

CONFIDENTIAL

Press Conference #618,
Executive Offices of the White House,
January 26, 1940, 10.45 A. M.

THE PRESIDENT: Good morning, Dean, how are you? You know, it is pretty good now. I recognize him every time I see him.

Q (Mr. Young) Bob Fleming had a party yesterday and they are still kidding me.

(Mr. Young then suggested that he could secure for the President a copy of Fulton Lewis' speech at the Alfalfa Club dinner, that he would give the President a copy of it whereupon the President suggested that he would like to have it because he could then steal a few of the quips.)

THE PRESIDENT: You know, I have no scruples about stealing things, absolutely none.

Q (Mr. Young) He probably stole it himself.

MR. DONALDSON: All in.

THE PRESIDENT: I do not think I have a blessed thing this morning.

Q Have you any comment on the expiration of the Japanese-American trade treaties?

THE PRESIDENT: I don't think so.

Q Any suggestion?

THE PRESIDENT: No.

Q There is a story published this morning to the effect that the United States Government and its authorities are winking at the practices of certain aviation companies which are permitting French crews to operate planes which are delivered to Canada for the British account.

THE PRESIDENT: I never heard of it until I read the headline. Whose jurisdiction is that, the Customs or the State Department or what?

Q As far as I can find out, there are about four: the State Department for the Neutrality Act, the Immigration for the French Observers' Board and there is the Civil Aeronautics Authority for the licensing of the air-

plane pilots, and then there is the military branch, with the Army.

THE PRESIDENT: I don't know. I suppose you had better go and ask those people. I never heard of it.

Q I think you suggested that you would be soon sending to Congress the third Message on reorganization. Is that in sight, sir?

THE PRESIDENT: At the present time there are two under preparation but I cannot give you any date yet because I don't know.

Q On the same subject --

THE PRESIDENT (interposing): On reorganization.

Q -- will these be intradepartmental?

THE PRESIDENT: Intra and inter, both.

Q I checked on the airplane story. No American plane has been flown across the Border.

THE PRESIDENT: Right.

Q Could he make that statement again?

Q I checked that story this morning and no American planes have been flown across the Border.

Q Mr. President, what do you think of John L. Lewis' critical remarks about you and the Democratic Party?

THE PRESIDENT: Now, will you give me a reason why I should answer a question of that kind? (Laughter)

Q It would make good copy, Mr. President. (Laughter)

THE PRESIDENT: There you have your answer.

Q Mr. President, I have several Ohio questions I would like to ask. The first one: Mr. Donahey has hung his political intentions on the fence and, as he puts it, the national political picture clears up. I wonder if, in your talk yesterday, you gave him any green or red lights?

THE PRESIDENT: We talked very little politics yesterday, mostly other things.

Q Mostly other things -- in that connection, the Ohio social security bill was vetoed and I understand that some of the Democratic Congressmen have suggested to you that you might order the Board to pay some of this money to Ohio. Would that be consistent with the reasons you gave for your veto?

THE PRESIDENT: I don't think so. I think that is completely inconsistent with the veto.

Q Mr. President, what is the status of your hospital plan, the rural hospital plan?

THE PRESIDENT: I have got a preliminary report in my basket and I suppose I will probably get to it in the course of the next couple of weeks.

Q There was one story that you might send a Message on January thirtieth, your birthday?

THE PRESIDENT: That would be within the next couple of weeks but I have no expectation I will be able to get around to it by then.

Q Is there anything in the Louisiana situation that you would like to comment on?

THE PRESIDENT: I don't know a thing about it except that they have a runoff primary. That is all I know.

Q Does an American who goes overseas to fight for Finland or Germany or England or France lose his citizenship?

THE PRESIDENT: I have been surprised that you people have never asked that question before because I looked it up about two months ago and I got a memorandum on it which is somewhere in this desk drawer. (Laughter) Wait until I find it for you. Well, there it is, dated September 5, 1939. I got it from him (the Attorney General) because I supposed somebody would ask the question and nobody has. The Attorney General -- this, relates to any American citizen who enlists or is commissioned in any foreign army, navy or air force of a belligerent country and the Attorney

General says -- let me get it down to where it is plain English. He gets expatriated, that is to say, he loses his rights of citizenship when and if he takes an oath of allegiance to a foreign state.

(Reading) "Consequently if the terms under which an American citizen enlists in the service of a belligerent power require an oath of allegiance to be taken to the belligerent power, the American citizen by enlisting and taking such oath of allegiance would be deemed to have expatriated himself. If no such oath is taken, however, his citizenship would continue unimpaired. The mere fact of entering into foreign military service does not of itself divest either nationality or domicile, nor amount to renunciation of American citizenship."

And then, by way of just another authority, you remember our old friend, John Bassett Moore, this memorandum says, "See John Bassett Moore, International Law Digest, Vol. 3, p. 730 and following." He is our old friend.

And, of course, also, as you know, the other thing is this: That it is against the law for any foreign nation to solicit enlistments within this country, or to make enlistments within this country.

Q Is Finland a belligerent country?

THE PRESIDENT: What?

Q Is Finland classed as a belligerent country?

THE PRESIDENT: No, but that raises another point on which I have not yet gotten an opinion.

Q Does this apply only to belligerent countries, or to any foreign army or navy or air corps which would require an oath of allegiance to a foreign government?

THE PRESIDENT: This memorandum of September fifth says that

(Reading) "Section 17, title 8, United States Code, provides that 'any American citizen shall be deemed to have expatriated himself * * * when he has taken an oath of allegiance to any foreign state.'"

That does not say "belligerent" but

(Reading) "Chapter 2 of title 18, United States Code, which deals with offenses against neutrality, is directed almost exclusively to unneutral acts done within the territory or jurisdiction of the United States. This is certainly true with respect to sections 21 and 22 which relate to enlistment of American citizens in the military service of a belligerent power."

Of course, the thing summed up is very simple, that no foreign nation can legally maintain an enlistment service in this country, nor can they solicit enlistments within this country.

At the same time, if an American leaves the country and enlists outside the borders of the country, he does not lose his citizenship unless he takes an oath of allegiance to that foreign country.

Now, there is the whole thing in a nutshell.

Q Do you happen to know, Mr. President, what foreign governments will permit service in their Army and Navy without an oath of allegiance?

THE PRESIDENT: No idea at all.

Q I was at the Finnish Legation and an American aviator came in and offered his services to Finland and they said to him that the best thing for him to do would be to write a letter in. They said that they had not taken such volunteers but that they had a file on them. I was wondering whether that was a solicitation?

THE PRESIDENT: It depends. You will have to give me a few more facts. If a fellow comes in and says, "How can I enlist in the Finnish Army without losing my citizenship?" that is an interrogation. He is asking for a piece of information. That is not a solicitation. That is an offhand, horseback opinion which I think any court would sustain. But, if there is any active work on the part of Finland to cause enlistments over here, that is a different story.

Q May we have the opinion of the Attorney General, either in detail or in part?

THE PRESIDENT: Well, it is an informal opinion, not one of those opinions

that is written for the book. It is a personal opinion sent to me in the form of a letter.

It is signed by Acting Attorney General Jackson on September 5, 1939. If he wants to revamp it and give it in the form of an official opinion, that is all right with me. I see no need for it. You have the whole story right there.

Steve (Mr. Early), that (handing Mr. Early the letter of the Acting Attorney General under date of September 5, 1939) can now go to the files. They are four months late in asking the question.

Q Mr. President, last week a group of labor and liberal leaders directed to you a protest against injustices in the conduct of the WPA trials in Minneapolis. I wondered if there was any action regarding that?

THE PRESIDENT: None of us know about it.

Q Can you tell us whether you suggested to Senator Donahey that he be a candidate for reelection this year?

THE PRESIDENT: Not lately. I did some time ago. I told him I hoped he would run.

Q Did you say there was no need for him to be a favorite son candidate for President in Ohio?

THE PRESIDENT: The only thing I said to him, last spring on one occasion I said, "Vic, I hope you will run again." It started there and ended there. Not much of a story on that.

Q Anything to tell us of your appointments for Federal Judgeships which are vacant?

THE PRESIDENT: No, Bob Jackson is coming in sometime over the week end to talk about a lot of them. He and I do that from week to week.

Q Can you tell us anything about your discussion with Leon Henderson?

THE PRESIDENT: Just the general progress of the TNEC. (Temporary National

Economic Committee) work. The same way I have talked to Senator O'Mahoney and various others.

Q Thank you, sir.

Q Mr. President, with regard to your remark with reference to Senator Donahey, have you made the same remark to Senator Guffey?

THE PRESIDENT: I have not discussed it with him at all, one way or the other.

I am afraid there is no new story on that either. (Laughter)

CONFIDENTIAL
Press Conference #619,
Executive Offices of the White House,
January 31, 1940, 4.20 P. M.

THE PRESIDENT: How is everybody? Earl (Mr. Godwin), I hear you did a very humorous broadcast this morning. I am sorry to say I was asleep and did not hear it.

Q (Mr. Godwin) I was too. I stayed up all night.

THE PRESIDENT: May (Miss Craig) won't have any questions because she didn't have a chance to lie in bed.

Q (Miss Craig) I have got one but I am scared to ask you.

Q (Mr. Godwin) I will ask for you.

Russ (Mr. Young) is sick again.

THE PRESIDENT: Is he really? Has he a bad cold?

Q (Mr. Godwin) Yes. You know, a cold depresses him both mentally and physically

THE PRESIDENT: I don't know how it can be done but of course Russ ought to go south and spend a whole month. It is the only way.

Q (Mr. Godwin) He could.

THE PRESIDENT: And it is a better time to do it now than later on when Congress is getting busy.

Q (Mr. Godwin) I will tell him to do it.

THE PRESIDENT: Take one month down in the South. They have had all the cold weather down there now and probably it will be all right.

MR. DONALDSON: All in.

THE PRESIDENT: I do not think there is any news at all. I will go up to the country over the week end and probably will be able to stay there until Monday night and get back here Tuesday morning and sometime on Tuesday, when they have finished their work, the Democratic National Committee will come here and shake hands.

Q Mr. President, will you have any message -- I don't mean any formal message, for the Democratic meeting?

THE PRESIDENT: No, just say "How do."

Q Just say, "How do." You won't send any message?

THE PRESIDENT: No.

Q Have you decided to withdraw the nomination of Paul Leake to be Collector of Customs at San Francisco?

THE PRESIDENT: I have not heard a word. I do not know what has happened.

Q There has been some fussing around the Hill and it has been suggested that his name will be withdrawn?

THE PRESIDENT: I have not heard a word.

Q Will Mr. Eccles stay on?

THE PRESIDENT: I think so.

Q No reappointment?

THE PRESIDENT: Oh, I think there will be an appointment. It is a pretty good guess.

Q Have you, sir, received an invitation from the British Government to appoint an arbitrator in the Guatemala-British Honduras matter?

THE PRESIDENT: I have not heard of it. The State Department may have but I never heard of it.

Q Mr. President, when are you planning to leave for Hyde Park?

THE PRESIDENT: Well, maybe on the midnight train tomorrow night. It depends a little on how bad I feel at that time.

Q (Mr. Godwin) What do you think you will call the President's Birthday Ball next year? (Laughter)

THE PRESIDENT: You admitted to me five minutes ago that you were up all night.

Q (Mr. Godwin) That did not answer it.

THE PRESIDENT: So you are excused.

MR. EARLY: Advance the date for thirty days.

Q (Miss Craig) Mr. President, I would like to know why you are pushing the St. Lawrence Waterway now?

THE PRESIDENT: Don't you think I am rather late in pushing it? Don't you think I should have started two or three years ago?

Q I thought you wanted a short session?

THE PRESIDENT: Sessions, if they are short, sometimes put through a great deal of very important legislation. You will find in the history of legislation that the longer the session, the less it does. (Laughter)

Q Mr. President, what do you think of Senator Harrison's proposal that financial aid to Finland should be in the form of a bond issue publicly subscribed instead of by direct Government loan?

THE PRESIDENT: Well, of course, the Government would not have anything to say about that, one way or the other.

Q I thought probably you might have an opinion on it?

THE PRESIDENT: No.

Q Last Friday three men were in to see you, Littell (Norman Littell, Assistant Attorney General), Chapman (Oscar Chapman, Assistant Secretary of Interior), and Mr. Dimock (Marshall Dimock, Second Assistant Secretary of Labor) and that is the same group of three men who were referred to last year as being interested in a liberal convention or meeting at Salt Lake City. Were they talking about some such meeting?

THE PRESIDENT: No, they were talking about liberal principles. (Laughter)

Q Any particular application of those principles?

THE PRESIDENT: No, just fine liberal principles.

Q Will you comment on the report that Mr. Farley is going to leave the Cabinet and Senator Mead is going to take his place?

THE PRESIDENT: That is a brand new one. I never heard of it before.

Q Have you any comment on today's phase of the relations between the United States and Japan?

THE PRESIDENT: I don't know. I have not heard a word for two or three days. There is nothing new. I have not got anything you haven't got.

Q Going back to Mr. Littell and Mr. Dimock, they were not in to see you on Government business, is that correct?

THE PRESIDENT: No, they were talking liberal principles.

Q Are you any closer to a determination of when you will send in the third reorganization Message or Messages?

THE PRESIDENT: I don't know yet. We are getting along with it, that is all.

Q Will the Eccles reappointment go up tomorrow?

THE PRESIDENT: I don't know.

Q Will that be two years?

THE PRESIDENT: I don't know. I gave you a good lead and I cannot give you any more.

MR. GODWIN: Thank you, sir.

CONFIDENTIAL

Press Conference #620,
Held in the President's Study at Hyde Park, New York,
February 2, 1940, 12.15 P. M.

THE PRESIDENT: I do not know what you fellows are going to write about.

What would you do if I said there wasn't any news?

Q They probably wouldn't believe us, Mr. President.

THE PRESIDENT: That is the trouble. The people out in the field tell the truth but the offices won't believe it.

Q I have a question for Mr. Godwin. He wants to know if we will be coming up here next February? (Laughter)

That is number 173.

THE PRESIDENT: I don't think I have got anything at all. Oh, I will tell you what -- I am trying to think of something for you to write about -- you know, they have been making perfectly terrific cuts, the Committee has, in the agricultural bill, so I dug up what I said, so there won't be any question about it, in my Budget Message, and I do not see why it should not be reprinted. There is no copyright charge; it is all right.

I said in the Budget -- I will let you have this, you can take it down with you,

(Reading) "I have carefully checked the individual estimates under these broad categories and I am satisfied that no lower figures can be attained except at the expense of impairing the efficiency with which laws are administered or of working undue hardship on individuals and economic groups. I refuse to accept the responsibility of adopting either alternative."

Then in another place,

(Reading) "We must not only guard the gains we have made but we must press on to attain full employment for those who have been displaced by machines as well as for the 5,000,000 net addition to the labor force since 1929. We must, therefore, avoid the danger of too drastic or too sudden a curtailment of Government support."

And then the final one, which is the direct application,

(Reading)"I do not believe that the majority of people feel that the agricultural programs should be reduced below the figure of \$900,000,000 because this figure, in itself a large reduction below the current year, will be barely sufficient to carry out soil protection and surplus removal operations."

So that is about all there is. There is nothing new to add to it.

Q In that connection, sir, may I ask this: Senator Pat Harrison, in his statement regarding the Finnish loan, the other day, had down in the body of his statement --

THE PRESIDENT (interposing): I did not read the statement, only the headlines.

Q The statement, in effect, was that we cannot afford this -- that was one point -- and then, down in the body of the statement, he said, "We have a moral obligation for \$200,000,000 in parity payments." That was in the formal statement. He was asked about that. He was asked who had morally obligated the Government. "Well," he said, "the agricultural agents did."

Do you know where that \$200,000,000 figure came from?

THE PRESIDENT: I do not know. I give it up. We have this law in the statute books today. For a crop planting season, we do have to tell farmers of every kind what the Government program is going to be, but they have been told that for the past year.

I do not know what he is talking about.

Q The parity figures would be unbudgeted money, would it not?

THE PRESIDENT: You will find in my Message -- somewhere else, it is not in these excerpts. What I said was that we have a definite obligation and, of course, I would have to recommend later on in the session -- you remember that -- additional amounts if our hope -- you remember I used the word "hope", not the expectation -- is not fulfilled, if the hope is

not fulfilled and the prices do not go up a little further than they are now, or words to that effect.

They say that hearing up there -- this is off the record -- was a perfect scream in the Senate because dear old Townsend of Delaware tried to bring out that if we did not make these proposed, these proposed loans, this hundred million dollars to various countries, that Jones (Jesse Jones, Administrator, Federal Loan Agency) would be able to turn back a hundred million more of surplus capital. You know, part of that capital return is in the Budget. Well, Jones talked to him for half an hour to explain that it would not make any difference at all with respect to the return of his free funds. Pat (Senator Harrison) did not get it at all nor did Townsend.

Q What was that, the Banking and Currency (Committee)?

THE PRESIDENT: Foreign Relations.

Q We thought this would not affect the seven hundred million?

THE PRESIDENT: It does not affect it at all, one way or another. Everybody got it except those two.

Q You think the House ought to bring the farm appropriation back into the Budget figures?

THE PRESIDENT: I am standing on the Budget. I have nothing to add to what already has been said.

Q Did you notice the bill that Senator Vandenberg introduced? It is in this morning's paper.

THE PRESIDENT: I do not know. I only read the headlines. I couldn't talk about it intelligently. The only thing I could give you would be a little background, the general idea that it is a favorite trick, if you do not like one method of administration to put through another method of administration, the results being exactly the same in the long run,

except that you get credit for something which, in the long run, does not amount to a hill of beans, because we have that system that he is proposing, exactly the same thing.

It is just one of those political maneuvers at this particular time and in the usual election year.

That is just background stuff, no attribution in any way, not even to Bill (Mr. Hassett).

Q High sources at Hyde Park? (Laughter)

Q Bill (Mr. Hassett) has broad shoulders.

Q Mr. President, some of the boys that took a look at the snow this morning are wondering whether it would not be a good idea for a fishing trip pretty soon, down to Florida?

THE PRESIDENT: Say, that is not a bad idea. I thought you meant a fishing trip up to that lake in Washington.

Q Lake Crescent?

Q I bet that snow is still there.

Q We are thinking about the Gulf of Mexico, for the record?

THE PRESIDENT: Yes.

Q And expense accounts.

THE PRESIDENT: Yes, that is something, isn't it?

Q Mr. President, the world war, either yesterday or today, is five months old and, at its outset, you said you firmly believed we could stay out of it. Do you still think so?

THE PRESIDENT: Nothing to add to it, one way or the other, obviously. In other words, any statement made holds until there is another one. That is the easiest way of putting it.

Q Could you comment, sir, upon the operation of the Neutrality Act since --

THE PRESIDENT (interposing): No. We are beyond -- off the record -- they are

way beyond my mind and I guess they are way beyond your minds. That is off the record. In other words, that is a thing the State Department is capable of talking about and none of us is.

Q In your conference with Jim Farley did you talk over the Monday meeting of the National Committee?

THE PRESIDENT: I think about a quarter of a minute, that is all.

Q There is a good deal of interest in this liberal principle you discussed with Administration men the other day.

THE PRESIDENT: I don't think you can pull me out any further on that.

Q How about an application of liberal principles to the Democratic Convention this summer? Do you think you will find an opportunity for practical expression on that?

THE PRESIDENT: I think you could find a great deal you can quote from things I have said in the past, the Jackson Day Dinner --

Q (interposing) Chapel Hill?

THE PRESIDENT: What was that?

Q That was full of liberal democracy.

THE PRESIDENT: That is fine. I have not withdrawn any of it.

Q We will get Kannee to look it up.

THE PRESIDENT: I doubt whether Kannee has that with him. It was quite a while ago.

Q I was just thinking of it in connection with the weather.

THE PRESIDENT: That was a pretty bad day.

Q He is trying to sell the Gulf of Mexico.

Q Nobody asked you the other day about your talk with Colonel Knox. What did you talk about?

THE PRESIDENT: I did not have anything to say. It was a very nice talk.

Q He said he was discussing Finnish relief.

THE PRESIDENT: He was talking mostly -- this is off the record, too -- about the Chicago Tribune. It was unprintable and you can't use it.

Q You said it was off the record?

THE PRESIDENT: You can't use it, it was unprintable. (Laughter) You couldn't use it, either.

Q Knox will use the conference to say you offered him the post of Secretary of State.

THE PRESIDENT: No, we were talking about the future of Bertie McCormick instead of his. I made it quite clear where he ought to be now and where he undoubtedly is going, therefore, it is unprintable.

Q Is Mr. Patterson going with him?

THE PRESIDENT: Strictly between ourselves, I think that Joe (Captain Joe Patterson, of the New York Daily News) would have agreed with Knox and me.

Q Mr. President --

THE PRESIDENT (interposing): Three Groton boys, -- Bertie and Joe and me.

Q Mr. President, have you any plans over the week end?

THE PRESIDENT: No, just going to have a very quiet time. Mostly sleep. I am going through a lot of books and things.

Q Mr. President, you cannot blame the Hyde Park Board of Education for naming one of the schools after you, I would not think?

THE PRESIDENT: Has that been announced?

Q Yes, sir.

THE PRESIDENT: It has. Well, I did my best to prevent it.

Q I think it is a nice thing for them to do.

THE PRESIDENT: I told them they ought to maintain the old rule of not calling any school after a living president. However, I guess I am very much honored by it.

Q Yes.

THE PRESIDENT: I had suggested calling it the "Great Nine Partners School" after the original grant.

Q The Great Nine what?

THE PRESIDENT: The Great Nine Partners.

Q There isn't any legal aspect to it, for naming it after living --

THE PRESIDENT (interposing): No.

Q You plan to return Monday night, probably?

THE PRESIDENT: Yes, unless I have to go back earlier, some State Department thing, but I don't think so.

Q You are keeping closely in touch?

THE PRESIDENT: I suppose so. Theoretically, very closely in touch, constant telephones, et cetera and so on.

Q How about church?

THE PRESIDENT: I would not write anything about church.

Q (Mr. Durno) It is my turn to go to church.

THE PRESIDENT: It is the kind of thing that there is no use explaining to the public. You see, we are not in the church any more and the little chapel is darned hard for me to get into -- a couple of steps -- so it is doubtful whether I will go but I don't know why there should be any reason for explaining it.

Q It was Durno's turn to go and he wanted to.

THE PRESIDENT: George is all right; he is improving every year that goes by.

Q No, it was the six dollars awaiting him. (Laughter)

Q Jim Fly of the Federal Communications Commission was up here last night in the course of a test of television in this vicinity and I thought it was sort of interesting that he should happen to come here along with the engineers.

THE PRESIDENT: Did he, really? Where was it sent from?

Q From New York.

THE PRESIDENT: How does it work?

Q There are about fifty sets in this area, right near Poughkeepsie.

THE PRESIDENT: I guess this is not a good radio area?

Q No, but yours is pretty good.

THE PRESIDENT: We have to do an awful lot of fussing with it.

Q Down around Newburgh they sold a lot of sets. They dropped the prices way down as a sort of test.

THE PRESIDENT: Did they, really? The Hudson Highlands have something to do with reception up here.

Q Maybe. I would not want to say definitely. They claim on this observation thing -- they have a fifty-mile radius out of New York now and they hope to extend it nearer New England.

Q The engineers are trying to what they call "push back the horizon" all the time.

Q This test was around here?

THE PRESIDENT: Just on those little bit of hand sets I got much better reception on top of the hill than I did down here. I do not know why.

Q Have you any comment on the return of Bullitt?

THE PRESIDENT: Just coming back to report, that is all.

Q Anything on George Earle's reported nomination?

THE PRESIDENT: Nothing yet.

Q Is that something in the works?

THE PRESIDENT: I think so.

Q I hate to bother you too much but there was one little ceremony here yesterday that you would probably be interested in. They placed a wreath on the grave of Smith Thompson who was --

THE PRESIDENT (interposing): I was reading it. It is very interesting. Was he a member of the Constitutional Convention in Poughkeepsie?

Q I believe so, yes. He studied under (Chancellor) Kent, right in Poughkeepsie and then he ran for Governor and he, of course, was secretary to the Governor.

THE PRESIDENT: Is he buried in the rural cemetery?

Q Right down here in the Livingston burial ground.

THE PRESIDENT: He must have married a Livingston to get in there.

Q Yes, he married two Livingstons.

THE PRESIDENT: That is a joy. I didn't know that.

Q It is true.

THE PRESIDENT: It is a shame that the old Livingston house was torn down. I don't ever remember seeing it. It must have been torn down in the 90's, wasn't it?

Q They found and preserved two doors.

THE PRESIDENT: Did they?

Q They were over on Church Street for years in a couple of little old shacks. I photographed them a couple of years ago.

THE PRESIDENT: There is one bit of news of local interest: The site for the Hyde Park Post Office has not been chosen because it has to be so big that it has to include several parcels and they have not yet got a low enough price on any one of the possible sites. But the building itself is going to be a replica in stone, field stone, of the original house of Dr. John Bard, which was just above the church, above the village. It is rather an interesting type of architecture. The house was built in 1765 and I think torn down about 1880.

Q What was John to Samuel (Bard)?

THE PRESIDENT: John was the father of Samuel and they were both George

Washington's physicians. The reason that John came up here was that he married the granddaughter of old Peter Fauconnier, who was the original patentee. He was the old scalawag secretary to the Royal Governor, who picked up various grants for nothing.

Q He married the granddaughter of Peter Fauconnier?

THE PRESIDENT: And that was the Hyde Park patent.

MR. DURNO: Thank you, Mr. President.

THE PRESIDENT: Oh, you can learn so much about old history that you will be taking an examination to get on the staff of the new Library.

Q We were talking, coming up here, about buying 1500 acres and retiring from the newspaper game, and becoming country squires.

THE PRESIDENT: Why 1500 acres? Each a hundred and not see each other all the time?

Q It is a good idea.

Q Did the fire do much damage?

THE PRESIDENT: Just the scaffolding.

I will tell you, if you buy land around here nowadays and live on it and use it, it will be worth money.

Q It would be costly to get in that cemetery. Two marriages.

THE PRESIDENT: There must be some Livingstons left. You would get free burial ground.

I have figures on comparative recovery, 1932 and 1939. I do not think you want them. We can have a Conference on Monday and cut out the Tuesday Conference. Don't you think that is a good idea?

Q Grand.

Q Swell.

THE PRESIDENT: Monday afternoon, instead of Tuesday afternoon, because Tuesday I am going to be jammed. I have that whole committee coming in. Why

don't we do that and then I will work out these figures for you?

Q Right.

THE PRESIDENT: Well, don't lose too much to each other. It is all you have to do.

Q Your advice is too late. Felix Belair is the winner.

THE PRESIDENT: Take it away from him.

CONFIDENTIAL

Press Conference #621

In the Study of the President's Home at Hyde Park,
February 5, 1940, 11.30 A. M.

THE PRESIDENT: Good morning; how is everybody?

Q Fine.

THE PRESIDENT: It is a lovely day. It isn't cold and everything is
all well.

I've got that comparative thing but before I do that I want to call attention, through the Press, to the story in the financial page this morning, a report on the FDIC. Now, the reason for my doing that is that a very, very small percentage of the population ever reads the financial pages of the paper -- we all know that. But a very, very large percentage of the population have got deposits in banks of various kinds and therefore the only way of bringing it to their attention is for the President to say something about it in his Press Conference. (Laughter)

There isn't any use going into any details. You can find it in all the papers this morning. The significant fact is that from the beginning of deposit insurance, in 1933, 315 insured banks were closed. There were 877,000 depositors who had a total of deposits of \$294,000,000. and those depositors with less than \$5,000. in those banks were paid in full. Those deposits of under \$5,000. were 97.9% of the total deposits. Now, that is going some.

Finally, there should be the suggestion that they were paid off right away quick, without having to wait for a part or the whole of their money after a long period of several years of liquidation. They got their money out right off.

As I say, the reason for my calling it to the attention of the public via you good people is that most people would not know it otherwise. It is a good line. In other words, there is a certain way you can get facts affecting the pocketbooks of nearly a million people before all the depositors of all the banks.

Q As I recall it, there are a couple of proposals pending on the Hill by Steagall, Chairman of the Banking Committee, to insure deposits fully up to \$10,000.

THE PRESIDENT: That has been a proposal for a long time but I have always opposed it.

Q On what grounds, Mr. President?

THE PRESIDENT: On the ground that we are trying to protect 97.9% of the depositors and that the people who have more money in the banks than that (\$5,000) are quite capable of taking care of themselves -- which is a darned good answer.

Q It seems like you have the figures on your side this morning.

Q They can put it in thousand dollar bills and hide it in their safety deposit boxes. (Laughter)

THE PRESIDENT: Shhh. Don't speak ill of the dead. That is off the record.

Q Off the record, that was a surprising thing.

THE PRESIDENT: It is a perfectly amazing thing. Of course, in all human probability it was a perfectly legitimate thing.

Q Of course, coming from Chicago, only gangsters did that and the public is educated to that, too, by this time.

THE PRESIDENT: You will remember that we had black boxes in the State of New York once upon a time.

Q A tin one.

Q Of course that could be explained. A couple of big fees just before he came to the Senate and his life insurance.

THE PRESIDENT: Yes.. This is also off the record: It always reminds me in the old days -- I mean, way, way back -- my father always kept \$500 in gold -- this is off the record entirely -- because he said you never can tell when you need money in a hurry. Of course, in those days the banks were not insured and most of the paper money you had was bank notes. You could never tell whether the bank notes you happened to have were not of a bank which had closed up the day before. So he always kept that gold. On some days when the family ran short he would trot out some gold pieces.

In those days nobody ever had passports. When we went abroad in the early 80's and 90's, nobody ever thought of having a passport -- it is an amazing thing but nobody ever thought of keeping a passport. I never had one until the World War. And everybody kept on the bottom of his handbag or valise about twenty or thirty pounds in gold -- English sovereigns, which were accepted everywhere in Europe.

Now you have to get a passport and a letter of credit and God knows what.

Q (Mr. Harkness) Before you get to the figures, let me ask you this question: On Saturday, the Democratic State Committee of Pennsylvania, meeting at Harrisburg, (a) declined to endorse Mr. Guffey specifically, and (b) unanimously endorsed you for a third term. Have you any comment on that?

THE PRESIDENT: No, there is no news. No use asking questions; we are all tired of it.

Q (Mr. Trohan) To give you a little add: Illinois did a little thing too; a small matter.

Q You said, "all tired of it." Did you mean the question or of what is going on?

THE PRESIDENT: I think all of you are tired -- that you agree with me. Put it that way. Also, as background, let us put it this way: Your desks are very, very silly because, very obviously, when anything is said, it will be at a time of my choosing and not of their choosing.

Q It will be a good story too.

THE PRESIDENT: Perfectly fair. And we are awfully tired. We have had some grand wisecracks on the part of the Press and on the part of the President; awfully amusing but, after all, you can drive a willing horse to death, both the Press and the President.

Q We will keep on trying, Mr. President.

THE PRESIDENT: I wouldn't because -- just tell your office that you don't want to be put in a ridiculous or immature position.

Q We can't tell when we might hit your timing.

THE PRESIDENT: Well, these figures are quite interesting and there is no implication in them, one way or the other, except that about two weeks ago they came in from one of the statistical bureaus and I was so much interested in them that I got them rechecked. They are comparisons between the calendar year 1932 and the calendar year 1939 and also between the month of December 1932 and the month of December 1939. They are tremendously

interesting.

The first --

Q Are we going to get copies of this?

THE PRESIDENT: Yes. I don't know that it is even necessary to make copies. It is just this one page and I will give it to Kannee and he will show it to you afterwards.

The national income was 40 millions in 1932 and 68 millions in 1939.

Q Billions?

THE PRESIDENT: Billions, I mean. That is up 71%.

The next is a December-December figure. Wages and Salaries: in December, 1932, \$2,403,000,000 and, for December 1939, \$3,888,000,000, up 62%.

Then, even more significant, again for December, weekly payrolls of factory workers, 80 million for the month of December 1932, and 197 million for December 1939.

Cash farm income -- Poughkeepsie papers please copy -- for the calendar year 1932, \$4,682,000,000; for 1939, \$7,712,000,000 plus \$807,000,000 farm benefit payments, or a total of \$8,519,000,000, or 82% up.

Then there are two things in here that I asked about that are very interesting because these next two figures need analysis. In the calendar year 1932, the interest received by individuals was 9% greater than in 1939. Now, the analysis: the reason for that -- mind you, this is interest; it is not dividends and is not profits from corporations; it is just interest on loans, mortgages, bank deposits, etc. -- the first reason that the

interest in 1939 is 9% lower than it was in 1932 is that the interest rate has gone down and people are able to borrow money at a much lower rate than they did then. The second reason is that the total debt, the burden of debt of the country has gone down and, as was pointed out -- I think it was in my Budget Message or the Annual Message -- the total of all Government debt, the debt owed by government, isn't any bigger today than it was then, and the debts owed by individuals and corporations is a great deal less than it was then. Those were the two reasons that interest paid or interest received is 9% less now than it was then.

Now -- this is going to be an awful shock to some editorial desks -- dividends received by individuals, that is out of the profits of corporations, have gone up 55%, from \$2,745,000,000 to \$4,253,000,000, so it does not look as if everybody in business has been doing so badly.

Then your next figure is between the two years 1932 and 1939, and the comparison relates to non-agricultural employment. That does not mean, of course, just industrial employment but means the small storekeeper and the gasoline station people and services of all kinds, transportation, light and power, etc., and so on. It has gone up 28% from 27,245,000 to 34,940,000 people. That is 28% up. That includes all forms of employment except direct agricultural employment.

Then, bearing a little bit on the reciprocal trade agreements: between 1932 and 1939, 1939 shows that our exports are up 97%. That is a tough one to get around -- from \$1,611,000,000

to \$3,179,000,000.

Then, the final figure, -- my Lord, I am loading you down with this stuff; of course, you will carry all you can, but God knows what the desk will do to you -- the comparison between 1932 and 1939, the Federal Reserve Board index of production has gone up from an average of 64 in the calendar year 1932 to an average of 105 for the calendar year 1939.

Q Is that all industry, or manufacturing?

THE PRESIDENT: I think all industry, all production.

The only other note is that on that figure of non-agricultural employment that went up 28%, from 27 million to 34 or 35 million people, it does not include nearly 3 million people who had worked on WPA, CCC and NYA. It does not include them.

Now, those are pretty formidable figures to take up and try to show that the country is bust --

Q (interposing) For the benefit of my editorial desk, if not several others, can you elaborate on your statement that Government debt today is no higher than it was in 1932?

THE PRESIDENT: It is not. In other words, local debt, state debt, county debt, city debt, has gone down the full extent that Federal debt has gone up. And private debt has gone down, therefore the total debt has gone down.

Q Do your figures argue a connection between city and state and local debt and the increase in Federal debt?

THE PRESIDENT: The deduction is that the Federal Government has taken on a great many things that were formerly carried by the municipalities and the states. Well, the best example I know

of, for instance, for New York, is that in 1930, 1931 and 1932, the State of New York, when I was Governor, had to bear 100% of all relief work, all of it. We got nothing from Washington. Of course, since that time, a varying amount, depending on the year, a very large portion of that cost has been taken away from the state governments and borne by the Federal Government, thereby reducing the expenditures of the State for relief.

Q Your goal for income is 90 billion dollars, as I recall it?

THE PRESIDENT: What?

Q Your goal for national income -- didn't you set it at 90 billions?

THE PRESIDENT: I set it at eighty first. We have to go to that mark and then shoot for the ninety.

Of course, on this whole thing -- as you know from my messages, just to put it in the simplest possible terms, we are up to 70, running that average at the present time, and, of course, if we can get it up to eighty by everybody's putting as many people to work as he possibly can, it means that the Federal expenditures for relief would necessarily go down -- that is obvious -- and, at the same time, keeping our present taxes approximately, the income of the Federal Government would go up, obviously.

There seems absolutely no question at all that if we can get up to an eighty billion dollars a year income level for the nation that we would have a little better than a balanced budget. Of course a lot of people don't want to do it that way. They want immediately to cut government expenditures down in such a drastic way. If we did that we might have a repetition of what

happened in 1937 when we cut government expenditures so drastically and so fast that purchasing power was immediately affected and we had a recession -- of course it wasn't a depression -- a recession in the fall of that year that made itself felt from the fall of 1937 until the spring of 1939.

Q Mr. President, do you have any kind of a peep at what 1940 holds in store -- any prediction? Will we come near the 80 billion?

THE PRESIDENT: I don't think we want to do that. Nobody knows. There are too many coefficients in this present situation, internationally.

Q The reason I ask is that I have seen predictions that business is going to fall off during the first quarter, but the hope is --

THE PRESIDENT (interposing): Yes, you will get that from the statistical agencies in Washington. There is a new one every week or so.

Q You spoke of some bureau having prepared these figures. Can you tell which one?

THE PRESIDENT: Various ones. They are listed down here at the bottom as "sources." (Reading) "1, 2, 5, 6, 8, Dept. of Commerce. 3, 7, Dept. of Labor. 4, Dept. of Agriculture. 9, Board of Governors of the Federal Reserve System." And then, of course, the Statistical Division, Lubin's division, tying in and Lauch Currie working with them. Here is Currie's note. You can look at it but don't quote it.

I don't think there is anything else. I don't know who wrote the story that I went up to the Hill Cottage -- I didn't, but I am going up this afternoon. It is a good guess, but a bum one. I am going down to the lower woods this afternoon to

look at timber, cutting, cleaning out the woods, et cetera, to see if we can get any cordwood or logs down there that can be cut up. Then we will go to the Hill Cottage and that is about all.

Q What do you refer to as the lower woods?

THE PRESIDENT: That is down by the river.

Q Any estimates of the length of time that an eighty billion dollar national income would have to be sustained in order to arrive at a balanced budget?

THE PRESIDENT: About a year, offhand. There is a lag you know. In other words, say on the year 1940, to give you an illustration, the great bulk of the taxes on production this year don't come in, don't begin to come in until March 1941, and the great bulk of them are payable in four installments, through 1941. That is why I say there is probably a full year's lag before the Federal Treasury actually receives the benefit of it.

Q Mr. President, do you plan to come back here again this winter?

THE PRESIDENT: I think probably the old Library will need looking over again around the end of March.

Q That is coming along very well?

THE PRESIDENT: Fine, fine. They are doing the plaster work.

Q Have you heard anything more about the Vanderbilt estate and if the Government is still interested in it as a park?

THE PRESIDENT: I have not heard anything for about a month but, as I understand it, the title searchers are going on and it is hoped that this spring it will be taken over by the Government, that is to say, that portion of it lying west of the road,

west of the (Albany) Post Road.

Q What would it be used for specifically? Would it be a forest preserve?

THE PRESIDENT: No, just one of the historic places that the Government owns.

Q How many acres would that be, about 400 acres?

THE PRESIDENT: I think about 250, as I remember it.

Q Will that take in all of the area west of the Post Road?

THE PRESIDENT: Yes.

Q Have you ever had any ideas in mind as to how this big mansion can be used, as long as you are going to have a park there?

THE PRESIDENT: Well, I will tell you a story and you cannot use it.

(Laughter) You cannot, any of you, use it because it is a very funny story and I would hate to hurt anybody's feelings. I will tell you how much of it you can use afterwards. Here is the story: Of course I remember the place when it was owned by old Mr. ^[Walter] John Langdon. There was a house on it -- it was not the original house -- built about 1840, when people were all crazy about the Italian villa type of architecture. You know that (type) along the river here; it is a brick house, with a tower on one end and two stories here and one story there and three stories there, et cetera. It looks like a train of cars.

I think it was old Dr. David Hazzard who built the old Italian villa. It was a nice house in those days, painted brown on top of the brick, and plenty of room, very high ceilings, and it really went pretty well with the landscaping, it did not stick out.

RCB 4-11-56

Of course, I also think of the place as having historic value because of the Bards, who built it originally and brought trees from all over the world. Old Dr. John Bard and Samuel Bard, his son, a great naturalist, brought trees from Honolulu, Norway, France, England, Scotland, and Dr. Hazzard, who followed, brought trees from Russia and Siberia. So, it was a real arboretum and some of those trees came from almost every part of the world and were marvelous specimens. They are undoubtedly the best specimens in the United States, trees from Japan and China.

I have always thought of it as being a very beautifully landscaped place, with marvelous samples of trees, and I thought the Government ought to own it. So ~~the~~ Board came up from Washington -- not from Washington, from all over the place, this Advisory Committee, with one or two architects and one or two landscape gardeners and three or four eminent historians on it. I told them about it and said, quite casually, "Of course there is on it a marble mausoleum that does not go with Hudson River country at all. It cost a million and a half dollars and I don't know what we are going to do with it but I think, in spite of it, the place itself and the trees are worth taking over."

They came back to Washington and said, "The trees are lovely" but that the Government ought to own it because of the mansion. I said, "My God, why?" They said, "Well, it is probably the best example of the millionaire period in American history that can be found in the United States. It was built in the year 1899 or 1900. It was designed by Stanford White and Charles McKim, of McKim, Meade and White. It is an enlarged version of the

Petit Trianon at Versailles and inside there are some of the most beautiful rooms anywhere in the world today. There are all kinds of lovely paneling that came out of European palaces and some very wonderful old furniture that came out, again, of European palaces. There are a great many tapestries that are almost priceless and, because we have, luckily, been getting away from that millionaire period of American history, it should be preserved as an example, just in the same way we hope that somebody will come along some day in the Hudson River Valley and give to the Government a marvelous example of Victorian Gothic -- you know, those God-awful things we have around here occasionally, the house with towers and windows that go like that (indicating), perfectly terrible stuff from our point of view today, that Victorian architecture, but it ought to be preserved for history, for people to go and look at just as much as one of the old New England Colonial houses or Virginia country places or things of that kind. We want to get a complete, rounded picture."

They went on and said, "We ought not to stop there. We ought to get something like the amazing and God-awful Pullman Palace in Chicago, with brownstone and towers and minarets all over it, just to show the period."

So, they have listed the place up here as being of ultimate historic interest.

Now, I cannot use that because, of course, it would hurt the feelings of all the Vanderbilt family and Mrs. Van Alen, Fred Vanderbilt's niece, who is going to give it to the Govern-

A-13 - 4-5-56

ment. So there is my predicament.

The way I think I would write the story is that the Government Advisory Council was greatly interested in this place, not only because of the plantings that go back two hundred years, of these trees from all over the world, but also because the McKim, Meade and White house is one of the best examples of American country house building of the period 1899-1900.

Now, that does not hurt anybody's feelings. At the same time, that with the house, Mrs. Van Alen is proposing to give all of the paneled rooms and the furniture, which is very classic, et cetera and so on, and tapestries and pictures that were collected by Mr. and Mrs. Vanderbilt. That lets everybody out and it is perfectly true.

Q What Mr. Vanderbilt was it?

THE PRESIDENT: Frederick W.

Q Who is Mrs. Van Alen?

THE PRESIDENT: She is Mrs. James L. Van Alen, one "l" in Van Alen, A-l-e-n. She was a niece of Mrs. Frederick W. Vanderbilt. It is a very wonderful gift.

Q May I ask what consideration is involved? Do they give the house?

THE PRESIDENT: They give the whole thing. You see, it is this historic section in the Department of Interior and I think it is under National Parks. It was set up four years ago with the authority to receive by gift -- it has to be an unrestricted gift -- historic monuments, houses, et cetera, which were passed on by this Advisory Committee. They have to be O. K.'d for their interest and everything else by this committee of distinguished experts.

Q May I ask -- it does not involve Congressional action at all?

THE PRESIDENT: No. All it involves is this: The next thing is, there would be sent to the Congress an estimate for the upkeep of that part of the place. An admission fee, I suppose twenty-five cents, would be charged, and then, as it gets better known, that twenty-five-cent fee should take care of the entire cost of maintenance so that the Government would not be out of pocket on maintaining the place.

Q Do you know if there are any plans for recreational development along the river? They have a boathouse down there -- whether that would be available for yachts?

THE PRESIDENT: I doubt it at the present time for this reason, that we have got here in the county the Norrie Park and the Taconic State Park Commission has the Mills place right above that. But it is the kind of thing that if the demand should accrue in the future, there would be a reason for that. But we do not think there is a demand yet.

Q Van Wagner has been talking about the tax burden these properties put on the town. Would this be an undue burden on the town?

THE PRESIDENT: The answer, of course, is this: This is only a portion, I suppose about a third of the entire place and, in a closed condition, it is not employing anybody except a caretaker. If it is turned over to the Government it would probably employ a great many people who will build or buy homes in the vicinity and gradually, over a period of a few years, the assessed valuation of the town will increase at least as much as the deduction from that portion of the Vanderbilt place.

Well, just the same way with this Library of mine here.

There are eighteen acres. It will probably employ a total of twenty people, which means that a number of them will build or buy homes within the town (of Hyde Park) or in the City of Poughkeepsie, but probably in the town. Therefore the assessed valuations will go up.

MR. DURNO: Thank you, Mr. President.

CONFIDENTIAL
Press Conference #622,
Executive Offices of the White House,
February 9, 1940, 10.50 A.M.

THE PRESIDENT: I hear old Russ got off this morning.

Q (Mr. Godwin) Yes. He got off about ten o'clock. He is going to Key West and he will report to us. I will give you a report on it.

THE PRESIDENT: Tell him I am glad he is at Key West and not on the beach at Miami because there are too many temptations there.

And if you get any rumors -- if you think that you need somebody to watch him, we have some Marines down in the Navy Yard, the old Key West Naval Station.

Q (Mr. Godwin) Well, he has got Mrs. Young with him. Maybe she will need help.

THE PRESIDENT: She may need help, that is just it. (Laughter)

MR. DONALDSON: All in.

THE PRESIDENT: I only have one thing of importance. I will give you the mimeographed copy of this (indicating typewritten sheet in his hand). It is being put on the mimeograph now. (Reading)

"At the request of the President, the Under Secretary of State Mr. Sumner Welles will proceed shortly to Europe to visit Italy, France, Germany and Great Britain. This visit is solely for the purpose of advising the President and the Secretary of State as to present conditions in Europe.

"Mr. Welles will, of course, be authorized to make no proposals or commitments in the name of the Government of the United States.

"Furthermore, statements made to him by officials of governments will be kept in the strictest confidence and will be communicated by him solely to the President and the Secretary of State."

I think, just as a tip, that you had better just stand on that language. That is all there is to say. Using the same old phrase I used before, do not try to break it down by impossible questions. The thing states the actual fact, the whole of the actual fact, and there isn't anything more. That is really the whole thing. It is right there in those three paragraphs.

Q Will you name those countries again?

THE PRESIDENT: Italy, France, Germany and Great Britain.

Q Will there be a possibility of including Finland in those?

THE PRESIDENT: No, no.

Q You have information from these countries and from the Diplomatic Service right along, I presume?

THE PRESIDENT: Yes.

Q And while that does state the case, the question arose in my mind -- well, it sounds rather brusque -- isn't your information satisfactory up to date? I mean, do you need a new reporter?

THE PRESIDENT: You may put it this way: Suppose three or four of you were each in a separate country, an entirely separate country, probably, although you were getting everything that there was in a very excellent way from the country that you were in, it might be a good thing to get somebody to see all of the conditions in all of the countries so that one mind would be able to cover the situation instead of having four separate minds reporting on separate things.

Q Mr. President, how long may we expect Ambassador Bullitt to remain here?

THE PRESIDENT: Oh, I think a week, a week or ten days. I don't know

when he gets here.

Q Today.

Q Have these countries been approached?

THE PRESIDENT: No.

Q How long will Mr. Welles be gone, Mr. President?

THE PRESIDENT: As long as necessary to go to those places.

Q Is it a presumption that Welles will seek an audience with Herr Hitler?

THE PRESIDENT: I do not know; I do not know; it is a pure guess.

Q How long do you expect Mr. Welles to be gone?

THE PRESIDENT: As long as it is necessary to go around to those four places.

Q You have no time in mind?

THE PRESIDENT: No.

Q When will he depart?

THE PRESIDENT: Shortly. I do not know, honestly, when or which way he is going.

Q Have you advised the Congressional leaders of Mr. Welles' journey?

THE PRESIDENT: No, it is purely a matter for the President and the Secretary of State.

Q Will his office be filled by someone else here during his absence?

THE PRESIDENT: No.

Q When is Myron Taylor leaving, Mr. President?

THE PRESIDENT: I think he is going the seventeenth, is it? I think so.

Q Well, he said yesterday, sir, that you would tell us and also if there was any other -- he indicated there was something else in

connection with his visit that might be news, leaving it to you.

Do you recognize that?

THE PRESIDENT: I do not think so. I cannot think of anything, no.

(Pausing in reflection) No, I gave him a letter, that is the only thing I can think of. It is just a personal letter from me, asking him to go, with nothing else in it.

Q It may be that the date was in mind.

Q Mr. President, will Mr. Welles have with him any general message of any kind?

THE PRESIDENT: No.

Q Will he have any staff with him?

THE PRESIDENT: No.

Q What do you think of the Congressional proposal to lend Finland the money which she has paid on her debt to this country, that money to be paid for the purchase of munitions, arms or anything she may wish?

THE PRESIDENT: I don't know how many different proposals there are on the Hill. I sent a Message up there and they are still talking about it. And it has been, what? Three weeks nearly -- it has been just about a month.

Q Will Mr. Taylor go directly to Rome or to Florence?

THE PRESIDENT: I do not know. I suppose he will go to Rome.

Q Will Mr. Welles be in a position to discuss informally and without any binding your personal view or the views of this Government on a possible peace?

THE PRESIDENT: There you go. Now, do not get didactic. You have to stand on this statement "for the purpose of advising the President

and the Secretary of State as to present conditions in Europe."

Now, I have not got any idea, more than you have, whom he will talk to and what he will say and what they will say to him. Now, that is the whole thing. It is all in one sentence and probably anything you add, any of you, columnists or anything else, to enlarge on this, you will be wrong.

Q Mr. President, who will take care of the Good Neighbor policy while Mr. Welles is gone? (Laughter)

THE PRESIDENT: Well, I am inclined to think that this Administration is quite capable, as an administration, of carrying on a policy which is universally accepted on the North, Central and South American Continents. Now, put that down.

Q The Ramspeck Bill, which gives you the power to extend the Civil Service -- you are familiar with the bill, sir?

THE PRESIDENT: Not the details of the bill, only the purpose and the principles of the bill. There may be some things in there I do not approve of but the purpose is excellent.

Q The Executive Council of the American Federation of Labor, I believe, telegraphed you yesterday, asking you to make public the replies of the C.I.O. and the A.F. of L. to your latest peace gesture?

THE PRESIDENT: The very simple thing is that on October third I got an official telegram from Bill Green, from Cincinnati, Ohio. The important part of it is -- of course there is a whole lot of other stuff in here -- (Reading)

"As a partial reply thereto --"

That is to my letter to the convention -- (Reading)

"-- I am mailing you copy of report of Executive

Council American Federation Labor to convention upon negotiations carried on by committees representing American Federation of Labor and C.I.O. during past year. I especially direct your attention to last paragraph in said report which reads as follows: 'Our Committee still stands clothed with authority to function ready to resume negotiations when it is accorded an opportunity to do so. We have opened the door of the American Federation of Labor wide and completely. We have invited those who left the American Federation of Labor to return: we have urged them to come back home and settle differences within the family of labor in a sensible, honest, and fair way. In doing this we have been inspired by a genuine desire to establish here in America a solid united labor movement through which the economic social and industrial interests of the workers of the nation can be fully and completely served.'"

Well, I did not have any official or formal reply from the C.I.O. but -- I cannot give you the date, sometime last -- I guess it was before Christmas -- I asked John Lewis about the reconvening of the Committee and he said at that time -- mind you, this was before Christmas, I cannot tell you the time -- he said at that time that he did not think any useful purpose would be served by a meeting of this joint committee at this time. Now, that is pretty old news. What has happened since then I do not know. That is as of some date before Christmas.

Q Mr. President, has anybody brought to your attention any reasons why Senator Guffey might be opposed to renomination?

THE PRESIDENT: I do not know a thing about it.

Q Do you know of any reason?

THE PRESIDENT: I do not know a thing about it one way or the other.

Q There has been considerable discussion of the possibility of the S.E.C. taking over that Associated Gas receivership. Would you care to express an opinion as to whether that may be advisable?

THE PRESIDENT: Heavens, no. Isn't that in the hands of the court?

Q It is still in the hands of the court.

THE PRESIDENT: Don't you think that it might be proper to let the court decide that without an expression of opinion by me?

Q Mr. President, the papers this morning said you had talked with various Army and Navy people about the sale of surplus arms to Norway and Sweden. Would you care to say anything about that?

THE PRESIDENT: Not just Norway and Sweden but any neutral countries. What we were talking about yesterday was a checkup on what may properly be considered surplus. They are working on lists of things that can properly be considered surplus. Well, just for example, you know there is always a question. I remember back in 1913 the Navy still had tied up some old ships of the Civil War period and a lot of people said, "Oh, no, don't sell them; don't scrap them; they are not surplus." Well, we did sell them. And just the other day we dug up -- I don't know what -- 450 thousand pairs of shoes that the Army had that were bought during the World War. Well, you know I love old shoes and most people do, but new shoes that are twenty-two years old -- I do not know that I would want to buy them and would not know how long the sewing would hold together. That is all there is. It is a checkup to see what should reasonably be considered surplus or not. We have got, for example, we have got some British 75's, which we inherited during the World War and of course, even at that time, they were not nearly as good as the French 75's. I suppose we could argue for a long time as to whether they should be called surplus or not.

Q Has there been any request from these neutral governments that we

sell these surplus supplies?

THE PRESIDENT: A great many neutral governments have been trying to buy -- a great many, not just Norway and Sweden but a lot of others.

Q In view of the fact that war has not been formally declared, would Finland be considered a neutral country?

THE PRESIDENT: I doubt if we would sell guns directly to Finland because there is an armed conflict going on. I doubt it very much. I was talking about countries that are at peace.

Q That would include Italy?

THE PRESIDENT: Italy certainly is not engaging in war, is it?

Q No.

THE PRESIDENT: Well, that is the answer.

Q You have an appointment this morning with Mayor Putnam of Springfield (Massachusetts). Will you give us some idea of what it is about?

THE PRESIDENT: I have not the faintest idea. I did not know of it until ten o'clock this morning.

Q Did he request it or did you invite him?

THE PRESIDENT: Pa (General Watson) says he requested it.

Q Can you comment on yesterday's developments in Wisconsin where a slate of delegates was filed?

THE PRESIDENT: I have not any word at all except what I read in the papers and I don't know what the law is.

Q As ex officio Mayor of the National Capital, if you follow events you will find that Mrs. Roosevelt has exposed what a great many of us close to the ground have known for a long time as bad conditions in certain welfare institutions. I don't want to drag it

out but have you any knowledge of that situation, and have you anything to say about it?

THE PRESIDENT: Well, I have, as you know, for a good many years felt that the institutions of the District were not in good shape but, after all, the District Government is so dependent on the Congressional Committees that I have hoped that the Congressional Committees would learn about these conditions at first hand. What was it, two years ago that we looked into that institution for the delinquent girls?

Q Yes.

THE PRESIDENT: Well, of course the conditions were terrible and I don't think anything in particular was done about it.

Q Nothing, except changing the head, but nothing has been done.

THE PRESIDENT: Nothing. And yet here you have two Committees that are primarily responsible for doing something about it.

Q The Committees get their information from the District Commissioners.

THE PRESIDENT: Why don't the Committees who are right here in Washington go and see with their own eyes?

Q That is the real point.

Q This economy move in Congress seems to be pretty well developed now. Will you comment on it?

THE PRESIDENT: No. You see, I have not a single bill come down to me yet. I think one bill has passed both Houses and is on its way down, but only one.

Q They made something like a \$66,000,000. cut in the farm bill and a \$50,000,000. cut in the independent offices.

THE PRESIDENT: Yes.

Q Mr. President, do you think that organizations in this country should throw out members who are also members of the Communist Party?

THE PRESIDENT: Maybe you will know more about it tomorrow.

Q You speak tomorrow, sir?

THE PRESIDENT: Yes.

Q What time is that speech, Mr. President?

THE PRESIDENT: I do not know.

GENERAL WATSON: 12.30, sir.

THE PRESIDENT: 12.30. It has not been written either.

Q Any chance that Mr. Welles will attempt to find out, by personal knowledge, the conditions in Poland?

THE PRESIDENT: All I can tell you is just this (indicating typewritten release). If you get down to the details, you are sunk.

Oh, there was one thing. I got Lauch Currie to check up on those figures that I talked about on Monday at Hyde Park. Of course, the record, the stenographic record, shows that I talked about private debts in with Government, local, state and municipal government debts. Obviously, of course that was necessarily so, and the actual figures do prove that the total debt of the Nation as a whole is less today by a few million (billion) dollars than it was in 1932, and therefore there is -- I do not think that there is anything very much more to add.

Q That would include all Government and all private debts?

THE PRESIDENT: Yes, of course.

Q In that connection, the only figures I have found on private debt are those that were put out by the A.A.A., that report which shows that the total debt, public and private, is \$9,000,000,000. higher

today than it was in 1932.

THE PRESIDENT: No, because that report duplicated quite a number of things.

Q Where can we get a reliable --

THE PRESIDENT: (interposing) Oh, ask Lauch Currie about it.

Of course that raises a nice question as to what is debt. What is debt? Well, now, just the simplest thing in the world, and I have used this illustration before, many times, as to the proposition of honorable statement. Suppose you borrow \$10,000. and have assets of \$100,000. Is it a fair thing for me to go around town saying that, "By God," you owe \$10,000., that you are in debt \$10,000.? Probably you could not open an account at a new store if that was the only half of the story that was told. Now, that is a very, very simple proposition because it involves a question of honesty. If the total Government debt, the Federal Government debt, is called \$40,000,000,000. or \$42,000,000,000., is it fair to stop there? It is a nice question. Is it a fair, honorable thing to do? And yet you see it, day after day, in print. Frankly, I do not think it is quite honorable. Now, these figures, of course, are based on net debt. They are based on not duplicating things. It is the same old story. But the fact remains that the population has gone up quite a lot. I do not know -- I do not know -- actually we will not know until later on this year as to what the population has gone up since 1932 but I imagine it is six or seven percent, at a guess. Don't you think so?

MR. CURRIE: Yes.

THE PRESIDENT: The population has gone up six or seven per cent. That

means, actually, it is six or seven per cent larger and yet the total debt of the United States in dollars is less than it was then.

Q Are you talking about debt or net worth?

THE PRESIDENT: What?

Q What I mean is, when you say debt, are you subtracting from the Federal debt the gold the Federal Treasury has, etc.?

THE PRESIDENT: I don't follow it.

MR. CURRIE: The net Federal debt subtracts the cash on hand and the gold and the proprietary interest, and if you do that also with states and municipalities, and take off the duplication of the Federal agencies being covered twice in the A.A.A. figures, you have a three or four billion dollar decrease.

THE PRESIDENT: Three or four billion dollars less debt.

Q What do you mean by the Federal agencies being counted twice?

MR. CURRIE: It includes both the guaranteed debt owed by the agencies and also the private debt owed to the Federal agencies. It is an obvious case of duplication. These figures are being revised now.

Q Do you take credit for all the properties owned by cities?

MR. CURRIE: No, just their cash and sinking funds.

THE PRESIDENT: No, not any more than you take credit for the national parks and public lands owned by the Government. You apply the same rule.

Q Are there any figures available to show how much private debt was wiped out in bankruptcy and similar proceedings during this period?

THE PRESIDENT: I suppose so. I have never seen any of them, have you?

MR. CURRIE: No.

Q How much money have you collected back from the Government agencies that you mentioned in your Budget? I think it was \$700,000,000. that you expected to get back this year. Has that money been rolling in? Can you tell us how much?

THE PRESIDENT: No, I do not think that comes in until the beginning of the new fiscal year.

MR. GODWIN: Thank you, Mr. President.