

CONFIDENTIAL
Press Conference #657
Executive Offices of the White House,
July 2, 1940, 4.15 P. M.

THE PRESIDENT: Where were you the last time?

Q (Mr. Godwin) I was at Philadelphia -- remember that? (Laughter)

THE PRESIDENT: Oh, yes.

Q What for?

THE PRESIDENT: Some people went to Philadelphia and got back Friday morning
for the Press Conference?

Q Well, then, they didn't do their duty.

Q (Mr. Godwin) I had to go to Atlantic City.

THE PRESIDENT: Had to go?

Q (Mr. Godwin) Yes.

THE PRESIDENT: I see. What assignment did you have there?

Q (Mr. Godwin) Meet my wife.

Q That is a "must" assignment.

THE PRESIDENT: I think in French the word "assignment" and the word "assignation"
are the same. (Laughter)

Q (Mr. Godwin) Don't look at me. (Laughter) Don't look at me.

Q Mr. President --

THE PRESIDENT (interposing): I am just ruminating -- just ruminating. (Laughter)

Q (Mr. Belair) It is a good word for it.

THE PRESIDENT: It is a good name. It is a good name. In Greek they have a
word for it.

Q Yes.

MR. DONALDSON: All in.

THE PRESIDENT: I have got very little news. I signed today H. R. 9850.

Steve (Mr. Early) -- you needn't take this all down -- Steve has got it for you outside. It is a bill to provide legal authority (reading)

"for the control of exports from the United States of munitions, materials, and machinery essential to our national defense. A proclamation issued under this authority --"

which I also issued five minutes later,

"-- sets up the controls considered necessary at this time.

"The items and materials listed in the proclamation include certain strategic materials as well as semi-finished products and machine tools of which there are actual or prospective shortages as a result of the National Defense program.

"The Materials and Production Divisions of the National Defense Advisory Commission are collaborating with the Administrator of Export Control in the determination of the items to be controlled and the extent and character of the controls to be exercised.

"While the control of exports is primarily a national defense matter, the Department of State provides the machinery for the actual issue of licenses under which any controlled items are released for export."

In other words, all these items -- the export of them -- is not forbidden but hereafter they have to be licensed.

And I also signed and issued the following Military Order:

"The administration of section 6 of the act of Congress entitled 'An Act to expedite the strengthening of the national defense' approved July 2, 1940, is essentially a military function, and by virtue of the authority vested in me as President of the United States and as Commander-in-Chief of the Army and Navy of the United States, I hereby designate Lieutenant Colonel Russell L. Maxwell, U. S. Army, Administrator of Export Control to administer the provisions of the said section under the direction and supervision of the President as Commander-in-Chief of the Army and Navy of the United States."

And then follows a copy of the Proclamation, with a whole long list --

a page and a half -- of items, most of which will mean nothing to you at all

Q Mr. President --

THE PRESIDENT (interposing): Don't ask me what dimethylaniline is because I do not know. What were you going to say?

Q Mr. President, will the "Champ" accept Mr. Willkie's challenge?

THE PRESIDENT: What? (Laughter) I didn't get that.

Q He said, "Will the 'Champ' accept Mr. Willkie's challenge?"

THE PRESIDENT: I don't know what he is talking about. (Laughter)

Q Mr. President, Mr. Wendell Willkie said a day or two ago that in the November election he would like to meet the Champ. The word, the term "Champ" being taken generally to indicate you. Will he be accommodated?

THE PRESIDENT: I don't know -- I hadn't read it. (Laughter)

Q Mr. President, there was a champion once named John L. Sullivan who, on being interviewed about his chances, said, "All I need to lick that guy is a shave and a haircut," and, if I am not mistaken, you got a good haircut just now. (Laughter)

THE PRESIDENT: I also wish you would say something about my shave. (Laughter)

Q Those are symbolical possibilities.

Q Mr. President, getting back to H. R. 9850, I believe there was a provision there to enable you to suspend the 40-hour week for employees and others engaged in production for military use. Any prospect of action on that soon?

THE PRESIDENT: I thought I had that power before?

Q I know; it is in this bill also.

THE PRESIDENT: No. You see, the whole point on all this is this: I have had, oh, a number of people from the Army and a number of people from the Navy and they have said, "We cannot get enough mechanics in the Navy Yard or an arsenal. Please let us work 48 hours a week -- two shifts."

I said, "Listen, the general policy for arsenals and navy yards is the same policy for industry and that is a 40 or 42-hour week." Some trades are 42, most of them are 40. I said, "You come back to me if and when you Army and Navy people, plus industry, have assimilated the people

from the unemployment rolls and talk to me again, if we need it then."

It is a very practical thing.

And, incidentally, I held out a bait to them. I told them that if we could save a billion or a billion and a half of unemployment payments by putting those people to work that I might recommend to Congress that that money be used for national defense. But it is up to them first to put them to work.

Q Those instructions assume, do they not, the availability of skilled labor on the relief rolls?

THE PRESIDENT: Yes, and of course the law has always been -- for instance, a month ago in one of the Navy Yards they said they couldn't find enough, locally, enough of one trade, rather specialized, highly skilled trade, and they advertised in the papers to see if they could get twenty-five or fifty men in this trade and nobody answered. Then they asked me to let them work forty-eight hours in that trade. They said it was a bottleneck. I took it up with two sources, one was the Employment Service and the other was the International Union of this trade and we dug up the necessary twenty-five or fifty people in two or three days.

Of course, one reason for it is this: Well, I was talking to Dan Tobin the other day. I said, "Dan, hasn't there been a great deal of shifting around since 1929 of people who had a trade and went somewhere else?"

"Well," he said, "fifteen minutes ago I was driving down here from the station in a taxicab and the taxi driver said, 'You are Mr. Tobin, aren't you?' and I said, 'Yes.' He said, 'You know, I am a machinist and,' he said, 'do you suppose I am really needed in this national defense thing? I have been driving a taxicab here in Washington for six or seven years. If I am needed in national defense as a machinist, I will go.'"

A great many people -- I have up in the country, I have a local painter, house and barn painter. Well, he was once a machinist. He is ready to go back and become a machinist if he is needed. A great many people, because of the depression -- they were highly skilled in one trade or another -- have gone back into something else and what we are trying to do is to get those people as we need them back into the trades in which they were originally apprenticed and worked at in their younger days.

I am not very much concerned about it yet. Later on we may need longer hours but certainly not at the present time. We want to absorb and employ a million unemployed.

Q Was it the Machinists' Union, which you spoke of, here, in reference to the Navy Yard?

THE PRESIDENT: No.

Q Can you give us some comment on either the platform or the candidate put up by the Republicans?

THE PRESIDENT: No, I do not think so.

Q Either or both?

THE PRESIDENT: I have been working.

Q Mr. President, in that connection, the Democratic Convention is two weeks from yesterday. Is it to be expected that before that time there will be any statement whatever from you as to your availability for this job?

THE PRESIDENT: I am not even a minor prophet.

Q Have you any plans for the week beginning July fifteenth?

THE PRESIDENT: I rather expect to be down here that week end and probably down the Potomac and I will be at Hyde Park, I hope, this coming week end.

Q Will you be within reach of a telephone?

THE PRESIDENT: I do not think so. We haven't got a radio telephone.

Q Can you give us any information concerning the visit of Mr. Soong, the banker of China? I believe he had lunch with you.

THE PRESIDENT: I do not think so. It was a large part social. He is a very old friend of mine and we talked about various world affairs.

Q Mr. President, from what you said, I take it Mr. Tobin accepted your appointment?

THE PRESIDENT: No. The arrangement is this: Mr. Tobin feels that he has a great deal of work to do which he can't very well leave permanently but I think he is going to come down here for about thirty days to do leg work and odd job work in this more or less preliminary period -- help out in various things. But I doubt if he feels he can stay much longer than the thirty days.

Q Does this present split in organized labor threaten to impede the national defense program? I mean, from what you have already found?

THE PRESIDENT: No. No.

Q Mr. President, will Mr. Tobin have the status of Administrative Assistant during that 30-day period?

THE PRESIDENT: Oh, I suppose that is as good a title as any.

Q Mr. President, the administration of this Embargo Bill in line with national defense, will that be a blanket embargo or a selective embargo?

THE PRESIDENT: It is not an embargo, it is a licensing system.

Q That includes scrap iron, Mr. President?

THE PRESIDENT: I do not think it does.

Q The last section authorizes an Executive Order to issue the embargo?

THE PRESIDENT: I do not think it includes scrap iron. I do not see it. I do not think so because the scrap iron situation in this country is pretty good. In fact, it is so good that when I asked the Advisory Council to check up and see whether it would be a good idea to have a pickup campaign

in every town and every home in the United States, they checked it over pretty carefully and they reported back they saw no need of it at the present time.

Q Mr. President, I would say, from the viewpoint of the Chinese Government the scrap iron situation is too good, isn't it?

THE PRESIDENT: Oh, I do not think it makes much difference one way or the other. I think -- I would have to say this off the record -- I think that as a matter of practical fact, Japan has all the scrap iron she needs, even if we cut off supplies from here.

Q Mr. President, is there any development in the process of shifting strategic defense industries toward the interior of the country?

THE PRESIDENT: Yes. I think they are bearing that in mind all the time. It depends a little bit, of course, on the plant and the industry. Where there are to be new plants located, we are going to try to put them in the interior of the country, but where it is a question of adding a 10 or 20 per cent addition to an existing plant on the seaboard and not a sufficient addition to warrant the setting up of a new plant, we will probably add to the plant which is already in existence.

Q Are Government funds being used to assist that?

THE PRESIDENT: Oh, yes; in several ways. Sometimes it is private capital wholly, sometimes it is part private and part Government and sometimes it is wholly Government capital.

Q Mr. President, a few days ago you said you would be ready to talk to Mr. Willkie. Have you invited him to come here?

THE PRESIDENT: Oh, you cannot make much of an episode out of that. I see some people who try to. You all know exactly what the situation is. Just as normal as anybody else coming to see me and that is all.

Q Now that the Fleet is back --

THE PRESIDENT (interposing): Who was it wrote themselves out on a limb on that? (Laughter) Almost everybody. (Laughter)

Q (Mr. Godwin) What was the limb?

THE PRESIDENT: The Fleet going to Panama. Did you get off on that too?

Q (Mr. Godwin) I don't cover the Fleet. (Laughter)

Q Is anything to be said to clear up the mystery as to how this story originated? It was attributed first to the wives of Naval officers?

THE PRESIDENT: Oh, no! Oh, no! Don't -- now, really, don't pass it off on innocent women. You know where it originated. It originated where somebody thought it was a good news story that might come true and if it had come true, the writer would have had a lot of kudos, only it just didn't happen to come true. So don't blame it on the wives. That is not done.
(Laughter)

MR. GODWIN: Thank you, Mr. President.

CONFIDENTIAL
Press Conference #658,
Held in the Franklin D. Roosevelt Library
at Hyde Park, New York,
July 5, 1940, 10.15 A. M., E. D. S. T.

(The President took the members of the Press on a tour of inspection of the Library).

THE PRESIDENT: These are the secretarial offices This is the room of the Archivist in charge. This is where the head man will hold out.

Q Very nice.

THE PRESIDENT: And then there are the Secretaries' rooms in there and then down below, directly under this, there is a series of stenographic rooms and card index rooms and things like that This next room is the Dutchess County Room.

Q It is like a ship's deck. (Referring to the flooring)

THE PRESIDENT: This is one of the exhibition rooms. Where is the Dutchess County representative? There you are. This will be the Hudson River Room with everything that is to be displayed. The manuscripts, of course, will be kept over in the special Stack Room. Don't you think that this will be nice?

Q Yes.

Q Where is your room?

THE PRESIDENT: We are coming back to that ,.....

Then this is the Naval Room for models and prints. Look, get them (the Press) all in here so they will all know it. That (indicating a bust) is off the record. Nothing is to be said about it because the sculptor sent it up for inspection and it has not been inspected yet and you might hurt his feelings if you mentioned it at all. They wanted to know if I would like to have it boxed up today so you would not see it. I said that

I trusted you This is the main Exhibition Room and it will have pictures of various kinds, paintings and also glass cases to show various things that have been given to me by the prime ministers of foreign governments and things of that kind which, of course, I cannot accept as personal things -- they belong to the Government These cases here (indicating cases built in along the wall) are for all kinds of small bric-a-brac, et cetera and so on, that have been given to me This (indicating the far corner room) is the Study Room.

Q What for, research?

THE PRESIDENT: Research, and then there is another one upstairs, above this. There is no particular reason for you to go upstairs. It is the third story and mostly open. It has two study rooms in it and then the rest of it is open. That will be used as needed.

Q Where will the stacks be -- the files?

THE PRESIDENT: Right across (indicating)

The next room is the Index Room. This is the card index room, the classification room You can see in there, into the stacks -- right in there (indicating). Go right in there. It goes up three full stories of stacks. Six million documents, between six and seven.

Q How many books?

THE PRESIDENT: Oh, I would say around 10,000. That is to say, the run of mine, the historical books, the books on government. That does not count the pamphlets.

Q I had an idea there were 40,000.

THE PRESIDENT: Wait a minute. That does not count the pamphlets. It is always difficult to differentiate between a book and a pamphlet. There will be another 15 or 20 thousand pamphlets and that does not count the Naval collection. There will be about 7,000 Naval books and about 20,000

Naval pamphlets -- just U. S. Naval. So, you see, it will take an awful long time to get those individually catalogued. I will be not until next spring sometime before we can open it up to the public.

Then, of course, on the manuscripts, the letters and documents -- I don't know -- I suppose that may take four or five years. Of course, it will be a relatively small staff, only about three archivists and three or four stenographers and typists.

Q What can you do, sir, with certain important Proclamations that would have to stay in Washington?

THE PRESIDENT: Oh, they do. They go right to the State Department. All the original Proclamations go right to the State Department.

Q Are you going to have a little study of your own?

THE PRESIDENT: I will take you in there last. This (indicating) is the Stack Room. It goes up three full stories

And now we go over here. Bill Moore, where are you? Bill, take them down and show them through there.

(Mr. Moore took the correspondents down to the lower floor where he showed them an ice yacht which had been owned by the President's uncle. He told the Press that it had carried 1,000 square feet of sail and that it had won three world championships. He also showed them an ice yacht, much smaller, which had been owned by the President. He also showed them a sleigh which had been given by Alexander the Great to Napoleon the Third and which the President's father had bought in Paris for an insignificant amount.)

(The correspondents then returned to the President's office in the Library, where the balance of the Press Conference was held.)

THE PRESIDENT: How do you like the Dutch tiles? (Referring to the tiles around the fireplace)

Q Very nice.

THE PRESIDENT: This is to be my room and there are going to be pictures and books, et cetera, and cupboards underneath for various things,

We managed to find some old Dutch fish tiles, which are rather amus-

ing, for the mantelpiece. Some of those fish are, I am afraid, mythological but it is all right. We have not found them on our trips yet.

Downstairs -- I guess Bill Moore told you about them; he knows a lot about them now. The big iceboat -- this is probably the only place in the world where original iceboats will be preserved. The big boat was my Uncle John's "ICICLE," which won the world championship three times and was in Class I, which was the biggest class of iceboats.

The little one was the first Class VI lateen that was ever built. It was the first and only iceboat -- ice yacht, they called them -- I ever owned. And if you know anything about sailing, that lateen ice yacht was probably the first effort toward what is now known as the Marconi rig -- same principles and sails.

And then, what else? One sleigh down there is quite interesting. It is a sleigh that was given by the Emperor, Alexander the Second, of Russia, to Napoleon the Third, Emperor of the French. After the fall of the French Empire in 1871, following the Siege of Paris and the Commune, there was a sale of all of the Emperor's stables and my father happened to be in Paris at the time and bought it, I think for fifteen dollars which is rather interesting. We have used it up to a few years ago.

Then, one of the other sleighs is the Quebec sleigh that belonged to my great grandfather, dated about 1840. Then the big three-seater, the Montreal sleigh, is one that my father bought when I was five years old. It was a big family sleigh.

And then the old carriage, that was given to my grandmother by her family, the Aspinwalls, when she was married in 1827 and she drove up here to Hyde Park in it.

Q Who was that, that marriage?

THE PRESIDENT: Aspinwall.

And then we have coming down here for these exposition rooms one or

two other old Dutchess County carriages and sleighs that are of historic interest. One of them goes back to about 1790. I have also got the promise of a number of very old farm implements, such as the machine that you made candles on, and an old wool-carding machine, and an 1810 plow -- things of that kind -- so it will really represent the kind of collection down there that is too big to put upstairs and, at the same time, has definite relationship to Hudson River history.

AS I told you yesterday, I have 32 cases of books packed and I think 10 or 15 cases of models and 3 or 4 cases of prints in Washington and then they are bringing down, next week, the Governorship papers that are in 60 packing cases, so that the staff will have plenty to do to get these things set up on display and begin the cataloguing of all the papers.

I think that is about all.

Q May I ask you if there is anybody that is sort of in charge of the physical property here, who I might know -- I mean, a local person?

THE PRESIDENT: We haven't got that definitely decided. There will be one of the assistant archivists, preferably somebody from Dutchess County, who will have charge of the Hudson River collections but I am using Miss Helen Reynolds' services as consultant and this thing will be set up, more or less, under her supervision. She knows more about the County than anybody else.

MR. EARLY: Some of the newspapermen thought you were being facetious yesterday when you told them some of your papers would have to be sent to Washington to be deloused.

THE PRESIDENT: Of course, in starting a new building they have to be very careful not to get the various animals in that attack books and papers. For instance, the Governorship papers have been up in Albany for nearly eight years, in the basement of the Capital, and it is perfectly possible

while they have all been in boxes, that silverfish, three-quarters of an inch long and a sort of centipede, that eats paper, may have got into them, or worms, so we will send them right down to the Library of Congress where they put them into a gas chamber. We talked about having one here but they cost too much. So they will be trucked to Washington and put in a gas chamber. The process is that you take out the air first, create a vacuum, and then put in this particular kind of disinfectant gas, under pressure, and you do not even have to take the things out of the box. You take the lid off the box and the pressure of this gas is sufficient to force it through all the papers, even through the pages of a bound book. It is absolutely foolproof and we don't want to bring anything in here that is not perfectly safe. We don't want any eggs that will hatch. That has been done with everything that comes in here, even the books.

Q That is the Library of Congress?

THE PRESIDENT: The Archives.

And then, downstairs, we will have here, eventually, a photographing room, that will photograph on these new micro films so that you can take any long manuscript, for instance of a thousand pages, and photograph them, feed them right in, into a regular feeder, like a press, and they are photographed on the micro films. Then that micro film is sent around -- you make any number of copies you want of it -- to different libraries all over the country so that they get copies for their historical research, either through a microscope or by having the individual pages blown up.

Then there will probably be a Repair Room so that we will be able to repair books and put on simple new bindings and make cases and things of that kind.

Q Mr. President, are you working on the Defense Message up here this week end?

THE PRESIDENT: On the what?

Q On the supplemental Defense Message?

THE PRESIDENT: No; I haven't had any figures yet. I thought I would have them yesterday but I suppose they will come today.

Q Do you expect the recommendations to go up to the Hill on Monday?

THE PRESIDENT: I hope so but we are not certain. In other words, I have to wait until I get the figures. The Army figures are about three-quarters done; the Navy figures, when I left, had not been totaled.

Q With relation to national defense, is there anything that occurs to you that Dutchess County -- I mean, in a manufacturing way -- would be particularly suited to do or perform? Anything you could suggest as to what Dutchess County may do outside of training in specific skilled trades?

THE PRESIDENT: The only thing I can tell you, you cannot print.

Q May I hint?

THE PRESIDENT: No, I think not. There is some stuff being made in the County but it is just as well it should not be known.

Q Mr. President, Mr. Hoover and various other people have been talking about a unified control for national defense. What do you think about that?

THE PRESIDENT: We have it.

Q I rather imagine that they still are --

THE PRESIDENT (interposing): Oh, well, that is political; everybody knows we have it.

Q Mr. President, can you comment at all on the naval clash between Great Britain and France?

THE PRESIDENT: I guess not.

Q I had in mind, perhaps, how it might be brought home to us in that they both have naval units in the Caribbean?

THE PRESIDENT: No. We haven't got any news on it and anything I said would be

speculative. God knows we are getting enough speculation without my adding to it.

Q Mr. President, to continue your thought about unified control, you feel that the Defense Commission is working out pretty satisfactorily in getting these orders and contracts?

THE PRESIDENT: I suppose probably the best thing to do would be to ask them. I can tell you one thing, off the record, but just for your guidance. It has to be off the record. There have been a great many efforts made with the members of the Advisory Committee to bring them into a political picture, to try to persuade them that they are dissatisfied. Of course, they have not fallen for it and, of course, it has purely a political motive. These efforts have come from certain political sources and certain press sources -- I might say political-hyphen-press sources. We do not have to specify; John (Mr. O'Donnell) knows. I think all you have to do -- this is off the record -- is to ask the direct question of all seven members as to what they think about it and then print what they say. I will leave that case in their hands. But we know that there have been, definitely, people who have tried to sabotage the whole thing by trying to get some expression that they were not satisfied. You go ask them -- that is the easiest way to put it.

MR. EARLY: They can get it when we get home.

THE PRESIDENT: But it is rather an interesting commentary on people who are talking about unity for the Nation.

Q That is a very good story.

THE PRESIDENT: I know it. It has to be off the record. You go ahead. That is an off-the-record tip. Now you fellows can go and build it up, but I am not sure your papers will print what you write. You know that, too.

Q When the Defense Message goes up, will that complete the defense program?

THE PRESIDENT: I hope so. But, of course, you have to bear this in mind:

This thing changes all the time -- the whole picture depends on world events. Last April we had something which, from our knowledge of world events, might have satisfied us then. That was, after all, only two months ago. That was a complete program but, as we know, it was out of date by the end of May. What we figured on at the end of May has had to be supplemented between then and the fifth of July. As far as I can tell now, there won't be anything beyond this Message that goes up next week. That is subject to any change in world conditions.

Q The morning papers say that Willkie will be in Washington Monday to see Senator McNary and then, on Tuesday, there will be a reception for Republican members of the Congress. Have you invited him? Do you intend to?

THE PRESIDENT: I will simply have to repeat what I said at the last Conference -- read it. It was carried in the papers.

Q Have any efforts been made to secure permission to use American craft to evacuate children from the British Isles?

THE PRESIDENT: Not that I know of.

Q (Mr. O'Donnell) That just came up to my mind because I am arranging to bring two children myself.

THE PRESIDENT: You had better ask Norman Davis and the State Department.

Q They did not go on the WASHINGTON. This is an English girl of seven --

THE PRESIDENT (interposing): There again is another off-the-record story. I have to be very much off the record on these things. When we sent the first ship over there, it was supposed to take everybody back, every American, but Joe Kennedy knew there were still thousands.

Q In September there were 15,000.

THE PRESIDENT: Then we sent the ship to Galway and she took every American

that wanted to leave. And then, suddenly, a whole lot of Americans in England said, "We will be much better off at home," and suddenly there was a demand for 3,000 passages, so we sent another ship. I do not know whether there will be any more.

Q I meant that those are restricted to Americans?

THE PRESIDENT: It is not up to me to talk about Americans who prefer to live on the other side until bombs come dropping down.

Q Not Americans -- I was speaking of English children.

THE PRESIDENT: As far as I know, John (Mr. O'Donnell), there are no arrangements being made for any American ships going for children, but you had better check with Davis and the State Department.

Q Off the record, last January -- I think it was January -- you spoke about certain long-range peace objectives you had. Have we given up hope on that?

THE PRESIDENT: I would not say we have given up hope. Nobody can tell what will happen. Those peace objectives are still as sound today, from the point of view of democracies, as they were then.

Q I have read everything you have said on foreign affairs, speeches to the Congress and formal statements. I have also read what Secretary of State Hull had said, speaking of those peace objectives the other day, and putting the two together, I think I find four objectives there. The first would be to prevent aggression --

THE PRESIDENT (interposing): Let me put it this way for you and then let me know if there is anything else. There is no question -- this is really an amplification of what I said yesterday afternoon when we read the Declaration of Independence: Today the world is facing a very definite upheaval because certain new systems of Government have arisen to such an extent that they already control and are seeking to enlarge their

control over a very large portion of the world's population. It is a system of government which denies certain fundamentals that Americans were the first to seek and establish. In other words, going back several hundred years, the thought that some form of representative government was advisable in order to check tyranny by individuals, kings or barons or whatever it might be, conquerors, and to assure certain individual rights.

In 1776 we began to establish those -- this new form of representative government, which was based on three -- they call them checks and balances but probably that is a pretty weak term; three fundamental agencies is a better term -- an Executive, a Legislature and a Judiciary.

Well, it is -- I call it almost an American invention because, while it had been talked about philosophically by various writers before 1776, we were the first people to put it into effect. Other countries followed. They established a triple control of government. Sometimes they retained or added a king who, however, was more a symbol of unity than a person wielding real power. That was called the parliamentary system but, essentially, under the parliamentary systems you have the three agencies -- you had the Executive, which was the Prime Minister and his Cabinet, you had the Parliament of freely chosen legislators and you had the Court. Today those have been threatened all over the world. A great many have been ended by conquest and they have set up a new form of government which is based essentially on the elimination of two of the safeguards of representative democracy. It is called by various names; probably the easiest name, as a symbol, is the corporate state. The corporate state -- we think of Italy but it applies equally to Germany and Russia -- is extremely efficient. It has abolished two of the three safeguards of democracy, the Legislature and the Courts. It puts the supreme power into

a group, in some cases very small, in some cases very large, which exercises administrative functions and there are no legislative functions and there are no court functions. And it is efficient. And there are a large number of Americans, I am sorry to say -- not proportionately to the population but still a large number of Americans -- who are willing to consider, because of its efficiency, the corporate state.

The efficiency of our system of government is not as great as the corporate state because there are delays and compromises which are inherent in any democracy. The Executive, properly, cannot pass laws; that has to be worked out in conjunction with the Legislature, called the Congress, and in working it out it takes a long time for it to spread, sometimes, at the least, several months and, at the most, a good many years. And then, after that has been done and your legislation, through the process of compromise, has been passed, you still have another place to go and that is the courts. The best example is the income tax law which was passed in the Cleveland Administration, by agreement between the Legislature and the Executive, and was held unconstitutional by the courts. And then, after a long period of years, I think twelve or fifteen years, under our process of constitutional amendment was passed where an income tax law was passed, based on the amendment. There was your lag of between fifteen and twenty years.

In the State of New York the Workmen's Compensation Law was passed under the Hughes' Administration. It was declared unconstitutional. Some four or five years later, under the Dix Administration, a constitutional amendment was passed and we got a Workmen's Compensation Act.

That represents the lag, the time lag, in a democracy. It is not based on inefficiency of executive departments because one of the -- I won't mention any names -- because one of the best known industrialists

in the country who has been in Washington five or six weeks said to me the other day, "The thing that amazes me is the fact that the departments of the Government, from what I have seen of them, are as efficient as any large corporation. That seems to me an amazing thing."

The delay is because of the compromise necessary in working things out constitutionally between the three different agencies. There are a lot of people in this country who object to that time lag and, unthinkingly, play into the hands of the people who advocate the corporate state. In so doing they are, in effect, saying to this country, "We are perfectly willing to give up certain essentials in order to become efficient."

Now, I come down to your questions: The first is -- you might say there are certain freedoms. The first I would call "freedom of information," which is terribly important. In other words, it is a much better word than "freedom of the press" because there are all kinds of information so that the inhabitants of a country can get news of what is going on in every part of the country and in every part of the world without censorship and through many forms of communication. That, I think, is one of the objectives of peace because you will never have a completely stable world without freedom of knowledge, freedom of information.

The second, of course, is freedom of religion which, under democracies, has always -- not always but almost all the time -- been fairly well maintained and is not maintained in those nations which have adopted other systems of government. I don't know how John O'Donnell likes this, but it is all right. You have to take it as it comes, and that, in my mind, is an essential of permanent peace.

Then, a third freedom is the freedom to express one's self as long as you don't advocate the overthrow of government. That is a different

thing. In other words, the kind of expression that we certainly have in this country and that they have in most democracies. That, I think, is an essential of peace -- I mean permanent peace.

Fourth, freedom from fear, so that people won't be afraid of being bombed from the air or attacked, one way or the other, by some other nation. And, of course, we have maintained all along that freedom from fear must be based on a removal of the weapons that cause fear -- in other words disarmament. And that is an essential of peace.

And so the question really comes down as to whether we are going to continue to seek those freedoms or whether we are going to give up, at the behest of certain elements, give up those freedoms in our system of government or encourage by lack of opposition -- I don't mean armed opposition -- encourage those nations which have removed those four freedoms in the interest of a greater efficiency of government -- a "temporary efficiency," I might say.

Does that cover it pretty well?

Q (Mr. Harkness) Well, I had a fifth in mind which you might describe as "freedom from want" -- free trade, opening up trade?

THE PRESIDENT: Yes, that is true. I had that in mind but forgot it. Freedom from want -- in other words, the removal of certain barriers between nations, cultural in the first place and commercial in the second place. That is the fifth, very definitely.

Q I hadn't got to freedom of expression.

THE PRESIDENT: There are a great many people actually in this country who are so "hipped" on the efficiency of the new type of government that, as I say, they are willing to compromise, willing to keep their mouths shut, they are willing by silence to give the impression of acquiescence. That is a good line.

Q Does that group of people centralize in any particular group in the country?

THE PRESIDENT: Oh, no; I am just talking philosophically, not politically.

I have got to go. I am awfully late.

Q Thank you, Mr. President.

CONFIDENTIAL

Press Conference #659

Executive Offices of the White House,
July 9, 1940, 4:14 P. M.

THE PRESIDENT: (addressing Mr. Claude Mahoney of the Wall Street Journal)

Well, I understand you think I am dishonest. (Laughter)

Q (Mr. Mahoney) How is that?

THE PRESIDENT: I understand you think I am dishonest.

Q (Mr. Mahoney) You? Dishonest? Oh, no.

Q (Mr. Godwin) You say he thought you were dishonest?

THE PRESIDENT: Yes. He said it in the press conference the other day.

(The conference with the Postmaster General, held on Sunday, July
7th at Poughkeepsie)

Q (Addressing Mr. Mahoney) Is your face red.

THE PRESIDENT: No, no; I take it all back. It wasn't him. It was Felix.

I beg your pardon.

Q (Mr. Godwin) You have got me suspicious now. Maybe you were. (Laughter)

THE PRESIDENT: Kannee is taking it down. I have him dead to rights.

Q What is that, the honest count?

Q (Mr. Belair) I should have said any kind of a count. (Laughter)

(Note: Mr. Belair told the President, at the close of the conference,
that he had not meant to imply anything by the use of the particular
expression during the conference with Mr. Farley.)

MR. EARLY: The President has a transcript of that conference.

THE PRESIDENT: Are they still coming in?

Q Yes, sir.

MR. DONALDSON: All in.

THE PRESIDENT: Steve (Mr. Early), have you any burning words?

MR. EARLY: No, sir.

THE PRESIDENT: Steve says that there are no burning words.

Q Any coldly calculated words, Mr. President?

THE PRESIDENT: No, not even that.

Q There is a report from Wisconsin that John Cudahy is resigning as Ambassador to Belgium. Is there anything to that?

THE PRESIDENT: No, not that I heard of. I hope not.

Q The report was that he was going to run for Governor or Senator.

THE PRESIDENT: Haven't heard anything at all. As you know, the only thing on that is that the German Government asked that we withdraw diplomatic representatives in -- what was it? -- Holland and Belgium by the fifteenth of July.

Q Well, General Watson bets Cudahy \$300 to \$200 that President Roosevelt will be renominated and re-elected. (Laughter)

THE PRESIDENT: Well, whoever wins, the money will go into good hands. (Laughter)

Q Along that line, Mr. President, there are two or three very prominent newspapermen, and one that is not so prominent, going to have a fireside chat this evening, a round table, nation-wide hookup -- Ray Clapper is one of them -- and they would like to tell what you are going to do about the Convention and the attendant circumstances and this is a golden opportunity to let us know.

THE PRESIDENT: What time do you go on?

Q Who is we? 11.15.

THE PRESIDENT: 11.15? My God, I will be asleep then. (Laughter)

Q Could you help us? We will be very much awake and we'd like to communicate something.

THE PRESIDENT: If it were, perhaps, 9.15 or 9.45, I would give you something to say but I will be asleep, so what is the use?

Q Following that same line, you told us at Hyde Park once that when you did have something to say on that subject that it would be at a time and

place of your choosing. Might we anticipate that that time will come before the Convention?

THE PRESIDENT: That is a very, very "iffy" question.

Q (Miss Craig) I have been away some -- (interrupted by laughter)

THE PRESIDENT: I know you have. You must have had a chance to think up some good ones.

Q No, I haven't, really, but will you be here or at Hyde Park or at the Convention?

THE PRESIDENT: The only plan I have -- a few people got it wrong. The question (at a previous conference) was, "Where are you going to be for the following week end?" -- this was a week ago -- and I said I thought I'd probably do what I had done for a good many Sundays, go down the River Saturday afternoon and come back on Sunday afternoon and beyond that I haven't got a plan.

Q Mr. President, what are your preferences as to the vice-presidency? (Laughter)

THE PRESIDENT: That is frightfully crude. (Laughter)

Q Have you heard of any plan for the Federal Government to take over the District Building or purchase the site or any possibility of utilizing that?

THE PRESIDENT: For the Convention?

Q No, for -- (interrupted by laughter) -- for Hoover's folly, for instance.

THE PRESIDENT: Where Harry (Hopkins) lives?

Q I have got to find out.

THE PRESIDENT: This District Building? The old District Building?

Q The one where J. Russell Young now holds forth.

THE PRESIDENT: I don't know.

Q There has been a lot of talk about that.

THE PRESIDENT: I haven't got anybody here who would know. You might ask

Harold Smith (Director of the Budget). There have been a couple of estimates go up to the Congress that didn't go through in the last bill because they were put on in the Senate and then thrown out in conference for two new government buildings in the District -- the Federal Building No. 2 and some other building -- and I have sent those up again to the House to be included in the next deficiency bill.

Q Mr. President, is there anything you can tell us about the Packard Motor Car --

THE PRESIDENT: I haven't had a line on it and I haven't talked to Mr. Knudsen about it since I read it.

Q Mr. President, is there anything you can tell us about your conference with Admiral Richardson?

THE PRESIDENT: Oh, we talked about the United States Navy and the Fleet and so on.

Q I believe he said when he left, Mr. President, that he knew of no plan to remove it from the Hawaiian Islands at the present time.

THE PRESIDENT: He was telling the truth.

Q Does that mean, sir, that there is no such plan?

THE PRESIDENT: There is not. There is no plan at the present time.

Q What did you talk about, Mr. President, yesterday with Chairman Burke (William H. Burke, Chairman, Massachusetts Democratic State Committee) and Congressman McCormack?

THE PRESIDENT: They told you when they went out. That is all they did. They simply made some very nice little speeches to me.

Q Were you impressed by them?

THE PRESIDENT: I didn't answer. (Laughter)

Q There were five gentlemen to see you today from assorted neighborhoods. It came under the head of the American Legion, as I understand it, and they

said that if there was anything in their visit that you had it. Anything you care to say about it?

THE PRESIDENT: Most of them are going to Chicago to take up with Bob Wagner, to talk with him about the plank relating to veterans that will go into the platform.

Q Mr. President, while Secretary Hopkins is here, can you tell us about the progress of your universal government service bill?

THE PRESIDENT: Nothing further. It is being studied and they are holding hearings on the Hill. The Senate started on it and I understand the House Committee is going to begin tomorrow.

Q I mean the plan to train boys and girls in labor experience.

THE PRESIDENT: That is still being worked on. No announcement yet.

Q It has not been dropped? We heard that it was being dropped.

THE PRESIDENT: Oh, no. Oh, no.

Q In that connection, anything you can say about the Burke-Wadsworth Bill that is up before the Senate Committee on the same subject?

THE PRESIDENT: No. It is just being mulled over; considered.

Q Mr. President, did you discuss the situation at Martinique with the French Ambassador today?

THE PRESIDENT: I haven't had anything on that for about four days. I don't know anything except what I read in the press and I don't think the State Department or the Navy Department has anything on it.

Q Are there American ships there watching that situation?

THE PRESIDENT: Not particularly; they are running all over the place in the Caribbean.

Q Can you tell us anything about your conversation with the French Ambassador today?

THE PRESIDENT: No.

Q Mr. President, Mr. Early had something to say this morning about these English refugee children and the people trying to sponsor them here say they are still being tied up in all kinds of red tape and unable to get them in. Has there been a ruling by the Attorney General on that?

THE PRESIDENT: Well, don't you think the first angle to clear up is how many can physically come in? In other words, the shipping end of it? Isn't that more important than anything else? In other words, I understand from New York that there were quite a large number of names of children in England who have been all cleared in every way and it will take quite a while to get them over here. Now, isn't that the first consideration? In other words, have we got a problem at the present time? It is a matter of common sense.

Q Mr. President, is that situation at Martinique a subject for consultation with the other American governments as yet?

THE PRESIDENT: You had better ask the Secretary of State or Sumner Welles about it. I don't know. If so -- if they are -- I haven't heard of it.

Q When may we expect a message on national defense?

THE PRESIDENT: Tomorrow.

Q Will it be a message, sir, or a letter?

THE PRESIDENT: Message.

Q Will you go up, personally?

THE PRESIDENT: No.

Q Is that it? (indicating papers on the desk.)

THE PRESIDENT: That's it.

Q Tell us anything of your tax conference yesterday?

THE PRESIDENT: No. I think the two chairmen are coming down tomorrow. That is the next step. Down here.

Q To see you?

THE PRESIDENT: Yes.

Q Mr. President, has the agenda for the Havana Pan American conference received your personal attention yet?

THE PRESIDENT: Not yet.

Q Any possibility of your making a radio address or other communication?

THE PRESIDENT: I don't think so.

Q Mr. President, how is the Latin American cartel plan progressing?

THE PRESIDENT: Well, it is still under study by the committee.

MR. GODWIN: Thank you, Mr. President.

CONFIDENTIAL

Press Conference #660,
Executive Offices of the White House,
July 12, 1940, 10.52 A. M.

(Secretary Stimson was present at this Conference.)

MR. DONALDSON: All in.

THE PRESIDENT: I think the only thing I have is a rather interesting letter that came in last night from Colonel Fleming of the Wage and ^[Hour] House Division. We have been doing a good deal of talking, as you know, in the past about the question of lengthening hours in the defense program. I did not ask him for this; it came in on his own hook, but it was so interesting I think I will read it to you. He says:

(Reading)"My dear Mr. President:

"The question whether in the light of the national defense emergency it will be necessary to raise the ceiling for hours, above which time and one half must be paid, has given me much concern.

"As a soldier, the nation's defense is my primary interest. My assignment to the administration of a labor law has in no way lessened that interest.

"Were there any defense need in certain industries for abrogation of the time and one half rule, nothing could keep me from so reporting. In my contacts with industry no such need has yet been demonstrated to me.

"Two documents from the last war should be called to public attention:

"One is the wartime report of the British Munitions Commission. The report stated that from experiments spread over thirteen and a half months, a reduction of working hours of munitions workers was associated with an increase of production. For example, in one factory hours of work were changed, first from a 66-hour week to a 55-hour week, and then to a 45 $\frac{1}{2}$ -hour week. Considering the weekly output of the 66-hour week as 100, it was found that the 55-hour week yielded a relative output of

AcB 6-4-56

111. The 45 $\frac{1}{2}$ -hour week yielded a relative output of 109. Thus the 45 $\frac{1}{2}$ -hour week yielded more in products than the 66-hour week and practically as much as the 55-hour week. The same results were obtained during the 13-month period in various other munitions factories.

"The other document is General Order No. 13 issued by the Chief of Ordnance, United States Army, on November 15, 1917, seven months after the declaration of war when the United States was at the height of its procurement effort. The Order stated:

"In view of the urgent necessity for a prompt increase in the volume of production of practically every article required for the conduct of the war, vigilance is demanded of all those in any way associated with industry lest the safeguards with which the people of this country have sought to protect labor should be unwisely and unnecessarily broken down. It is a fair assumption that for the most part these safeguards are the mechanisms of efficiency. Industrial history proves that reasonable hours, fair working conditions, and a proper wage scale are essential to high production. During the war every attempt should be made to conserve in every way possible all of our achievements in the way of social betterment."

In other words, the words "social betterment" are not new. This was 1917.

(Reading)"But the pressing argument for maintaining industrial safeguards in the present emergency is that they actually contribute to efficiency. To waive them would be a shortsighted policy, leading gradually but inevitably toward lowered production."

Then Fleming goes on to say:

"These documents were drafted almost a generation ago. The production line techniques of industry have been greatly developed since then. Today maximum production calls for maximum efficiency of the machine. Maximum efficiency of the machine is usually obtained by using relays of workers in shifts short enough to make constantly intense effort possible.

"I think it also should be called to the public's attention that the French 40-hour week in effect from 1936 to 1938 had little resemblance to our "ceiling for hours." The French 40-hour week generally was a rigid limitation.

"Germany was on an 8-hour day, 48-hour week basis from July 24, 1934, to January 1, 1939. A survey entitled "Labor Policy in Germany" appearing in the June 1940 issue of the Monthly Labor Review reports that a 10-hour day,

60-hour week began in non-defense industries after January 1, 1939, due to a labor shortage. In the more vital industries, hours up to 16 per day might be permitted by the factory inspector. But this lengthening of working hours was not successful. The article states: 'Production began to fall off rapidly, accompanied by such an alarming increase of industrial accidents and stoppages as to attract the serious attention of the government authorities The government applied the strictest measures against suspected saboteurs but also began to lighten somewhat the hard labor conditions.'

Fleming again:

"Any complaints from the key defense industries that the payment of time and a half for overtime is making difficult their operation will be promptly brought to your attention. To date the Wage and Hour Division has received but three such complaints, all from small establishments.

"Respectfully,

"Philip B. Fleming
"Administrator."

Well, that is rather an interesting checkup by an independent source and I think -- I think in the light of that we will go ahead with the present policy.

Q Was the first a British experiment?

THE PRESIDENT: The first was 1917 and the other was our own Chief of Ordnance report.

Q The first, was that a British or an American?

THE PRESIDENT: British Munitions Commission and the second was the Chief of Ordnance report.

Q Is that all the news you have today?

THE PRESIDENT: What?

Q Is that all the news you have today?

THE PRESIDENT: That is all I can think of. (Laughter)

Q Mr. President, it seems that some of the editorial writers have been getting a little technical with the statement the other day that

we will not send our men to take part in European wars. They want to know whether that includes the Marine Corps and the Navy as well as the Army?

THE PRESIDENT: I think we will just stand on the statement. I think my English is as good as theirs.

Q Mr. President, are you going to Chicago?

THE PRESIDENT: No.

Q Thanks.

Q May we have that (indicating Colonel Fleming's letter)?

THE PRESIDENT: Yes; Steve (Mr. Early) will have it mimeographed for you.

Q If you do go, will you fly? (Laughter)

THE PRESIDENT: (Shaking his head amiably) I should say I ought to be insulted by that. Isn't that rather a slur on my veracity? (Laughter) I just said I wasn't going to Chicago.

Q (Mr. Godwin) You know, nobody would slur your veracity. It is too interesting to talk about this matter, (Laughter)

Q Mr. President, will you say whether the Polish Ambassador discussed any minority or refugee problems during his visit yesterday?

THE PRESIDENT: Who?

Q The Polish Ambassador.

THE PRESIDENT: No.

Q If you are not going to Chicago, will you say whether you will have any personal part in the Convention?

THE PRESIDENT: That would be difficult, wouldn't it?

Q It is too difficult for me, that is why I asked it.

THE PRESIDENT: It is too difficult for me.

Q Will this also be an unbossed convention?

THE PRESIDENT: What?

Q Unbossed convention?

THE PRESIDENT: Unbossed or unforced?

Q Unbossed.

THE PRESIDENT: Unbossed. I haven't the faintest idea.

Q The Republicans are very proud of that policy and I was wondering whether the Democrats would match it.

Q Mr. President, the Dunce Cap Club, which you formed a few years ago --

THE PRESIDENT (interposing): The what?

Q The Dunce Cap Club which you formed a few years ago and which has a large membership of reporters who have asked third term questions, will hold a meeting in Chicago to dissolve the organization and turn in their dunce caps. (Laughter)

Could we hope for from you, as the founder of the organization, some sort of communication formally dissolving it? (Laughter)

THE PRESIDENT: Well, I will tell you: I'd have to look at the list of the membership of the organization. Do you think I could give a blanket coverage to all members of the organization applying to the future?

Q Yes, sir; I think so.

THE PRESIDENT: Do you? (Laughter) I will say this, that the progress that has been made on the whole has been pretty good. I should say that probably quite a percentage of the people who used to stand in the corner are now back, sitting at their desks in the schoolroom. They have removed their dunce caps but I don't say that the corner is empty. (Laughter)

Q Mr. President, he said to turn in their dunce caps. Where are they going to turn them in? Put them in your Library?

THE PRESIDENT: I don't know.

Q I don't know either.

THE PRESIDENT: Don't you think we ought to turn them over to the lady correspondents for their disposal? (Laughter)

Q O. K.; we will take care of it.

Q Mr. President, do you contemplate any Message to the Convention?

THE PRESIDENT: I haven't any thoughts on it one way or the other.

Q Mr. President, the House Military Subcommittee has suggested that, for the Atlantic coastal defenses, it might be necessary to build bases in Nova Scotia and Bermuda. Would you care to comment on that?

THE PRESIDENT: No. No.

Q The Subcommittee also suggested that they might need a great deal more money to protect the Atlantic coastal defenses between New York and Portland, Maine?

THE PRESIDENT: Well, you remember T. R.'s old story about towing the Civil War MONITOR off the mud-flats at Philadelphia to Portland, Maine and everybody was happy and they brought the silverware and children back that they had removed to the country and they felt perfectly satisfied with a 15-inch gun that would throw a solid shot almost a mile. However, they were perfectly satisfied so it is all right. That is merely an illustration of the defense of the individual ports. Modern warfare calls for a defense of this country in the sense that we will try to keep the enemy from getting anywhere near the country.

Q Mr. President, have you under consideration again, at this time, the idea of giving the National Guard some real honest-to-goodness intensive training?

THE PRESIDENT: That is why the Secretary of War is sitting here at the present moment. We are going to talk about it in about five minutes.

Q Are you favorable to the idea of mobilizing the Guard for training?

THE PRESIDENT: That is one of the things we are going to talk about in five minutes.

Q Mr. President, could you tell us what our warships are doing in the vicinity of Martinique?

THE PRESIDENT: I told you that the other day. They are maintaining the regular patrol.

Q When do you expect to go to Hyde Park?

THE PRESIDENT: I have no plans. I hope Sunday after next but, of course, subject to change. I am leaving tomorrow afternoon and I'll get back after lunch on Sunday, at the Navy Yard. And then, if things are quiet, the following week I will go up to Hyde Park for two or three days because, of course, I have there direct telephone communication with the White House and can get back in about six or seven hours. In other words, that would be practically the program for the rest of the summer, just what I have been doing for the last three months.

Q That was a cruise tomorrow and Sunday?

THE PRESIDENT: Just down overnight on the boat. But also, when I go down on the boat, I stay within a very close distance of Quantico so that I can, if I am called on the radio, I can pull up to the dock at Quantico and telephone or come right back to Washington in an hour and five minutes.

Q Are those going to be your plans, regardless of what happens at Chicago, the rest of the summer?

THE PRESIDENT: I don't know what that has to do with it. After all, I
am President of the United States.

MR. GODWIN: Thank you, Mr. President.

CONFIDENTIAL

Press Conference #661,
Executive Offices of the White House,
July 16, 1940, 4.10 P. M.

THE PRESIDENT: How come? How is it all the familiar faces happen to be here in Washington. I thought they had sent you out. (Laughter)

Q This is where the story is, even if we cannot get it. (Laughter)

THE PRESIDENT: I think it is sort of on Steve (Mr. Early). Steve said there would not be anybody here today except second stringers. (Laughter) Isn't that terrible? Isn't that terrible?

Q Steve will leave by the back door now.

MR. EARLY: They won't believe anything you say now.

THE PRESIDENT: I have a long thing (referring to the papers in front of him) here. I don't know -- Steve, is there any reason why they should not see these afterwards?

MR. EARLY: Mimeographed copies of it will be ready for them, Mr. President.

THE PRESIDENT: Good.

MR. WILLIAM COLLINS: All in.

THE PRESIDENT: I have a lot of long stuff here. I would try to summarize it but it is fairly important.

As you know, we had a meeting of the Advisory Committee with the Army and Navy people and Procurement and they have given me these seven reports on the defense program with respect to progress. Steve will have them mimeographed for you but they are fairly important. I should say they are of at least equal importance nationally -- probably more -- than the news from the Chicago Convention, although most editors, I mean desk editors, will not appreciate that fact, so the only thing I can do is give to you this

very important material. I don't suppose it will be used but at least I will have done my part.

First is Knudsen's Production Division. (Reading)

"From June 6 to date, this Division has cleared contracts in the amount of \$1,661,891,494, which represents \$1,390,575,404.87 for the Navy --"

which, of course, isn't all but a large part ship contracts -- (reading)

"and \$271,316,089.13 for the Army. Materiel covered --"

is everything -- (reading)

"airplanes, tanks, battleships, ammunition, anti-tank guns, anti-aircraft searchlights, machine guns, various fire-control precision instruments, tractors, trucks, blankets, overcoating, serge cloth, worsted shirting, service shoes, ship propulsion machinery, storage batteries for submarines, airport and airstation construction, barracks and many other items necessary in equipping the United States Army and Navy.

"Production of this material is being undertaken in plants from Maine to California.

"Awarding of contracts by the Army for tank construction has begun through a commitment with the American Car and Foundry Company for 627 units."

Those were the light tanks. (reading)

"Mr. Knudsen has inspected at Aberdeen the light tanks and the revised designs for the heavy tanks which have been changed in certain respects on the basis of combat experience in Europe.

"The contract for the production by Packard Motor Company of Detroit of 9,000 Rolls Royce liquid-cooled aircraft engines is about to be signed, the Company having stated that it is prepared to undertake this project.

"Evidence has developed indicating progress toward solution, for the time being at least, of the bottlenecks in the machine tool industry."

They are coming down for another conference tomorrow. (reading)

"The embargo authority has contributed substantially to the retention in this country of vital machine tool units which otherwise would have been exported. Plans

have been worked out to a point where tomorrow (July 17) a meeting of the Machine Tool Defense Committee, H. S. Vance, Head of the Machine Tool Section of the Production Division, and Donald M. Nelson, Coordinator of Defense Purchases, will be held to take up a cooperative plan under which a definite percentage of machine tool manufacturing facilities will be reserved for defense needs."

No. 2 is Stettinius' report. (Reading)

"Through the prompt cooperation of the RFC and the Treasury with this Division, substantial supplies of strategic and critical raw materials are being acquired. Actual purchases have been negotiated and the material loaded aboard ship within a period of three or four days after the availability of the product was made known. This Division, through the cooperation between experts in various Government agencies and specialists on the staff of this Division, has made surveys of the entire field of strategic and critical materials. Where bottlenecks which might develop in connection with a total defense effort have been discovered, 'red flags' have been marked on the chart and a detailed study is then made to explore every possible means of relieving the pressure that might develop.

"For example, we have always been dependent upon imports for rubber. By the end of the month, it is expected that a plan will have been worked out whereby it would be possible in an emergency to supply most of our needs through the manufacture of synthetic rubber.

"One point of concentration, at present, involves the production of 100 octane gasoline. This product is essential to the airplane program and substantially increased production is being worked out to assure the air services of adequate supplies. Plans are under way for the storage of large quantities of this gasoline at strategic locations underground."

That is a new one. (reading)

"This Division is working on plans to relieve our dependence upon foreign smelters for our tin supply and has obtained the cooperation of industry to this end.

"Mr. Stettinius, Mr. Knudsen and Mr. Gano Dunn, the Division Head's Senior Consultant, went before Committees of the House and Senate to urge expansion of the TVA's power producing facilities in the total amount of \$65,000,000 of which \$25,000,000 was to be available for construction during the current fiscal year. Both Committees reported out the proposal favorably but Representative Donald H. McLain (R., N. J.) objected to consideration by the House

[McLean]

KB 6-5-56

and was supported by Representative John Taber, (R., N. Y.) and Representative Everett M. Dirksen (R., Ill.). This made passage impossible before recessing for the convention. This Division has taken the position that it is absolutely essential to the national defense that the TVA power production be increased in the amount asked. Delay of a few weeks in authorizing this undertaking might mean delay of a year in filling the dam for the generation of power as it is necessary to catch the flood waters next spring."

I don't suppose that will be written by the famous 85 per cent of the Press -- in view of the confidential aside I made just then.

Q It has been, Mr. President.

THE PRESIDENT: It ought to be done again as coming from the President.

It should be emphasized.

This is Sidney Hillman's report: (Reading)

"This Division has emphasized formulation of plans for training skilled workers in industry under the direction of Mr. Owen D. Young as advisory aid to Mr. Sidney Hillman. Already between 30,000 and 40,000 enrollees are actively taking training through facilities provided by this program. In the vocational schools being utilized, training is made available to workers on WPA and NYA rolls and other interested in securing such courses, particularly those who feel the need for refresher training --"

whatever that is -- (Reading)

"to retrieve their earlier skill.

"Combined facilities of the NYA, CCC, and Office of Education are being coordinated to assure maximum use of existing facilities and agencies of the Government. All training is in anticipation of meeting such demands for labor as may arise in connection with the defense program. The first and major consideration is to provide employment to those who are employable and now without jobs. The unemployed, in the opinion of this Division, constitute the greatest labor resource which can be used most expeditiously in this connection. It is interesting to note that up to the present there have been no specific requests for skilled labor made to the Defense Commission."

That bears out what we talked about before, how there really is not any shortage at the present time. We are using what we have.

(Reading)

"It is evident that thus far needs of private industry for

skilled and other labor are being met.

"This Division has organized a labor advisory board consisting of representatives of the American Federation of Labor and the Congress of Industrial Organizations, together with the Railroad Brotherhoods. It meets each week with Mr. Hillman and has pledged complete cooperation of its combined membership to the national defense program.

"Through the intervention of the labor supply division acting with the Conciliation Service of the Department of Labor, several serious production stoppages have been averted in the General Motors Corporation, on Pacific Coast Shipping, in shipbuilding on the Gulf Coast, in the copper industry in Utah, and in the aluminum industry."

Leon Henderson, Division of Price Stabilization: (Reading)

"The primary effort of this Division during the past few weeks has been directed toward the determination of the effects of the Rearmament Program on the nation's price structure.

"A central Bureau of Research and Statistics has been organized under the direction of Stacy May as a clearing house for information required by the various divisions of the Commission, particularly in respect to information developed from other government agencies. Much of this information deals with the determination of materials and facilities required by the armed forces and the nature of the resources of the nation available to fill both military and civilian requirements.

"Analysis of both the materials and resources have been coupled with consideration of measures for control and price stabilization. Numerous proposals for price regulation are being studied. With Donald Nelson, Coordinator of Defense Purchases, consideration is being given application of priorities from the viewpoint of their impact on prices. Surveys are also being made by this Division of the economic organization and controls within the belligerent countries."

I might say on that question of priorities we have not reached the point yet where we need to apply priorities and we cannot assign any date. We may not have to at all. We are studying it so as to be ready in case of need. (Reading)

"Standards are being formulated to guide procurement agencies in connection with recent legislation authorizing negotiated contracts in lieu of competitive bidding.

"The domestic price structure is under constant surveillance."

(The President did not read to the Press the following, which was included in the mimeographed release:

(When price increases appear unjustified conferences have been held and will continue to be arranged. Voluntary agreement is sought in this connection, and thus far business has evidenced its desire to cooperate.

(The complicated problems involved in amortization for income tax purposes, as well as those inherent in the government policy for lending through the RFC to expedite plant expansion, have occupied considerable time in this Division. The whole problem of plant expansion is being studied in cooperation with Commissioners Knudsen and Stettinius as well as representatives of other government agencies involved.)

On the Agricultural Division -- Chester Davis: (Reading)

"Development of a unit of this Division has been undertaken to work on the problem of new plant location for defense purposes with the view to utilizing surplus labor particularly in agricultural areas and thus avoid uneconomic concentration of industry."

We talked for quite a while today in the meeting about that general policy of trying to establish industrial additions in the agricultural areas and, especially, in the areas in the country where there is the most unemployment, and that is the general policy.

(Reading)

"Under the new powers created by Congress to the Reconstruction Finance Corporation, advance payments can be made against future deliveries of strategic materials. Funds thus made available can be used for the purchase of agricultural commodities. A substantial project in this connection is now in the process of preliminary negotiation.

"This Division has collaborated with Mr. Hillman in connection with the development of plans for training American youth with a view to affording equal opportunities to farm youth and those of the cities in the program soon to be inaugurated.

"Extensive collaboration with the Department of Agriculture has been undertaken in developing plans to:

"(a) Promote increased use of surplus farm products at home and, where possible, abroad to minimize the effect of curtailed export outlets.

"(b) Maintain agricultural production at most favorable levels for national defense and health needs, promoting simultaneously the objective of parity prices for farm products.

"(c) Work out in advance specific plans to protect producers from unfavorable effects or changes that may result from international developments.

Consumer Protection: (Reading)

"This Division has laid the ground work for an extensive educational campaign to mobilize public sentiment behind the idea that the civilian population must be prepared physically to meet the defense responsibilities placed upon it by any emergency. To this end the Commission has approved emphasizing the importance of health and public welfare in the defense program. A coordinating committee has been organized to facilitate development of these aspects of the program. The committee includes: Surgeon-General Thomas Parran, Dr. M. L. Wilson, Director, Extension Service, Department of Agriculture, Miss Katharine Lenroot, Head of the Children's Bureau, Department of Labor, and Arthur J. Altmeyer, Chairman, Social Security Board.

"Definite plans have been prepared for meetings with:
(1) leaders --"

this is coming next week -- (Reading)

"-- leaders of civic organizations called together to mobilize human resources and direct them into constructive channels;"

I might add that leaders of civic organizations, I think, will consist very largely of women's organizations like the federated women's clubs, the League of Women Voters, consumers' associations, et cetera, and that will be followed by the retailers coming in. (Reading)

"Protection of the public from unjustifiable increases in consumer goods prices is a major project of this Division."

(The President did not read the following, which was included in the mimeographed release:

("The staff in cooperation with economists of other government agencies is on the alert in this connection and continuing studies are under way to form the basis for whatever recommendations may be needed.")

And, finally, the Division of Transportation: (Reading)

"Emphasis has been placed by this Division upon securing

a suitable car supply to meet emergency demands upon rail transportation. To this end this Division is working closely with the Association of American Railroads and the American Short Line Railroad Association. There is, at present, a dislocation of car loadings in the country. Certain areas are confronted with definite increases while others are experiencing a decrease.

"Concrete recommendations have already been drawn up for acquisition of very substantial numbers of special rolling stock for handling troops and their equipment. Conferences have been held with representatives of railway car shops in Illinois, Indiana, Missouri and Pennsylvania to discuss cost and types of cars.

"As a result of the study of the availability of serviceable freight cars, Mr. Budd has urged upon the Association of American Railroads, 'the need for full performance by all lines of the repair work necessary to reduce cars in bad order to not more than 6%, as was agreed.'"

That would be the lowest percentage of bad order cars, I think, probably in the history of American railroading. (Reading)

"The entire subject of rail transportation, including special reference to army maneuvers scheduled later this year, is receiving earnest and intelligent consideration by Mr. Budd and his entire staff.

"Special attention is being given by the Consultant to the Commissioner of Transportation representing the Great Lakes Carriers in connection with the movement of iron ore, a basic factor in the defense program.

"Four consultants representing the highway users are making a study of defense program requirements in their field to estimate demands which may be made upon that form of transportation in an emergency."

And we talked about, in that connection, the use of big busses of all kinds, inter-city busses and large school busses, so that we will know exactly where every one is and what its status is as a possible carrier for troops in time of war -- infantry. (Reading)

"Studies involving the inland waterways and pipe line problems are being surveyed. Action has been taken to interest the various pipe line operators in effecting the most efficient transportation of petroleum and its by-products by pipe line for emergency requirements."

And then -- it is not down here, they are starting that new -- the question of coastal water operation so that we won't get into the same jam that I got into in December, 1917, when we did not have enough seagoing tugs to go around and bring coal from Chesapeake and Delaware Bays to the New England factories; that problem of the tugs is being studied at the present time.

Steve (Mr. Early) will have copies of those for you all and it is a progress report. We will have more of them, of course, from now on. They are getting on extremely well. The contracts are going out.

Q Mr. President, on the acquisition of transportation equipment, how is that to be financed?

THE PRESIDENT: What?

Q The acquisition of rolling stock for the troops, how is it to be financed?

THE PRESIDENT: The special rolling stock is to be paid for by the Government -- certain types of cars. Well, just for example, there are certain cars that they -- the technical term for them is "cellar" cars. In other words, instead of the floor of the car being -- what? -- $3\frac{1}{2}$ feet or 4 feet above the rails, it is cut away, the floor, so that you can take something that is pretty high like a tank, an Army tank, and set it in there and the tank goes down to perhaps within six inches of the rails and you gain, on height you gain 3 feet and enable that carload of tanks to go through a normal railroad tunnel that it could not go through otherwise. Now, things like that, of course, are no good for civilian transportation and the Government would have to buy those and own them.

Q Mr. President, did this discussion include the possibility of establishing new gunpowder plants in the interior, along the line of --

THE PRESIDENT: (interposing) They are getting along very well on that.

I can't -- they did not tell me the specific places.

Q We understand the plan has matured and is about ready to be announced.

Is that correct?

THE PRESIDENT: I think so; I think they are ready to be announced.

Q Do you know how many plants are involved?

THE PRESIDENT: I could not tell you. Didn't they announce one in the Tennessee Valley?

Q I could not say, sir.

THE PRESIDENT: I think so. That may be dependent on this question of more horse-power down there.

Q Mr. President, I should like to ask you very honestly and sincerely why you have refrained from making your position known on the third term question?

THE PRESIDENT: Well, I think you might get on the air tonight and listen -- listen to your radio. In other words, I think you can properly say that there will be an announcement in behalf of the President made by Senator Barkley tonight after his address, that being the first meeting of the Convention under its permanent organization.

Q Can you give us a hint?

THE PRESIDENT: No.

Q About what time, Mr. President?

THE PRESIDENT: After his address. Now you have got some real news. (Laughter)

Q Mr. President, I don't mean to press this --

THE PRESIDENT: (interposing) There is no use pressing it.

Q But your answer to my question did not answer my question.

THE PRESIDENT: Of course it did not. (Laughter)

Q My question was, sir, why you have refrained from making it known?

THE PRESIDENT: I just told you that. This is the first night the Convention has been organized.

Q Mr. President, for the information of our editors, could you tell us why you regard this story as more important than the Convention?

THE PRESIDENT: Well, wouldn't you put the safety of the country ahead of anybody's convention?

Q Mr. President, Secretary Hull today said that to stop traffic on the Burma Road would be an unwarranted interposition of obstacles to world trade. Could you enlarge on that?

THE PRESIDENT: No.

Q Could you say whether this represents a break with the British on the Far East policy?

THE PRESIDENT: I could not discuss it at all.

Q Mr. President, do you contemplate any personal statement subsequent to that of Mr. Barkley?

THE PRESIDENT: I told you all I can possibly tell you at the present time.

Q Mr. President, have you considered any plans with regard to the mobilization of the National Guard as far as the Social Security card is concerned, or whether these fellows are going to receive their jobs back when they demobilize?

THE PRESIDENT: I don't know. You mean --

Q (interposing) I mean, generally, what is going to happen to them after they serve their year or so and are demobilized?

THE PRESIDENT: I don't know. I frankly could not answer the question. I know the subject is being studied but I haven't got to the point of even studying that phase of it yet.

MR. REYNOLDS: Thank you, Mr. President. (Laughter as the Press rushed for the door.)