

CONFIDENTIAL

Press Conference #35

Executive Offices of the White House,
July 21st, 1933 - 4.18 P. M.

THE PRESIDENT: Well, what is the news?

Q Mr. President, would you mind telling us what you told
the Governor of Kentucky? (Laughter)

THE PRESIDENT: Now, come; the Eighteenth Amendment is not
yet repealed. (Laughter)

Q I mean the wheat problem. He is organizing a grain
trust. He is assembling a group of college experts
to have a new deal in the country. (Laughter)

Q The stock market went off again this afternoon on a
very definite report that you were very sick.

THE PRESIDENT: Do I look it?

Q No.

Q Also, it is rumored around Wall Street that you favor
a five-day week for the Stock Exchange.

THE PRESIDENT: That is lovely.

Q Do you contemplate any action on the Stock Exchange
situation?

THE PRESIDENT: No.

Q Is there anything you can tell us as background as to
whether it is being studied or not?

THE PRESIDENT: The only thing I can tell you in the way of background is that of course if there are enough silly people in the world to go ahead and bid up stocks too far above their value, those people are very apt to lose their money. It is the same old human equation.

Q Can we quote you as saying that?

THE PRESIDENT: No, certainly not.

Q Is that true of the commodity markets, too; is that attitude true of commodity markets?

Q You mean exchanges, commodity exchanges?

THE PRESIDENT: The same thing holds true. Of course everybody knows that in the commodity markets a very large proportion of all the wheat that is traded in every day is purely speculative trading.

Q Can you tell us when the Anglo-American debt negotiations will begin?

THE PRESIDENT: I haven't heard a word.

Q It has been reported that they would not begin until the first of September, since you are going to be away.

THE PRESIDENT: I don't think there was any intention of having it before the first of September.

Q Will Moley conduct those negotiations? The report is going around that he is going to have a definite assignment on that.

THE PRESIDENT: No machinery has been thought of and no date has been set.

Q Isn't this situation hampering your Recovery Act a bit?

THE PRESIDENT: No. There are a great many people who attach undue importance to fluctuations of the Stock Exchanges. I think that is the easiest way of putting it.

Q It is said that it is pretty bad in Chicago and that nothing was being done while it is going up.

THE PRESIDENT: There have been questions under the old law, under the Commodity Acts, as you know, of putting on the old requirement for publicity -- bringing out the dealings into the light of pitiless publicity. That was merely put on when the total volume of trading got to a point where it seemed necessary.

Q Regarding public works on rivers and harbors, approved works, is there anything new in the development of the upper Mississippi or Missouri River improvements?

THE PRESIDENT: Nothing new; still working on them.

Q What is the delay?

THE PRESIDENT: I approved today quite a number of new public

works. I have forgotten what they were. You will have to find out what they were from Ickes.

Q On the Missouri River?

THE PRESIDENT: No, engineering works.

Q Can you tell us about your reaction to the universal code or anything in that connection?

THE PRESIDENT: I think General Johnson gave you the story on it last night or this morning.

Q Yes.

THE PRESIDENT: I think it is going ahead.

Q Have you seen any responses?

THE PRESIDENT: I have not seen this morning's mail. There may be some in that. But, on the whole, industry is going along. We are getting excellent cooperation all along the line.

Q Your Cabinet had a long session, Mr. President.

THE PRESIDENT: On the contrary, we had the shortest session in history; it was less than an hour.

Q Can you tell us some more about the cooperation of industry?

THE PRESIDENT: I can, yes. This is off the record, just for your own information. We don't want to fight this thing out all at one time. In other words, possibly

next Tuesday or, rather, Wednesday, I will talk on it more freely. My thought was that you got plenty of news in Johnson's story. The story speaks for itself pretty well, and there isn't much to add to it at this time.

I think the only thing that you can say and use as background and enlarge on, is the fact that industry as a whole, in every part of the country, in every kind of industry, I think without exceptions, -- I don't know of a single exception -- is coming along and showing a perfectly splendid understanding of the purpose of this whole thing. These proposed temporary agreements - they are not codes - represent merely an effort to start, during the month of August in every industry and in every section, to bring the purchasing power up and to close up some of that gap that we were talking about a couple of weeks ago between purchasing power and production. I think that is the only thing you can say along that line.

While it was true that agricultural purchasing power had fallen in the past ten years almost steadily until it had fall way, way below any proper relationship to industrial community purchasing power, nevertheless in the past two months agricultural purchasing

power has come back in a very satisfactory way. It has come back, it has increased somewhere around eighty per cent. That is due to the very proper rise in farm commodity prices. Now, I am not talking about the speculative froth on top of those prices, but about the justified increase that has come into agricultural practice. However, industrial community purchasing power has not come up in a satisfactory way and these temporary agreements between employers and me - because it is an agreement between the employer and the President - are intended to increase or accelerate the purchasing power of the industrial communities.

Q What is the possibility of stabilizing retail prices?

THE PRESIDENT: In this proposed agreement there is a gentlemen's agreement with the employers that they will not take advantage by increasing their wholesale prices or their retail prices, either one, beyond a reasonable profit. In other words, we are all in the same boat and we are going to see whether we can work it out during this temporary period, this up-and-down period, and during this temporary period we will continue on the signing up of the big codes.

Of course, when they are all signed up there won't be any need for these temporary agreements to continue.

In fact, the temporary agreements are expressly worded so that they will cease when the industry to which the employer belongs has signed up the permanent code.

Q What about the duration of those codes?

THE PRESIDENT: I think that will depend on the individual industry. In the case of the cotton code they had a specific time set in the beginning and then they asked for an amendment that it should continue until revoked.

Q I see where Sam Rosenman is back on the bench in New York. Do you want to say anything about that?

THE PRESIDENT: All I can say is what I can say out loud: That I am happy he is back on the bench because he is a very old and valued friend of mine, and I can add, off the record, that it is about time.

Q Do you care to discuss the temporary demise of the London Conference, for background?

THE PRESIDENT: How do you mean, temporary demise? (Laughter)

Q As the British say, "Not quite dead, but dead."

THE PRESIDENT: No, Fred, I think the only thing I can do is to talk to you off the record on that. Of course, it makes much better reading for a story to say

that when the damn thing adjourns it will never come back. That is news. But actually, I do not think it is correct news because they have, in the past two or three weeks, been taking up seriously a good many of the important things that are in the agenda and they seem to be getting somewhere on quite a number of things. For example, I hope they will get something on wheat that will lead, even if it does not go as far as we want, to a later and more definite agreement. I hope that Key Pittman will get something out of the silver thing that will lead to better things a little later on. It is my personal hope that when they do go away on the twenty-seventh, they should come back after the grouse-shooting season is over and the spa season is over and do a lot more work. They may stay through what the British call Michaelmas.

Q Is there any prospect that it will be resumed in Washington?

THE PRESIDENT: Not that I heard of.

Q Have you made any decision on the gold export?

THE PRESIDENT: That has not been talked of at all. The only thing about gold export would be that the

Attorney General is giving some kind of a ruling on what is "gold" to the Treasury Department. I have not seen it yet.

Q Is that the point about ore, whether you can export it or not?

THE PRESIDENT: Yes.

Q What is holding up the public works and the regional public works set up? Is that coming out before long?

THE PRESIDENT: To tell you the truth, just as soon as I can go through it. I am about half-way through now. Secretary Ickes is coming around tomorrow morning early and we will probably complete it then.

Q Are you going down the river tomorrow afternoon?

THE PRESIDENT: I don't know yet. I may go down tomorrow night.

Q How about the Boards of Review on the Veterans Administration?

THE PRESIDENT: That is on the point of coming out. I expect to have it ready on Monday, I think.

Q Have you any Ambassador in sight for Chile as yet? We heard that Mr. Jennings Price was being considered.

THE PRESIDENT: It is a new name to me.

Q Have you completed plans for going up to Hyde Park?

THE PRESIDENT: I think I will go next Friday.

Q How long do you expect to stay?

THE PRESIDENT: A week or ten days.

Q And then come back for how long?

THE PRESIDENT: A week or ten days.

Q Anything particular to bring you back?

THE PRESIDENT: Oh, just all these things.

Q I thought you were going to move your office up there.

THE PRESIDENT: It is much easier for one person to come down here than for seventy-five people to go up there.

Q Have you discussed with Hugh Cooper proposal for harnessing the tides in the Bay of Fundy? (Laughter)

Q I had to ask that.

THE PRESIDENT: I think you got the wrong Cooper. It is his brother.

Q Is that Dexter?

THE PRESIDENT: To satisfy Stevie, I am discussing with some very important scientists the elimination of fog in the Bay of Fundy.

Q (STEPHENSON) Look what the fog did to us.

Q How about the so-called married workers clause?

THE PRESIDENT: I don't know. The Civil Service Commission is studying the question at the present time. I haven't

heard anything from them.

(The Press Conference adjourned
at 4.35 P.M.)

CONFIDENTIAL
Press Conference #36
Executive Offices of the White House

July 26, 1933, 10.45 A.M.

THE PRESIDENT: What is the news this morning?

Q Mr. President, I hate to bother you again about the District of Columbia. I would like to know whether you have an appointment before you leave Friday or what your decision is in the matter.

THE PRESIDENT: We actually talked about it last night. When we will actually get to the point of making the appointment, I don't know but the thing is making progress.

Q How about the Boards for Veterans' Survey?

THE PRESIDENT: I think that ought to be out in about two or three days.

Q Before you go away?

THE PRESIDENT: Yes.

Q Are you satisfied with the response to your appeal to the country the other night on recovery?

THE PRESIDENT: I have not been able to read all the responses. There are about 15,000 telegrams; they are being classified. The response, I think, is a very wonderful thing. It comes from every part of the country and from every kind of industry, big and little. It was, in every way, successful.

Q Does the response assure its success?

THE PRESIDENT: Absolutely.

Q In other words, it starts the first of August?

THE PRESIDENT: Most of them started right off with a bang; as soon as they can put them into effect.

Q I thought they asked for the first of August?

THE PRESIDENT: A great many are putting them into effect immediately.

Q How many men do you think will be employed as a result?

THE PRESIDENT: I don't know; I don't want to guess.

Q Is there any announcement or statement you care to make regarding the employment of men on public works projects?

THE PRESIDENT: You mean the progress of the Public Works thing?

Q Yes.

THE PRESIDENT: We are getting on pretty well and will be releasing some more on Friday.. Secretary Ickes is coming in again today with another list.

Q Are there any you can mention in advance?

THE PRESIDENT: We are approaching the billion dollar mark.

Q That is from this year's appropriation?

THE PRESIDENT: Yes.

Q There are a good many considerations to giving these contracts out on commission rather than by competitive bidding. Some engineers say that if you give them out by competitive bidding it would take months and months and the prices would be higher than if you just gave a commission.

THE PRESIDENT: The whole thing is based on a complete misconception of the facts. Most of the Government work will be done by the Government itself except, of course, a portion of the shipbuilding program. The bids to be opened today, those will go to private yards on contract and the balance, most of the rest of the public works, will go to some form of municipal Government or state Government. Of course the latter handle things under their own particular laws or regulations.

Q Do you mean to say that the Government is going to build post offices or aren't you going to build any?

THE PRESIDENT: Not very many of them, no.

Q Have you been able to work out a plan for the work on the Lower Mississippi?

THE PRESIDENT: Lower Mississippi?

Q Was that brought up to you by the Chief Engineer?

THE PRESIDENT: I think Secretary Ickes is talking to me today about that.

Q There is a problem in the upper regions of the Mississippi?

THE PRESIDENT: Yes. The whole project of the Upper Mississippi has been approved and it will cost 70 or 80 million dollars to complete it. They have done about 30 or 40 million dollars worth of work already. Of course the work that has been done is no use until the rest of the work is done.

Q Is that Flood Control and Navigation?

THE PRESIDENT: Both Navigation and Flood Control. There is very little power in that particular project. There will be a slight amount of loose power but not much firm power.

Q Is there any modification of the plans?

THE PRESIDENT: Not that I know of.

Q Has that been formally approved?

THE PRESIDENT: No.

Q How about the Upper Missouri?

THE PRESIDENT: That is among the projects they are bringing in to me. They have two projects up there.

Q Will you clarify the gold ore export situation. The Treasury has reached a decision as to when unrefined gold becomes bullion but it is not going to make the exact decision public. I was just wondering whether you could clarify that situation.

THE PRESIDENT: I am without a copy of the Attorney General's opinion in front of me and even if I read it to you you would not understand it any more than I would understand it.

Q You will have met the requirements if copies of the opinion are made available?

THE PRESIDENT: I suppose they will take up each case as it arises. If you read the Attorney General's opinion you would see that.

Q Have you acted on that opinion?

THE PRESIDENT: No, I don't have to act on it. It does not come to me at all.

Q It is a ruling, all right.

THE PRESIDENT: It is a request from the Treasury Department asking the Attorney General to answer certain questions and he has answered them.

Q There has been a great deal of talk about establishing a free gold market in this country. Can you give us any light on that?

THE PRESIDENT: I don't know a thing about it except what I have read in the papers about it.

Q Has any consideration been given to the payment of a bonus on newly mined gold?

THE PRESIDENT: Not that I know of. Of course there are a lot of people out doing placer mining at the present time. Somebody, I think it was Governor Rolph of California, sent word that they are making about \$1.25 a day on the average.

Q The Brazilian Finance Minister in a statement issued yesterday said that Brazil would look with great satisfaction on the advent of an economic conference for the Western Hemisphere?

THE PRESIDENT: Aren't they meeting in Montevideo?

Q We don't think there is any necessity for one in advance of that?

THE PRESIDENT: I never heard of it. Of course all members

of the Montevideo Conference are making preparations and holding informal conversations with each other.

Q Are we holding informal conversations?

THE PRESIDENT: When people come in and talk about it there is no formality that could be called a conference or a preliminary conference. For instance, Senor Pani is coming in heretomorrow on his way back from London and he will undoubtedly talk about the Montevideo Conference, also about trade relations between the United States and Mexico.

Q Can you tell us whether the news writers will be placed under a code or not?

THE PRESIDENT: Let us take a vote on it. (Laughter)

Q I understand they are placed in the category of white collar workers? (Laughter)

Q Can you tell us anything about the work of Professor Warren and his associates. They were going to make some recommendation relative to inflation.

THE PRESIDENT: I haven't heard a word.

Q Have you given any thought as to whom you might send down to the Montevideo Conference?

THE PRESIDENT: I haven't thought of it.

Q Your engagement called for Wiley Post coming in to see you this afternoon?

THE PRESIDENT: I think it is tomorrow.

Q Will he be received?

THE PRESIDENT: Yes, tomorrow. The Cuban Ambassador is coming in at noon today and a gentleman called Baron Johan Beck-Friis is coming in at 12.45. What it is about I don't know. You might ask Mac.

Q Is that today or tomorrow?

THE PRESIDENT: Today.

Q What are you going to do with the Emergency Board's dispute on the Kansas City Southern Railway?

THE PRESIDENT: You had better ask Louis Howe. The last I heard was Louis was trying to get a mediator who did not own railroad stock and that is a great difficulty.

Q Anything new on debts?

THE PRESIDENT: No, I have not thought of them.

Q Anything new about the Secretary of the Treasury. The reports came over last night that on account of his health he will not be able to come back.

THE PRESIDENT: No, that is hot-weather stuff again. The Secretary of the Treasury did have an awful cold. He had this streptococcus infection in his throat, the same thing I had, and it drained clear through his system and knocked him out completely. It is the kind of thing that takes weeks and weeks to get your strength back. He lost almost all the pounds he had. He is lying out on the porch and getting stronger every day and I talked to him over the telephone almost every day. He is keeping in touch with the Department and

he says that he is coming up to Hyde Park next week to see me but I am going to ask Mrs. Woodin whether it is all right for him to go. He was completely knocked out.

Q On Treasury affairs, is there in contemplation any long-time bond issue to fund the present short-term obligations?

THE PRESIDENT: I cannot tell you yet. We have not made up our minds. Probably by the second or third of August -- in about a week -- we will have our plans for financing probably the August maturities, August 15 maturities, and possibly also the September 15 maturities, but what it will be we don't know yet.

Q Will that come out at Hyde Park?

THE PRESIDENT: It will probably come out at the Treasury.

How many people are coming up to Hyde Park?

Q About fifteen.

THE PRESIDENT: Have you made the Nelson House your headquarters?

Q That is where most of us are going to stay.

Q Morrison got back from the conference yesterday. Have you any appointment to see him?

THE PRESIDENT: Senator Couzens is coming down. He will be here tomorrow and he is coming down to see me tomorrow evening.

Q Do you contemplate any statement apro pos of the adjourn-

ment of the London Conference?

THE PRESIDENT: I don't think so.

Q How about your weight reducing campaign, how is it coming along?

THE PRESIDENT: It came along fine. The grapes and cherries took off about ten pounds. (Laughter)

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

CONFIDENTIAL

Press Conference #37

Executive Offices of the White House,
July 28th, 1933 - 4.10 P.M.

(Present: Secretary Ickes, Edward Flynn)

Q Mr. President, there are reports out this afternoon that the Government is taking some steps towards inflation of the dollar. Is there anything you can tell us about that?

THE PRESIDENT: It is a typical July story.

Q Off the record, Mr. President, can you fill us in on what the situation is on that? Personally I am as ignorant as a nincompoop on it all, and if I could get a little background or off the record --

THE PRESIDENT: On what?

Q On inflation and deflation of the dollar and so forth.

(Laughter)

Q Is there anything I can get? (Laughter)

THE PRESIDENT: Stevie (Francis Stephenson), if you would offer me a hundred dollars to write a story I couldn't write it myself. There just ain't no news.

Q I could not offer it. (Laughter)

Q I see the Secretary of the Interior is here. Is there

anything you can give us about public works programs, oil, the Mississippi Valley and the Channel?

THE PRESIDENT: Yes, I think we can do that. We studied this morning and approved the Grand Coulee project in the Columbia River. The amount involved is sixty-three million dollars. That is the initial amount. I think you had better check on these figures, because they are just purely from memory. The original, complete project called for a very large dam, I think about three hundred feet high.

Q Three hundred and seventy feet high, I think.

THE PRESIDENT: It was a dam that would have developed, as I remember it, over a million horsepower. At this time, however, it was felt that there isn't a present, ready market for that amount of power and therefore that the foundations for the full-sized dam will be put in but the dam will be only built to a height of about a hundred and thirty feet. Is that correct, Harold?

SECRETARY ICKES: I don't think it is that high.

Q A hundred and forty feet, I think.

THE PRESIDENT: A hundred and thirty or a hundred and forty feet. Initially it should develop four hundred and fifty or five hundred thousand horsepower.

SECRETARY ICKES: It will be the cheapest power in the country.

THE PRESIDENT: And the State of Washington, as I understand it, has authorized the creation of a power district which will be empowered to make a contract with the Government for the purchase and distribution of this power. I think you can also anticipate and say that the Board at its next meeting will also approve the immediate resumption of work on the nine-foot channel in the upper Mississippi.

Q Is there anything that can be said about the size of the appropriation or the amount of work that will be done within the year?

THE PRESIDENT: We haven't the figures. I think all you can say is this: That we propose to work it on the basis of completing it in between two and three years. I cannot tell you the actual allocation for this first year.

Q But the allocation of funds will be sufficient to enable the work to be completed?

THE PRESIDENT: It will be sufficient to cover all the work that can be done in the first year.

Q How about the Missouri, is that to be included also?

THE PRESIDENT: We haven't got quite enough reports from the Engineers of the Reclamation Service.

Q Mr. President, will you appoint a District Commissioner?

THE PRESIDENT: And one other---(Laughter)

I am not trying to avoid the subject of the District of Columbia Commissioners. I will come back to it in a minute.

There is one other project which I think will be approved next Monday or Tuesday. That is the Caspar-Alcova project in Wyoming. That is a very large project which is primarily for flood control. It is the first large one on the upper waters of the Missouri River. Actually, it is not on the Missouri itself, but is on the South Platte. Do you remember what the total of that is, approximately?

SECRETARY ICKES: Twenty-one million dollars.

Q Mr. President, pending ratification of the St. Lawrence Treaty, is there anything you can do on that?

THE PRESIDENT: No, I would rather you did not have this coming out from here. You can say that the question has been broached and it seems to be Administration policy. Several Senators, including Senator Vandenberg and some others, have asked me to set aside, out of this public works money, a hundred and fifty million dollars for the American share of the building of the

International Rapids Section of the St. Lawrence next year, pending ratification of the Treaty, but I, frankly, don't think that was within the intent of the Congress in appropriating the money. They wanted the money to apply to projects which could be immediately started and I think it would be flying in the face of Congressional intent if I were to withhold that money until next year in the hope that the Treaty would go through, so I don't think I can do it.

In regard to these projects, I think it is perfectly well at this time to make one thing clear: The Wyoming project, for example, has as its primary purpose the control of flood waters on the upper tributaries of the Missouri River. With that control there will be two other results, one power and the other sufficient water to use for reclamation purposes. Now, the very minute you start to increase the irrigation area in the United States, you run into the problem of additional crop production. At the present time we are all against additional crop production. What are you going to do about it? It will be good crop land. It will be irrigated land and therefore the Administration, in order to get this good crop land which will be a

by-product of flood prevention, has decided that it will take out of production an equivalent acreage in sections of the country where such acreage is now being farmed on a submarginal basis. Submarginal land, in other words, is land which ought not to be farmed but is still being farmed. Now, that does not mean taking out acre for acre, because this reclamation land which will result from the flood control and this Wyoming project will probably produce three or four times as much in the way of crops as the submarginal land produces, and therefore it may, in all probability, be necessary to withdraw from cultivation three or four acres of submarginal land for every acre of new reclamation land that is being put into use. Therefore, we will undertake to acquire and take out of cultivation an acreage of submarginal land whose production is the equivalent of the new acreage of reclamation land which is put into use, so that the total production of crops will not be increased. Of course, at the same time we are taking off the soil, off that submarginal land, families that today cannot make a living working that submarginal land.

Q Will the submarginal land be used for forest preserves?

THE PRESIDENT: They will probably go back into the public domain and if there are lands which can be used for forestry purposes, we will put them into forestry.

Q Out of what funds?

THE PRESIDENT: Out of the same funds.

Q Is there any estimate of the acreage on the Wyoming project?

THE PRESIDENT: Do you happen to know how much, Harold?

SECRETARY ICKES: My recollection is about forty thousand.

Q That will be improved?

THE PRESIDENT: Yes.

Q Will this submarginal land be withdrawn, will that be confined to the same State?

THE PRESIDENT: Not necessarily.

Q Mr. President, the Attorney General has been in to see you quite often this week and he has discussed in detail plans for curbing racketeers and kidnappers. Is there anything you can tell us about that?

THE PRESIDENT: Not with me.

Q Mr. President; any consideration being given to a petition for a change in the processing tax?

THE PRESIDENT: Various petitions and requests went in to the Secretary of Agriculture and he does say, just for your information and more or less off the record, that

it does not seem probable that the tax will be changed,
although the Secretary of Agriculture is still studying it

Q Anything on the Blanket Code?

THE PRESIDENT: Not that I know of. I signed the Pajama Code.

(Laughter)

Q Mr. President, you said you would come back to the District
of Columbia.

THE PRESIDENT: Right. (Laughter) By Jove, I have not taken
it up since I saw you last. (Laughter)

Q No appointments before you go?

THE PRESIDENT: No.

Q Have you decided on the Governor for Hawaii, in view of
the fact -- (interrupted)

THE PRESIDENT: No, I have not, because I have been still up
against the same old problem. I think I can tell you
something for background information in regard to Hawaii:
It is so far away that I do not know enough about it,
and one of the problems is to get a better survey than
we have for it - a survey of the whole judicial and
policing system in the Islands.

The Secretary of the Interior has suggested that
we should send somebody who knows the subject pretty
thoroughly, a practical man experienced in judicial and

policing methods, to make a study of the conditions for us and at the same time to give us a new report. There have been a good many reports in the past on the whole Organic Act that applies to the Territory. The Secretary just made that recommendation today and we are going to find somebody to go on out and make a report for us on the whole subject.

Q When is the administrative or supervisory authority under the Cotton Code to be appointed? There are three from the Government to be appointed and no such authority is set up as yet.

THE PRESIDENT: I don't know. I haven't a thing about it.

Q How about resumption of flood control work on the lower Mississippi?

THE PRESIDENT: I don't know. Do you know anything about that, Harold, lower Mississippi?

SECRETARY ICKES: No, nothing.

THE PRESIDENT: I don't think we have had a final report from the Army Engineers on that.

Q The work is practically stopped now.

Q Mr. President, is there anything to these reports from Paris that Baruch talked to Litvinoff and discussed with him the recognition of Russia?

THE PRESIDENT: That is another July story.

Q How about Secretary Hull and Moley to go to Treasury?

THE PRESIDENT: That is a third July story, in fact that is a July and August story.

Q What about the story that Governor Lehman will become Secretary of the Treasury?

THE PRESIDENT: That is a July and August story.

Q Who will be Secretary of the Treasury?

THE PRESIDENT: Mr. Woodin.

Q Mr. President, what about the Board to review the Veterans cases?

THE PRESIDENT: Those will be ready - I think General Hines will have them ready by tomorrow or Monday, the first ones.

MR. EARLY: General Hines made an announcement on that today

Q He said on Monday.

THE PRESIDENT: They won't all come up at once. In the first instance there will probably be only five or six and then piecemeal over the next couple of weeks.

Q How soon can we expect some diplomatic appointments?

THE PRESIDENT: Not until the Secretary of State gets back.

Q Anything on the number of employers who signed these blanket agreements up to noon today?

THE PRESIDENT: The General is away and I won't hear until probably tomorrow afternoon. All I know is that they are coming in awfully fast.

Q Is there any likelihood of trade negotiations in the immediate future?

THE PRESIDENT: They are going on all the time.

Q Informally?

THE PRESIDENT: Yes.

Q Any callers over the week-end up at Hyde Park?

THE PRESIDENT: I think what we can do is this as far as the people who are going up there are concerned. We will get there tomorrow morning and there won't be a blessed thing doing over Sunday. We can put the lid on.

Q Okay on that.

THE PRESIDENT: That will be until Monday morning.

Q Have you appointed a Governor of the Virgin Islands?

THE PRESIDENT: Not yet.

Q Did you sign an Executive Order to round out those park areas in Great Smoky?

THE PRESIDENT: I don't know whether the Order has actually been signed or not, but it is going to be about a million and a half dollars.

Q Any more appointments tonight?

THE PRESIDENT: No more appointments tonight.

MR. DURNO: Thank you, Mr. President.

(The Press Conference adjourned
at 4.28 P.M.)

CONFIDENTIAL

Press Conference #38

The President's Home at Hyde Park,

August 2nd, 1933 - 11.55 A.M.

THE PRESIDENT: I've got a really good story, if you haven't heard it before. Irwin Steingut dropped in the day before yesterday. He is the Minority Leader, you know, in the Assembly. He told me that about three weeks ago he had been in the hospital. He had had a very serious operation and soon after his operation Mrs. Roosevelt and I sent some flowers from the White House to the hospital. Well, the flowers came and Irwin thought that he would thank me in person. So he lifts up the telephone receiver and he gets the telephone girl in the hospital and he says, "I want Washington." She says, "Who do you want?" He says, "I want to speak to the President." "Bang" goes the telephone receiver and five minutes later up come two doctors, an interne and an orderly from the psychopathic ward. (Laughter)

Well, the only real story today is in regard to the very grand Treasury financing. I talked this morning with the Secretary of the Treasury and the Under-secretary, and the five hundred million dollar offer

of three and one quarter per cent eight-year bonds has been oversubscribed more than six times. In other words, the subscriptions up to the present time are over three billion dollars. On the August certificates, we asked for three hundred and fifty million dollars and over one billion five hundred million dollars was subscribed on those.

Q What is the rate on that, one and five-eighths per cent?

THE PRESIDENT: One and five-eighths per cent, yes. They have decided that the offering will be closed very shortly - closed right away - except for the small subscriptions under ten thousand dollars, and also the exchange of September certificates. We will let those remain open probably for two days longer.

Q I was under the impression that the financing has already been made down there and that they had closed the books except for the small subscriptions.

THE PRESIDENT: I think that is right.

MR. McINTYRE: I don't think so, Mr. President.

THE PRESIDENT: In fact, it is closed except for the small subscriptions under ten thousand dollars and the exchange of the September certificates. We have already had offers to exchange over a hundred and sixty million

dollars, which takes care of a large part of those September certificates.

Q What was the total of the September certificates?

THE PRESIDENT: About four hundred and fifty million dollars.

Q That is, they exchange these September certificates for some of those securities going out in August?

THE PRESIDENT: The net result is that we have today, or will have when these are paid in on the fifteenth of August, a larger cash balance in the Treasury than ever before in the history of the United States, including war time. That is rather a significant thing. It will be a cash balance of about a billion five hundred million dollars. The net result of that will be that it will make the financing for the balance of the year incidentally easier than we even hoped for. In fact, it will carry us through until late in the Winter, right straight through, past everything, up to the first of January. We will only need about a billion dollars for refunding purposes plus such other sum as will be necessary to carry on the public works and the RFC needs as they come in, which will probably not run much over half a billion dollars. So, the Government, financially, is sitting very pretty.

Q This one billion five hundred million dollars, how does that cover the cash balance - the offers?

THE PRESIDENT: We have, I think, about seven hundred million dollars now.

Q And you won't take more than this eight hundred and fifty million dollars?

THE PRESIDENT: Of course, in a sense, that is only a temporary cash balance.

Q I meant the original subscriptions, you will keep them to eight hundred and fifty million dollars?

THE PRESIDENT: No; probably the total subscriptions and exchanges will run up to between one billion and one billion two hundred million dollars which will be accepted.

Q The exchanges will put that up over the billion mark?

THE PRESIDENT: Yes, and the small offerings, because we will take everything in the way of small offerings under ten thousand dollars.

Q Does this seem to pave the way for conversion of the Liberty 4½'s? Does it make it an encouraging outlook?

THE PRESIDENT: The only thing I can say on that is that it makes conversion more probable. Of course, it depends a good deal on market conditions between now and the first of October.

Q How much comes due then?

THE PRESIDENT: We can call the whole six billion but of course we would not call the whole six billion.

Q Is that the Fourth Liberty?

THE PRESIDENT: That is the $4\frac{1}{2}$.

Q The Fourth Liberty, is the total of that six or eight billions?

THE PRESIDENT: I think it is only six. There is another, too, some other kind of $4\frac{1}{2}$'s which I do not think is callable.

Q The Fourth is callable?

THE PRESIDENT: And I think the other two billion of $4\frac{1}{2}$'s are not callable.

Q I think they were all callable except the first three and $3\frac{1}{2}$'s, which are not callable and are not taxable.

THE PRESIDENT: Yes, that was not taxable at all. I think this is six billion.

Q How much notice do you have to give?

THE PRESIDENT: Six months.

Q Some of the New York papers, particularly in their financial and editorial columns, have been playing with the report that you told various industrial and financial leaders that you will not exercise any of your

inflationary powers until you have the first report --
(interrupted)

THE PRESIDENT: No, I will say it is part of the same drive as the letter that Mrs. Roosevelt got yesterday. This is off the record. A lady, who did not even sign her name, but was connected with a large corporation in Wall Street, I do not even know whether it was a banking corporation, an industrial company or a brokerage house, was very much upset because of the uncertainty in regard to her stock. She said that she had invested all of her savings in stocks and was now the owner of four or five hundred shares. She said that the charwoman also would like to know because she had bought one hundred shares of American Car & Foundry and had put all of her savings into that. Now, of course, if the charwoman bought a hundred shares, we know very certainly how that was bought. In other words, she had bought it on margin. Well, the one thing they wanted to know was whether I would exercise my powers of inflation or not, because it would affect her future security for her old age. I think some of the inquiries that you get are along the same line.

Q Then this recovery of the dollar in the exchanges in the last few days has been just entirely speculative?

THE PRESIDENT: No, no.

Q The financial columns have made quite a bit out of the recovery of the dollar in foreign exchanges.

THE PRESIDENT: What has that got to do with it?

Q They seem to have the impression in the exchange markets that the dollar is pegged.

THE PRESIDENT: What has that got to do with the price of eggs? I don't see any connection.

Q Mr. President, are you going to have something for us on racketeering and kidnapping?

THE PRESIDENT: I can give it to you now. I had a long talk with the Attorney General.

Q On the phone?

THE PRESIDENT: Yes. He made a request. I had it taken down and typewritten. He did not send me a letter, but his request is this: In view of the serious problems of the Department of Justice -- you will just have to use the gist of this -- don't use it in quotes or anything -- but just the gist -- in view of the serious problems of the Department of Justice and the law enforcement agencies are meeting because of the prevalence of racketeering, kidnapping and similar crimes, it would be helpful to the activity of the Department

of Justice if they could have a brief study made of the laws, State and Federal, under which these crimes can be prosecuted; also a study of the enforcement methods - State, Federal and also foreign. He said further that while there has been a good deal of study of these subjects and a great deal of information concerning them, it is so scattered that the Attorney General would like to have what might be called a synopsis of the whole thing. Because of the practical knowledge of these and the studies already made by the Assistant Secretary of State, Ray Moley -- you know he worked on my stuff here in the State of New York along the same lines -- the Attorney General asks if it would be possible for Mr. Moley to make a brief investigation of the question for the Attorney General during the next few weeks. This would mean merely an interruption of his present duties in the Department of State for a very few weeks. He asks that he be allowed to do that as a matter of just temporary assistance to the Attorney General. So I have written to Undersecretary Phillips and have asked him to ask Assistant Secretary of State Moley to make this study of the domestic and international phases during the

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next few weeks. That is all there is to it and there is not any other story behind it. It is just a temporary thing, taking possibly three or four weeks.

Q Before he resumes his post in the State Department?

THE PRESIDENT: Yes.

Q But will he retain his post?

THE PRESIDENT: Sure; that is why I said there was nothing further behind it.

Q Mr. President, have you heard when Secretary Hull arrives?

THE PRESIDENT: I don't know what day the boat gets in.

Q It is an eight-day boat.

THE PRESIDENT: I don't believe he will get in until Friday.

He will come right up here unless it is midnight.

Q You said last week that Secretary Woodin --

THE PRESIDENT: Yes, he wanted to come this week but his doctor would not let him. This is off the record.

He will come just as soon as the doctor will let him.

Q Have you any particular plan on this kidnapping and racketeering?

THE PRESIDENT: No. In other words, there is no plan for creating a board or for starting a special agency. We don't know enough about it yet. We are merely in the study stage. There is nothing we can say about what we are going to do, because we don't know ourselves.

Q Can you fix a date for your return to Washington?

THE PRESIDENT: I think probably the eleventh.

Q You will leave here on the eleventh?

THE PRESIDENT: Yes.

Q That means that you cannot possibly go to White Top Mountain?

THE PRESIDENT: I cannot possibly go to White Top Mountain but what is a possibility, but not yet decided on, is that we may go through Washington in the early morning hours and go on to some place down near the Shenandoah National Forest or Park and get out of the train about ten o'clock in the morning and motor back and look at two or three CCC Camps, because I haven't seen any. That would get us back in Washington Saturday afternoon, but that is only tentative.

Q Saturday afternoon?

THE PRESIDENT: Yes. You see, we leave here Friday evening about eleven and get down there Saturday morning and then motor back.

Q How long do you aim to be gone away from Hyde Park?

THE PRESIDENT: A full week.

Q And then you come back here?

THE PRESIDENT: Yes. A week or ten days in Washington,

depending on how many things they have got.

Q It will be hot.

THE PRESIDENT: They say Washington yesterday and the day before was just terrible.

Oh, Stevie, I'm awfully sorry to spoil a good story, but it was only thirty miles an hour that I was driving, and there wasn't another car on the road at the time.

Q (MR. STEPHENSON) I tell you that is what my speedometer--

(Laughter)

Q You probably did not notice it.

Q You leave us flat like that again and we will make it eighty miles an hour. (Laughter)

THE PRESIDENT: I did happen to be going along, but what happened was this: The Secret Service got into one of the State Troopers' cars, and I don't know whether you have been through the Lower Woods Road or not. There is a very long, steep incline about two hundred feet long and, when you get over the top, there is a right-angle turn. They had a little difficulty getting up this steep grade and they stalled and I was gone when they got up to the top. (Laughter)

Q Have you received any requests for interference in this coal strike in Pennsylvania?

THE PRESIDENT: No, they are keeping me in touch with it.

Q Do you plan to take any action on it?

THE PRESIDENT: I talked to General Johnson about it, and also Miss Perkins. I have not talked to Governor Pinchot, but had a message on it.

Q Do you care to tell us what was in the message?

THE PRESIDENT: Just to tell me that the situation was serious.

Q Did that come today?

THE PRESIDENT: Yesterday afternoon.

Q Do you contemplate any action there?

THE PRESIDENT: No, nothing at the present time.

Q The Governor did not ask for any Federal intervention?

THE PRESIDENT: Oh, my, no.

Q Stories are coming up again on War Debts from Washington.

THE PRESIDENT: I saw it. (Laughter)

Q I think it was Ed's (Roddan) service that had it.

THE PRESIDENT: By gosh, it was.

Q Well, that particular story said that you did not intend to do anything.

THE PRESIDENT: That story was based on a hundred and twenty-five degrees in the sun.

Q No shed at all?

THE PRESIDENT: All of it.

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MR. McINTYRE: We are all invited down to Henry Morgenthau's Saturday evening for a Dutchess County clam bake. Have you been invited?

THE PRESIDENT: I think I was, but I have another party on.

Q You could take both of them in.

THE PRESIDENT: No, because then you spoil both of them.

Q We understand you are going to be invited out to Vassar Friday afternoon.

THE PRESIDENT: This is wholly off the record. What I want to do is to go out to Vassar and go to the School of Euthenics. Did I ever tell you the story of the School of Euthenics? This is one thousand per cent off the record. When I was elected to the Board about 1924 and went to my first meeting in the Commodore Hotel in New York, there was present the Board of Trustees consisting of perhaps eight or ten eminent gentlemen and women from very prominent families. President McCracken presided at the Board of Trustees. He got up and announced various gifts that the College had had, and among others he announced the gift of the new Euthenics Building. I need not tell you the name of the donor other than to say that he was well known to us all and very beloved by all of us. Whereupon, being very

innocent, I said, "Mr. President, would you mind telling me what the purpose of this building is or, I should say, what are euthenics? I never heard the word in my life." Well, McCracken got up and he waved at a lady sitting beside me. She was a very wonderful looking lady, she looked like a million dollars and had on half a million dollars worth of jewelry. So the lady looks at me and puts a lorgnette to her eyes and says, "Perhaps if Mr. Roosevelt were familiar with his Greek, he would realize that the word, 'euthenics', comes from 'eu', meaning 'well' and the word 'thenics', meaning 'the sense of living'. In other words, it means 'the sense of good living.'" And she sat down.

Well, I was properly and completely squelched. Then one of my fellow trustees alongside of me leaned over and said, "What she means is 'home economics'." (Laughter)

The building was given by a very marvelous lady who was, I think, connected with the Cadillac Motor Company out at Detroit. Well, I went down to see the building in its first summer of operation. I drove into the grounds and there, on the grass plot, I saw, oh, there must have been twenty long-haired men and

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short-haired women in a circle on the grass. In the middle of the circle were two unfortunate children, one about one year old and the other about two years old, and the motions of the children were being watched to see what they meant. So, if you want a real thrill, go down and watch the Class in Euthenics.

(Laughter)

Q That is something else to do in Poughkeepsie.

Q You know, Mr. President, Ed Roddan has been trying to get up over the wall, but now he will have an opportunity to go through the gates. (Laughter)

Q Mr. President, this is local reporter. May I ask you about Mr. Townsend's visit with respect to the Home Day celebration?

THE PRESIDENT: We talked it over. I am not giving you a story because there are one or two things to be checked on first. I think they will have some kind of a story by tonight. I suggest you get in touch with Harold Clay and Jim Townsend. I will tell you who is coming up this afternoon, Admiral Standley and Rear Admiral Land. They are bringing with them the bids for the new ships.

Q Didn't Trammell send you a letter?

THE PRESIDENT: I saw it in the papers. I suppose he has.

Q On these new bids, Mr. President, they have not been accepted, any of them, have they?

THE PRESIDENT: No.

Q Do they have to have your okay?

Q What was the amount, two hundred and thirty-eight million dollars?

Q Two hundred and thirty-eight million dollars is right.

THE PRESIDENT: Of course, the larger part of that goes to Navy Yard construction.

Q Did you see the stories from Tokyo about the tremendous building program that the Japanese have? (Laughter)

Q The story was printed in Washington that Secretary Hull is considering a good will tour of South America and is going to take it up with you.

Q I think he was asked something about that and said that there would not be anything before the Montevideo Conference?

THE PRESIDENT: Of course, I have not discussed that with him one way or the other. I have no idea whether he will want to go down there or not. If he does, it will be fine.

Q We would appreciate it if you will give us something on

this Navy thing this afternoon, something of some kind.

THE PRESIDENT: If the thing seems to be entirely in order and there is a definite recommendation for the award under these contracts, we may have a story. On the other hand, if they are not ready, we cannot do anything. Just entirely off the record and for your own information, about old man Trammell, he is very much concerned about getting this Gulf State Shipbuilding Company going down there at Pensacola. As a matter of fact, all they have got down there is a war time plant which is all covered with grass and going to wrack and ruin. It would mean, if they got a contract, that they would have to build an entirely new shipbuilding plant and, of course, they have been going to the RFC for two or three months to borrow RFC money to start a plant going. That is about their only qualification for building ships.

Q There seems to be some talk of having a canal down in Florida.

THE PRESIDENT: On that Florida canal, I don't think you had better write a story on it because it is still in the study stage. The War Department figures that for a thirty-five foot canal, the damn thing would not pay.

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I mean it would pay its cost of operation, but it would not pay any money back, and what I am trying to do now is to get figures to see if a thirty-foot channel would save enough on the cost to bring in a return on the money invested. I am very keen, personally, about a canal, but I want to be sure that the thing is going to pay for itself.

MR. DURNO: Thank you, Mr. President.

THE PRESIDENT: We are making that study now.

Q Is that off the record?

THE PRESIDENT: I think so, because it is perfectly vague.

It is still in the study stage.

Q Any plans for tomorrow?

THE PRESIDENT: No plans at all. Nobody coming, so far as I know. The Governor and Mrs. Lehman are coming down to lunch on Sunday.

Q Mr. President, Hugh Johnson announced this morning that at the request of Governor Lehman they had appointed Averill Harriman as Administrator for the State and Grover Whalen as Administrator for the City.

THE PRESIDENT: Yes, I was very glad to hear of that because they will make very excellent appointments on the NRA work.