

221

CONFIDENTIAL
Press Conference #48
Hyde Park, New York

August 30, 1933, 11.30 A.M.

THE PRESIDENT: Here is the thing that you are all bored to death with except Eddie. What is the French Plan? This is only for Eddie's benefit. This was a dispatch of the 23rd from Geneva -- from the AP in Geneva and just because of the fact that it is AP does not mean it is true because it gives entirely the wrong slant.

Q (Francis Stephenson) What is that?

THE PRESIDENT: I said it is AP. (Shows headline -- something about League of Nations being armed to move against aggressor nations.)

Now, that is an erroneous lead because what actually happened -- well, I talked to Norman Davis about this on the 'phone yesterday. Of course, from Eddie's point of view, his difficulty is that we have taken the position that we are in favor of the French Plan, and the Hearst paper says that the French Plan means setting up a complete Army and Navy by the League, which is damned nonsense.

The French Plan as we mean it -- the French Plan, which I think is our plan and I think we sold it to

the French and to the British, is to implement disarmament by constant inspection of every nation's armaments. That is what we mean by the French Plan.

Q Then the Committee was wrong, not the AP?

THE PRESIDENT: No, the AP story was wrong out of Geneva.

If they had taken the third or fourth paragraph and made that the lead, it would have been all right.

Q I would like to ask a question that may be boring to all except my readers in Washington. What about the message from the Board of Trade down there, Mr. President?

MR. EARLY: The President hasn't the telegram as yet.

THE PRESIDENT: For your own information, Jim (Farley) and I talked about D. C. Commissioners and I said, "Where is your list?" And he said, "My God, I didn't bring it." And so I told him to go ahead and do some more checking on names and send them to me. I think we talked about it for about a minute and a half and we will talk about it next week.

Q Mr. President, Clarence E. Martin, who is President of the American Bar Association, in a speech last night charged that there was a definite plan to destroy the Republic and to destroy social democracy --

THE PRESIDENT: Who was that?

Q Clarence E. Martin, President of the American Bar Association.

THE PRESIDENT: What is he, one of the coal operators?

Q You were supposed to go to the Convention and did not go. Maybe he is angry.

THE PRESIDENT: I could not go. The only thing I can do -- I just signed a letter to the Bankers Association.

Q He is President of the American Bar Association. It was before their annual meeting in Grand Rapids.

Q He must have gotten hold of some furniture polish instead of the bootleg he thought he was getting.
(Laughter)

THE PRESIDENT: Fewer and better lawyers.

Q He must have read that story that you put out on lawyers. That is the way you are destroying the Nation.

Q The Des Moines Register wants to know if there is any significance in the fact that your gold embargo order yesterday followed closely upon Sir Montague Norman's visit?

THE PRESIDENT: I don't think there is any possible connection there.

Q Have you heard that Ford is coming in under the NRA?

THE PRESIDENT: No, I sent word to Johnson last night to let me know any news on it, about that particular phase, before I left tomorrow.

Q Anything new on the Coal Code?

THE PRESIDENT: No, I have not heard a peep on coal.

They are going to try to get it to me tomorrow.

Q Were you referring particularly to Ford in what you said to General Johnson?

THE PRESIDENT: Yes.

Q What did General Johnson say about it?

THE PRESIDENT: He had not heard a peep; that was three days ago, I think.

Q Will that need any action on your part?

THE PRESIDENT: I don't know.

Q Mr. President, isn't Ford subject to a license under the Code if he does not voluntarily come in under it and observe its terms?

THE PRESIDENT: I don't know. I would hate to answer that because, frankly, I don't know enough about it. We have not got to discussing that phase of it. Of course, as a general proposition, under the law there is a right to license. It has not been discussed in relation to Ford.

Q General Johnson in a press interview yesterday intimated that he might start something in the way of an informal boycott against Ford -- not officially sponsored, but he is going to put it up to the country?

THE PRESIDENT: I don't think he has put it quite that way. I think he put it entirely in the negative way instead of in the positive way. In other words, raising the

question as to whether -- not any suggestion from topside of a boycott -- but as to whether people actually would, of their own volition, buy a car that did not have NRA on it. That is a very different thing.

Q Just a suggestion?

THE PRESIDENT: No, not a suggestion. It is just asking a hypothetical question.

Q Anything to add about the departure tomorrow?

THE PRESIDENT: No; going to get out to sea as quickly as we can.

Q Will you get out about noon?

THE PRESIDENT: I think so. I will try to get off before lunch but I have an awful pile of stuff.

Q When do you expect to get back to Washington?

THE PRESIDENT: Tuesday morning.

Q In Poughkeepsie there is a situation down there involving a strike in the garment plant and I understand that there was a telegram sent out by them, signed by a hundred out of one hundred and twenty employees, appealing for your protection in settling their own differences because they are under NRA. The Amalgamated is trying to come in.

THE PRESIDENT: I haven't seen it but if the telegram does come in, we will start the machinery right away.

Q It involves the same question as when Grover Whalen asked about the procedure in working the NRA plan.

THE PRESIDENT: Under the standard code, the method is that the Company agrees to recognize the representatives of their employees. Therefore a vote is taken as to what representatives the employees themselves want. Now, if there is a row about taking that vote, eventually it may mean that the Labor Department or the NRA would go in and conduct the voting for them and then, of course, both sides agree to abide by the result. That is the general system. If they want to choose John W. Davis or John Lewis or anybody else, that is their business but, as long as they have a free expression of their choice in choosing their representatives, the Code is complied with.

Q Union or non-union?

THE PRESIDENT: Yes, but they have to have an absolutely free expression.

Q The machinery of that could go through the NRA?

THE PRESIDENT: I don't think it has been set up yet, but it is ready. I don't think they have had a case that could not be settled by a vote run by the Government.

Q Thank you, Mr. President.

(The Press Conference adjourned at 11.40 A.M.)

CONFIDENTIAL
Press Conference #49,
Executive Offices of the White House,
September 6, 1933.

THE PRESIDENT: I don't know that there is any news at all today.
I am keeping in touch with the Cuban situation. Then we had a birthday party last night. There has very little happened where Cuba is concerned. You probably know as much as I do.

Q What is the status this morning?

THE PRESIDENT: I have just talked with the Secretary of State. He talked with Ambassador Welles this morning. You will have to get it from him. There isn't any news. That, of course, is a good sign things are quiet in Havana, the only disturbing element apparently coming from the many outlying places, Cienfuegos and Guantanamo, etc. The trouble there seems to be fairly widespread over the island, and for that reason we have ordered a number, I don't know how many, four or five, additional small ships down there to be within steaming distance, for the protection of American lives in the various outlying places in case of need.

This is merely a precautionary measure and the Secretary of the Navy is leaving this afternoon on the INDIANAPOLIS, from Annapolis, for the West Coast. Of course, that means in case of a crisis of some kind the INDIANAPOLIS will be in the neighborhood of Cuba in about two days. But that trip was a scheduled trip. As you all know, he was going anyway. The only other ship movement is also a part of the thing that was done a month ago or more. The MISSISSIPPI is leaving for the West Coast.

Q Where is she leaving from?

THE PRESIDENT: Norfolk.

Q Will she sort of hesitate down around Cuba?

THE PRESIDENT: It is too early to tell. She wouldn't get there for two or three days. There might be a hesitation -- might not. She might keep on going.

Q Mr. President, there are reports this morning that marines are being concentrated at Quantico and at different points along the Eastern Seaboard.

THE PRESIDENT: Not that I know of.

Q Mr. President, in that connection, I was talking to the Marine Commandant just today. He said he had ordered 1106 of them concentrated at Quantico, pulling them in from Philadelphia, Norfolk, Washington, ten companies from Annapolis -- told us we should inquire direct for the reason for that.

THE PRESIDENT: I suppose the Navy Department may have gotten them down, and it is probably perfectly true. But merely again as a precautionary measure, saving twenty-four hours in case of need. Lay off on this intervention stuff. As you know, that is absolutely the last thing we have in mind. We don't want to do it.

Another thing, on the general Latin-American policy: You can't say that the Cuban situation is the keynote of Latin-American policy, because there is no other American nation that is in the same status as Cuba. In Cuba we have treaty obligations -- in other nations we haven't. In other words, don't intimate anything we do in Cuba is the same as we will do in

Haiti, Santo Domingo, etc.

Q Under the Treaty of Paris we have obligations to foreign governments in regard to Cuba, in addition to the Platt Amendment, which says we have the privilege to intervene for the purpose of carrying out the provisions of the Treaty of Paris. I tried to find the Treaty of Paris but couldn't and haven't read it. I have the impression there was something in the Treaty that the United States preserve --

THE PRESIDENT: (interposing) I don't know. Ask the State Department.

Q Is there any intimation regarding Henry Ford?

THE PRESIDENT: No, I just haven't seen General Johnson, because he isn't back. He told me two things: that the coal people are going into conference at eleven o'clock this morning; that there are two things they are discussing: one, checking and weighing; and the other relates to some kind of a proposal for the United Mine Workers to agree to work side by side with non-union people. It's a thing I don't know anything about, and I don't think General Johnson does. They will discuss it at eleven o'clock. He says that is all on coal.

Q Is he optimistic on it?

THE PRESIDENT: He didn't say one way or the other. He is coming in at 8.30 to the White House to talk over that and general N.R.A. things. He said to tell you the news about Henry Ford is that there isn't any.

Q Mr. President, is there anything on the District Commissioners?

THE PRESIDENT: Jim Farley was in this morning and he is coming in

sometime tomorrow and we will talk about it again.

Q What is the President's attitude regarding changes in the District Government?

THE PRESIDENT: I haven't thought about it at all. Off the record, the situation is this: Jim and I decided to talk about it. We talked for five minutes and got on another subject, and then decided to take it up two weeks from now.

Q In conference tonight with General Johnson, do you intend to take up Mr. Ford's case?

THE PRESIDENT: No.

Q Are you contemplating any action?

THE PRESIDENT: I can't tell you anything about what I am contemplating.

Q Would it be proper to ask about those photographs on your desk? Anything interesting?

THE PRESIDENT: Yes, take them out and look at them. They are some old films I got up at Hyde Park. They were taken back in 1912 at the Panama Canal. It was under construction. Some of them are quite interesting. I went down there with an old, old friend, J. Mayhew Wainwright, who was then in the State Senate with me, and my brother-in-law, Hall Roosevelt, and we were there three or four days with General Goethals and a Navy man, a civil engineer on construction work. There were two or three handling men and he was third chief assistant. His picture appears in here. They are quite interesting and are taken before water was let into the Canal in 1912, in the spring.

Q Mr. President, could you say when Secretary Swanson is leaving

on the INDIANAPOLIS?

THE PRESIDENT: Four o'clock this afternoon.

Q Could you say what other ships are being sent down?

THE PRESIDENT: Three, four, five, little fellows.

Q Destroyers, sub-chasers, etc?

THE PRESIDENT: Yes.

Q Getting back to Cuba, is Mr. Caffrey going down?

THE PRESIDENT: The plan was for him to go down on the fifteenth and for the Ambassador to come back here on the fifteenth, but of course we haven't talked about it for the last twenty-four hours.

Q Does it look as though Mr. Welles might have to stay a bit longer?

THE PRESIDENT: Too early to tell.

Q Did this Government receive a confidential, secret ultimatum from Japan to stop building ships? (Laughter)

THE PRESIDENT: No truth to it at all.

Q There is increasing controversy about the labor policy of N.R.A.

Has that been brought to your attention, directly or indirectly?

THE PRESIDENT: No, the only thing is I haven't talked about it since I left. The policy is that it was to just stand on Section 7-A. That is the Alpha and the Omega.

Q It might be a good idea to check up on the program of the Council meeting.

THE PRESIDENT: I wish I had the agenda here. Don't think I have got it. You know they had some quite interesting figures on reemployment, but I haven't got them. There was a report of the interpreting economists, without any figures, which showed the

250
general feeling was that things are doing pretty well and that there is consistent reemployment.

Q On this labor dispute, there was a committee that came down to talk with the Advisory Board last week, to ask them about qualifying the automobile code. Has that matter been gone over with you or have you any ideas on such a policy?

THE PRESIDENT: The thing is 7-A. That's the thing to cling to.

Q Have you heard anything from Mr. Davis since he landed in Europe?

THE PRESIDENT: No, unless the State Department has.

Q There was a Paris dispatch this morning saying the French Delegation was waiting with a great deal of anticipation for the Roosevelt Plan which Mr. Davis was bringing over.

THE PRESIDENT: That sounds like the Paris Press.

Q Is there any progress toward selection of the Deposit Insurance Board?

THE PRESIDENT: Yes, I will have to tell you off the record, because I don't want to spill a good story. Jefty O'Connor is going out to the Bankers' Association and he is going to announce the two names, so you will have to wait until he gets there.

Q Is it meeting on the third?

THE PRESIDENT: Yes.

Q When does he leave?

THE PRESIDENT: I don't know. Today, I suppose. It will be in his speech out there.

Q Has Jesse Jones fixed up the financing plan that it is suggested meet credit aid for N.R.A.?

THE PRESIDENT: No. The whole question of credit is still in study

stage.

Q Does Mr. O'Connor speak today in Chicago?

THE PRESIDENT: Tomorrow, I think; I don't know.

CONFIDENTIAL

Press Conference #49-A,
Executive Offices of the White House,
September 6, 1933, 5.45 P.M.

THE PRESIDENT: I told them three things: First, that I wanted them to have complete and constant information about the Cuban situation to the full extent that we have that information. Yesterday morning the State Department commenced keeping them informed -- all the American Republics -- of what was going on just as fast as it came in and we are continuing that and will continue to let them have everything we know.

The second point that I explained to them, as I did to you gentlemen this morning -- that the United States had absolutely no desire to intervene and is seeking every means to avoid intervention.

And the third point was that I expressed to them the very definite hope on the part of the United States, that might be called the key to our policy, is that the Cuban people will obtain as rapidly as possible a government of their own choosing and, equally important, a government that will be able to maintain order and, of course, if a government is constituted as quickly as possible, that will maintain order, it will have the happy effect of eliminating altogether any preparation or thought of the necessity for intervention. And then finally, -- this is not one of the points but the way I would write it would be this: That the object of calling these gentlemen in/^{is}to give them full information and to make perfectly clear to all other American Republics what the position of the United States is in

regard to Cuba, yet making clear to the other American Republics that we believe that they have just as much interest as we have in the preservation of order and orderly government.

Q Is there anything new on Cuba that you care to tell us?

THE PRESIDENT: Let me read this: (Reading)

"Conditions in Cienfuegos are not as good as they were. There seems to be a good deal of disquiet --"

That is a grand word.

" -- in a number of other places -- especially apparent on the southern coast."

That is from Welles.

CONFIDENTIAL
Press Conference #50,
Executive Offices of the White House,
September 8, 1933.

THE PRESIDENT: I guess you know all the news I do.

Q Is Mr. Gore going to leave the Governorship of Puerto Rico?

THE PRESIDENT: Not that I have ever heard of.

Q Is there anything on Cuba?

THE PRESIDENT: There has not been anything today.

Q There is a report out that the Cubans have agreed to a peaceable landing of sailors and bluejackets.

THE PRESIDENT: Not unless it happened in the last three minutes and a half.

Q There is word that an inspection party of sailors was landed.

THE PRESIDENT: Not that we have any information on.

Q There is a paragraph out of Paris today saying we made overtures to reopen debt negotiations. Can you comment?

THE PRESIDENT: Not that we know of.

Q Can you tell us anything about the Sugar Conference yesterday?

THE PRESIDENT: There isn't very much to tell except we went over tentative allocations. There have been a number of changes made and they are being taken up with the various other people who are concerned in them.

Q Is Dr. Coulter to work it out?

THE PRESIDENT: Yes.

Q Can you tell us anything about Henry Ford?

THE PRESIDENT: Not a word -- I talked to General Johnson about it night before last, but not since.

Q Is there anything you can tell us on your attitude toward importations from France of wines, cordials, etc.?

THE PRESIDENT: I don't know; I haven't the faintest idea. There have been several plans in regard to import duties on wines that have come in from quite a number of sources, and they have all been referred to a committee -- I think in the Treasury Department -- that is studying the problem of tariffs and also of domestic taxes, if and when the Eighteenth Amendment is repealed.

Q Does that also take into consideration the non-payment of the debts?

THE PRESIDENT: Oh, no.

Q Who heads this committee?

THE PRESIDENT: I don't know, probably Dean Acheson -- I don't know -- either he or somebody else.

Q Is that in regard to duplication and in regard to domestic taxes?

THE PRESIDENT: Yes, it includes that too; covers import duties, the relationship of Federal taxes, state taxes and local taxes.

Q What can you tell us about Public Works?

THE PRESIDENT: I think the Administrator of Public Works sent word -- I think you had this sometime ago -- that all local Boards get in their recommendations on local public works just as fast as they possibly can. They are coming in a good deal faster. They had a very successful meeting in Baltimore yesterday covering this particular area, Maryland, Virginia, West Virginia, North Carolina, at which they made real progress. The principal amount that is left will go to self-sustaining local public works.

Q One part of this fund has not been touched -- is that set aside for railroad maintenance?

THE PRESIDENT: Yes. I am taking up the possibility of a specific loan to railroads for steel rails.

Q Are you getting their report?

THE PRESIDENT: Provided the price of steel rails can be reduced.

Curiously enough, during this whole period of four years, steel rails are about the only commodities that did not come down.

Q Can we attach importance to the fifteen per cent cut in next year's budget?

THE PRESIDENT: No, we have to put in for the full amount. We are bound by law on it.

Q Getting back to steel rail thing -- is Mr. Cummings still looking into the Anti-Trust Law violation?

THE PRESIDENT: I don't know -- couldn't tell you. Was that being looked into?

Q The Interstate Commerce Commission recommended it be investigated for prosecution.

Q Would that loan come out of R. F. C.?

THE PRESIDENT: No, Public Works.

Q Has any tentative figure been mentioned?

THE PRESIDENT: No, we haven't gone into any detail, we just started yesterday.

Q Would that include any other railroad equipment requirements?

THE PRESIDENT: No, this particular thing related only to steel rails.

Q I suppose you talked with the steel people?

THE PRESIDENT: Not yet; I haven't gotten to that. I talked to Mr.

Eastman about it and to the railroads. The railroads are very keen too, provided Eastman approves. We haven't yet taken it up with the steel rail people.

Q Have you discussed with anyone methods by which Government credit can be given to businesses that are suffering from codes?

THE PRESIDENT: No.

Q The R. F. C. -- Jesse Jones says they are studying means to help factories meet their expanded payrolls.

THE PRESIDENT: Yes, I had forgotten that; that is all I know about it.

Q Haven't they made any report?

THE PRESIDENT: No.

Q What time are you leaving today?

THE PRESIDENT: I am not going until tomorrow.

Q Are you going in the morning or afternoon?

THE PRESIDENT: I don't know.

Q How come you are not going tonight?

THE PRESIDENT: To tell you the truth I was afraid that going to Quantico somebody would write a story that I was reviewing the Marines before they started on their way to Cuba.

Q Are they going down to Cuba?

THE PRESIDENT: I am going, in that connection, to tell you a famous old story about Mr. Bryan. In the old days he came into my office in the Navy Department and said, "I have to have a battleship right away -- I have to have it by this afternoon."

I said, "Mr. Bryan, I am awfully sorry, battleships are few and far between, and to get it by this afternoon is

impossible; I have a good gunboat in Quantico."

Mr. Bryan said, "That's all right; that's all right."

I said, "I thought you wanted a battleship."

He answered, "No, when I say a battleship I don't mean anything technical. I mean just something that floats."

You people are all absolved, but the headline writers are not. Some of the editorial writers are not. They think we have sent a large armada to Cuba. As a matter of fact, as you know, we have only twelve ships in Cuban waters at the present time. I think we have another ten or fifteen that are on their way down in that general direction. Some of them may go into Cuban waters. But there are two things -- but this is just for background, -- there are two things I do think ought to be in your stories.

In the first place, what are these ships? Outside of the MISSISSIPPI and the RICHMOND, that is now in Havana Harbor, all of them are little bits of things -- destroyers, Coast Guard boats, etc. Because of the length of the Cuban coastline -- there are a great many harbors in Cuba -- one of our problems has been the fact that there have been potential threats against American lives. For instance, in a good many different places, for instance on the Isle of Pines (this is off the record) -- just one of those things and no use writing a story about it -- anything may happen on the Isle of Pines -- there are a good many Americans down there, two or three hundred, also a Cuban Penal Colony with 2,008 prisoners and most of them pretty rough prisoners, and the officers in charge of the Penal Colony were asked

to step aside and the Colony came into the control of Major Benitez. He realized after he had gotten control that they only had supplies of food for two days and he didn't know any way of getting any more supplies. Some Americans were told by Major Benitez that if he didn't get supplies in two days he would let the prisoners loose. So we sent a destroyer in there. It got in this morning, probably took a look-see and will go on.

You see, Cuba is nearly seven hundred miles long and there are cities, fairly important cities, on both coasts, practically the length of both the northern coast and the southern coast. It takes a great many vessels to cover that area. This talk about it's being a large armada and a great display of strength is sort of silly. The great majority of these boats are operating all alone, one boat all by itself. A destroyer with perhaps a crew of ninety people on board might land thirty or forty men from that ship, so you see it is not a very serious military occupation on that basis.

Q The last word that you received from Cuba -- was the situation better than in the last couple of days?

THE PRESIDENT: That is always a relative term, Fred. I'd hate to say better or worse. I should say the best way to describe it is that it is still somewhat tense and that a final solution doesn't appear to have been arrived at yet.

Q I am just curious -- would that be called a "flotilla"? Or what is an armada?

THE PRESIDENT: No, neither, because a fleet, a flotilla, an armada,

or anything like that, means a lot of ships together. Where you have twelve or twenty ships all scattered along twelve hundred to fourteen hundred miles of coast, I don't think there is any particular word for it.

Q It's the copy reader's problem.

THE PRESIDENT: That's it -- your headline men know the word to describe it.

Q Somebody suggested a "cordon."

Q Mr. O'Connor (J. F. T.), speaking to the bankers yesterday, said that when the Deposit Insurance Law becomes effective Congress would be justified in repealing the Postal Savings Bank Law. Have you any plans along that line?

THE PRESIDENT: I hadn't thought of it at all.

Q Have you any intention of bringing deposit guarantee into effect before the first of the year?

THE PRESIDENT: No, on the first of January the \$2,500. Act goes into effect.

Q Getting back to the steel rail thing, would you say the railroads didn't react favorably to the idea?

THE PRESIDENT: Very favorably.

Q Did Mr. Eastman initiate the suggestion?

THE PRESIDENT: I think it was Eastman who talked about it.

Q Is there any decision on the interest rate?

THE PRESIDENT: It hasn't gotten to that stage. We only started yesterday afternoon.

Q Will there be direct loans to the railroads from the Public Works Administration?

THE PRESIDENT: I suppose it will be a direct loan from the Public Works fund. Direct Treasury finance.

Q Is there any decision on prices?

THE PRESIDENT: No. You mean prices of steel rails? Heavens no. We have only just started.

Q The Coordinator of Railroads has suggested that Mr. Ickes allocated funds for grade crossing. Is that also provided for?

THE PRESIDENT: We took that up, but the trouble is this: that very few states have got grade crossing elimination plans which are ready to go into immediate effect. Therefore, grade crossings are not very much in favor because the work on them cannot be started right away. Most of them involve condemnation proceedings and things of that kind and, therefore, we don't want to use money for that unless we happen to get some very good project.

Q Is this steel rail thing the first step in the program of helping heavy industries, and in getting them going?

THE PRESIDENT: Of course we have in mind doing all we can to help them.

Q Is there any other step aside from this?

THE PRESIDENT: That is all I can think of at the present time. There may be steps that Mr. Ickes is working on.

Q Some of the coal operators are pretty much up in the air about the Coal Code.

THE PRESIDENT: Again? What's the trouble now?

Q They don't seem to like various parts of the code and are down to see General Johnson now. Did they seem satisfied here the other night?

THE PRESIDENT: Yes. Of course what the snag was the other night was not in the code but in the contract between the United Mine Workers and the operators, and I ironed that particular snag out. In other words, you know what happened -- I made the suggestion that instead of putting objectionable language into the contract itself I should say the objectionable language myself and take the burden. They were all agreed that there ought not to be any difficulty in working out the code once the contract was agreed upon. They have until tomorrow night to file objections.

Q You will approve the code?

THE PRESIDENT: Well, I'd like to see it first.

Q Is there anything you can tell us about a possible discussion with Mr. Ickes on oil prices?

THE PRESIDENT: We are taking that up on Monday.

Q How long will you give Cuba to get a stable government down there?

THE PRESIDENT: Really, Stevie! (Mr. Francis Stevenson)

Q Is it a fair view to say that you think they ought to have something a little more stable than the crowd that is there now?

THE PRESIDENT: Off the record -- here's the difficulty with the Cuban situation at the present time -- it is this: You have down there a committee of five gentlemen who are the last people that have been chosen by the Army, and no government has been set up. You simply have a committee that has been set up by the Army. That is as far as they have gone. Now we are waiting for some new step. You can't call that a government. There isn't any very serious rioting, but so far as a permanent or stable government goes, I haven't got the faintest idea what may happen between now

and six o'clock. This committee may become the government or it may decide to turn things over to some other committee to become the government, or some individual. We don't know. It is awfully hard to describe a situation like that where the only thing is a Committee of Five that has been set up by the Army. They have been holding almost a continuous conference since last night, and again at eleven o'clock today, and we haven't had any report since that from that eleven o'clock meeting.

Q If you hear anything will you let us know?

Q Do you anticipate any communication with Ambassador Welles tonight?

THE PRESIDENT: Yes, we hear from him quite constantly. The Secretary of State, for instance, has telephoned him a couple of times today.

Q At Tuesday's conference you said you might possibly get a chance to talk to Farley about the District.

Q Has the machinery been started in motion to learn the number of men that were employed by the various projects of this Administration, the N. R. A., Public Works, and various things of that sort?

THE PRESIDENT: I asked for that information at Cabinet meeting today. The only definite figure we have had is that codes are already signed by 13,500,000, and approximately two million employers.

Q How many new employees?

THE PRESIDENT: I don't know.

Q That figure does not separate existing employed and those recently employed?

THE PRESIDENT: No, probably it is premature for anything on that. The process is actually going on at the present moment; during

30 -- 11

the last two weeks and probably during the next two weeks. Any figure that they get now would not be of very great value. However, we are trying to get it.

Q Do you plan to leave tomorrow?

THE PRESIDENT: I think so.

Q As to the Oil Conference on Monday, will that be with the Administrator or with some representatives of the industry?

THE PRESIDENT: I think the Secretary of the Interior and General Johnson, and some of that Committee. I do not know whether all the committee of twelve will be in on it or not. Don Richberg will be there, I think, and that's about all.

Q Have you any of the Committee's recommendations before you now for consideration?

THE PRESIDENT: Only things that we talked about the other day.

CONFIDENTIAL

Press Conference #51,
Executive Offices of the White House,
September 13, 1933.

THE PRESIDENT: I tried to get you some things out of the Council Meeting yesterday. The Director of Emergency Relief told us yesterday that the number of relief cases, families and single persons, decreased 2.9% between July and August. In August over July, I should say. And that this is the first year since 1929, according to the United States Children's Bureau, that the July-August report on the number of families on relief has shown a decrease. Steve, (addressing Mr. Early) you might use this as a release.

About the drought areas -- of course, we have four, likely five areas today, that are hit by natural causes and not by economic causes. One is the Dakotas, which were hit by grasshoppers and the drought; the Panhandle of Texas, where all the grain was blown out of the ground; another the Rio Grande Valley, that was hit by hurricane, and also a portion of Florida.

So we decided yesterday that the Farm Credit Administration would extend credit as liberally as possible in these areas, but that that wouldn't be enough. It was decided that the Director of Public Works, Secretary Ickes, immediately make available funds for special relief work which might be called additional Public Works projects, especially things like roads, that could be started immediately in these areas. And also Harry Hopkins will provide special emergency relief funds to take care of the matter of food and clothing, and also feed for livestock. Those

are "Act of God" troubles, not economic.

Q Are any amounts mentioned in there?

THE PRESIDENT: The total needed for these stricken areas will be about, roughly, sixty million dollars, up to the new crop season. That's a lot of money.

Q That will be in the way of direct relief?

THE PRESIDENT: Those three things.

Q Did you say sixty million?

THE PRESIDENT: I think probably sixty. A portion of it, we hope, will be raised locally; then the other three things, extension of credit where people still have borrowing capacity, extension of work and the extension of direct relief with the objective of having the relief in the form of work relief where possible to do it.

Q Will the Red Cross supplement this relief?

THE PRESIDENT: I think very little, very little. I don't think we have very much in the way of funds on hand. We will use what we have got.

Q You mention five areas -- do you count the Dakotas as two?

THE PRESIDENT: Yes.

Q Does "new crop season" mean through this year and into next spring?

THE PRESIDENT: Yes, until they bring in some cash.

Q How will you divide into zone areas?

THE PRESIDENT: I couldn't tell you how.

Q Have you any ideas about transporting people from semi-arid to other regions?

THE PRESIDENT: Nothing on a large scale; only in carrying out the

230

general thought, as we put in new areas of irrigated land we will purchase areas of sub-marginal land and take them out of cultivation.

Q That idea is being discussed?

THE PRESIDENT: Yes, we will go ahead with it actually on some of these western irrigation projects, but we can do very little real planning until we know how much land it is necessary to take out of cultivation. But, of course, new irrigated lands won't be ready to produce for probably two or three years. There is no frightful rush about it going concurrently.

Q Have you got the figures of the number of families on relief or just the percentage?

THE PRESIDENT: I haven't. I don't think I have those. I think it was an oral report. I can find out for you. On the same relief question the State of Illinois is raising additional money for relief. It was one of the -- I don't like to use the word --

JOHN BOETTIGER: (of Chicago) (interposing) No, please don't.

THE PRESIDENT: -- "backward," let us say, one of the "hesitant states," John. That's a good word. And Kentucky is also putting new relief appropriations through the legislature, so there are now no states which have wholly failed to provide relief. There are still a number of states that haven't, in our judgment, done their share.

Q If you classify Illinois as "hesitant," how do you classify Kentucky?

THE PRESIDENT: It has been hesitant also.

Q Does this include emergency mortgage relief?

THE PRESIDENT: That was one of the three steps but that won't be enough because, for instance, in South Dakota, where grasshoppers went through, there is nothing left to borrow on, not even any grass.

Q In this sixty million dollar figure, you said part of it, you hoped, would be raised locally by State Legislatures?

THE PRESIDENT: Yes, by State Legislatures.

Q Can you tell us the results of the conference this week with Mr. Jones and Mr. Morgenthau?

THE PRESIDENT: You mean yesterday -- Monday's conference where Governor Black was in?

Q Monday afternoon's conference.

THE PRESIDENT: I have had so many I don't know which you mean.

Q Governor Black and Mr. Walker were in.

THE PRESIDENT: Yes, and we were talking about the setting up of new insurance provisions, which go into effect on the first of January, and the chief result -- I would describe it this way: Number one, the three agencies are getting started. They are completing, or better, working toward the preliminary examination of all banks. That's non-member as well as member banks, state as well as national. The three agencies are the R.F.C., which of course has a great deal of data on hand, the Treasury Department and the new Insurance Corporation. And just as fast as this information comes in it will be determined whether the banks, if any, need additional capital. Then the community in which a bank needing additional capital is located will be asked

to do its bit toward raising it.

In other words, the same application and the same principle as we are using in relief, that first the community must do its share. Then, when we are satisfied that the community has done its share toward raising any additional capital that may be needed for any given bank -- mind you, this only applies to banks that are found on examination to need capital -- and each community, in our judgment, has done its share, then the R.F.C. will come along and provide the additional amount through preferred stock.

Q Do you hope, Mr. President, that all banks that are now operating can be continued in operation?

THE PRESIDENT: Yes, the objective is a very simple one. The objective is to keep just as many banks going as is possible to do so, and we imagine that the overwhelming majority, in other words, there will be very few exceptions to the rule that all banks will be going on the first of January and will be insured.

Q What about Class D banks, which now it seems will not be able to keep going?

THE PRESIDENT: Member banks? National banks?

Q They are rating them Class A, B, C and D.

THE PRESIDENT: When you come down to classification, you have to divide it between member and non-member banks. They haven't completed the survey of non-member banks and on the member banks there are a small number, a very small number, that need assistance now and are getting it now. They might be called emergency cases and are getting it now. Then there is the

Class C on the member banks. They will probably need certain additional capital stock but in the emergency cases they will be taken care of one way or another. Now we haven't got the survey of the non-member banks sufficiently far along to be able to set them up in classification yet. That will be a matter of probably three or four weeks. Probably very much the same proportion.

Q Reverting to your idea of appealing to a community to raise additional capital to meet it, in a community of three or four banks, where only one needs that kind of help, isn't there a grave problem there?

THE PRESIDENT: In a case of that kind, if from an economic point of view there are too many banks in the community, they should try to get a majority together and put it through. Obviously that is the thing to do. That is taking place right along, too.

Q Do you care to comment on the labor troubles starting all over the country, the strikes, etc.? There are apparently two views -- the Labor Unions insist on closed shop under N.R.A., and employers are standing by the provisions of the merit (?) clause in the automobile code.

THE PRESIDENT: Is there any strike in the automobile industry?

Q No, but I know one instance where they have ten thousand people on strike in the garment trade, and twenty-five thousand have been put to work. They are afraid more will strike, and the laboring people have insisted on closed shop under N.R.A. Can you clarify that?

THE PRESIDENT: I couldn't because I would have to have definite

circumstances and a given case. In other words, there is no use trying to generalize by an offhand interpretation of Section 7-A. It is too important. I would have to write it down. Of course, as a general proposition everybody knows that Article 7-A language means what the ordinary person would interpret it as meaning. It isn't closed shop it is collective bargaining. It isn't open shop, it is collective bargaining.

Q Have you heard anything further from Ford?

THE PRESIDENT: No.

Q Have you in mind doing something for the coal operators -- the same kind of thing that President Roosevelt did some years ago? There are some reports from Pennsylvania.

THE PRESIDENT: You are a little premature on that. Ask me tonight.

Q Would you say that if very much goaded you might use a heavy stick?

THE PRESIDENT: Ask me tonight.

During the course of the day something might turn up. Off the record, the difficulty with the coal situation is that this talk fest has been going on so long that the coal miners -- this is my own thought about the thing -- are somewhat justified in believing that they have been held up about a month, and if I were a coal miner I would be a bit upset about this talk fest in Washington. It is lasting too darn long. But they got somewhere before I went to Hyde Park last time and we thought they would have it straightened out by the following Monday. This has been going on now very nearly a month; it is always just three days more to get straightened out. I am getting a bit fed up and if I am I guess the coal miners are.

Q Are the operators playing fair with the proposal?

THE PRESIDENT: I don't think we will go into that question.

Q You may be doing something about it today?

THE PRESIDENT: I am doing something about it every day.

Q I know that.

Q You may be taking some definite step? (Laughter)

Q How about something conclusive?

Q Have you had any communication from Havana that the new government down there is becoming sufficiently stable to merit recognition?

THE PRESIDENT: I haven't read the dispatches this morning. I haven't anything you haven't got.

Q Do you know anything about withdrawing Naval forces yet?

THE PRESIDENT: That's sort of a cagey, catch question. Some of them [are?] have left and some of them have gone. Some of the coal-burning ships have come away and others have taken their places, and somebody suggested a cordon. I said it was a good word and then looked it up and found it was a rotten word because "cordon" presupposes a connection between every link of the cordon, and of course down in Cuba there is no connection between the different outlying boats. So try and find a new one.

Q Any suggestions?

THE PRESIDENT: No.

Q Have you done anything on publicity of income tax returns?

THE PRESIDENT: No.

Q Do you expect to?

THE PRESIDENT: Have I got the authority to do it?

Q Yes, you have.

THE PRESIDENT: Glad you reminded me of it. I will make a note of it.

Q Mr. Ickes told us he was going to suggest that you call the steel men in right away on railroad maintenance.

THE PRESIDENT: Mr. Eastman will have for me, probably by this afternoon or tomorrow, definite figures from the railroad presidents on how much they want in the way of steel rails, and just as soon as I get those figures on railroad needs I am going to send for the steel people and ask them to come in and do a little dickering.

Q Have you made any progress on the plan you mentioned several weeks ago on consolidating and eliminating certain Army posts?

THE PRESIDENT: I think the easiest way to put it is that we are working it out from both the top and the bottom. We are gradually eliminating. I'd hate to give you a figure offhand, but approximately fifty Army posts from the top, and then on the other end of it we are picking out about fifty Army posts which will undoubtedly be permanent posts. And we will probably authorize the expenditure of about fifty million dollars on those fifty posts, which undoubtedly will be permanent.

Q How were your reactions to Senator Harrison's recommendations for actual inflation?

THE PRESIDENT: And we get on the same old subject again. We'd have to have a two-hour conference for that.

Q Let's have one some day.

Q There is an awful lot of talk about the Recovery Program. Could you say whether there is anything in contemplation, or do you have any --

THE PRESIDENT: (interposing) No, let me talk a minute. This is off

the record: Of course I realize it is awfully difficult to write a story without facts and figures. I think the easiest way to put it is this way: Johnson talked about having accomplished twenty-five per cent of the program, and perhaps those figures are true, I don't know, so far as putting people back to work goes. Farm prices are not high enough, there is no question about that. We have restored quite a lot of purchasing power to agriculture, but not nearly enough. In other words, this program is part of a very big project we are engaged in. We can't accomplish it in six months or even a year. We can't put every unemployed person back to work before the first of January, but we are making very definite progress. Farm prices are not high enough; wheat isn't high enough; cotton isn't high enough; there aren't nearly enough people back at work, but they are going back and we hope that as time goes on, week after week, we are going to have not only more people back at work, but we are going to have higher farm prices. You can't get 15¢ cotton this fall or \$1.25 wheat this fall, for example. I am not pretending, but this is our ultimate objective. I have some figures here which I think you could use. This is what might be called a tentative report from the Secretary of Agriculture, which he gave me yesterday. This is background.

Q Including figures? Couldn't we work them out ourselves from the Department of Agriculture's reports?

THE PRESIDENT: I don't know. Here are three figures that I think tell the story about agriculture very well. Of course, that doesn't mean that it applies necessarily to one crop or to one region. For instance, a very simple example is that in certain portions of

the West, in the wheat country, they have a complete crop failure, but this is the total on all agriculture and is only an estimate.

It shows an estimate of gross farm income for farm output during 1933, of \$6,100,000,000. That is without benefit payments. I don't know how much. Benefit payments roughly call for one hundred million.

Q More than that.

THE PRESIDENT: Is it?

Q Mr. Wallace estimated it at about two hundred million.

THE PRESIDENT: About two hundred million in benefit payments, which would bring the gross farm income to six billion, three hundred million. Now that compares with five billion, one hundred million in 1932; up a billion dollars in round figures; up a billion, two hundred million, counting farm benefits in round figures.

Then you come down to the second point, the purchasing power of this gross income, and if we were to take as a comparison the purchasing power of the farm dollar in 1914, in other words, the pre-war purchasing power, we ought to have a gross farm income of nine billion. In other words, we are on the way and have a long ways to go yet.

Q It really means thirty per cent more?

THE PRESIDENT: Close to it; that is, to get back to the relative purchasing power of the pre-war period.

Q Could you tell us if these estimates on farm income are based on actual payments to farmers, or on exchange prices?

THE PRESIDENT: How do you mean, exchange prices?

Q The Board of Trade, or whatever you want to call it.

THE PRESIDENT: I couldn't tell you.

Q They are usually made up from farm prices.

THE PRESIDENT: I think it is.

Q Would you be willing to say on the basis of these figures that the farm prices represent a fifty per cent increase in purchasing power?

THE PRESIDENT: There is another way of putting it, of answering the question. If we take the pre-war level of 100, this is actual farm prices, they were down to 50 in March of this year, and they are back now to about 66 $\frac{2}{3}$. In other words, they have gone about a third of the way back and still have to go two-thirds more. They have to go about thirty-three per cent of the total. They have gone from fifty to sixty-six and want to go to one hundred.

Q Isn't that estimate of the gross income from this year based on the assumption that the business upward trend continues for the remainder of the year?

THE PRESIDENT: It is based, I think, on the present level of prices. Of course, if the general thing keeps on going, it will help it to go up.

Q The Department of Agriculture, by the way, gave those figures out Friday.

THE PRESIDENT: Did they?

Q It is still news, too. You can make it news.

THE PRESIDENT: Well, they all have to be interpreted. I am trying to make it as simple as I can.

Q In that connection, has there been any progress with the plans to ease credit for business and industry?

THE PRESIDENT: Yes, in a great many lines. Of course, for instance, what I told you this morning about the banking policy thing will be probably very helpful in pushing out credit, because banks will know the Administration's policy. It is keeping an overwhelming proportion of them going. Only in cases where it is perfectly obvious that the bank is clearly and definitely insolvent, will a bank be allowed to close, and we hope there will be very few of those cases. And it means a community will be asked to do its ~~share~~ share where banks need capital. A lot of other banks can get by with present capital. And after the community has done its share, and that is not enough, the Government will let them have the money on preferred stock. In other words, there is pretty good assurance to the banking interests of this country that we are going to stick with them. They have to push out the credit, and they have got mighty little excuse for not lending under these conditions.

Q After you have provided banks with money to lend and then they don't, will the R.F.C. be prepared to make direct loans?

THE PRESIDENT: That question is under discussion at the present time. There is a possibility of making payroll loans where it is a perfectly valid, industrial business, where they have got orders which the local banks could not take care of for one reason or another. It is possible we may make payroll loans.

Q When you say proposed direct loans by R.F.C., do railroads come in that category?

THE PRESIDENT: Yes, on this steel rail thing, for example, that is not R.F.C. but Public Works.

Q Is there some thought that you might issue a general statement on the record of the bankers, giving them assurances of this sort?

THE PRESIDENT: I have sent about three messages to the American Bankers Convention. That's enough.

CONFIDENTIAL

Press Conference #52,
Executive Offices of the White House,
September 16, 1933.

THE PRESIDENT: I don't think there is any news today at all, isn't that so Fred (Storm)?

Q Let's look into that.

THE PRESIDENT: Go right ahead.

Q Have you any report on sugar quotas, or the investigation being made over at the Commerce Department?

THE PRESIDENT: I have been talking sugar quotas for the last two months. I suppose I will continue for another month or two.

Q Have you heard anything lately about the Coal Code?

THE PRESIDENT: I haven't heard a thing. And I haven't even heard anything about Cuba since this morning, and that wasn't any particular news. I guess you have it.

Q What did you hear about Cuba?

THE PRESIDENT: That's just it, there wasn't any news.

Q Professor Warren was in to see you today. He has been studying inflation.

THE PRESIDENT: He came in for three minutes and told me he had a very nice trip everywhere he had gone on the other side. He is coming back next week and tell me all about it.

Q Did you take up anything with the Cabinet you can tell us about?

THE PRESIDENT: We talked about almost everything, as usual.

Q With reference to the report of Professor Rogers and Professor Warren, is that to be made use of shortly?

THE PRESIDENT: What report?

Q Weren't they studying currency matters?

THE PRESIDENT: They haven't yet made a formal report. I don't know yet, they are coming back.

Q Mr. President, you are reported by Mr. Green as being dissatisfied with the Cost of Living Index on which the Government salaries are based. What did you find wrong?

THE PRESIDENT: It is a very simple thing. The Department of Labor is working on the whole subject of the determination of the cost of living in the form of an index. I have been dissatisfied with the index that they have been using right along and so has Miss Perkins. Well, for instance, I think the best illustration is as she put it; that there are a lot of items that go into the index that the Department of Labor uses that might be called out of date. For example, one of the items that they figure on in fixing up this cost index, is high-buttoned ladies' shoes. I am told by the girls that they don't make them any more. What they are trying to do in the Department of Labor is to get the index to represent more nearly the average things the average family has to buy to live on. That is about the size of it and they are at work on it. Of course, we had to follow the law. The fifteen per cent. cut is based on an index and we have to follow what that shows and we have got the right to reform the index if it is out of date or inaccurate.

Q In that connection I think the difficulty is that when the index was started we didn't have any such thing as radio, for example?

THE PRESIDENT: I guess that's right.

Q Suppose the index increases, the cost rises instead of lowering?

THE PRESIDENT: Obviously, I don't remember the exact language of the law, but the old index showed a twenty-two per cent. decrease from a given date in the summer of 1928; and I don't remember exactly what the law says, but I think that if it goes up, if things increase in price so that it goes below fifteen per cent., then there would be a proportionate restoration of Federal salaries.

Q What city will be used as a basis for this new index?

THE PRESIDENT: I don't know enough about the details, I suppose it is country-wide.

Q Thirty-two cities are used?

Q I thought Washington was used.

Q Several days ago the Labor Advisory Board and Industrial Advisory Boards were reported as having agreed upon a new interpretation of the labor provisions of the Recovery Act. They said they didn't want to give it out. Do you want to say anything on that?

THE PRESIDENT: I suppose I will have to, but will have to do it off the record. It is just one of those things in an Administration where the final decision rests on fact.

I suppose there have been a lot of people who sought to interpret the 7-A language. I read it over last night. It looks pretty clear, and of course when you start to interpret it you have to again interpret the interpretation. In other words, and this is off the record, for there is no use in getting publicity on this, as there are a great many things started in the Administration that never come to anything. So far as a veto on this particular thing by me is concerned, the real reason is this:

Article 7-A is pretty plain language. It provides for

collective bargaining when you come to the necessary interpretation of it. That interpretation should arise from, or be caused by some specific case, and then you would have to interpret that specific case in the light of Article 7-A, instead of putting down a hypothetical interpretation which again would have to be interpreted in the light of a given case. So, frankly, I don't see the use of going further and interpreting Article 7-A unless you get a specific and definite case arising under it.

Q It is common report that this meeting was held last Tuesday night. They had quite a discussion and finally the labor fellows were induced to go along with your veto. Can you say anything off the record?

THE PRESIDENT: You heard about that particular meeting. I suppose there have been at least about five other individuals or committees that have also tried to write out their interpretation of it. There are a great many interpretations which people have tried to make, and no two ever agree on the actual interpretation of the language, so I am standing on 7-A.

Q This particular aspect of a truce between Capital and Labor seemed to be of much consequence in their minds, and now I assume we are precluded from using anything of it by your putting it off the record.

THE PRESIDENT: I tell you what -- suppose you put it this way, as background: That the White House feels that Article 7-A is very plain English and that the interpretation of Article 7-A will come about when specific cases arise requiring an interpretation, and until such cases arise it doesn't seem advisable to the President

52 -- 3

that people should make hypothetical interpretations. Let it go at that.

Q By interpretations do you mean interpretations by code or by N.R.A.?

THE PRESIDENT: It might be N.R.A., might be Wagner's Committee, might be all sorts of agencies. It might be some of the special agencies set up under some of the codes.

Q Is there anything more you can tell us about coal at all?

THE PRESIDENT: I haven't heard a word since last night. They have got the code that we all talked about last night and gave assurances that they have every expectation of having something by tonight.

Q Did they fix an hour, or did you?

THE PRESIDENT: No, they had sat up pretty late last night and started in again at nine-thirty this morning.

Q Are they coming back to see you, or will General Johnson bring them back?

THE PRESIDENT: That was never mentioned. I don't know. I said I was holding myself in readiness to see them.

Q Will you grant them an additional twenty-four hours?

THE PRESIDENT: I won't cross that bridge until I come to it.

Q What about the District Commissioners? Do you want to make that the last question, Mr. President?

THE PRESIDENT: Well, let's see -- when Henry Ford, the Coal Code and Cuba are out of the way, I'll take up the District Commissioners.

Q Anything new on Henry Ford's case?

THE PRESIDENT: No.

Q How does Mr. Woodin look?

THE PRESIDENT: A lot better, I think. He has put on some weight, and

is feeling a lot better.

Q He's going right on, then?

THE PRESIDENT: No, he's still taking these anti-bug injections.

Q Is he going on another vacation?

THE PRESIDENT: I wouldn't call it exactly a vacation. I think he goes back for a while -- an experimental trip I think.

Q Any developments in the interstate water controversies brought to your attention by the Governor of Colorado.

THE PRESIDENT: I asked the Secretary of Interior to invite the Governors of Colorado, Nebraska and Wyoming to come down to have a conversation in regard to some of the interstate problems, but that of course this is not to be construed as slowing up or changing in any way the going ahead with the Casper-Alcova Dam work.

Q Have you given any attention to the Retailers' Code, particularly the price-fixing provision?

THE PRESIDENT: I haven't seen it at all.

Q Is there anything you can say on price fixing on oil?

THE PRESIDENT: No, I haven't heard anything at all since the talk four days ago. There wasn't any prospect at that time.

Q What about inflation?

THE PRESIDENT: Get out of here, Stevie (Mr. Stevenson).