Q. Good morning.

THE PRESIDENT: How are you all today?

MAY CRAIG: (to Earl Godwin, seeking a chair) You're too big.

MR. GODWIN: Ah, a chair.

THE PRESIDENT: (to Earl Godwin) Ask May if she wants to debate today.

MR. GODWIN: What?

THE PRESIDENT: Ask May if she wants to debate today.

MR. GODWIN: May wants to debate?

THE PRESIDENT: Yes, I had one the other day. You weren't here. We had a very effective debate.

MR. GODWIN: I was in Richmond. I know you did, I heard all about it in Richmond.

MAY CRAIG: I haven't gone down yet, have I?

MR. GODWIN: No. (laughter)

MR. DONALDSON: All in.

THE PRESIDENT: I have got a flock of things.

I am sorry to be late. I have been saying good-bye to the President of Haiti.

The first is -- I will give you a copy when you go out, of a letter accepting with great regret the resignation of Monsignor (Francis J.) Haas as Chairman of the Fair Employment Practices Committee. He has just been chosen
as Bishop of Grand Rapids. And he has done so awfully well there, and we are terribly sorry to have him go.

I am putting in, in his place, Mr. Malcolm Ross his Deputy Chairman. And the letters are in here. (indicating the release before him)

Last night we had a very successful dinner, which I think everybody enjoyed down to the President of Haiti. He is an old friend of mine, and a good many others in Washington, as he was Ambassador here. And he made a very delightful speech. As you all know, Haiti for a great many years -- I have taken a great interest in it. It's a -- what I said, there were several things here -- (indicating typewritten sheets in front of him) -- that -- I don't know, Bill, I don't see why you shouldn't show them this, if you want to

MR. HASSETT: (interjecting) All right.

THE PRESIDENT: (continuing) --- if you want to write something on it.

I brought out one thing, and that is that Haiti has contributed very greatly to the war. It's a very small place, but a very large population, nearly three million people. But they have been very loyal -- they are one of the United Nations -- and have accepted suggestions that would help in the carrying on of the war.

For example, they have planted a huge acreage in -- what's the name of the thing?

Q. Cryptostegia, sir.

THE PRESIDENT: Cryptostegia. I never can
remember the name, but anyway it's a perfectly good plant. This year they will produce probably ten thousand tons of the product, that we might as well call rubber, because it is rubber, but it doesn't come from a rubber tree. And in many other ways they have assisted in growing things, and getting things out that are very much needed in the war.

I did take occasion to say, in what I said last night, that they are confronted with a -- a post-war problem in giving all this aid to the cause of the Allies, and that the problem was this.

At the end of this war, we are going to have all over the world an immense amount of rubber coming from different kinds of plants -- cryptostegia, and -- and rubber trees, and to a certain extent guayule -- which undoubtedly is far cheaper to make tires out of than synthetic rubber; but there probably will be -- knowing this country somewhat well, politically -- an -- an effort on the part of some people to put the kind of a tariff on rubber that will protect the operation of the synthetic rubber plants. And we might as well realize that today.

I said last night:

(reading, but not literally from the transcript):

"At the present time, Haiti is engaged in the cultivation of a new plant, cryptostegia, which turns out rubber. This year they will be getting out ten thousand tons. I hope that, when I am out of the White House, somebody will veto (** see end of Press Conference) any effort to put a high tariff
on rubber just for the purpose of keeping some of the synthetic plants going. That would mean that every man in the United States who owned a car would have to pay fifty percent more for his rubber for his tires. I believe in cheap tires and more of them; and the best way of getting that is to use tires that are made by -- out of natural products, rubber, or guayule or cryptostegia, instead of out of a process -- synthetic process using oil and alcohol, and make everybody pay through the nose for their tires."

This is just -- Oh, it's just one of those things that may not become an issue for a long, long time, but people ought to be thinking about that fact.

We have another one that Steve will give you.

(reading): "I have been informed that the -- Bill will give you -- I have been informed by the -- that the Argentine government has suspended the publication of Jewish newspapers, some of which have been in existence for many years.

"While this matter is of course one which concerns primarily the Argentine government and people, I cannot forbear to give expression to my own feeling of apprehension at the taking in this hemisphere of action obviously anti-Semitic in nature, and of a character so closely identified with the most repugnant features of the Nazi doctrine. I believe that this feeling is shared by the people of the United States and by the people of all the other American Republics."
"In this connection, I recall that one of the resolutions adopted at the Eighth International Conference of American States at Lima in 1938 set forth the following, quote: 'Any persecution on account of racial or religious motives which make it impossible for a group of human beings to live decently is contrary to the political and juridical systems of America.'"

Q. Did Argentina subscribe to that?

THE PRESIDENT: What?

Q. Did Argentina subscribe to that?

THE PRESIDENT: I think they did, Yes. That is the Lima Conference.

Q. Sir, has any protest been made direct to the Argentine government?

THE PRESIDENT: You will have to ask the State Department. I think it will get down there fairly soon.

MR. GODWIN: Will we have a handout on that?

THE PRESIDENT: Yes.

(to Mr. Hassett) You have got that mimeographed?

MR. HASSETT: Yes. Yes.

THE PRESIDENT: Right.

Now, in regard to another piece of news.

(reading): "At my suggestion, Justice Byrnes, Director of War Mobilization, met yesterday with the heads of the various agencies concerned with the problems of terminating or revising war contracts in the light of the changing demands of our war strategy. The War and Navy Departments
are now in the process of revising more than eight thousand contracts involving several billions of dollars.

"It is planned to set up within the Office of War Mobilization a unit to deal with war and post-war adjustment problems, and to develop unified programs and policies to be pursued by the various agencies of Government concerned. The unit will study and consider the whole range of problems which will ultimately arise out of the termination of war contracts, including the problems of war reconversion and disposition of plants and property no longer required for war use.

"The work has deliberately been placed within the Office of War Mobilization to insure that such re-shaping of the war program as may be required will be carried through with a view to increasing the effectiveness of the war effort."

You have to remember that we can't do any slapdash, rule-of-thumb stuff in revising war contracts and the disposition of plants, without first taking into consideration what effect it is going to have on the war itself.

(continuing reading): "While we must prepare for necessary post-war adjustments, this preparation must not interfere with the long and hard war programs which are still ahead of us."

MR. GODWIN: Sir, is that also a handout?

THE PRESIDENT: (to Mr. Hassett) Will you have that ---
MR. HASSETT: (interjecting) Yes. Yes, Mr. President.

THE PRESIDENT: (continuing) -- done too?

Q. Mr. President, in that connection, in the report which Mr. (Bernard) Baruch, I understand, made to Mr. Byrnes, which was later made public, he expressed the belief, as I remember it, that -- that a cost-plus-fixed-fee contract would be necessary at the opening of the war for the sake of speed, but now it is resulting in the hoarding of labor and so forth, and that that might well be abolished as a manpower move. Is there anything in that connection with regard to this contract which --

THE PRESIDENT: (interposing) I don't think I am quite competent to talk about it, offhand. I will look it up, and I will ask Jimmy.

Q. Mr. President, does that bear in any way upon the demobilization problems?

THE PRESIDENT: No. We are still at work on the mobilization program.

Then on the -- well, what might be called the demobilization program, I think it is all right to say now that a year and a half ago the Secretary of State undertook, through special groups organized for the purpose, to examine the various matters affecting the conclusion of the war, the making of the peace, and the preparation for dealing with the international post-war problems. In doing this work, we have had the collaboration of representatives of other interested
agencies of the Government, and of many national leaders in
every -- every walk and every field, labor, capital and agricul-
ture, without regard to political affiliation, and the
assistance of a specially constituted and highly qualified
research staff. We have been aided greatly by public discus-
sion of the problems involved on the part of responsible
private individuals and groups, and by numerous suggestions
and expressions of opinion which we have received from all
parts of the country. In proceeding with this work, we
envision the fullest cooperation between the Executive and
the Legislative branches of the Government.

I won't go into any details now, because it has been
going on in an -- in an orderly way. And I think for the time
being that we had better go on in the same orderly way. I
don't want to over-emphasize one thing or to under-emphasize
other things.

On the various fronts, you have as much news as I
have.

We are all very happy about the effective attack on
Rabaul by the air -- Southwest Pacific. I suppose the -- the
important lesson -- first important lesson of it is that it
showed excellent cooperation between the various branches of
the service and the various commands. And, at the same time,
we have geographically to look at the chart of Rabaul, which
is an extremely strong defensive position -- a tough nut to
crack -- largely because of the shape of the harbor and the
surrounding hills.
The principal gain is in the destruction of the enemy aircraft and ships. It will therefore have far-reaching effects on future operations in the Pacific, and carries out the -- the whittling down nature of reducing the number -- the net number of Japanese planes and Japanese ships.

I think that's all.

MR. GODWIN: Sir, have you -- on the other side, we had a little bad luck, or at least rather we lost a lot ---

THE PRESIDENT: (interjecting) Very heavy loss (of 60 Flying Fortresses bombing Schweinfurt in Germany).

MR. GODWIN: (continuing) Have you anything to say about that, that would be enlightening or helpful?

THE PRESIDENT: I -- I -- put it this way, that of course we don't want to have a -- a net loss over a period of years or months greater than the -- a loss greater than the -- than the accretions. And I am not worried about that. We couldn't afford to lose sixty bombers every day, but we are not losing 60 bombers every day.

On the other side of the picture, we have to remember that we brought down, let us say, a hundred German fighter planes, which in the -- in the -- in manpower is not as much by any means as our loss of 60 bombers. Also, fighter planes can be turned out more cheaply and more quickly than bombers can. But we have to put on the credit side of the picture -- we haven't got the details of it yet -- the probability that we put out of commission a very, very large industrial plant, or plants, in Germany, thereby retarding their manufacture
of the implements of war.

Q. Mr. President, has there --- have you received any reports to indicate whether there were special reasons for the loss, or was it simply the general hazards of flying to Central ---

THE PRESIDENT: (interjecting) That I don't know.

MR. GODWIN: Sir, to go back to Argentina, have you any unofficial news to the effect that Argentina is about to break off relations with the Axis? Have you anything that you care to say about that?

THE PRESIDENT: I don't know. I don't think anybody -- I don't think anybody here knows, except what we have read in the papers.

MR. GODWIN: What you have seen in the papers?

THE PRESIDENT: Yes.

Q. Thank you, Mr. President.

(***) The original transcript read, "I might get beaten on it otherwise." This reporter, however, was not sure whether the President might not have said, "I might get vetoed on it otherwise." Mr. Hassett changed it to "vetoed" and the President read from that corrected version. It was later changed back to the original "beaten."

(Notebook PC-XV -- Page 178 -- JR)
Mr. Godwin: How do you do, Mr. President?

The President: I see "Madam President" behind you.

(May Craig)

Mr. Godwin: Yes.

This comes to me ---

The President: (interposing) What?

Mr. Godwin: This comes to me at the White House. It's the Women's Christian Temperance Union paper.

The President: It won't hurt you.

Mr. Godwin: I was going to say that they are trying to stop "Esquire" from going through the mails. (laughter)

Mr. Early: Why don't you tell him you used to be their press agent?

Mr. Godwin: (to the President) I used to be their press agent. (more laughter)

The President: Well! Did you ever write for the Police Gazette? (more laughter) If not, why not?

Mr. Godwin: Never had the opportunity.

The President: I quit getting shaved in a barber shop when they cracked down on the Police Gazette. They were good. It was wonderful.

Mr. Godwin: I loved the old Police Gazette.

The President: Yes, yes. Especially the old ones. Remember the pictures on the outside?
MR. GODWIN: Billy Watson's "Beef Trust."

THE PRESIDENT: Yes.

MR. DONALDSON: All in.

THE PRESIDENT: I -- I haven't got much today. I have appointed Mr. Philip D. Reed as Chief of the Mission for Economic Affairs in London, with the rank of Minister. He takes the place of Mr. (W. Averell) Harriman. He has been associated with Mr. Harriman for over a year.

Subject to the general control and supervision of the Ambassador — Winant — Mr. Reed is responsible for handling economic affairs of the Government in the U.K., representing all kinds of things: the Foreign Economic Administration, the War Shipping Administration, the War Food Administration, the War Production Board, the Petroleum Administration for War, and other interested agencies. (laughter) And he will also be a representative on the London portions of the several combined boards.

And then in — I received with much regret the resignation of Ed Burke, a member of the S.E.C. (Securities and Exchange Commission), which he has been compelled to leave, the public service -- this is off the record -- I think because of a great many children — (laughter) — he can't make both ends meet. He really honestly has to get out for family reasons, you can put it. And I think that he (Steve Early) has mimeographed this — I am putting in Mr. Robert Kendall McConnaughey in his place. I had better spell McConnaughey for you — M-C-O-N-A-U-G-H-E-Y — what nationality that
represents, I don't know --

Q. (interjecting) Scotch, Mr. President.

Q. (interjecting) Scotch.

THE PRESIDENT: (continuing) --- from Ohio. He was on the -- had various legal positions in the A.A.A. from 1934 to 1936, was on the staff of the Senate Committee on Interstate Commerce investigating railroad reorganizations, 1936 and 7. He was in the private practice of law in Dayton, Ohio, in 1937, and has worked with the Solicitor of the Department of Agriculture. 1938 to 1940, Special Assistant to the Attorney General in the Office of the Solicitor General; and in 1940 he became General Counsel of the Farm Credit Administration, and Deputy Governor of the Farm Credit Administration. He has been in right along.

He knows his stuff, and he will be an excellent representative on the S.E.C.; and -- and he may discover, on going to the S.E.C., that there is definitely a very undercover -- that ought to make your ears prick up -- a very undercover effort, in many parts of the country, to get rid of the S.E.C. and go back to that awful thing called "the good old days." I imagine they are all looking into it. The fact is that there are certain -- certain elements in the community in different places that have that definitely in mind; and I believe in 19 -- what? -- 20 and 21 they used to call it a return to that awful word "normalcy" -- get rid of the protection of what the Greeks used to call the "hoi polloi," an organization to which most of us belong --
not all of us.

Then there is one thing -- I wish somebody would say something about it -- I have been digging up some stuff on it because I have been very much interested in it, and that is what happens to land that is re-occupied.

I thought the best thing to do was to try to find out what has happened in North Africa. It has been under our occupation now for about eleven months, and what has happened there can, I think, be applied to most other lands that are re-occupied with us -- by us. The next thing will be the example of Sicily and southern Italy.

What happened in North Africa, as I saw last winter, was that they had been pretty nearly bled white. Nearly all of their wheat and their fruits during 1940, 41 and 42 had been seized and taken out of North Africa. There were no replacements of other materials from other sources. And the result was that it was a pretty sad North Africa that I saw when I got there. There wasn't enough to eat, and the production was increasingly going down-hill.

Well, as a result of everybody working in together, we have had really remarkable success. Number one, North Africa today is, with certain very minor exceptions such as peppermint tea, which they can't grow and which is their favorite -- favorite drink of the Moors -- off the record, I don't advise you to try it -- (laughter) -- but they can't grow peppermint tea -- however, they are -- they are taking care of practically all of their own food needs.
And in addition to that, they are growing enough to make a very substantial contribution to the food of all of our troops there, and a large number of British troops, which is another case of Lend-Lease in reverse.

Then -- Oh, I have got Steve to write out a mimeographed thing. You can look it over. It's pretty long, and a bit stuffy -- (laughing and looking in Mr. Early's direction) -- (laughter) -- and well, all kinds of figures in it.

We have sent them -- we had to send them flour, 30 thousand tons, and 65 hundred tons of wheat. Well, that's only a -- less than a shipload. 28 hundred tons of potatoes. 18 hundred pounds -- tons of dried beans and peas. A thousand tons of edible oil, and a few smaller amounts (of cheese, dried eggs, margarine, rice and vegetables). They were requested by General Eisenhower.

And they were needed for a lot of things, to obtain native labor sufficiently well-fed to work in the docks. We had some experiences where workers just -- just dropped of exhaustion when they came to work for us, because they were so ill-fed. Same thing on the roads and railroads. To minimize the danger of famine and food riots that would require assignment of troops in order to keep order. To prevent the spread of disease that might menace the health of our troops, and to feed the large army that was then being mobilized by the French authorities and has, since then, distinguished itself in Tunis and Sicily and Corsica. Those original
supplies were made available under Lend-Lease, but in view of their present financial position, the French have repaid us in dollars for these supplies.

Meanwhile, the agricultural experts sent over a lot of seeds, and things like that, in order to expand local agricultural production. These shipments, of very small amounts of tonnage, were carefully budgeted. They consisted of seeds, and a very small amount of agricultural machinery and equipment, certain spare parts, fuel oil, binder twine, bags, and fertilizers and sprays. They were all requested by General Eisenhower.

Some of them began to get over there way back last -- early spring, and arrived in time for the harvest in June and July. The remainder of it, especially the seeds, will arrive in time for fall planting this year, for harvest next year.

They will produce many times their own weight in foodstuffs. The total tonnage of all of these is 15 thousand tons -- what? -- a ship and a half. Food imports into North Africa stopped entirely since last -- first of July. In other words, they are self-sustaining.

Many thousand tons of local fruits and vegetables and meats have been delivered to the British and American forces for local consumption, on a reverse Lend-Lease basis, and without payment. That means without our paying anything for them. In addition, the French are providing the Allied forces with 30 thousand tons of North African flour for
use in the Italian campaign, thus avoiding our having to send the flour direct from here, saving three thousand miles of shipping. And agreements are now being negotiated to provide our forces with more than 60 thousand tons of fruit and vegetable produce. Supplies are being furnished in reverse Lend-Lease, in partial return for the munitions with which we are equipping the French army.

Beyond these immediate military objectives, the French authorities working with the Combined Food Board, have begun to accumulate food supplies for use during and after the coming liberation of France. I can't give you the exact date today. (laughter) The success of that program will greatly reduce the shipping and future needs of France itself for American food.

And in the coming year 1944, these harvests in North Africa, aided by mounting agricultural help and a year of peaceful cultivation, should greatly ease the strain on the United States. And incidentally, in saying that, I mean that we won't have to ship as many food products out of the United States as we would have otherwise. It works both ways.

Q. Mr. President, to get back to that S.E.C. matter, ---

THE PRESIDENT: (interposing) That what?

Q. The S.E.C. ---

MR. GODVIN: (interjecting) S.E.C.

Q. (continuing) --- appointment.

THE PRESIDENT: (interjecting) Yes.
Q. (continuing) That requires a nomination, does it not?

THE PRESIDENT: I think it went up --

MR. EARLY: (interposing) Went up late this afternoon.

THE PRESIDENT: I signed it this morning.

Q. I see. Could you give us any more specific idea of the type of persons who are trying to get rid of the S.E.C.?

THE PRESIDENT: No. I said it was something to look into -- a tip. You will find it in the columns of certain papers in the last two or three months.

MR. GODWIN: Mr. President, with respect to this food experience in North Africa, have you reached the point where you are having any kind of experience in Sicily or southern Italy that you could -- that you know about?

THE PRESIDENT: I haven't officially. I can only tell you what I have heard from various people coming back from there.

Sicily was --was bled white by the Germans, we all know that; and under the Fascist policy of government, the actual acreage successfully cultivated had gone way, way down in the last ten or fifteen years, especially the last two or three years. I think, as I remember it, that five-eighths of the total food and drink production of all Sicily was taken out of Sicily, so that the average farmer could only retain three-eighths of what he produced. At this time there
seems to be a pretty general feeling on the part of the
farmers of Sicily that they will be able to retain a hundred
percent of what they grow; but none of it will be taken --
taken away from them, and that what they do have in excess,
that they will be able to sell, instead of being robbed of
it.

MR. GODWIN: That sounds like "the good old days,"
Mr. President.

THE PRESIDENT: Yes. Yes. (laughter)

Q. Mr. President, is General (Jan) Smuts (Premier
of South Africa) coming to Washington?

THE PRESIDENT: I hope so. I haven't heard anything.
I haven't heard anything -- Oh, what? -- for about a month.

Q. (interposing) Is it proper, sir, to say --
THE PRESIDENT: (continuing) He told me he would
come if he could.

Q. Mr. President, have you any comment on the rail-
road wage situation, sir?

THE PRESIDENT: I don't know of any late development
that hasn't been printed. I haven't heard anything on it for
a couple of days.

Q. Mr. President, will you have a Labor conference
later this week?

THE PRESIDENT: I think so. I had Food this
morning.

Q. Mr. President, I understand the Argentine Ambas-
sador (Don Felipe A. Espil) came in to see you this morning?
THE PRESIDENT: He came in to say good-bye. I was awfully sorry to see him go. Very old friend of mine.

Q. Anything you can say --

MR. GODWIN: (interposing) Have you anything -- can you say anything about the situation in Argentina with respect to their --

THE PRESIDENT: (interposing) I don't think anything more.

Q. Mr. President, do you wish you could get results that quick in this country?

THE PRESIDENT: What?

Q. Do you wish you could get results that quick in this country?

THE PRESIDENT: You bet I do. (laughter) A matter of a couple of hours.

Q. Mr. President, do you have anything to say about the Food conference you had today?

THE PRESIDENT: I don't think so. I think the thing is -- what will I say? -- we are, I hope, gradually eliminating a whole lot of smoke and a lot of details, and coming down to brass tacks.

The situation -- I am sending up a Message to Congress on it, I think tomorrow or the next day -- but the situation in a nutshell is that since July, since Marvin Jones came in, we have done on the whole a pretty good job, at comparatively low cost. The cost of living index is not as low as we hope it will be, but on the other hand it has come down somewhat.
The cost of food we hope can go a little bit further; and the other costs of living, like rent and the other things, are holding their own and going down a little. And therefore, when all the intricacies of food, and bills, are cleared away to the essentials, I personally hope that on the first proposition they will let the present methods -- system -- continue, relatively speaking, compared with the cost of war. It has been pretty successful. There is no reason why we should try some other scheme. This one is working. And it doesn't cost an awful lot, compared with the total cost of the war.

On the other point, now that -- that all relates -- put it the simplest way -- to the cost of food to the housewife, keeping it where it is, or perhaps a little bit lower. We have had three or four months of pretty successful operation. In other words, what I am thinking about in this first instance, is the cost to the housewife between now and next July. Now, by the time next year's crop comes in -- begins to come in, around the first of July, we are all substantially agreed on a program for a great increase in the crop in the total production.

I think it is rather interesting -- the total production of this country -- if you take the 1935 to 1939 period -- call that a hundred. Well, we thought we were doing pretty well in those years. And in 1942, in the calendar year, the total production rose to 125. It will probably surprise you when I say that in 1943 it will probably rise to 131, and
not a good crop year. We either had drought, as in Oklahoma and that section, or we had floods like Illinois and certain parts of the East.

The principal reason for the total gain in foodstuffs is the tremendous gain in cattle. Many of the -- of the agricultural crops are off a bit, but they are more than offset in -- what shall I say? -- the calories -- isn't that the word that they use nowadays? -- in cattle, hogs, and so forth -- four-footed calories.

Well now, to end entirely -- people get foggy thinking, and come out and say, "No subsidies for anybody any more, beginning on the first of January." Those same people, some of them professional farmers, they have been getting subsidies ever since 1933, and even before that. We have given subsidies to agriculture for a great many years. Parity, and the effort to obtain it for the -- for agriculture, came along about 1933, and the Treasury has been spending many, many millions every year out of the Treasury and into the farmers' pockets. Of course that is a subsidy, subsidies which have always been demanded by the agricultural interests.

Then on the question of the gains of agriculture during the past year. In 1942, calendar year, the farmers of the country made about nine and a half billion dollars, and did a grand, cooperative job in raising all the extra food that they needed. They showed fine spirit. Give them all due credit. And this year, which isn't quite finished, we think they will earn about twelve and a half billion
dollars, which for one year is not—not bad at all. The average farmer is cooperating.

With the coming year, we have this new program for planting next spring, a bit of it like we are wheat-planting this autumn, of raising the total acreage planted by a much larger increase over 1943 than 1943 was over 1942.

In that we are being greatly helped by something that I hope we can double next year, and that is the victory gardens. Well, they raised ten million—I think I am right—this is pure memory—somebody check me if I am wrong—ten million tons of foodstuffs in the victory gardens. Well, that's an awful lot of foodstuffs. Put together we couldn't eat ten million tons if we tried in a year. And we hope this year that we will double that to twenty million tons.

Of course, there are a lot of people who put in victory gardens this year who got hit by the drought or hit by the rain. Next year they will be much better agriculturists in running their victory gardens than they were this year. I would advise you to try it. And so I am—we are going to start a campaign to get everybody, even with just a backyard, to put in some seeds, at any rate to double that amount from ten million tons to twenty million.

Well, those are some of the things we talked about this morning.

I—I told them a couple of stories—to Ed O’Neal and Albert Goss. I told them that one of the two had been asked, I think it was in a House committee hearing—}
said, "Well now, don't you think, Mr. O'Neal, that a little inflation wouldn't be so bad?" And that Mr. O'Neal said, "Yes, I think a little inflation wouldn't hurt anybody."

So I told him the story about a friend of mine, who is a perfectly good citizen, quite strong-minded, had no vices. Somebody went to him one day and said, "Did you ever try a little pill of cocaine?"

And he said, "No. I wouldn't touch cocaine, I might form a habit."

Well, this friend of his said, "Well, you know, it's the loveliest sensation in the world. It's perfectly grand. You just feel up in the skies. There isn't anything as wonderful as the sensation that cocaine gives you."

And he talked so enthusiastically that this fellow said, "All right, give me a pill." And then he took it, and he felt just grand, just what his friend had said.

He came back the next day, and said, "That was the most wonderful sensation I have ever had. Slip me another."

Well, within a week he was taking two, and at the end of a month he was a cocaine addict -- a drug addict.

And I said, "You know, this inflation business is a little bit like that, Ed. You get a little inflation -- you say you like a little inflation -- and then you will want twice the amount, and then you will get the inflation habit."

Well, that's a pretty unanswerable argument, philosophically and economically. We know what has
happened to the countries that have, unnecessarily, taken a little pill, just one little pill of inflation.

Q. Well, Mr. President, some of the Congressmen think you could get a subsidy habit, too.

THE PRESIDENT: We have had it for ten years and we are still alive. It doesn't seem to have the effect of cocaine.

Q. Mr. President, could you give us a figure comparable with the nine billion and twelve billion farm -- what was the farm income a couple of years ago, do you have that -- of five years ago?

THE PRESIDENT: I think it was five or six. Six, I think. It has gone up, I should say, about three billion in the last five years, and another three billion in the past year.

Q. Mr. President, are the subsidies higher or lower now than they were five years ago?

THE PRESIDENT: I would say about the same, in our efforts to reach parity.

VOICES: Thank you, Mr. President.

MR. GODWIN: They've got a bookful there.

THE PRESIDENT: What?

MR. GODWIN: They've got a bookful there.

THE PRESIDENT: Don't take cocaine, or inflation!

(laughter)

(Notebook PC-XVI -- Page 1 -- JR)
Q. Good morning.
Q. How are you feeling?

THE PRESIDENT: A little better, thanks. Takes a long time to get over that.

Q. It does.

MR. GODWIN: Is that for quotation?

THE PRESIDENT: I don't know. I was lying on my "bed of pain," Earl, about four or five days ago. I had nothing else to do, so I turned on the radio. It happened to be one of those things -- I can't do it when I am all right -- I had nothing to do, and I turned on you. And 0 My God, I don't know what it was about, but it raised my temperature a whole degree, and I couldn't tell you why. (laughter)

MR. GODWIN: That's the way it does all the ladies.

THE PRESIDENT: I have forgotten now what it was about.

MR. GODWIN: Were you mad, or just sick?


MR. EARLY: Willow Run, wasn't it?

MR. GODWIN: What?

MR. EARLY: Willow Run, wasn't it?

MR. GODWIN: It may have been Willow Run. It wasn't me.

THE PRESIDENT: Do you remember years ago we went
out there, and I put out my hand expecting to shake hands with old man Ford, and there was Earl! (laughter) We will have you running that plant yet.

MR. GODWIN: I never hear from him, except when they want to stir up some high moral issue. (Mr. Godwin is radio commentator for the Ford Motor Company)

THE PRESIDENT: Yes. Who is this kid ---

MR. DONALDSON: (interposing) All in.

THE PRESIDENT: (continuing) --- Henry Third? Nice fellow.

MR. GODWIN: Nice fellow.

THE PRESIDENT: Yes.

Oh, I have got a number of things.

Steve will have for you a story for release at -- at Noon, not to be released before then.

(reading): "Simultaneously with the announcement by the President and the Prime Minister of a re-arrangement of the Combined Food Board whereby Claude R. Wickard, Secretary of Agriculture, has been named neutral chairman, and Canada has been invited to appoint a member, the President signed an Executive Order strengthening the War Food Administration by designating the War Food Administrator, Marvin Jones, chairman of the Interdepartmental Committee and United States Member of the Combined Food Board. The War Food Administrator and the Secretary of Agriculture will continue as members of the War Production Board.

"This represents an important step in the
simplification of the food allocations process. And under the terms of the Order, the Food Advisory Committee and the Inter-agency Committee are abolished, and the War Food Administrator has created by administrative order a Food Requirements and Allocations Committee to pass on all domestic and foreign claims for food from United States sources.

"A strong food requirements and allocations mechanism in the War Food Administration will expedite food allocations. Under this arrangement the food requirements branch of the War Food Administration will present United States domestic claims for food and the newly created Office of Foreign Economic Administration will act as the claimant agency for food for foreign account. In this way, the machinery of food allocations will be similar to the Requirements Committee of the War Production Board that makes allocations on the industrial side. The Food Requirements and Allocations Committee should prove to be a time-saver, in that there will be but one such committee on which claimants for food are represented. It will in this way simplify inter-agency relationships.

"Having the War Food Administrator as the United States Member of the Combined Food Board will facilitate the work of that Board in dealing with international food problems. Inasmuch as his deputy has been named chairman of the Food Requirements and Allocations Committee, the War Food Administrator will be in a position to state the American point of view on the Combined Food Board, and any possibility of conflicting American points of view in food allocation matters
will be eliminated."

And then the text of the Executive Order.

It all is working toward -- toward simplification, and Canada has been invited by the United States for the U.K. to become a full member of the Combined Food Board. It was set up, this Combined Board, in June 1942, in order to coordinate further in prosecuting the war effort, and so forth. I don't know that I need that ---

MR. EARLY: (interposing) They have that, Mr. President.

THE PRESIDENT: That I think you will get. It's all -- all part and parcel, first, of the simplification process; and I hope that people also will keep it in mind in relationship to the whole problem of food in this country, and throughout the world. You want to get rid of some mis -- I don't want to say misunderstandings, but some lack of knowledge on the part of the general product of food throughout the world. I thought I could give you a -- an illustration.

First of all, I think I will send up the Food Message on Monday to Congress. It's practically finished. And in connection with that Food Message there will be a good many figures. It's a tough thing to write about; but I think I will make it perfectly clear that on the whole, the -- on the domestic side of things, the actual cost of food -- well, you can't -- you can't go behind statistics an awful lot -- we all know that the cost of food in the last three months has gone up practically not at all, or very little -- a very tiny
percentage.

And that committee -- the method that has been used since last July is a stabilization method. It has cost the country very, very little in actual cash, and it seems to be working pretty well toward the idea of stabilization.

At the same time, it all ties in with the general foreign picture, the winning of the war picture, things like, for instance, Lend-Lease. And I think I will bring out one fact -- I don't know why it should not be talked about now, because you will have plenty to write about out of the Message as a whole -- just an interesting little item.

It's a thing called reverse Lend-Lease. And we have been receiving from Australia enough beef and veal, practically, to feed all of our troops that are based on Australia. We are getting it through the Lend-Lease process, the reverse Lend-Lease process.

And the total amount of that beef and veal that we are receiving in reverse Lend-Lease is the same amount, roughly, that we are sending out of the United States -- beef and veal -- to the European theatre. It just about washes out. In other words, we are getting -- getting for our use as much as we are sending out for other people's use. Now that is an amazing statement. That is a real headline. (laughter) In the long run that is something -- something that the country doesn't know.

Of course, the Americans in the Southwest Pacific area are eating an awful lot. (laughter) Instead of
shipping it out of here -- American beef and veal -- a tremendously long voyage -- we are feeding them in the Southwest area from Australia and New Zealand, and thereby saving an enormous amount on shipping, and getting this all from Australia and New Zealand on the reverse Lend-Lease basis. I think that -- I didn't know it until this morning. I grabbed hold of it and said that's the thing that would be overlooked in the general Message on Monday, and we might as well break it now.

Q. I understand, Mr. President, that that equals the total amount of meat that is shipped to the European theatre, ---

THE PRESIDENT: (interjecting) Yes.

Q. (continuing) --- including our Army? Does that include our Army?

THE PRESIDENT: No. You see, our Army isn't fed by Lend-Lease over there. These are things that go to other people.

Q. Does that equal all meat for their use? Is it just the beef and veal?

THE PRESIDENT: I was talking about beef and veal. I don't know about the others. That's a tremendously major item in feeding the Army.

MR. GODWIN: May I ask a question, sir? Farm people have been here lately -- have various ideas about the food thing. One thing which seems to stick in their minds is that the food program, which is going forward, is lacking in farm machinery and material for farm machinery. I get the
impression that they think it's lagging; and if I am not wrong ---

THE PRESIDENT: (interjecting) In a sense you are right.

MR. GODWIN: (continuing) -- Mr. (Ed) O'Neal (of the American Farm Bureau), I understand, took it up with you.

THE PRESIDENT: In a sense there is some truth in it. As you know, the allocations for farm machinery that were made back last -- you know, way back -- May and June ---

MR. GODWIN: (interjecting) Yes, sir.

THE PRESIDENT: (continuing) --- and some of them earlier than that, were -- those allocations were very greatly increased -- of steel. And the companies that made farm machinery, who still had the machines to do it, were asked to make farm machinery up to the full point. Well, during the past three months we have had quite a struggle with some of the people who were making farm machinery in the old days, because they didn't want to go back to farm machinery. I guess they could make more money out of munitions. And we have had a bit of opposition from some companies -- not all by any means -- in reverting to the making of farm machinery. It was perhaps a better thing from their point of view to make parts for old machinery for other purposes.

MR. GODWIN: But you insist on ---

THE PRESIDENT: (interposing) On farm machinery.

MR. GODWIN: (continuing) --- on carrying out the program?
THE PRESIDENT: Absolutely. Absolutely. And we have been pushing them and pushing them to carry out their -- their part of the -- use of the steel and iron that has been turned over to them. They can get it. It is there.

And the only other thing I have got is -- I just want to say a word about this Moscow conference, and the fact that while documents and things like that are not ready for issue, the net result of the conference has been a tremendous success, not only from what has been accomplished in the way of definite items of agreement, but also in -- in the spirit of it.

There are many people who felt when this thing started -- there were a great many cynics who said, "Oh, they will all agree to disagree," and, "There will be a lot of suspicion and won't get anywhere." But the spirit of the whole conference has been amazingly good. I think Mr. Hull deserves a great deal of credit for that spirit, and I think the Russians and the British deserve equal credit. It has been a -- what we called in the old days in the Navy -- it has been a "happy ship." They have talked things out quietly. And the relationships between them individually have been about a hundred percent.

And just as soon as the documents are signed and they start to come back, the whole thing will be of course given out, probably from that end.

Q. Sir, do you think it brings near the -- nearer the possibility of the meeting between you and the Prime
Minister and Mr. Stalin?

THE PRESIDENT: That I -- I still don't know any more than I did two weeks ago.

Q. Mr. President, you mentioned documents being signed. Can you tell us any more about the general nature of those documents?

THE PRESIDENT: I think I had better not, because I don't want to -- I don't want to cross wires and state any -- any generality here. It's better to get the whole thing from the other side. But it is all -- all working, of course, toward the -- toward the objective, which is a unanimity in not merely the progress of the war but in the transition period, looking toward a friendly agreement as to what can be done on many practical things, not necessarily all of them.

We can't -- well, somebody came in the other day and demanded that I -- you know who it was, some of you -- to cross all the "Ts" and dot all the "Is" in regard to all sorts of things. "What are you going to do about such and such a matter? What are you going to do about such and such a five-square kilometer area in the world?" Well, that -- I call that a crossing of "Ts" and dotting -- dotting of "Is".

This conference has been engaged in considering the big things -- the objectives.

Q. Mr. President, ---

Q. (interposing) Mr. President, in a good many quarters of late, there has been expressed the feeling that in view of the developments some sort of re-definition or
re-statement in more explicit terms of this country's foreign policy as a whole might be in order, particularly with reference to what those objectives at Moscow might be. I know that's a large order, but is there anything that could be said at this conference about it?

THE PRESIDENT: Well, referring rather more in particular to the Senate debate, you get that sort of stuff --

Q. (interjecting) Yes.

THE PRESIDENT: (continuing) --- well, I suppose the easiest way to answer it is this, that when we went to this conference all three nations had a thing called an agenda, and in that agenda were many matters of general policy.

Well, if at this particular time, when our delegation went over there, that Mr. Hull had been bound not merely to the general policy but certain more specific things, and the British had been bound to theirs, and the Russians had been bound to theirs, what would have been the use of a conference? You learn a lot in a conference, both sides.

The ultimate objectives, we all know pretty well what they are. The first desideratum is peace in the world and the end of aggression. That is far and away the most important thing.

But the idea of a conference is to confer, get the other fellow's point of view. It is quite possible that you might get a good idea from somebody else outside of our own borders. It is quite possible that you might persuade the other fellow that some idea that you had was a pretty good
idea. I think we have all lost sight of the fact that the main practical point at the present time is to sit around the table and see if we can't agree, and swap various kinds of -- of language.

Now, in -- in conferences, domestic or foreign, you draw up a document. Well, it's done by some draftsman, and they agree that it is pretty darn good language, and you get a general agreement on the language. And then you bring it into the whole conference, before all the conferees.

And somebody says, "Don't you think it would be better to put it this way, in the light of all the circumstances?"

And the others say, "Well, that's a good idea. Let's change those few words, here or there."

Or they say, "No. No, I don't think that is so good. Let's try a third method."

And finally you get a document which has been gone over with a good deal of care and agreement. You can't just go in and say didactically, "Take this language. We won't consider any other language."

Now, I think -- I think the Senate, in talking about it, will come out by using some fairly general language, which if they become too specific in it might have to be changed when the time came. We haven't -- the Senate hasn't had the other fellow's point of view.

So I am very much in favor of a Senate Resolution which will point out to the country in general terms that
after this war, in order to avoid future wars in the world, that this country will cooperate with other nations toward that end. That would be something. It would be a very fine thing.

Q. Mr. President, does the committee Resolution meet that specification?

THE PRESIDENT: What?

Q. Does the committee Resolution -- Resolution reported from the Foreign Relations Committee --

THE PRESIDENT: (interposing) That's the whole trouble. Now you put -- you put your finger right on it. How could I answer that question? You couldn't. I couldn't answer it. Now you are getting down to specific language. You and I could sit down, if we were the dictators of the world, and work out some language that you and I thought was one hundred percent. And then Earl Godwin would come in and give us something that was better.

MR. GODWIN: Earl Godwin thinks that it does.

(laughter) Now, if it's just a matter of words, it's sort of silly to take up time --

THE PRESIDENT: (interposing) Well, I think the Senate has every right to talk about it just as long as they want.

MR. GODWIN: Exactly, sir, we shouldn't say anything else. But suppose the Senate had adopted the Resolution, which it may at any moment, and you may be over in Europe, will the United States or will the President of the United States
feel bound by this kind of Resolution?

THE PRESIDENT: By the -- well, that's -- that's a difficult thing to say. I might not like it.

MR. GODWIN: Pardon me?

THE PRESIDENT: I might not like it.

MR. GODWIN: Well, it's an expression of the Senate. It isn't the ratification of anything.

THE PRESIDENT: Well, if the general sentiment is all right ---

MR. GODWIN: (interjecting) Yes.

THE PRESIDENT: (continuing) --- that's fine. I have told you what the general sentiment I think ought to be.

MR. GODWIN: (interjecting) Yes, sir.

Q. (interposing) Mr. President, ---

THE PRESIDENT: (continuing) This country wants to stop a war.

MR. GODWIN: Yes.

MAY CRAIG: Mr. President, there is some feeling in the Senate that passage of this kind of Resolution would relieve you of the necessity of coming back for ratification.

THE PRESIDENT: Oh. I haven't heard that. That's a new one, May. That's a new one.

Q. Mr. President, on the subject of the Moscow conference, did I understand you correctly that there have been agreements reached, ---

THE PRESIDENT: (interjecting) Yes.
Q. (continuing) --- and all that remains now is for the documents to be signed?

THE PRESIDENT: Essentially, that's right.

Q. Mr. President, in the recent three-power statement on co-belligerency, it appeared that the three powers acted in behalf of all the United Nations. Is there a policy that Great Britain, Russia and the United States will make spot political decisions in behalf of all the United Nations?

THE PRESIDENT: I wouldn't put it as broadly as that. There are certain things where the four large nations in the military field won't have time to consult with the -- what is it? -- 32 United Nations, primarily because it's -- it's a military thing, --

Q. (interjecting) Yes, sir.

THE PRESIDENT: (continuing) --- but anything where we have time to turn around on an ultimate objective, certainly the other -- the other United Nations join in on the whole future picture.

Q. Mr. President, anything you can tell us about the coal situation -- your plans?

THE PRESIDENT: I thought you would ask about that. It's on the top of my basket. (indicating) I got it last night.

Q. (interposing) Mr. President, ---

THE PRESIDENT: (continuing) Nothing has been done yet.

Q. (continuing) --- the statement that the
conference has been a tremendous success would seem to imply that you are now confident of Russia's willingness to cooperate with us in maintaining peace?

THE PRESIDENT: I wouldn't put it that way. I always have been, personally. This confirms my belief.

Q. It has been confirmed -- strengthened?

THE PRESIDENT: Yes, yes.

Q. Mr. President, getting back to the coal situation for just a second, do you anticipate that it will be necessary to take over the mines again?

THE PRESIDENT: I would rather not say anything about it now, because I only got it late last night.

Q. Mr. President, about the discussions in the Senate, do you believe it is possible for the Resolution to be too general? At present, some of the Senators contend that it is being supported by Isolationists, as well as those who wish to cooperate with other nations.

THE PRESIDENT: Well, I haven't seen the final thing. I don't know yet.

Q. Mr. President, on the general question of foreign policy, there have been a great many rumors floating around on our attitude toward the Greek government and King George. One of those rumors has been that you sent a communication to the Greek King in the last couple of months bearing on his policy toward the Greek government and your policy toward him. Is there any basis in that, sir?

THE PRESIDENT: Well, Yes and No. I sent him a
perfectly polite -- this is off the record -- State Department form of telegram.

Q. Well, I believe we knew --
THE PRESIDENT: (interposing) I don't think there's any news in it.

Q. There's nothing beyond that, sir?
THE PRESIDENT: No.

Q. Mr. President, what can you tell us about freezing Argentine credits?
THE PRESIDENT: I don't know anything about it.

Q. (interposing) Mr. President, ---
THE PRESIDENT: (adding) You would have to ask the State Department on a thing like that.

Q. Ask the State Department?
THE PRESIDENT: Yes.

Q. Can you say, sir, whether there has been any decision regarding President Quezon and November 15, when he is ---

THE PRESIDENT: (interposing) Not yet. Probably -- the thing is under discussion at the present time, and there will probably be something turn up, I don't know where from, ---

VOICE: (interposing) Thank you, Mr. President.
THE PRESIDENT: (continuing) --- pretty soon.
MORE VOICES: Thank you, Mr. President.
MR. GODWIN: Was I saying something about Harry Hopkins leaving the White House? Did that make you mad?
THE PRESIDENT: No, it wasn't that. It was something else. It's all right.

(laughter)
MR. GODWIN: (passing May Craig on his way to his seat) This girl can sit on my lap.

THE PRESIDENT: May, I hear you are a very good presiding officer.

MAY CRAIG: Grace (Tully) tell you?

THE PRESIDENT: What?

MAY CRAIG: Grace tell you?

THE PRESIDENT: Yes, yes.

MR. DONALDSON: All in.

THE PRESIDENT: There has been -- I think -- there isn't very much spot news -- there has been a conference in Chungking. I see no reason why it shouldn't be announced now. General (Joseph W.) Stilwell, General (Claire) Chennault, and Admiral (Lord Louis) Mountbatten, and General (Brehon) Somervell, they have been conferring with the Generalissimo (Chiang Kai-shek) and the Chinese military.

And it was an extremely successful conference. Of course, it was mostly operational, and there was complete agreement on the joint operations -- three-sided. General Somervell is already back home here. And -- well, without going into military details I can't tell you more than that, except that there is complete agreement between the Chinese and the British and ourselves in respect to the method of handling the -- the continental campaign in the Far East.
Q. Is that bad news for the Japs, sir?

THE PRESIDENT: What?

Q. Is that bad news for the Japs, sir?

THE PRESIDENT: Yes. Yes. (laughter)

MR. GODWIN: Were you through with that, sir?

THE PRESIDENT: What?

MR. GODWIN: Were you through with that, sir? The fact that General Somervell was there would also lead to the inquiry that they took up the question of supply, that was it?

THE PRESIDENT: Yes, largely.

MR. GODWIN: Covered by that, entirely?

THE PRESIDENT: Yes.

MR. GODWIN: May I go on, sir, to the Moscow -- the Moscow conference which seems to have been very productive? A question arises on that, can that be final? We can always expect, then, that possibly you and the Prime Minister and Marshal Stalin would next get together? Does that --

THE PRESIDENT: (interposing) Well, I have -- put it this way, for background. On the -- on -- the conference has been, as we said the other day, a great success, has worked out certain general principles. And it undoubtedly will lead to other meetings of both of these commissions which have been announced, the Mediterranean commission and the other commission which is to meet in London. Then, in addition to that of course, there will be, undoubtedly, a good deal of closer work on the details of things. Well, that means --
that means military operations and service of supply. There
will be better coordination. And there will undoubtedly be
other meetings.

Now, I haven't got anything further -- literally
true -- I have nothing further on a meeting with Mr. Churchill
and Mr. -- Marshal Stalin, at this time. Of course, it's
always an awfully good thing if you know the other fellow
personally, and I am still anxious to meet and know Marshal
Stalin.

MR. GODWIN: Is that the -- may we say that?
THE PRESIDENT: Yes, I think so. But there isn't
any -- any further news than that: the mere fact of knowing
the other fellow.

Q. Mr. Hull be home soon -- pretty soon?
THE PRESIDENT: What?
Q. Mr. Hull be home pretty soon?
THE PRESIDENT: I hope so.
Q. Mr. President, on that meeting in China, was that
in terms of strategy as well as supplies?
THE PRESIDENT: Oh Yes. The whole thing.
Q. Mr. President, did the Moscow conference make
any change in the status of General Marshall?
THE PRESIDENT: Oh No. Oh No.
Q. Mr. President, did the Moscow conference in any
of the recent negotiations result in any developments with re-
gard to Jewish victims of atrocity or persecutions abroad?
THE PRESIDENT: In regard to what?
Q. To Jewish victims of atrocities or persecution?

THE PRESIDENT: That I don't know. I won't be able to tell you that until I see Mr. Hull, ---

Q. (interposing) Mr. President, ---

THE PRESIDENT: (continuing) --- because that is, as you know, that whole problem is -- the heart's all right -- it's a question of ways and means. Just in the same way it's almost a parallel with the question of the starving peoples of occupied countries. The heart's all right. It becomes a question of ways and means of how to get food to them.

Q. Mr. President, since we were talking about the Moscow conference, I have a rather long-winded leaflet on an important aspect of it, which possibly you could read to better effect than I, if you don't mind doing so? (handing him a small sheet of paper)

THE PRESIDENT: Yes.

(reading): "Senate debate on the post-war policy Resolution has indicated suspicion in some quarters that the Moscow Declaration has by-passed the requirement for Senate ratification of the treaty or treaties affecting American participation in the proposed general international organization to maintain peace and security, or to carry out other phases of that Declaration which ordinarily might require advice and consent of the upper house. Could you clarify Administration intentions in this respect?"

I think the answer is that the Constitution still lives. (many exclamations of agreement)
MR. GODWIN: Yes! Good!

Q. Thank you.

Q. Yes, sir!

MAY CRAIG: Well, Mr. President, how do you get the advice of the Senate?

THE PRESIDENT: By asking for it. (laughter)

MAY CRAIG: In what way? Individuals? Or are you doing that now?

THE PRESIDENT: Oh Yes. That goes on every day in the year.

Q. Mr. President, did the inclusion of clause four of the main Moscow agreement in the Connally Resolution seem like a good idea to you?

THE PRESIDENT: Yes. That's all right. Grand.

Q. Mr. President, there has been a good deal of speculation editorially, as to why Austria was singled out for the Declaration in the Moscow -- in the Moscow announcement?

THE PRESIDENT: That I will have to wait until Mr. Hull gets back. I couldn't tell you, off-hand. I have got a suspicion that we had better wait and get that from him.

Q. Mr. President, ---

Q. (interposing) Mr. President, there have been reports that Donald Nelson is going to head a new United Nations production organization. Have you heard anything on that?

THE PRESIDENT: No. That's a new one.
Q. Mr. President, is Mr. Hull going to sit with Mr. Eden in Cairo to meet Mr. (Numan) Menemencioglu, the Turkish Foreign Minister?

THE PRESIDENT: Going to meet with whom?

Q. Mr. Menemencioglu, the Turkish Foreign Minister, and Mr. Eden -- meet with him in Cairo?

THE PRESIDENT: That I don't know.

And the only other thing I have got is -----. Well, I can say this, that the -- that the naval battle in the Southwest Pacific was extremely successful, and carries out the same old idea of whittling away the Japanese forces.

We are on shore in Bougainville, and while in a sense it's the stepping-stone method, we have to remember -- which we are against as a general policy -- there is a very strong Japanese point down there called Rabaul, and if and when we have full occupation of Bougainville we will be within a very short distance of Rabaul, making the use of it by the Japanese forces a much more dangerous operation.

For the last year -- for more than a year, Rabaul has been their principal support point for all of their operations in the Southwest Pacific, that is to say on the east side of New Guinea. And the progress we are making there is not only aimed at making their use of Rabaul a very difficult thing, but also it's a part of the whittling away or attrition process. A Japanese cruiser and three or four destroyers (sunk November second 40 miles west of Bougainville) is another distinct step in that direction; also, the continuation of
getting a lot of Japanese planes. That part of it is going all right.

The only other thing I have got is the appointment of a tripartite committee of the National War Labor Board to make an investigation into the cost of living, and to report the results of its investigation within sixty days.

The people appointed are Mr. (Wm.) Davis, the Chairman, representing the public; Mr. (George) Meany of -- Secretary-Treasurer of the (American) Federation of Labor; Mr. (R. G.) Thomas, the President of the United Automobile Workers, representing labor -- those two; Mr. Horton, Treasurer of the Chicago Bridge and Iron Company; and Mr. George K. Batt, the Vice President of Dugan Brothers, representing the employers.

The -- I think it was felt by the National War Labor Board, and by a great many other people, that people are a lot apt to be quite foggy in their minds as to the -- the cost of living. A great many people -- people think of the cost of living only in terms of food. The cost of food, of course, varies in a great many different communities and different regions. That is almost inevitable in a country of this size. There are other elements, such as the cost of rent, and clothing, and recreation, and so forth and so on, all of which enter into the figures of the cost of living.

And it is hoped that this committee, making a quick survey, will be able to clarify for the public some of these questions as to what the cost of living means. They will
report inside of sixty days.

Q. Mr. President, will that --

MR. GODWIN: (simultaneously) Did you ask --

Q. (continuing) -- excuse me -- go into the validity of the Bureau of Labor Statistics' index of the cost of living?

THE PRESIDENT: Well, only incidentally. There has been one committee that says that the index, as -- as worked out at the present time, is very good. That committee has already reported. But this is a checkup by labor and employers and government on the whole thing, ---

Q. (interjecting) Yes, sir.

THE PRESIDENT: (continuing) --- all the different elements.

MR. GODWIN: Mr. President, ---

Q. (interposing) Including ---

MR. GODWIN: (continuing) --- you spoke on the item of food sometime before, about that thing.

THE PRESIDENT: (interjecting) Yes.

MR. GODWIN: (continuing) Well, there -- as you well know, there are families in -- in whose budget food and clothing and children's shoes make up practically the cost of living, outside of, so far as they know ---

THE PRESIDENT: (interposing) How about rent?

MR. GODWIN: Rent. Outside of rent.

THE PRESIDENT: (interjecting) Yes.

MR. GODWIN: (continuing) And it occurred -- it
occurred to me that possibly these people might depart from the over-all drafts, and economists' figures, and go into the family budget on that matter, which -- which -- I am making a speech, if you will forgive me, ---

THE PRESIDENT: (interjecting) Yes, yes.

MR. GODWIN: (continuing) -- which of course is the topic of conversation by millions of people ---

THE PRESIDENT: (interjecting) Of course it is.

MR. GODWIN: (continuing) --- on the subject of the cost of living.

THE PRESIDENT: That's right. That's right. But of course, cost of living means the over-all total family budget ---

MR. GODWIN: (interjecting) It certainly does.

THE PRESIDENT: (continuing) --- and all those things with the family budget. A man who raises a garden -- a war garden -- if he has got a really good one, he saves an awful lot of cash outgo.

MR. GODWIN: (aside) If he has it.

THE PRESIDENT: (continuing) He works in the afternoon, or early in the morning before he goes to work. There are hardly any two families that have exactly the same problem, obviously.

Q. Mr. President, can you tell us the first name of Mr. Horton on that committee, please, sir?

THE PRESIDENT: H. B. -- Treasurer, Chicago Bridge and Iron.
Q. (loudby) Thank you, Mr. President.

Q. (interposing) No. Wait a minute, please. Mr. President, just one question I want to ask before we leave. Have you any comment that you would like to make on the elections of last Tuesday?

THE PRESIDENT: I suppose the only comment is that I have been very much interested in the returns (and here the President paused a second) from Italy, and the Southwest Pacific, and the China theatre. Thank you. (loud laughter)

Q. Thank you, Mr. President.

(more laughter)

THE PRESIDENT: That ought to hold him!

(much laughter)