

CONFIDENTIAL

Press Conference #22

Executive Offices of the White House,
May 19th, 1933 - 10.34 A.M.

THE PRESIDENT: Good morning, what is the news?

Q That is what we want to get.

THE PRESIDENT: Everything is all quiet.

Q Can you give us any background on this so-called dispute down at the Department of Agriculture with reference to the administration of the Farm Relief Bill?

THE PRESIDENT: I never heard of any; it is news to me.

Q There seems to be a difference between Mr. Peek's philosophy and the philosophy of one or two others down at the Department.

THE PRESIDENT: I never heard of it; it is a new one on me.

Q Will you ask Congress this week for power to make reciprocal tariff agreements?

THE PRESIDENT: I haven't done a thing about tariff and I haven't done a thing about the treaties. That is exactly in the same status it was in a week ago, two weeks ago, a month ago.

Q What is the status of reorganization?

THE PRESIDENT: What reorganization?

Q Government reorganization?

THE PRESIDENT: Lewis Douglas is going down the river with me tomorrow and Sunday. We are going to spend the night on the boat and we will probably take up for the first time the question of reorganization. That is as far as we got on that.

Q How about debts - anything new on that?

THE PRESIDENT: No.

Q Congress is ready to adjourn the middle of June.

THE PRESIDENT: Are they? (Laughter)

Q Well, perhaps. (Laughter)

THE PRESIDENT: You are just like George Morris in Albany.

You always start off by making an interesting statement and then predicating the question on the interesting statement. (Laughter)

Q You say there is nothing new. Will there be anything new? Will you let the situation go on as it is?

THE PRESIDENT: I don't know. I haven't any idea any more than you have.

Q You must have. (Laughter)

THE PRESIDENT: No, I have not.

Q Are you contemplating going to the Bonus Camp? There has been something written on it.

THE PRESIDENT: I believe - you know I have been working really, day and night. I don't believe I can get off.

Q Do you still feel optimistic about the Geneva Arms Conference?

THE PRESIDENT: Put it this way: I think I feel the same kind of optimism that everybody else does, but I have not any more reports or information about it than what they have. I have had replies from different heads of nations and we have these reports from a number of ambassadors and others from our embassies and legations. We have not heard anything further, but I should say that the general tenor of the reception, both on my cable and on Hitler's speech, has distinctly not only eased the situation but has improved the whole tone of the Conference itself. And if the action, or, rather put it the other way around, if the intent as expressed can be translated into similar action, we really ought to get somewhere and get something definite done.

Q There was a cable from Paris this morning that some French senator asked for a five percent cut in the Army and that Premier Daladier got up and made a speech and said "Nothing doing".

THE PRESIDENT: A five percent cut?

Q A five percent cut in the French Army.

THE PRESIDENT: I hadn't heard.

Q Nothing on that, then?

THE PRESIDENT: No.

Q He further said that it was impossible to go on because they had already reached the limit and could not further disarm. There is a meeting at Geneva tomorrow and that brings it into a rather queer situation.

THE PRESIDENT: I don't think so. This is a perfectly simple situation. Nobody is cutting their armies until we get an agreement from everybody to cut. Nobody could go before Congress and say, "Please make these cuts now," until we get an agreement on which to base it.

Q But Congress will pass anything. (Laughter)

Q Have you finished your selection of delegates as yet?

THE PRESIDENT: I have not done anything further than those three I mentioned the other day. I am going to talk about it this afternoon.

Q Who are you going to talk with?

THE PRESIDENT: The Secretary of State.

Q With respect to reports about cooperating with the rest of the world, is it not a safe assumption that you do not expect any development at Geneva which will get us into foreign entanglements or alliances?

THE PRESIDENT: I think that is a perfectly safe assumption.

(Laughter)

Q Is anything going up on oil today?

THE PRESIDENT: I am sending up a letter today.

Q And the legislation too?

THE PRESIDENT: No, I am simply sending up a letter transmitting the facts and the recommendations as found by the Secretary of the Interior.

Q Is that a message to Congress?

THE PRESIDENT: A letter to the Speaker and the Vice President, not a message.

Q Does that provide for legislation?

THE PRESIDENT: What I am doing, and I think this is just for background, is this: The general thought is that on the oil problem it may be possible - and I think it is a matter for the Committee to work out - it may be necessary to put something additional into the industry partnership bill. The oil situation is a little bit

different from other industries but it would be better to bring it in as part of that bill rather than to have action on it by a separate bill.

Q Do you mean, Mr. President, because there are three or four different businesses in producing, refining, pipe lines and so forth?

THE PRESIDENT: Yes.

Q Any officials going with you on this trip?

THE PRESIDENT: No, just Harry Roosevelt going along with me.

Q Can you confirm for us those reports in the papers this morning that we are seeking stabilization of all currencies in advance of the World Economic Conference?

Q Off the record.

THE PRESIDENT: That is new to me.

Q Mr. President, is there any Ambassador to Berlin in sight?

THE PRESIDENT: Not yet.

Q Do you care to say which of the four tax plans submitted by the Director of the Budget, Mr. Douglas, you favor?

THE PRESIDENT: I don't favor any of them.

Q You are leaving it to Congress?

THE PRESIDENT: Yes, it is up to Congress next week.

Q What do you mean next week?

THE PRESIDENT: Just what I said in the message.

Q But, if Congress does not get together, would you recommend one?

THE PRESIDENT: You had better quote the exact language.

Q You said that you could not expect them to reduce armies until you got an agreement. Does that mean that there will be no cut in the enlistment under your economy program?

THE PRESIDENT: Ed (Roddan), I have not gone over the exact figures. There will be, probably, a cut in officers in both Army and Navy for the simple reason that we are at the present time, as everybody knows, over-officered. We can get on with a good many less. This is off the record because I haven't got the exact figure, but approximately it is this: When I was in the Navy Department in 1916, before the War, the Navy appropriation was approximately the same as it is today and we had, as I remember it, about one hundred and seventy officers in the Navy Department. Today, with exactly the same appropriation, there are about four hundred and fifty officers in the Navy Department. Now, that is the kind of checking up that I am doing

and it would seem reasonable that if we had a fairly efficient Navy with a hundred and seventy officers in 1916 that we do not need four hundred and fifty of them in the Navy Department at this time. Probably we cannot cut it down to a hundred and seventy but probably three hundred, or something like that, would be all right.

Q That is off the record?

THE PRESIDENT: Yes, that is off the record, merely to give you an idea of the kind of relative examination that I am making.

Q Will there be any cut in the enlisted personnel?

THE PRESIDENT: That I could not tell you because I have not gone over it with the Secretary of War or the Secretary of the Navy.

Q What about your talk with General Johnson?

THE PRESIDENT: Nothing on that. I talked with General Johnson about the possibility of all sorts of organization plans for public works and for the industry end of the bill. I am just trying to take time by the forelock so that, if the bill goes through, we will have studied the administrative set-up. That is as far as we got.

Q Anything about your appointments on the Muscle Shoals Commission?

THE PRESIDENT: The only person I have asked to go on the Muscle Shoals Authority is Dr. Arthur Morgan.

Q Is he President of Antioch College?

THE PRESIDENT: He is President of Antioch College, but, probably more than any other man in this country, has carried through similar projects. He was in charge, for instance, of flood control on the Miami River up above Dayton after the Dayton flood in 1913. They spent on that one river alone, for flood control, about fifty million dollars. He has probably had more experience in that line of work than anybody in this country.

Q Are you considering Mr. Scattergood of Los Angeles or --

THE PRESIDENT: I think there are about a hundred and fifty other names under consideration but nothing has been done. It would not be fair to mention any individual names because I haven't any idea.

Q Has Dr. Morgan accepted?

THE PRESIDENT: Yes.

Q That makes him the head of it, does it not?

THE PRESIDENT: Yes, he will be the Chairman.

Q Referring to Hugh Johnson, it is said you offered him a position.

THE PRESIDENT: No, nothing has been done. We talked over the administrative set-up and that is all.

Q Speaker Rainey and others were here yesterday to see if you could put the Glass banking bill on the Administration legislative program, and they did not say whether they could or not after they left.

THE PRESIDENT: They were right.

Q What is it on today?

THE PRESIDENT: No, we were just discussing it.

Q Reports from Geneva indicate that the exporting countries have agreed on a ten per cent cut on wheat. Would that be carried out by the terms of the Farm Bill in this country?

THE PRESIDENT: I think it is a little bit premature to put it that way. What we are trying to do on wheat is to get all the exporting wheat countries together on some method of reducing the world wheat surplus so as to stabilize world wheat prices. Proper reduction is, of course, one of the methods of doing it

and, for the first time, the United States is in a position, because of the Farm Bill, to make an effort to go along if the other nations agree to do the same thing. That is about as far as we have got.

Q Mr. President, can you tell us whether Harry Hopkins is going to head this five hundred million dollar relief organization?

THE PRESIDENT: All I can tell you on that is that I have had no communication with him. Governor Lehman is very, very much opposed to his leaving New York and I don't want to take him away from New York if I can possibly help it. In other words, I am looking for somebody else but if I cannot find anybody else I am asking him to come down here. That is far as I got.

Q He loses about five thousand dollars a year in salary.

THE PRESIDENT: Oh!

Q Has any consideration been given to the advancing of any funds in the Wagner bill to States which are in need of additional relief pending appointment of the Administrator?

THE PRESIDENT: That is the problem; the thing expires on Saturday and I have to try to get somebody by Saturday.

Q Can you tell us anything further about a joint statement
by Pani, the ^{Minister} ~~President~~ of Mexico?

Q Yes.

THE PRESIDENT: No, I don't believe I had better because
they are working on it at the present time.

(The Press Conference adjourned
at 10.50 A.M.)

CONFIDENTIAL
Press Conference #23
Executive Offices of the White House

May 24, 1933, 10.35 A.M.

THE PRESIDENT: What I am going to say to you is just between us and in the family. I have begun to get a lot of what might be called entreaties from the various departments for me to talk to you. I am not going to do it yet because we will wait until what I call the silly season which is July and August.

Q Those are the dark days?

THE PRESIDENT: Henry Morgenthau sent a long request to explain the Farm Credit Bill to you and the Secretary of the Interior wants me to tell you that I want everybody to go to the National parks this summer (Laughter).

Q What will we use for money, Mr. President?

THE PRESIDENT: You can get a free trip there if you join the Park Service. I thought I would not start in on anything like that until July or August and we will need a lot of that then, because there won't be any news.

I don't think there is any other news that I have.

Q Is there anything new in the local situation with regard to the District of Columbia Government -- the District Commissioners?

THE PRESIDENT: No.

Q We were under the impression that you were not in favor of imposing these import taxes under the Tariff Bill during the tariff truce. The indications are that you may have changed your mind. Is that so?

THE PRESIDENT: No, neither is true. In other words, as the original tariff truce was drafted, it would have been a doubtful question but, as it was finally approved, -- I cannot remember the exact language, but it was to the effect that no tariff changes would be allowed which changed the actual status quo. Now, a very small import tax, as I understand it, to go on in conjunction with the processing tax would not change the status quo. Importers would have exactly the same rate as they had before. It does not change the status quo. Secretary Hull has gone over it quite carefully and he says that it does not, in effect, raise the import tax.

Q Is it the intention to put it on?

THE PRESIDENT: I don't know.

Q It is mandatory in the act?

THE PRESIDENT: I think it is. I think it goes hand in hand, as I remember it, with the processing tax.

Q What happened to that tariff truce, Mr. President?

THE PRESIDENT: The tax?

Q No, the tariff truce.

THE PRESIDENT: It has been signed by the eight powers.

Q It has?

THE PRESIDENT: Oh, yes. By "signed", I mean it is the joint statement of the eight powers on the Organizing Committee, which they agreed to and sent out to all nations.

Q But it has not been put into effect, has it?

THE PRESIDENT: Oh, yes; it is in effect today.

Q What progress have you made on the reorganization on which you started to work on Sunday on the boat?

THE PRESIDENT: I had grand intentions and that is as far as we got. We brought down a large package with all the figures and all the departments and bureaus and we brought it ashore unopened. I did not want to spoil the Sunday -- the Monday morning story, so now you don't have to say anything more about it. We haven't touched it yet. But, as a matter of fact, Lew Douglas is working on it and yesterday I did some preliminary work on it and I think we will get something out by the beginning of the next week. The intention is to get it up to Congress a week before they adjourn so as to give them plenty of time to make any changes, if they want them made.

Q. Have you any fixed figures as to how much you want to save?

THE PRESIDENT: No.

Q Is it proper to ask whether Secretary Roper's call today has anything to do with it?

THE PRESIDENT: I don't know.

Q He is down on the appointment list for 11:15?

THE PRESIDENT: Yes. I think he is going to talk to me about one phase of it, within his own department.

MR. McINTYRE: He said he only wanted five minutes.

Q Can you tell us about the tariff resolution?

THE PRESIDENT: Nothing further; I haven't talked with Secretary Hull about it either.

Q France seems to have thrown another monkey wrench into the Disarmament Conference. They insist that instead of scrapping weapons, some should be kept for use by the League against an aggressor nation.

THE PRESIDENT: What will they do with them?

Q Keep a certain amount in the respective countries for use by the League against an aggressor?

THE PRESIDENT: I could only talk about that off the record. If you are going to eliminate guns, it is better to keep them about 5,000 fathoms. That is the best and safest place for them.

Q Down with the German fleet (Laughter).

Q Have you made any further progress on the selection of the American delegation to the London conference?

THE PRESIDENT: No, only Chairman McReynolds -- I think it is perfectly all right to announce him.

Q Is Hugh Johnson still holding out for more money? (Laughter)

Q Will the delegates be allowed their expenses. There is some doubt about that?

THE PRESIDENT: I think they only get \$6 a day.

Q Isn't that one of the difficulties -- trying to get more?

THE PRESIDENT: No, they are not going to ask for more than that.

Q That is all they are going to get?

THE PRESIDENT: Yes; that is what Congress says.

Q Isn't there danger of somebody offering them a good meal over there? (Laughter)

Q They would have to go to those weekend parties they have? (Laughter)

Q In regard to the tariff resolution, is it still your intention to send it up to Congress?

THE PRESIDENT: I think it is probable. I have not got beyond the word "probable" yet.

Q Do you know what form that will take?

THE PRESIDENT: No; I haven't any idea.

Q There is a good deal of speculation as to what the position of the Administration is on the Glass Banking Bill.

First it is one and then it is the other, the last few days.

THE PRESIDENT: Off the record, the thing changes so fast from hour to hour that I can't say anything about it. It is changing every minute.

Q Has it changed enough to get it through this session?

THE PRESIDENT: I don't know.

Q What do you think about the Morgan show up on the Hill -- off the record?

Q No, on the record. (Laughter)

THE PRESIDENT: That is purely within the jurisdiction of the legislative branch of the Government. (Laughter)

Q Mr. President, are you ready to announce any appointments in the Federal Reserve?

THE PRESIDENT: No. I am talking to Secretary Woodin about that some time today, if we can find time. There are two other vacancies, aren't there?

Q I think there are.

Q Mr. President, they started inflation yesterday. Is that going to remain only 25 million?

THE PRESIDENT: You know just as much as I do. I don't know. I think the Treasury announced something last night, did they not, about 25 million dollars?

Q Yes.

THE PRESIDENT: In other words, Charlie (Hurd), on a thing like that no human being can say what the next step will be.

I cannot outline, week by week or month by month, what action will be taken. It depends on the financial situation week by week.

Q You cannot decide on the financial policy?

THE PRESIDENT: It depends on conditions week by week. I am sorry that I cannot give you anything more definite. I know the Times would like the thing scheduled so that between now and next November you would know the exact amount of purchases.

Q There are other people besides the Times?

THE PRESIDENT: They are the same element, though. (Laughter)
We have got a perfectly good policy but I can't tell you from week to week what the amount will be.

Q Do you care to comment on the New York vote on the Repeal?

THE PRESIDENT: No, except that my district went wet.
(Laughter)

Q Anything further toward stabilization of currency?

THE PRESIDENT: How do you mean that -- on an agreement?

Q Yes.

THE PRESIDENT: No, nothing at all.

Q Anything doing on stabilization of the dollar in international exchange?

THE PRESIDENT: No.

Q Nothing in sight?

THE PRESIDENT: No.

Q Does the appointment of Professor Sprague indicate that there will be stabilization?

THE PRESIDENT: I think I can tell you off the record -- this is really off the record -- that we are patting ourselves on the back because Sprague is a perfectly good American and he has been one of the financial advisors of the Bank of England and he knows, probably, the foreign exchange situation as well as anybody in the world. He is coming to us at a very great financial sacrifice so that we will have all the inside dope about what everybody is doing in the other countries. It really is a grand stroke for our Government to get Sprague back here, but it does not mean any policy. I do not know what is going to happen.

Q Any possibility of him going to the Economic Conference?

THE PRESIDENT: I don't know; I do not think that has been decided, but it is perfectly possible.

Q It would be an advantage --

THE PRESIDENT: Yes, but of course you must remember that on the Economic Conference I have to keep somebody back here to hold my hand.

Q When are you going to reconstitute the RFC by filling

its vacancies with a couple of Republicans?

THE PRESIDENT: I wish you would tell me. I haven't got around to it.

Q Take care of the Democrats first? (Laughter)

Q Mr. President, can you tell us whether you have replied to the communication La Follette and Vandenberg and others sent in regard to -- (interrupted)

THE PRESIDENT: I have not, but I can tell you, off the record, that it presents really a question of fact as to whether they are right in saying they have the votes for it or whether the other fellows are right in saying they have not got the vote. That is really the situation. There is no question about my being for the St. Lawrence Treaty and if we have the votes for it, it means cloture in the Senate. I would like to see it go through now. On the other hand, if it means two weeks of debate with the question of whether it goes through in the end in doubt, I think it better not to take it up.

Q Has there been any thought of holding the Senate over for a special session with a view to the St. Lawrence Treaty?

THE PRESIDENT: No, I want to go off on that cruise.

Q Are you having trouble getting Republicans on the delegation on account of the tariff issue?

THE PRESIDENT: No; nobody ever suggested it.

Q I know, but you don't seem to have any yet. (Laughter)

Q Do you figure on diplomatic relationships with the Soviet Republic? (Laughter)

THE PRESIDENT: Well, I have nothing to be said on that.

Q Is it necessary to have that tariff resolution passed before the delegation goes to London?

THE PRESIDENT: No. Obviously, of course, I should like to get it passed before the present special session adjourns, if I send it up. We have not definitely decided it because I have not got down to the question of wording. It looks probable that I will send something up.

Q Do you care to comment on the Republican criticism directed toward the bill now in Congress to the effect that it soaks the poor and the small man and does not impose any additional burdens on the higher brackets?

THE PRESIDENT: I thought it did impose additional burdens on the higher brackets.

Q I beg your pardon?

THE PRESIDENT: I thought it did impose additional burdens on the higher brackets.

Q I mean in the tax increases?

THE PRESIDENT: Yes. What I tried to make perfectly clear on this tax legislation is that we hope it is merely a temporary thing. It is my own personal impression that

if the Repeal Amendment goes through, it will automatically end these special temporary taxes.

Q Mr. President, is the Administration in favor of the tax legislation which includes the extension for a year of the four excise taxes on lumber, copper, oil and coal?

THE PRESIDENT: I should say yes, for the very simple reason that it is better to get that out of the way this year -- to get it extended this year.

Q Mr. President, there has been some report about Senator Wadsworth being in the Economic Conference?

THE PRESIDENT: I cannot tell you yet; I wish I could.

(The Press Conference adjourned at 10.52 A.M.)

CONFIDENTIAL
Press Conference #24
Executive Offices of the White Office

May 26, 1933, 4.15 P.M.

(Present: The Secretary of State and
Viscount Kikujiro Ishii.)

THE PRESIDENT: I hope you all discovered the bulletin in
The Star this evening, "President Roosevelt Has Decided
United States Should Go Off the Gold Standard" (Laughter).
That is the third time in two months.

Q Is it true? (Laughter)

THE PRESIDENT: I think the statement carries the story all
right. In other words, the bill that has gone up there
merely makes a record of what is already the de facto
situation.

Q How much of these Treasury obligations are going to be issued
on June 5, Mr. President?

THE PRESIDENT: I have no idea what they are going to issue or
whether they are going to issue any on the fifth of June.

Q There was a memo gotten out over there to the effect that
on the fifth of June there were going to be Treasury
obligations issued?

THE PRESIDENT: I don't know; that is news to me.

Q That is the regular financing date?

Q June 5 or June 15?

Q To be announced on June 5 and to be issued on June 15.

Q That is quarterly?

Q There seems to be some conflict in the discussion between various members on the Hill as to the inflationary possibilities of this bill. I don't see any.

THE PRESIDENT: Nothing to do with inflation at all that I know of.

Q Is this a repeal of the 1900 Standard Gold Act?

THE PRESIDENT: I couldn't tell you. I don't know what the 1900 Gold Act was. It simply means that by statute we will pay in United States currency, just as we are doing today.

Q It legalizes what we are already doing? (Laughter)

Q Mr. President, what effect will that have on the foreign debts. Do they have to pay in United States currency or in gold, as the contract provides?

THE PRESIDENT: I don't know; I have not thought of it.

Q There was a discussion of that up on the Hill today in which they said that they could pay their debts in any kind of currency they choose?

THE PRESIDENT: I should say, offhand, that I am open to suggestions of any kind as to payment. (Laughter)

Q Have you had any such suggestions?

THE PRESIDENT: No.

Q In that connection, Herriot, before the Chamber of Deputies today made a speech in which he said you insisted that, as a part of any further consideration for France on debts, that she pay her \$19,000,000 which was due last December 15. Has he a pretty good memory?

THE PRESIDENT: I think so.

Q Is there any conflict between this bill and the clause in the Thomas Amendment to the Farm Bill, that was called the Inflation Bill, under which the gold content of the dollar could be cut to 50 per cent?

THE PRESIDENT: Oh, no; there is no relationship.

Q Does it eliminate the prospects of any act?

THE PRESIDENT: Oh, no.

Q Does this change affect our position at the Economic Conference?

THE PRESIDENT: I do not think it has any effect on the discussions there at all.

Q It was not motivated in any way by that?

THE PRESIDENT: No, it had no relationship. I think Steve's (Stephenson) suggestion was about right. In other words, to do what we are doing is to tell people that they cannot have gold in their private possession in this country. Why go through the rigamarole of paying them the gold and then tapping them on the shoulder and taking it away from them. Why not pay them currency in the first instance.

It is practical.

Q Do you care to say anything about the World Economic Conference as to our own individual program that will be followed?

THE PRESIDENT: No. The delegates will have what might be called "general instructions" before they go. Those general instructions, in general, will follow the line of the accord on principles that we have made in these discussions with other nations during the past six weeks. It will only be general in form. They will establish certain principles for which we will work.

Q Has the personnel been fixed as yet?

THE PRESIDENT: Only the four names you have so far.

Q Will that be extended?

THE PRESIDENT: I don't know.

Q Have you decided as yet as to whether you are going to send up a tariff resolution?

THE PRESIDENT: I have not done a thing about it as yet. The status quo is as it was a month ago.

Q Can you tell us whether reorganization is in the same category?

THE PRESIDENT: Except that we have made a good deal of progress on it. We have got somewhere.

Q Will it come out next week?

THE PRESIDENT: Yes, I think so.

Q How about the Pure Food & Drug Act?

THE PRESIDENT: No. I can tell you, off the record, they have been working on that in the Department of Agriculture and I have not seen it. One of the first things we did, I think, when we came down here was to work on it. We wanted to introduce it at this session so that the committees could get to work on it, but I did not consider it such a matter of emergency legislation as to keep this session here. I do not think there is any necessity for it at the special session. The idea is just to get the thing in so that they can chew on it this summer and fall.

Q Does that carry censorship of advertising?

THE PRESIDENT: I have no idea; I haven't seen it or discussed it in any way but, if advertising is put in, it is put in merely for the purpose of discussion and not with the idea of passing it in special session.

Q Going back to the World Conference, do you see any conflict between some of the basic measures that have been put in effect here or are about to be put into effect and the general program of breaking down the trade barrier?

THE PRESIDENT: No, I don't think there is any conflict at all. We are trying to frame emergency measures so as

to foster international trade.

Q But wouldn't they tend to foster an isolation policy.

Wouldn't they require for their successful operation a rather closed door and a policy of isolation?

THE PRESIDENT: Oh, no, not necessarily. Of course, our hope is that we will raise commodity prices not only here but all over the world. That is the real international objective. Of course, as to certain things in which we have a very large surplus, like wheat, for instance, there it becomes a question of getting the countries that are in the same condition, like the Argentine and Canada and Australia, that also have surpluses, to try to work out some world method for the disposal of the surplus. Obviously, we are not going to bring in Australian or Argentine wheat here any more than in the past.

Q That would be another policy, trying to get everybody to do the same thing we are trying to do?

THE PRESIDENT: What we are trying to do is to raise the level all over the world.

Q Mr. Baruch has said that under the Industrial Recovery Bill, which would raise wages, that higher tariffs would be necessary to protect the American market?

THE PRESIDENT: Not necessarily; it depends entirely on the individual product and, if commodity prices are raised in proportion in other nations at the same time, the present

tariff will be equally protected. [Protective?]

Q Can you tell us what you are talking to Viscount Ishii about?

THE PRESIDENT: I think about everything. We have had a most interesting and satisfactory talk.

Q When will you sign the Securities Bill?

THE PRESIDENT: Has it come down yet?

Q It is here.

THE PRESIDENT: Either tonight or tomorrow morning. I will sign it before going on the boat tomorrow. I haven't read it yet.

Q Who will go with you this weekend?

MR. EARLY: Let us make that for tomorrow.

THE PRESIDENT: Steve says let us make it for tomorrow.

Q Anything you can say about the preferred list of customers of Morgan? To make it general, although I would like to make it specific -- (interrupted)

THE PRESIDENT: You asked me who is going down on the boat with me? (Laughter)

Q Yes.

THE PRESIDENT: Secretary and Mrs. Woodin (Laughter).

Q Is this a pleasure trip? (Laughter)

THE PRESIDENT: And Dr. Cary Grayson and Mrs. Grayson.

Q Are you taking any business with you?

THE PRESIDENT: No.

Q How long do you expect to be gone?

THE PRESIDENT: Just overnight. Get back Sunday.

Q Nobody going to have to walk back home? (Laughter)

Q The Disarmament Conference apparently is on the rocks again over there. Are we correct in assuming --
(interrupted)

THE PRESIDENT: You ought to start that "it is my assertion".

Q Are we correct in assuming that our efforts at cooperation with the rest of the world for disarmament is contingent upon such disarmament by the rest of the world. That was the original principle, was it not?

THE PRESIDENT: In other words what you want to know is whether our effort is dependent on all nations going along on disarmament. Of course that is the whole object of the Disarmament Conference. The Disarmament Conference will either accomplish something for disarmament or it won't. If we don't accomplish anything for disarmament, I cannot see any use in staying on.

Q Have you any new delegates to the London conference?

THE PRESIDENT: No, no new ones yet.

Q There has been some talk of what orders have been issued regarding Dam No. 3 on Muscle Shoals. Has work on that been ordered stopped?

THE PRESIDENT: Steve (Stephenson) I cannot tell you the facts, because I don't know them all. I am told and I am now checking it up to see whether it is true that the only work proceeding on Dam 3 is the canal locks -- the navigational locks -- and I am also told that one dam is built half way up or all the way up where it is merely a navigational dam and that this lock will be used for navigational purposes. In other words, it has no relationship to the height of the dam. Now, if that information is correct, they will go ahead and build the lock. If it is not correct, they will stop building the lock.

Q Did England and other countries take the same action we did when they went off the gold standard?

THE PRESIDENT: You mean about payment on their bonds?

Q Yes, payment on their bonds.

THE PRESIDENT: As I remember it, and you will have to check on this, no British security is payable in gold. Am I right on that?

Q Yes, in sterling.

THE PRESIDENT: It is payable in sterling and not gold.

Q In other words, they did not have the gold clause and we did?

THE PRESIDENT: Yes.

Q Can you tell us more about your pleasant talk with Ishii?

THE PRESIDENT: No, I don't think so; I think there will be a communique tonight or tomorrow.

Q On this Morgan business, James Roosevelt made a Roosevelt Day Speech last night discussing it, in which he said the law was more at fault than the Morgans?

THE PRESIDENT: Jim did? Mac, he did not submit it to me first?

MR. McINTYRE: Right; that is his own view.

Q It is his own view?

THE PRESIDENT: I will have to make it perfectly clear that Jim is more than 21 and that I have not seen him for ten days.

Q Have you found out whether there is anything on the La Follette two-thirds vote on the St. Lawrence Waterways?

THE PRESIDENT: I haven't had any report on it at all. I hope that Bob is right.

Q How about the prospects of a message on the St. Lawrence Treaty this session?

THE PRESIDENT: That is so. If Bob La Follette is right, fine.

(The Press Conference adjourned at 4.30 P.M.)

CONFIDENTIAL

Press Conference #25

Executive Offices of the White House,
May 31st, 1933 - 10.37 A.M.

THE PRESIDENT: My chief concern this morning is a telegram from Meriweather County, Georgia, about the peach crop.

Q Was it a good crop?

THE PRESIDENT: No, apparently something the matter with the freight rate situation. (Laughter)

Q Are you going to do anything about it?

THE PRESIDENT: No, I don't know anything about it right off. I will have to find out. Luckily, I gave up peaches about two years ago. I made a loss for three years running.

Q Mr. President, can you tell us anything about the debt negotiations with the other countries, particularly Great Britain?

THE PRESIDENT: No, but I will tell you what I can do about debts. I can talk in the family for about five minutes. It may be awfully rough but it is only in the family.

Q You may.

THE PRESIDENT: Now this is entirely off the record - I mean only between us boys and girls. I don't mean this to

apply if the press writes the story or lets some members of the Senate decide who is going to leave my Cabinet and who is going to enter my Cabinet. That happens to be my business - there are no changes contemplated - but I suppose it does make copy. Luckily, that is a domestic problem and the people in this country are accustomed to that kind of a story. Ninety-five per cent of the people in this country discredit and discount that kind of a story out of Washington because we have been so accustomed to that kind of a story over a period of years that our own dear American public does not worry about it and so I do not worry about it. It is pure speculation in the first place and the batting average is so low as to accuracy that if we were playing baseball, you would not sit on the team. But that, after all, is not a particularly serious matter because, as I say, the country discounts the kind of stories that come from Washington.

Now I read a story this morning about Woodin going to Germany. As far as I know, Woodin is staying right here. There has been no consideration of any successor or anything of that kind. In other words, that kind of

a story is made up, one hundred per cent, out of the whole cloth, just the same as some of the conversations yesterday in the Senate. Those stories were not only absurd but futile.

But there is another - and I am talking between us - there is another angle that does disturb me. There are a lot of people in other parts of the world who take what they read as true. They haven't got on to the fact that we are a nation of spoofers (laughter) in our press (laughter).

I will give you a couple of examples that I, frankly, feel rather badly about. It is not a question of mentioning the name of any one newspaper or two newspapers - that is beside the point. What I am thinking about is this country and also about things we are trying to do in the world, that we are trying to do for the peace and the peoples of the world that have been seriously hurt by things that have appeared that were not true in our American papers. I will give you two examples: The day before I send that Round Robin letter to all the crowned heads, et cetera, of course we had been working on it for a couple of

days and I suppose I must have talked to fifteen or twenty people about it. I was not the least bit concerned over the fact that there was what might be called a leak to this extent; the leak was to the extent that a message was going out. That was on Monday afternoon. It was telephoned by some people who were not Press -- a very lovely lady in town telephoned on to New York to her friends and said, "For God's sake, buy all the stock you can at the opening tomorrow morning because the President is going to send an important message on disarmament tomorrow morning." That is all there was in the way of a leak, the fact that a message of disarmament was going out. But, and this is absolutely in confidence, and so it is just between us girls and boys, somebody wrote a story which came out in this paper on Tuesday morning to the effect that this message, number one, was going to Geneva to Norman Davis - of course that was wrong; number two, that the message was going to contain a guaranty of security to France. That went to France and I don't mind telling you that it went from here from the French people in Washington because the French people assumed that this

particular paper that carried that particular story was speaking for the Administration. It got to the French Foreign Office and the French Foreign Office immediately sent for the French Press and said, "Hurrah, grand, the United States is going to guarantee the security of France." And they all believed it and at the editorial desks in Paris they started in to write their editorials saying that the Americans are going to guarantee the security of France. About two hours later - about eleven o'clock their time, which is five o'clock our time - the actual message was delivered in Paris and the French said, "Oh, it is the most awful shock and disappointment we have ever had." The result was that neither the French Press nor the French Government took that peace message, the disarmament message, the way they should have taken it.

Now, the source of that information was one hundred per cent accurate and could be proved. That is one instance.

Now, I will give you the other one, also in the family. As a matter of fact, on the debt negotiations,

the situation is no different from what I have told you for the last two months. Get that first. The position of this country is just what my position was last November and that is that a debtor nation has the right to come to its creditor. Now, the debtor nations have not come to us with any proposition. Now, there is no news in that, you all know it. I have told you that right along. We have made no offers. I have told you that right along. Absolutely none. We are still in the position of the creditor nation that is willing to receive conversations, offers, suggestions, from the debtor nations, and we have had nothing. Now, as a matter of fact, this is absolutely all off the record - remember that. The French Government, I think, is honestly trying to put itself in some way - we don't know how yet - into the same position that England is in by trying to do something about the old December 15th payment. Here again, this is something that is not news. You know it. I have told the French consistently that while we can say to England, "Come right along, talk to us, lay any proposition before us you want to," we cannot say quite the same thing

to the French because they have not done anything about the December 15th payment. As M. Herriot said the other day in the Chamber, and as I have told you, we have told the French that the first thing we believe they should do is to do something about the December 15th payment. Nothing has come from them over here - not a thing.

Now, up to the day before yesterday, the French Government was trying, from all the information that we have had, to work out something in regard to December 15th. Yesterday morning, two papers came out with the pretty cute statements that we had made an offer to the French for some form of partial payment in June. Now, that was made up out of the whole cloth. I cannot help it if you people write stories on what somebody who is a third cousin or a fifth cousin of the Administration tells you. It is not true but, in so doing, you are hurting the cause of your own Government. The result was that yesterday morning, when those stories were cabled over, the officials of the French Cabinet were seriously embarrassed because every member of the Chamber of Deputies said, "Oh, a proposition from the United States," and if what they were working on had

any prospect of successful conclusion in regard to the December 15th payment, that prospect was seriously weakened by American newspaper stories. Now, that is the fact.

Now, there are two very, very good instances in the last couple of weeks of how our foreign relations, first in regard to world peace and disarmament and secondly in regard to debts, have been seriously influenced by stories made out of the whole cloth in the American papers.

Now, in regard to those stories, I have had, very reluctantly, off the record and between us, I have had to make it very clear to the French and also to one or two other nations that I specifically asked them to pay no attention from now on to stories coming out in these papers. If they want information, they can get it from this Government and, judging by the events in the past few weeks, they had better not pay any attention to that kind of story. Now, I hated to have to do that about our own papers, but that is the situation. They had seriously hurt the work we tried to carry out in international affairs.

However, coming down to domestic matters, that is all right. I am sorry to have had to say all this, but it is very serious embarrassment to our Government to have had that kind of story and I know you want me to tell you the things that worry me. Those stories that have been made up out of the whole cloth have been a source of very much worry to me where they affected our foreign relations.

Q May I point out one case which arouses our curiosity as to whether anything is happening, particularly those of us who cover the State Department. First, these stories crop up. Then we ask the State Department if they are true or what is true and their reply is that they cannot tell us anything about it either way. The next step is to ask the White House but of course we cannot see you but twice a week so that it is difficult to check up. Then we have to believe the stories are true in view of the fact that --

THE PRESIDENT: The only thing I can say is that Steve runs in here on the average of twice a day. Usually there is a denial. As a matter of fact, ninety-nine per cent of that stuff is not true and the odds are ninety-nine

to one that there would be a denial out of here.

Q Of course, as soon as it comes out, we have to write something from here.

Q Mr. President, it might be helpful for your purpose if you could lift the lid sufficiently for us to inform our offices in confidence about what you said.

THE PRESIDENT: That is perfectly all right. In other words, this should not be a thing to go beyond us, but it is all right to let the offices know about it. But it is a thing that has disturbed me, especially the French. They are easily upset - awfully upsettable - by rumors and the French Government, of course, has one of the most difficult parliamentary situations in the world to control. No human being can tell, from one day to another, what the Chamber of Deputies is going to do. Our difficulties with Congress are nothing compared to the French.

There isn't really anything new on debts, as I said before. Our position is that we are perfectly willing to receive any suggestions from the other side and we have not had any.

Q We have a report from London saying that Ambassador Bingham said that the statement made by Mr. Davis at Geneva was a departure from traditional American principle. Do you agree with that, regarding the security pact?

THE PRESIDENT: No, I do not agree with it - that is off the record.

Q Then he has given a wrong impression of the American viewpoint.

THE PRESIDENT: Yes. (Laughter)

Q Then you haven't anything in mind but that you are just going along with the same policy - just waiting for others to make the offers?

THE PRESIDENT: Exactly the same position; absolutely no change at all.

Q Couldn't we use that as background - that there is no change in the debt situation?

THE PRESIDENT: I think you can use that as background. After all, that is not news.

Of course, it depends a little bit on how you use it for background. Now, for example, - you need not look through the paper I am looking at - that is

neither here nor there - I want to give you an illustration of English. Here is a story that says, here is the lead, (reading from New York Times of May 31st, 1933) "The White House refused to concede publicly that there had been any definite program adopted by President Roosevelt for dealing with the war debt problem." Now, that is a little bit like printing ~~a~~ one/day ^a story that I had decided this summer to make a trip to the Philippines and then, the next day, saying that the White House refused to concede that the President was going to make a trip to the Philippines after the White House had laughed it out of court. Now, that is not good ball. It is not clean ball. It is a story one day that the President had murdered his own grandmother and the next day saying that the President had refused to concede that he had murdered his own grandmother. (Laughter) That is not clean ball.

Q Is there anything new on the tariff situation in your message? Is it likely to go up this week?

THE PRESIDENT: On the tariff? I think I will have to make this off the record because I still have not made up my mind definitely. I am working on a tariff proposal

and the first draft of it has worked out to sixteen or seventeen pages. It was highly complicated. It related to possible decreases and possible increases of what might be called a temporary act; in other words, one that applied between the summer and the time the Congress comes back next winter. I have been trying to boil it down and I have got it boiled down now to three pages and a half and, if I can, I am going to try to get it down to a page and a half. I want to make it simple and as little controversial as possible. If I can get something up there that there won't be very much controversy about, not more than one day's debate, the purpose of it being made perfectly clear, I will send it up. However, that is as far as I got and I am still trying to boil it down.

Q Does that mean that if you do not succeed in boiling it down so that it will not take more than one day's debate, you will not send it?

THE PRESIDENT: Off the record, when I get it down, I am going to talk to the leaders of both Parties up there and see whether they like it. That is the next step and I have not done that yet.

Q Anything you can tell us about the representations of that special committee that called on you Saturday on behalf of the Veterans?

THE PRESIDENT: I can only talk to you off the record on that too, because, after all, that is a more or less confidential thing between the committee and myself. That particular committee that came up is very anxious that nobody be turned off the compensation list. It is the group that still believes we should pension everybody that served in the War. That is about the size of it. They still want January 1st, 1925, kept as the presumptive date and of course you and I know that if that is kept as the presumptive date, there are tens of thousands of fellows who, years after the War, four and five years after the War, got some kind of injury or disease that in common sense you cannot connect up with the War. They want to go right back to what was the old law and I told them that I could not go along with them.

Q There is a hundred million dollars in that presumptive clause.

THE PRESIDENT: At least. And of course, what I told them

was two things: In the first place that there is a difference in point of view in this way: What they would like to do would be to pass an omnibus clause that would take in everybody on compensation and then give us the right to throw out individuals. Our point of view is that we should not - that the presumption should be against letting these people in beyond a certain date and then, if there are border-line cases where there is an honest question of doubt, that then we should take them in. That is the difference in the point of view. I made it perfectly clear to them that if they are going to go through, there are two things going to happen: The first thing would be to destroy the practical good of the Economy Bill and, secondly, if we offer to pay it - this money - we will have to have some kind of a tax to pay it and that I thought that would be rather a shock. It would mean that much more taxes over and above the two hundred and twenty million dollars we talked about.

Actually, of course, we are doing several things. We are revising the regulations which are, undoubtedly, much too stiff. We are trying to make them so that they

will create just as little hardship as possible. They are in process of revision and we will continue to revise them. We may even continue to revise them all through the summer and fall where real cases of hardship are shown. The second thing is that on hospitalization, we are not going to throw out bedridden cases, even if they were not service-connected. We are investigating in every case where general charges have been made, like that of the Mayor of a certain city where there was a hospital of old men, eighty to ninety years old, wheel-chair cases, and the Mayor said they were being turned out on the streets. I asked for the names of the men and some evidence that that statement was true and word came back that it was a mistake. Of course it is a mistake. We are not throwing out men eighty and ninety years old; that is absurd. But that is the kind of rumor that is being handed out.

We are hoping to have what might be called an independent committee to go around and inspect and check up on all the complaints and all the cases of hardship that are brought to our attention. It will be a committee which will be really directly responsible to me.

It won't be merely a committee appointed by the Veterans Administration to report to them. In other words, they will have the right to come straight to me if they feel that the Veterans Administration is not giving proper attention to their report. That is in process at the present time.

Q Is Senator Byrnes coming up today on this?

THE PRESIDENT: He is on the list.

Q Do you consider relief for municipalities which are in default or about to default on their bonds as legislation which should be passed at this session?

THE PRESIDENT: I would put it this way on that. Of course there have been three schools of thought on municipal obligations. The first is what might be called the strict construction, which says that a municipality is the creature of the State, it is merely a corporation chartered by the State Government and it is up to the State to take care of the situation and the Federal Government has really nothing to do with it. At the other extreme, there is the demand of a lot of people that the Federal Government should step in and finance all the cities. That is what that delegation

of mayors was down here about the other day. I did some simple arithmetic for them and showed them that if you did it for the cities and counties and townships and did it for the electric light districts and the water districts and the sidewalk districts and the school districts and so on, that it might cost the Government, the Federal Government, just in advances to take care of their current obligations, as high as ten billion dollars and that therefore it was a perfectly absurd thing to talk about.

I told them, furthermore, that if the Federal Government started in to finance these cities, it would give us some kind of obligation to see that they were run right. It would throw the Federal Government immediately into municipal politics and we would have to say that City A was beautifully run or that City B was terribly run and needed a new mayor. You can see the obligations.

The third school of thought is about this way: It accepts the theory that the Federal Government ought not to finance cities in any way. It says that they are State creations but, at the same time, that a

great many of these municipalities that are having difficulty at the present time in refinancing obligations that are falling due, ought to get helped by making practically the same change in the bankruptcy law that we made in the bankruptcy law for the railroads, which is what I call a temporary technical bankruptcy, which would allow a city to go into the District Court in some way and get permission to reorganize its financial structure, provided a certain percentage of the creditors of the city consented, and the District Court could compel the minority non-assenting creditors to go along with the majority. It would be practically the same thing as the railroad bill.

I am not sending a message on it. I have told them up there that I was entirely willing to see legislation go through in that form. The people on the Hill tell me that there are two schools of thought with respect to the bill that they have up there. One is that the increase in land values, the increase in prosperity and the greater payment of taxes, if it continues during the summer, most of these communities will be able to swim out. The other crowd say, "No, even if we do

get a fifty per cent recovery in the course of the summer, it will come too late to save a lot of those cities," so I am perfectly willing to have the bill go through.

Q You started off your talk about the veterans by saying that it was strictly off the record but ended it by saying something that perhaps you would not mind it being used.

THE PRESIDENT: What about the committee, Steve?

MR. EARLY: I think it is all right about the independent committee.

THE PRESIDENT: I think you might use it as background, except for the independent committee end of it.

MR. EARLY: No, Mr. President, I meant that it would be all right to use the independent committee part of it.

THE PRESIDENT: All right, you can use the committee as background.

Q Mr. President, what is the status of the departmental reorganization matter?

THE PRESIDENT: Lew Douglas and I spent yesterday afternoon on that for two hours and we will have ready in the course of the next few days about six or eight orders

They will probably not be very drastic at this time, because there are so many things pending that we cannot put through at this time if there are tremendous changes. In other words, we are working at it as fast as we can. I think you will be a little disappointed that we have not abolished or switched a great number of important bureaus, but there are distinct problems as to how it should work out. I will give you an example: Should forests go into parks or parks into forests? Now, that is a nice point; you can argue it well on both sides. Should the Park Service go into the Department of Agriculture or should the Forestry Service go into the Department of the Interior? Well, it is probable that at this particular time I won't do anything on that. I want to have a little more argument on it during the summer.

Q The way you are working it out, on these orders, how much do you think will be the saving? Will it be considerably below what you have originally estimated?

THE PRESIDENT: I would not put it quite that way. The actual transfer of the Forestry Service to Interior or the Park Service to Agriculture isn't going to save such an awful

lot of money. None of these transfers are. For instance, if President Hoover's transfer had gone through, it would have saved a certain amount, but the importance of it isn't so much the financial saving as it is the better supervision of things or where you put two agencies of Government which have to do with the same thing in together. There will be a certain amount of saving on overhead, but, of course, the big saving is not so much coming through that as in the actual cutting down that the Departments are doing.

Q Will there be any more announcements on the numbers of the delegation? The News last night said that the list was incomplete.

THE PRESIDENT: It still is incomplete. It should be announced very shortly.

(The Press Conference adjourned
at 11.05 A.M.)