures. They were given in confidence to Congress, otherwise I would. They were told, the committees up there, and they were the same figures that we knew at the time of Munich, and the German and Italian plane strength at that time -- I won't give you the numbers -- they were over five times the plane strength of England and France. And the numbers were bigger than the numbers printed by any of the so-called experts in this country. I asked Lindbergh whether those figures we had used last September were correct and his answer was that he thought I had underestimated the German and Italian numbers slightly, by about a thousand. Furthermore, he corroborated what our people had accepted as fact last September in regard to the construction possibilities, possibilities of plane construction in Germany and Italy. Those estimates -- I might just as well tell you that the estimate of German plane production in the event of war runs from thirty to fifty thousand a year; the Italian from five to twelve thousand.

Q Mr. President, how much longer do you think Japan can last out, eventually, in the event of complications with Russia, in the event she is brought into any totalitarian organization, from the standpoint of financial affairs?

THE PRESIDENT: I do not think that anybody can answer a question like that, for this reason: We have had so many instances of nations that every human being that has our point of view has said, "My God, they are on the rocks; they won't last more than three months or six months," and then they have gone gaily ahead and never busted. There are a lot of nations that, from the point of view

of the average American, are busted today and yet they go ahead day after day.

Schacht told me in the spring of 1933, when he was trying to borrow money here, that Germany would only last one year the way she was going. The summer of 1934 a friend of mine, an American businessman who knew him, went over to Germany and asked him how long Germany would last. Schacht almost wept, "My poor Germany will only last one year." I never see the same people twice. Another man went over in 1935 and Schacht said, "Germany at this rate, it cannot last more than one year." And in 1936 and 1937 the same thing. Finally Schacht got out in 1938 and Germany is still going on. Well, how do they do it? You don't know.

Q If this fifty-fifty on the side to win, does that contemplate supplies are going from this country in the event of war?

THE PRESIDENT: No, no it does not.

Q What would the odds be then?

THE PRESIDENT: I don't know. I never put the question that way.

Q How about oil supplying these planes, even if Germany and Italy were building them?

THE PRESIDENT: How about what?

Q The factor of gasoline and oil supplying these planes?

THE PRESIDENT: In Germany or Italy. Well, there again the people talk about a lack of gasoline in both countries. But, if they should go to war, it would mean they thought they had enough. That is the easiest way of putting it. In other words, they would not risk a war if they thought they could not get enough gasoline either from oil fields or by the synthetic process. You know, they are doing

a lot of that. You know, they can turn it out at about three times the cost of actual gasoline. It may cost more, but it works.

Q Mr. President, you would have to turn out pilots fast enough. It takes about forty-five hours to train one.

THE PRESIDENT: They have pilots training in almost every village of Germany. Lindbergh said he had had permission to fly over Germany, to fly anywhere he wanted. He had complete carte blanche. He saw town after town where they had these hangars and dozens of planes out on the field. He saw lots of other towns where, obviously, there was student flying going on above the towns. He says they are all over.

Q Mr. President, if we lend the democratic powers aid short of war and then they become involved in a war and it appears at any moment that they are losing that war, do you think it likely that we could avoid following up that economic aid with military aid?

THE PRESIDENT: I do.

Q You think we might still avoid military entanglement?

THE PRESIDENT: Oh, yes.

Q Don't you think in such a case, after they had been licked, that the people to whose enemies we have rendered assistance would naturally be eager to come down on us as soon as they --

THE PRESIDENT: (interposing) I do not think it would make very much difference. I think if they won the war they would put a Chinese Wall around us anyway.

Q In the event of war, in which we might feel it necessary to participate, do you think that conscription would have to be resorted to?

THE PRESIDENT: Conscription?

Q Conscription, draft?

THE PRESIDENT: Of course I think we would run conscription, perhaps, on a little bit different basis. In other words, we have no plans for the Army now, for an Army of more than a million men. There are no plans. In other words, it is an honest fact that our Army plans do not contemplate ever having to raise more than a million men.

Q We have about four hundred thousand now?

THE PRESIDENT: Yes.

Q Don't you think that six hundred thousand might be raised with voluntary enlistments?

THE PRESIDENT: They could but, on the other hand, I am inclined to the thought -- this is pure guesswork -- I am inclined to think -- if we get into war, and I don't think we are going to -- we should proceed on the basis that everybody should be, in a sense, conscripted for whatever special type of work they are obviously fitted for at home, whether in factories or any other jobs which were essential jobs. They would be put into those jobs and they would have to feel that they were doing as much for their country as people who were selected to go into the Army.

Q If I understood you correctly, you said that in the event of the victory of the totalitarian nations, it would mean the permanent disarmament of the democracies?

THE PRESIDENT: Yes.

Q In view of the fact that Germany was supposed to have been totally disarmed a little more than twenty years ago, isn't that subject to clarification?

THE PRESIDENT: I do not think so. In other words, you have in Germany a nation that would see to it that their mandates and orders were carried out.

Q Didn't France do it?

THE PRESIDENT: No, France did not do it. France did it, there was a commission -- you can check me on this -- in Germany up to 1925 or 1926 and then, outside of the Essen region, it was abandoned.

Q Is it a practical proposition that the same thing would happen again?

THE PRESIDENT: I doubt it. I don't think their minds run that way.

Q I would like to ask your opinion about this: Until a year ago we heard that the American airplane manufacturers, following American superiority in automobile manufacturing, in technical and engineering matters, were the best in the world. Now we have been told in the last few months that they are not. I would like to have your opinion.

THE PRESIDENT: The best people I can get it from -- not necessarily secondhand -- who have been over there and compared them think that the German planes today are superior to ours.

Q It seems bad that that should be true, in view of the tremendous technical and engineering advantages of the American automobile.

THE PRESIDENT: I will tell you an interesting thing that Lindbergh said to me today on that subject. He said that over here we have, on almost any scientific problem, we have a dozen or fifty or a hundred different people at work on it separately. They all work on it separately. Over there, in the totalitarian states, they put all those people together so that they do not duplicate the same experiments, and they proceed to a mass study by the best

experts they can get.

Well, we had a very simple example of that during the World War. We had, I think, about fifteen or twenty different airplane engines and we did not think any of them were particularly good. We put a whole lot of specialists in a room and eventually they brought out the Liberty engine, which was, at that time, the best engine which had been produced at any time, anywhere. That was because we stuck them in a room. And the Germans are doing that right now.

Q May I ask two questions? What changes in the so-called neutrality legislation do you think would be wise in order to accomplish what ends?

The other question was: It seems to me there is a sincere divergence of lay opinion as to whether the United States would be drawn into war if there is a general European war. Therefore, would you like to amplify a little why you believe the United States may not be drawn in, as it was previously?

THE PRESIDENT: Well, on the first part of it, the neutrality: Of course, it is an interminable subject to discuss, as you have discovered. Key Pittman (Senator Pittman) came down from the Hill the other day. I said, "Key, how are you coming on?" He said, "We have eighteen members present at this hearing and, so far, we have eighteen bills." That is literally true and the thing is being studied.

I suppose, to put it in a nutshell, I should say there are two objectives: the first, because of the experience we had in 1914 and 1915 and 1916 and the beginning of 1917, up to the sixth

of April, we have to try to do everything we can to prevent messes in the war zone. We have to keep American ships out of the war zone and keep Americans from going over there because they like the fun or think they can pick up contracts. We have to keep them out of the war zone and, if they go in there, it is solely on their own risk so that this country will not be involved in any way.

You will remember that that was the proposal of Secretary Bryan in 1915, but the country was not ready for it and he was booed and hissed for making that proposal. The country said at that time, and perhaps I said it, "Any American has any right to go anywhere in the world and fly the flag and it will protect him, by gosh." Now, we have progressed a long ways. Mr. Bryan was right.

And then, on the second part of neutrality, of course they are proposing the so-called "cash and carry principle" which, in my best judgment, need not be written into law if you write the first proposal into law. I think that it is perfectly all right to put in the law a provision against Americans going into a war zone except at their own risk, or American ships, and then leave the rest to what might be called national policy that most of us accept and that is that goods sold in this country would be sent over by foreign flagships and taken wherever they may go.

On the other hand, that has necessarily a terrific exception to it because sentiment in this country is very definitely with China. It would work wonderfully in the Atlantic; it would work to the advantage of the democracies in the Atlantic, but it would work on behalf of Japan in the Pacific, so it is a terribly dif-

ficult thing to write down a hard and fast law that will apply with equal justice everywhere in the world.

Q Who would define the war zone in that case?

THE PRESIDENT: Well, I should say that common sense would.

Q Isn't experience just the reverse? Nations extend the war zones by decree.

THE PRESIDENT: I suppose the best example is this: In 1798 the French directorate went to war with England and they, by decree, said that all oceans were part of the war zone. They kept their fleets, their regular Navy, in France and they fitted out privateers under this decree that all parts of all oceans were part of the war zone in this war between France and England. John Adams soon discovered that American shipping, which the country was very largely dependent on then, being coastal colonies, that American flagships were being seized down in the West Indies and their crews were being put in little boats or landed on coral islands or being put in prison in Haiti, and so forth and so on. He found that this war was transferred by privateers, British and French, to the West Indies. President Adams said, "This is nonsense. This war is not going to be won by privateers in the West Indies. They have nothing to do with this war in Europe." So he started the Navy Department and we built some ships, two of which are still afloat, and he bought some ships and armed them and we sent the infant American Navy down there because it was not, from a common-sense point of view, a proper war zone. We cleaned up privateering all through the West Indies in 1798, 1799 and 1800. I think that American ships ought to have the right to go from here to Rio de Janeiro

and the Argentine, all of us being at peace, and not be subjected to be captured or sunk by any of the European nation cruisers.

Q In other words, we would decide?

THE PRESIDENT: Sure, from a common-sense point of view.

Q Wouldn't that be conflict?

THE PRESIDENT: No, because it takes two people to make a war. We have had a quasi war with France without a declaration of war. Congress passed the appropriations and never passed an Act of war against the Barbary ports. We fought a three years' war with them and made American shipping perfectly safe all through the Mediterranean. There was no declaration of war.

Q Why can't American ships go anywhere at their own risk?

THE PRESIDENT: Do you want to cut off trade entirely? Don't you want to protect a ship going from New York to Havana?

Q I am on the other side; I want them to go anywhere. (Laughter)

Q Would they be cut off going to Norway or Spain?

THE PRESIDENT: That is another question. It may be a matter of negotiations.

Q On the matter of aggression, would you take into consideration the necessity for a change?

THE PRESIDENT: A change of what? I did not quite get it.

Q I would say the change in frontiers. The frontiers of the world are not made forever. They never have been in the past.

THE PRESIDENT: Why should we mix up with the frontiers of other nations?

Q That is what I would like to know.

THE PRESIDENT: Well, I specifically exempted that in the message to

Mussolini and Hitler. In other words, it is a diplomatic term. I said we would be willing to do what we have done before, to enter into negotiations about the limitation of armaments, about economics, about trade throughout the world, not a conference involving the political problems, the boundary problems of other nations.

Q I am sorry I did not raise this question sooner, but would you mind giving us a little discussion of the probable effectiveness of the British Fleet in a general European war?

THE PRESIDENT: I do not know. I could not tell you honestly because there are too many opinions. Some people say they might hold the Mediterranean and other people say they would be able to hold only the North Sea. Some people say they would be able to protect their commerce and others say that they could not.

Q I had this in mind in connection with the aviation.

THE PRESIDENT: Yes.

Q Was Japan included in the fifty-fifty estimate?

THE PRESIDENT: No.

Q Was any consideration given to the Pacific problem at the time of our naval maneuvers in the Atlantic?

THE PRESIDENT: None at all.

Q Did you wish to develop the idea as to why you feel the United States would not be drawn into a general European war?

THE PRESIDENT: Because I do not think the United States would want to.

Q What would be the odds regarding a reply to your message (to Hitler)?

(Laughter)

MR. WHITE: Gentlemen, for obvious reasons -- I, for one, don't want

to wear the President down. I would rather have him than Garner any time. (Laughter)

THE PRESIDENT: I don't want to cut this off.

MR. WHITE: Here it is a quarter of eleven and, after all, you are human.

THE PRESIDENT: Well, it has been grand to see you here and I wish I could go on.

I am afraid almost everything we have talked about has been terribly hypothetical but it is a situation I think we ought to consider necessarily from the hypothetical point of view. I suppose that last question I had not answered before is as good an illustration as I know. God knows, we do not want to get into a war and again, on the doctrine of chances of our getting into a war if there is a war, it is an extremely long-range bet. I think we want to keep out but, on the other hand, I think we want to do everything we can to keep a survival of democracy.

MR. WHITE: On behalf of the boys -- I think I am old enough to call them boys -- you know that these meetings are really greatly appreciated. They are the peak of all our annual shows. We have had eight of these -- seven of these and the eighth is in prospect -- and I am sure you will join me in the hope that you and the country and the world will stop at eight and not think there is luck in odd numbers.

THE PRESIDENT: I think you are right.