

CONFIDENTIAL  
Press Conference #76  
Executive Offices of the White House  
December 8, 1933, 3.40 PM

THE PRESIDENT: I haven't any news at all.

Q Mr. President, are you contemplating in your message to Congress to advocate the repeal of the 15% pay cut to Government employees?

THE PRESIDENT: There hasn't been any decision on it and, in fact, no serious discussion on it because we haven't any figures from the Labor Department, and until we get some figures from the Labor Department we cannot make any recommendations.

Q Mr. President, because of the rapid expansion of the emergency organizations, practically all space in Federal buildings is now occupied. What is your policy regarding finding more room for the bureaus, and what have you told Mr. Ickes about the Interior Building?

THE PRESIDENT: We talked about that subject in Cabinet meeting and what we hope is -- and this is only a hope because we have no definite study on it yet -- that the new buildings, when they are occupied this coming Spring and Winter, the new Department of Justice Building, the new Labor Department Building, the new Post Office.

Department Building, that that will affect enough space to take care of all of these emergency agencies. However, we have asked the Director of the Budget to find an expert to make a complete list of human beings and cubic feet, where the people are, where they have to go to, what departments they belong to, and so forth, and we are going to have an immediate and quick study made of it so that we will have a pretty complete picture of the future before the first of January.

Q Have you told Mr. Ickes anything special about a new Interior Building?

THE PRESIDENT: No.

Q How about a new State Department Building?

THE PRESIDENT: State, Navy and War -- on all those things I had a long talk with Ickes yesterday, also Mr. Moore of the Fine Arts Commission. We are working on a plan and that is far as we got.

Q If you do have a new Navy Building and a new Interior Building, will that money come mostly out of PWA funds?

THE PRESIDENT: No, it will have to be appropriated.

Q It could not come from PWA funds?

THE PRESIDENT: No.

Q We understand that the Secretary of the Interior has offered

the Secretary of Commerce an ante-room in which he --

THE PRESIDENT: The Secretary of Commerce needs an ante-room?

(Laughter) You know, I have not been all the way around the Department of Commerce Building yet. I started to go a couple of afternoons but did not get there; I did not have enough time.

Q You still have three more years, Mr. President. (Laughter)

Q As you know, Mayor-Elect LaGuardia is down today in an effort to get the money for the Eighth Avenue subway. Is there any change in your ideas on that?

THE PRESIDENT: I have not talked to the Secretary of Interior about it at all. I hope to do it a little later on.

Q Do you think there will be any chance of getting to it today?

THE PRESIDENT: I doubt if there will be a chance.

Q We have another Philippine Independence Commission coming down. Have you formulated any ideas?

THE PRESIDENT: Heavens, no; I have not talked with any representatives yet. I am going to see them next week.

Q One of the Latin American countries has proposed at the Pan-American Conference that tariffs be restored to the 1928 level for a period of five years. What do you think about it?

THE PRESIDENT: I did not even know it.

Q Mr. President, Mr. Welles has had a conversation with the Grau San Martin government in Cuba lately. Is there any change in our aspect toward the Cuban situation at all -- any change in our policy?

THE PRESIDENT: No. I spoke to Phillips at Cabinet meeting and asked him whether he had heard anything about the talk that same day with Grau San Martin and he said that he had had a dispatch come in this morning. It is somewhere in the ante-room. I have not read it yet. However, he told me that there was no change in the situation.

Q Can you throw any light on the agricultural situation, Mr. Peek's controversy with some of the members of the Department?

THE PRESIDENT: No; haven't heard anything about it today.

Q What about yesterday?

THE PRESIDENT: You knew more about it than I did.

Q Can you tell us what the status of Mr. Peek is?

THE PRESIDENT: He is the Administrator of AAA.

Q He is?

THE PRESIDENT: Yes.

Q Can you tell us if he is going to remain there?

THE PRESIDENT: I hope so.

Q Mr. President, can you tell us anything about the conference this afternoon that you are going to have with the movie people?

THE PRESIDENT: Oh, heavens, is that this afternoon?

Q Yes, sir; four o'clock.

THE PRESIDENT: I don't know anything about it except that they asked for it.

Q Can you tell us anything about your talk with Trippe this morning? He came in with Whitney.

THE PRESIDENT: That was merely to show me pictures and plans of the Airways for expansion across the ocean and out in the Far East, et cetera. It is just to tell me all about their plans.

Q Relating in any way to Lindbergh's travels or trips?

THE PRESIDENT: Of course you would have to ask Trippe about it because he told me various things that Lindbergh had reported about the northern route and he hadn't heard about the southern end of it. I think you will have to get it from Trippe.

Q Anything to say on the monetary policy?

THE PRESIDENT: No.

Q Is Mr. Bruere leaving his work here today?

THE PRESIDENT: I don't know if it is today. He is leaving, I think, this week to go back. That was, as you know, arranged from the very beginning, when he first came here. I am sending a letter to his bank to thank him for what he did. As a matter of fact, it was an awfully good job he did in coordinating a great many of the activities and in making surveys that I did not have the time to make myself. He actually stayed over three weeks longer than I had expected in the beginning and I am sending a letter to the Trustees of the Bowery Savings Bank, expressing my grateful appreciation for allowing me to borrow him.

Q Mr. President, has a position been offered to Mr. Peek to take charge or to try to stimulate agricultural exports by the State Department or any other agency?

THE PRESIDENT: No.

Q Has any position been offered to Peek?

THE PRESIDENT: Really, this is not a cross-examination.

(Laughter)

Q What did Carlisle come to see you about?

THE PRESIDENT: Floyd came in -- I don't know, but I don't suppose I had better say anything about what he came in to see me about because it would start all sorts of

dope stories. It related merely to the general subject of codes for the electric utility industry and we talked about a great many phases of proposed codes. He talked about the relationship of privately owned companies to municipal plants and things of that kind. It was really only a preliminary conversation. I certainly am not going to tell you what I told Floyd.

Q Will you tell us whether or not St. Lawrence came up in that connection?

THE PRESIDENT: Yes and no. We talked in general terms about the four yardsticks, of which St. Lawrence is one.

Q Can you tell us in what connection Ivy Lee was here today, sir?

THE PRESIDENT: I don't think I can. I think you will have to talk to Ivy about it. It would be violating a confidence.

Q If you did make some specific recommendations for new buildings, would they be in conformity with the Newman plan?

THE PRESIDENT: I don't know enough about the plan to tell you.

Q Would you follow the recommendations of the Fine Arts Commission?

THE PRESIDENT: Yes, absolutely; I don't know whether it would

be the previous recommendations, however.

- Q That is Dr. Moore's favorite plan (evidently referring to the Newman Plan). Would you follow his recommendations pretty closely?

THE PRESIDENT: I think, without any question, that the Fine Arts Commission and ourselves would agree on any plan which might call for modification of the old plan. That is perfectly possible but, in any event, I am quite sure that the Fine Arts Commission and the Administration will agree one hundred percent on whatever we do.

- Q Are you considering the establishment of an export corporation for finding outlets for farm and other commodities?

THE PRESIDENT: No.

- Q Mr. President, can you tell us anything about the visit of Governor Myers?

THE PRESIDENT: Oh, just the usual check-up, that is all. The same way as I always did with Henry Morgenthau.

- Q There was a story printed two days ago or three days ago, on December 6th, that the Administration was letting it be known privately that the Johnson Bill, which is pending in Congress, might be recommended for passage if there were further defaults of foreign debts. That is a very vague bill which will prohibit the sale or purchase of foreign securities.

THE PRESIDENT: The only thing I know of is what I read in some paper. I never read the bill itself. I don't know what it is. Is it absolutely a prohibition on the sale of foreign securities?

Q It is a prohibition on the sale of securities of foreign governments whose securities are in default, or any subdivision thereof. In other words, it would affect the French Government.

THE PRESIDENT: How about private firms?

Q No, not private firms.

Q You spoke of the St. Lawrence being one of the four yardsticks. What are the others?

THE PRESIDENT: Muscle Shoals, Boulder Dam, and the Columbia River.

Q Would you care to tell us anything about extending the CWA beyond what it is now?

THE PRESIDENT: I don't think we are ready on that story yet.

Q Will it be possible to finance it beyond that time?

THE PRESIDENT: We have not any money at the present time available to finance it beyond that time and that is why I do not want to break the story in partial form. Harry Hopkins is working on it and I think you had better keep this off the record because it is better not

to have a partial story. I can tell you, off the record, that both Hopkins and I feel that we have to -- of course February 15th is still Winter time and we will have to carry it on for perhaps a month. This is just the tentative status of it. We will have to carry it on for perhaps a month at full strength and then begin to taper off, beginning in the South and working up from the southern zone to the intermediate zone and then on up to the northern zone and finishing it off entirely some time in the Spring, perhaps in May or a little earlier. It would be about the first of May in the South and about the end of May in the North.

Q Will you use PWA funds?

THE PRESIDENT: We haven't any money.

Q You still have a little money.

THE PRESIDENT: No, we won't have any money to carry out the program. We will have to go to Congress to get money for anything after the 15th of February.

Q This is off the record?

THE PRESIDENT: I think you had better keep it off the record because within another week I can tell you all about it and we might change some of the details.

Q Do you contemplate making any recommendations to Congress

with regard to transmission lines of telegraph and telephone companies?

THE PRESIDENT: I don't know; haven't discussed it at all.

Q Getting back to the defaulting nations, have you thought of any action to be taken against them?

THE PRESIDENT: No.

Q Thank you, Mr. President.

(The Press Conference adjourned  
at 3.55 PM)

CONFIDENTIAL  
Press Conference #77  
Executive Offices of the White House

December 13, 1933, 10.40 A.M.

THE PRESIDENT: Steve (Early) have we any news today?

MR. EARLY: No, sir; I haven't a thing in the world.

THE PRESIDENT: I wish I could tell the story about you,  
but I can't.

Q On the record?

THE PRESIDENT: Not even off the record.

Q Anything on Steve should be on the record.

THE PRESIDENT: He might go to jail.

Q Fine.

MR. DONALDSON: All in.

THE PRESIDENT: The only news this morning I cannot tell  
you because it might mean that Steve would go to jail.

Q Steve Early?

THE PRESIDENT: Yes.

Q We hope it is nothing trivial. (Laughter)

Q Any local news this morning?

THE PRESIDENT: I don't think there is anything, not a  
thing. The only thing I could tell you that might be  
in the way of local news is about the Apex Building.  
Several people have protested against building the  
Apex Building at all on the ground that leaving the  
end of that series of buildings in the Archives

Building would look a lot better than sticking a sort of triangular building on the point of it, so I have asked the Fine Arts Commission to re-study the question as to whether an Apex Building should be built at all. I don't know why this even comes to me, because I am not an architect, but the theory is that the Archives Building represents one of the very few opportunities that architects have had in recent years to put up a pure Greek temple without any windows in it. (Laughter) It will be such a lovely thing that it would be a pity to hide it with an Apex Building.

Get your Arts Editor to write the story.

Q Can you give us any background on the statement of Secretary Hull at Montevideo yesterday and on the general plans which Peek is going to carry out for the building up of foreign trade?

THE PRESIDENT: I don't think there is anything that you do not know already. Of course the general thought is that -- this is for background -- that if we can take care of our surpluses in that way, it is going to aid in the general working out of the situation with respect to the agricultural surplus problem and possibly other surpluses.

Q Do you anticipate that the time is approaching in the near future for a general -- when a general reduction

in tariffs will be either advisable or practically possible?

THE PRESIDENT: I would not put it that way because you can have an objective on that but, at the same time, not feel particularly optimistic about getting very far with it. At the present time, under the present world conditions, -- frankly, I think you had better keep this off the record or use it as background -- I don't think there is very much in sight except through bilateral treaties, which might be extended to take in a few other countries. But any general agreement among nations on tariffs today is pretty slim as to prospects for the next few months.

Q What is the situation with regard to the most-favored-nation clause? How far can it go in tariff trading without infringing on the most-favored-nation clause?

THE PRESIDENT: Have you had anything on the Colombian Treaty yet?

Q Not yet; no details.

THE PRESIDENT: I don't know whether I can say anything about it. At any rate, the Colombian Treaty has been finished and the Treaty is a straight reciprocal treaty with Colombia, but it has in it the clause that if any other nation wishes to do the same thing, they are at liberty to do it.

Q Last week you said a little bit about the future of CWA and said off the record that perhaps in a week there might be some information on that. Have there been any developments?

THE PRESIDENT: On the CWA, Hopkins assured us yesterday that he would carry out the plan on scheduled time and that there would be four million people at work this coming Saturday, which is pretty good.

Then, on the Spring end -- the tapering off that we were talking about -- I can't give you the actual figures because I haven't them here. Hopkins brought them in and it involves starting the tapering off on the first of March and then, by climatic zones, carrying that through so that we will have ended the tapering off about the first of May, somewhere between the 15th of April and the first of May. The actual details of the zones I don't know enough about.

Q Does that mean that all work would cease on the first of May?

THE PRESIDENT: Between the 15th of April and the first of May.

Q That would be by the time the Public Works Program would be in full speed?

THE PRESIDENT: Of course they won't absorb as much as the CWA would let off. On the other hand, you have the end-of-Winter outdoor employment picking up about that time, so that the combination of Public Works plus the advent of Spring we hope will substantially take up the four million people.

Q There has been a lot of talk in the papers the last couple of days about ending the Public Works Administration and a lot of other things. Is there any suggestion that you will ask Congress for more money for Public Works?

THE PRESIDENT: No, the Post and the Herald Tribune to the contrary notwithstanding. (Laughter) In other words, when we come down to this -- let us make this off the record entirely -- on this budget thing, it is nothing new because I went through it for four years in Albany and you people who were in Albany realize that every year we had all sorts of perfectly fool stories go out about the budget. It takes, really, people who are expert -- well, for instance, Bill Grimes would be all right on a thing like that but very few Government officials and very few members of the Press can write intelligent stories about the budget unless they put in an awful lot of time on it, as we discovered in Albany.

The present situation is really this: What we are trying to do in the first place, and that is as far as we got in yesterday's conference and the day before, was to try to check up and find out how much the expenditures would be on the balance of this year on appropriations already made.

Just to give you an example, off the record, of the difficulties, we haven't yet got the right kind of an estimate -- one that we can count on, on what the RFC will call on the Treasury for between now and the first of July. We don't know how much Farm Credit -- how much Home Loan will call on the Treasury for between now and the first of July. That is a problem of financing -- in other words, raising the money. We are still just working up those figures. We are a million dollars one way or the other. We haven't got it definite enough so we can tell within a million dollars.

Q You mean a billion dollars?

THE PRESIDENT: I mean a billion dollars; yes, a billion dollars. (Laughter)

Then you come down to the second phase, which is the 1934-5 appropriations and there we undoubtedly are going to have a surplus of revenues over normal expenditures of the regular operations of the Government.

Now, there isn't any question of a dispute or a row such as we have read about. Douglas' job is to prevent the Government from spending just as hard as he possibly can. That is his job. Somewhere between his efforts to spend nothing and use this entire prospective surplus to pay off past debts or to finance the things that were appropriated last year, like the second year of Public Works -- between that point of view and the point of view of the people who want to spend ten billions additional on public works, we will get somewhere, and we are trying to work out a program. It will probably be two or three weeks before we work it out. We will undoubtedly have more revenues than ordinary expenditures.

Here is another thought which comes to me: It is not a political question but a social and economic question as to how much will we have to spend to keep people from starving. It is not political and it is not wholly financial. It has a financial aspect only from the standpoint of how much money the Government can raise. Suppose, for the sake of argument, that the social end of it -- just as an illustration, not because we have any intention of deciding one way or the other -- suppose the Government

decided that this coming Congress ought to appropriate another billion dollars for public works, as a social necessity. Then you would come down to the second question. Can we raise it? If it is a social necessity and in one way or another we can raise it, we ought to go through it. And, Heavens, we are a couple of weeks away yet for any decision on things of this kind and, actually, we may not make a final decision on additional public works until well along in the Session because nobody can make a final guess on what conditions of employment will be, let us say, in February. I don't know. I hope there will be a great deal more re-employment through the course of the Winter, but I don't know. We might put in a pretty low estimate for new public works but, on the other hand, if things get a bit worse during the Winter we might have to get more money.

Q The same thing applies -- the same thing may prevail in Civil Works in May -- it is a social condition.

THE PRESIDENT: Right. Of course, the chances are, I guess, pretty good about that because in the Summer time you don't have the same suffering and same problem of feeding people, or housing or clothing them as you do in the Winter.

Q Do you figure that four hundred million will see us through to the end of the tapering off period?

THE PRESIDENT: Oh, no. That will carry us through the 15th of February. We have got to get from the Congress, as soon as they convene, enough additional money to carry through to the first of May, the end of the tapering off period. Now, what that sum will be, I don't know. If you want me to make a guess on it, I should say somewhere around 350 million dollars.

Q Do you expect that the 400 million will carry us through the 15th of February?

THE PRESIDENT: That is right. I might say, also, that Harry Hopkins said that the cooperation of the states and the municipalities is excellent, a great deal better than he had expected. They are doing their share.

Q On the budget balancing, can't we use that as background?

THE PRESIDENT: Yes; I think so.

Q Can you give us some background on foreign debts?

THE PRESIDENT: Foreign debts? You don't need background there; you have the facts.

Q They are just debts.

Q Are we going to do anything on France, telling them to come across?

THE PRESIDENT: No, what can we do?

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THE PRESIDENT: No, what can we do?

Q Just go to war. (Laughter)

Q Tell them they can't sell us champagne.

Q In the recent White House conference, was there something looking toward a merger of communications companies -- anything on that?

THE PRESIDENT: That is one of the things we have been studying of late. The whole communications problem is a pretty involved one. The Government has got to get a policy. We haven't any communications policy at the present time.

It falls into really four fields. The first three relate to the domestic field and the fourth relates to the foreign field. In the domestic field are voice communications by wire -- that is the telephone; symbol communication by wire, which is the telegraph; and voice and symbol, which is radio.

Now, there has never been any coordination between those three things and there are a great many schools of thought as to whether, in debating a public policy, we should encourage monopolies in the fields where there are not monopolies, and whether we should put the monopolies under strict government regulation. Under present conditions, the American Telephone & Telegraph Company has a monopoly of 95 per cent in the voice field, but they have never been regulated. I ought to know, because I had the

famous telephone case while I was Governor, which was in court for seven whole years -- a perfectly silly performance.

Then you have the question of the telegraph companies -- you have the Postal and Western Union with a duplication of service all the way through, and then we have the radio which is a sort of young and forgotten child.

Then, in the foreign field, the suggestion is made that all foreign communications, whether they be by cable or voice radio or symbol radio, should all be brought into relationship with each other and make one picture out of the whole foreign field.

That report has been made in tentative form -- only tentative form so far -- by this Committee of the Department of Commerce and the next step will be to talk with the two Chairmen up on the Hill, Sam Rayburn and Clarence Dill. It is only a tentative report without any final recommendations and we will take it up with the Committees before we have a final policy.

Q Mr. President, does that tentative report favor a merging, for instance, of the Postal and Western Union, or the merging of --

THE PRESIDENT: No. It sets forth the three possibilities: First, to let things drift the way they are; second,

to allow monopolies under very strict regulation and the third is, failing either one, Government ownership. But the tendency seems to be to recommend the second course.

Q Have you reached any decision on it yourself?

THE PRESIDENT: No.

Q Is there anything you can say regarding the modification or clarification of the Securities Act?

THE PRESIDENT: I have not heard a peep about it for two weeks.

Q The Chairman says that if there is anything, it will be clarification rather than modification?

THE PRESIDENT: I would use the word clarification instead of modification. I think that is good.

Q Can you tell us how far your plan goes for revision of the Treaty with Cuba, particularly the Platt Amendment?

THE PRESIDENT: I have not done a thing on that except what I said in Warm Springs. You remember that statement in Warm Springs. I have no new information except what I read in the papers. Evidently what happened the day before yesterday, when Sumner Welles saw the President, the President said something to him -- I don't think that Sumner initiated the conversation -- said something to Sumner about the possibility of the modification of the existing treaty and I think that Sumner's answer was in the words of my statement

from Warm Springs and I think that is as far as it has gone.

Q Mr. President, is there any talk of reopening or renegotiating any phase of the St. Lawrence Waterway Treaty?

THE PRESIDENT: Not that I know of.

Q The Mississippi Valley Conference at St. Louis stated that there was consideration of some such re-negotiation?

THE PRESIDENT: Not that I know of. The only thing I can think of on that, that you might have heard, is that there was some thought on the part of the Chicago and Illinois people with respect to the present clause in the Treaty. That clause, as I remember it, says that if the amount of water allocated to the Chicago Drainage Canal proves to be insufficient -- something along those lines -- that then we would have the right to ask for arbitration on an additional amount. Some of the people do not think that that language is quite clear enough, although they go along with the general purpose of it. As far as I know, there is no definite plan or proposal to change the present language because the other side believes the present language is sufficient.

Q That could only be done if Canada consented?

**THE PRESIDENT:** Yes, that could only be done if Canada consented.

(The Press Conference adjourned at 11.00 A.M.)

CONFIDENTIAL  
Press Conference #78,  
Executive Offices of the White House,  
December 15, 1933, 4.05 P.M.

THE PRESIDENT: Stevie (Mr. Stephenson), how are you, all right?

Q (Mr. Stephenson) Fine, thank you.

Q (The President was lighting a cigarette and some sparks dropped to his clothes.) Every President is used to playing with fire. You won't burn up.

THE PRESIDENT: When I was two years old I was discovered on the floor burning matches. Perhaps that was a prophecy.

Q I won't say anything about it.

Q I don't know (whether I will or not).

THE PRESIDENT: Well, what is the news?

Q I wish to ask you a question about that State Department release you have on the desk.

THE PRESIDENT: Steve (Mr. Early) said you were going to. If you won't connect the White House up with this, I will give you the background on it. It is in that kind of diplomatic language that nobody can understand. It does not say directly one thing or the other but there are two sentences in here. The first is that "The French Government has never contemplated the unilateral violation of undertakings freely entered into," and that is saying that when the French Government has made a bilateral contract between itself and one other government, it has never violated it. Then it goes on into the next sentence and says, in perfectly foggy language, something to the effect that decisions were taken on both sides in 1931 and 1932, which modified conditions that formerly existed.

Well, that is a unilateral statement on their part. I take it that certain things they did over there at Lausanne had changed conditions. Of course that does not bind the United States in any shape, manner or form. In other words, our position has not altered at all.

Q Do you construe those dates, 1931 and 1932, as relating to the Hoover moratorium?

THE PRESIDENT: It is just guess on my part, but I should say so, off-hand.

Q Any suggestions in there of an agreement with President Hoover and Secretary Stimson with regard to what the countries might do if the powers remitted (omitted?) reparations?

THE PRESIDENT: Not that we were able to find out.

Q We were not able to find out anything from the communiques the night Laval left town either.

THE PRESIDENT: The only answer is that our position does not change a bit.

Q There is a story in New York today that General Johnson is shortly getting through and is to have a new job very likely having to do with national defense.

THE PRESIDENT: I think he has a long time on his present job.

Q Will we reply to the French note?

THE PRESIDENT: I think it has been replied to. Yes, just acknowledged.

Q Has the name of C. V. Terrell, of the Texas Railroad Commission, been submitted to you or under consideration for appointment to the Interstate Commerce Commission?

THE PRESIDENT: Not that I know of. Have you seen anything, Steve

(Mr. Farly)?

MR. EARLY: No, sir.

Q There are some terms expiring the end of the month. Are you going to appoint Democrats for them?

THE PRESIDENT: I have not thought about it at all. I have not considered it one way or the other. It is like the District Commissioner. I have a number of vacancies in the right-hand drawer and have not thought of them.

Q When is it going to be filled?

THE PRESIDENT: Soon, I hope, "Hope springs eternal . . . ."

Q A number of the candidates are waiting anxiously. (Laughter)

Q Anything in the reports of projected taxation on radio reception, probably through taxing the conductor tube in radio sets, which would tax listeners?

THE PRESIDENT: I have not heard anything about it. That was considered last year in the Committee in Congress.

Q We have no new reports?

THE PRESIDENT: I have not heard anything more about it.

Q Anything more about the conferences last night with Morgenthau (Henry Morgenthau, Jr.) and Mr. Black (of the Federal Reserve Board)?

THE PRESIDENT: Just the usual checkup. We do it all the time. Nothing new. The same way George Harrison either comes down or telephones every five or six days.

Q How about Kent?

THE PRESIDENT: Harrison wasn't in on the other. Kent, the same thing; I see Kent occasionally. Really, the principal objective of all

these conferences might be called the education of the President.

I think that is the easiest way of putting it.

Q And the Press. (Laughter)

Q There are some reports that there was a consideration of new moves in foreign exchange and foreign gold markets?

THE PRESIDENT: That is just more spinach.

Q More what, Mr. President?

THE PRESIDENT: I said spinach.

Q I wanted to get it straight, for the record. (Laughter)

Q Can you tell us whether or not Welles (Summer Welles) has --

THE PRESIDENT: (interposing) Sumner is waiting outside for you people to go away. I have not seen him yet.

Q Do you care to discuss a report printed today that you are espousing a series of state N.R.A.'s in connection with the National N.R.A.?

THE PRESIDENT: That is just a Christmas story.

Q Mr. President, have you given any thought to this new steel ore tie-up with the Weirton people?

THE PRESIDENT: I saw Hugh Johnson this morning and talked over the Newspaper Code with him but forgot to ask him about the Weirton thing.

Q Can you tell us about the Newspaper Code?

THE PRESIDENT: (No answer)

Q You get the Press Associations' Code too, today?

THE PRESIDENT: No. I suppose this had better stay off the record because it is a little premature and should come from Johnson anyway. My general thought was that the A.P., which was organized

as a Duck Club, or something like that --

Q (interposing) What? (Laughter) Duck Club? (Laughter) That is one on me. I feel like a goose a lot of times.

THE PRESIDENT: Country Club, perhaps. In any event, it was not organized to do anything with the press -- some entirely extraneous subject -- and apparently the Press Associations have done nothing about coming under the Newspaper Code at all. I made the suggestion for General Johnson that, instead of trying to have a special code of their own, they should voluntarily adhere to the Newspaper Code.

I think you had better keep it off the record because that is as far as it has gone. It probably would be the simplest way out, but I have been talking with Henry Brown and others about the definition of what a news gatherer is and I think we are going to get something on that.

Q Anything about the bankers who have just left?

THE PRESIDENT: Just to talk over the general point of view of the officers of the American Bankers' Association towards the insurance problem and a number of other problems. They are going to hold conferences from time to time, when they say there will be -- they have been most cooperative in everything and they said that they want to make it possible for the Government to get, without any difficulty or red tape, the point of view of the Executive Committee and the officers of the American Bankers' Association at any time they want it.

The only thing that might be said to have been tentatively decided on is that this insurance fund (F.D.I.C.) should probably

be pretty well left alone during this session of the Congress so that we could see how it works. We need to check up on the experience, actual experience under the fund, leaving open for the time being the question of the unlimited liability of banks to be assessed toward that fund. That is something we might take up in this session because, at the present time, it is pretty vague as to how much the bank could be assessed for.

Q Have you anything on the publicity in connection with income tax returns?

THE PRESIDENT: Not a thing.

Q Have you selected anyone to succeed Francis White as Minister?

THE PRESIDENT: No; I have not taken it up at all.

Q General King was here, visiting, today. Can you tell us something -- whether he is going down to Panama?

THE PRESIDENT: He wanted to say, "How do you do."

Q There are reports that consideration is being given to the establishment of a free gold market. Is there anything on that?

THE PRESIDENT: No, just another one.

Q Also that consideration is being given to increasing the amount of securities that the R.F.C. can exchange for purchases of newly mined gold?

THE PRESIDENT: Well, they were given -- I have forgotten whether they were given authority or whether they passed a resolution in the first instance and that amount was -- I could not tell you the amount but, the original resolution, whatever the amount was, they bought up to the amount and then passed another one for a similar amount. The second might be called a second appropriation. That

is all.

Q Wasn't that original amount \$50,000,000. in notes?

THE PRESIDENT: I think it was \$25,000,000., but I am not sure.

Q Their Circular 12 says \$50,000,000. and they have not bought that much worth of gold with those notes.

THE PRESIDENT: You will have to check on it. My impression was that the first amount was \$25,000,000. and then they passed a resolution for another \$25,000,000. Anyway, they have just begun to dip into the second amount.

Q Getting back to the Newspaper Code, will this proposition involving the Press Associations hold up the Newspaper Code?

THE PRESIDENT: Oh, no, not a bit.

Q Is the Newspaper Code about ready?

THE PRESIDENT: I gathered it is pretty near ready to shoot. It has not come to me yet.

Q You say the Code has not yet come to you?

THE PRESIDENT: No.

Q Mr. President, did General Johnson discuss the liberty of the press feature in the Code?

THE PRESIDENT: No.

Q Mr. President, do we get a five-day week?

THE PRESIDENT: Not for weeks and weeks. I suggested writing a humorous foreword to my approval.

Q Has that got a five-day week in it, Mr. President?

THE PRESIDENT: No. No reason I should not tell you this off the record but, again, I would rather say nothing about it. As yet, the thing has not been drafted. What the organizers of the Code

suggested was a five-day week and I suggested what might be called a compromise, that during the survey period, which would be a comparatively short period to get information we have not got now about the smaller cities, that we should, by mutual consent, or by request of General Johnson or myself, put in a five-day week in cities over and above a certain size. For instance, in New York quite a number of newspapers actually do have the five-day week. The Sun does not. I do not think the Herald-Tribune does.

Q The Times and the News have.

Q No, the Times has not.

Q The Record has, in Philadelphia.

THE PRESIDENT: The Record has in Philadelphia and the idea was to try to do it by a gentlemen's agreement in the bigger cities, pending a survey of the whole field to try to establish the principle of it.

Q Would that be for all classes of employees, the five-day week, throughout the newspaper organizations, or just the mechanical end?

THE PRESIDENT: I do not know on that. We were discussing primarily the reporter end of it.

Q They have got a five-day week for compositors by their own arrangement. They have had it for over a year.

THE PRESIDENT: We were only discussing the news gathering end.

Q Were you discussing the Washington correspondents? (Laughter)

THE PRESIDENT: I did, only in relation to the Press Association people in Washington. I think they are being run ragged, some of them.

Q He is looking at you, Stevie (Mr. Stephenson). (Laughter)

Q Is this retroactive, this five-day week? (Laughter)

Q Mr. President, will you issue another order on the A.A.A. Codes, showing what should go and what should not go to the N.R.A.?

THE PRESIDENT: No, there is nothing on that that I know of. I signed something this morning and cannot remember what it was. (Laughter) I do not think it was. Check anyway with A.A.A. (Turning to Mr. Early) Do you remember what it was?

MR. EARLY: I have not seen it.

THE PRESIDENT: You had better check on it.

Q Mr. President, we have varying rumors regarding a possible change in the setup of the Emergency Council. Anything you can give us on that?

THE PRESIDENT: Not yet. I have been talking with Frank Walker on it this morning.

MR. EARLY: As soon as the Director of the Budget and the Attorney General pass on the Executive Orders necessary.

THE PRESIDENT: There will be, probably, one Executive Order. You had better wait until you get it.

Q Will it come down today?

THE PRESIDENT: I do not know; I do not think so. The Attorney General has it now.

Q Thank you, Mr. President.

CONFIDENTIAL

Press Conference #79,  
Executive Offices of the White House,  
December 20, 1933, 10.50 A.M.

Q Good morning, Mr. President.

Q Any Santa Claus this morning?

THE PRESIDENT: No, no Santa Claus this morning.

Q Maybe a New Year?

THE PRESIDENT: Maybe a New Year. (Laughter)

MR. DONALDSON: All in.

THE PRESIDENT: I do not think there is any particular news except

last night I signed the Executive Order that extends the General Code -- I do not mean the General Code, I mean the Blanket Code -- after the first of January. I dug up the Executive Order today and a statement that goes with it. I think they explain themselves. The important facts are that on the first of January the permanent codes will apply to approximately seventy per cent of all employees who will eventually be covered by codes. Of course there will be some employees who won't be covered by codes ever but by the first of January about seventy per cent of those who will eventually be covered will be in. The idea of the Blanket Code is that at this time of the year and especially the winter-time we do not want any letdown in trades or industries which at that time will not have any approved codes and we are inviting every employer to join in the extension for four months. It is hoped that by the end of the four months the other thirty per cent will be duly under codes.

Those who join with me in the extension may continue to dis-

play the blue eagle and the few employers, who have not signed the previous code and who will sign it as extended, will get the blue eagle so that the display of the blue eagle after the first of January by an employer whose business is not entirely covered by the approved code will be continued under the extension. In other words, anybody displaying the blue eagle after the first of January, we will consider that as an extension of the acceptance for four months.

I do not think there is anything else except I think it would be nice if I would express gratification at the end of the war between Bolivia and Paraguay, as I do.

Q We seemed to rouse the ire of the women by refusing to sign the Nationality Agreement.

THE PRESIDENT: Here is the situation: I think probably what I say on it had better be off the record for the very reason that the stories ought to break from down there, so, if you want, I will talk to you for a minute about the question, but make it off the record so it will help you in case stories do come from down there.

In the first place, most of the tempest in the teapot was occasioned by an erroneous dispatch from down there that every other American nation had agreed to sign and we were the only people who had not, which was not strictly true because only six or seven had signed and the others still had it under consideration.

The second cause of the tempest in the teapot was a misunderstanding up here of what actually took place down there. As originally introduced, there was a broad and general resolution of the

Conference which would have granted every form of absolute equality, both as to nationality and as to civil rights to women. Of course that immediately caused a flare-up in South American republics, as well as here, between what is known as the women's party element and the other element.

Promptly the original resolution was divided into two parts and that portion relating to civil rights was very quietly tabled and nothing more has been heard of it. The other half of it, that relates to nationality questions, stated in broad terms what essentially is the law of this country, more than any other American republic, because our nationality laws at the present, between husband and wife are substantially equal, except on one or two very, very minor points. The principal minor point, to show you how minor they are, it is still the law of this country that if an American woman marries a British duke, let us say, the offspring -- and goes and lives in England, the offspring are British. There are some people who take the position that the offspring of the American heiress and the British duke should have the opportunity, when they get to be eighteen or twenty-one years, of determining whether they want to be American or British. That is for determination by Congress as to whether Congress wants to change that law in particular. I do not suppose there are twenty cases in a century that would come up.

The position in this country as to this particular resolution and the position of Secretary Hull is very simple. It is only three lines. It says that the contracting states agree that from the going into effect of this convention there was to be no

distinction based on sex relating to nationality. It merely had to do with the nationality laws and nothing else and we have made clear two things: The first is that we have actually in operation at the present time a committee consisting of the Secretary of State, the Attorney General and the Secretary of Labor, who are working on a modification of the nationality laws so as to simplify and put them together without any changes. Those laws grant absolutely no distinction between sexes. The Secretary of State told the conference that we were in process of doing just what this resolution wants to do and I think probably that we will not block its going through in any way but simply say something to the general effect that we are in process of doing it anyway and on these minor points it will be up to Congress to change the law. So I think that whole thing is now dispelled.

Q Anything new on the Coast Guard-Navy (merger)?

THE PRESIDENT: It is just being studied, that is all. The stories this morning were substantially correct. What is being studied on the Coast Guard-Navy is this, and no determination has been made -- I do not know whether it will go through or not: The establishment of the Coast Guard as a corps in the Navy Department, with its own officers and own promotions and its own everything, just like the Marine Corps, as an entirely separate corps. It should make for certain obvious savings. As far as personnel goes, it will run itself, just as much as the Marine Corps does. There will be obvious savings, such as the Naval Academy cadets, where we have a surplusage every year going back to civil life. They would come into the Navy, Marine Corps and Coast Guard. As

to the Coast Guard Academy, the thought is that it would be used as the post graduate college for the Navy, Marine Corps and Coast Guard.

Q Mr. President, can you tell us when the budget will be completed?

THE PRESIDENT: Oh, heavens! I think probably about Wednesday; about a week from today.

Then, one more thing about the Coast Guard: Of course it would mean that if a corps of that kind would be under the Navy, that the operations would be under the Treasury; it would be assigned to the Treasury for all operating purposes because, obviously, in time of peace most of its functions, its operating functions, are Treasury functions.

Q In connection with this Coast Guard study, I know that quite a lot of the Coast Guard officers and personnel have been considerably worried about their promotions, especially in connection with this proposal to bring in the Navy Academy graduates as officers -- as officers in the Coast Guard personnel.

THE PRESIDENT: It would simply mean that the youngsters, boys of eighteen, who wanted to go into the Coast Guard, would go through Annapolis instead of New London.

Q It would not affect the numbers in promotion?

THE PRESIDENT: Not a bit.

Q To return to the ladies just a moment: You said that what would happen, we probably would not block this resolution going through down there. Does that mean that Secretary Hull would probably sign on behalf of the United States or simply permit it to go through without opposition?

THE PRESIDENT: No reason why he should not sign with that simple statement that the thing is almost before Congress now, with minor changes. We are so much further ahead that it cannot do us any harm.

Q Can we use that?

THE PRESIDENT: You cannot use any of it. I do not know what the exact status is or has been for the last forty-eight hours. After it breaks, it is all right.

Q Can you tell us anything about the session last night?

THE PRESIDENT: Just the usual.

Q Continuation of --

THE PRESIDENT: (interposing) Yes.

Q Mr. President, is there anything in the business employment figures as to which you can give us any background as to the business situation?

THE PRESIDENT: I think you will have to wait. I have got in here the charts from the interpreting economist. To tell you the honest truth, I have not even read them yet. They do not show much change, one way or the other. They are seasonal. They are all about the same. I think you had better wait until next week on that. I will try to have it for Wednesday morning of next week.

Q There is a furor over high whiskey prices. Anything on that?

THE PRESIDENT: No. (Laughter) I concur that they are very high.

(Laughter)

Q Don't you think we ought to get better and cheaper whiskey?

THE PRESIDENT: That is a good slogan from the Associated Press (referring to the fact that Mr. Stephenson had made a suggestion).

(Laughter)

Q Will the Emergency Council supersede or take the place of the so-called Labor Board in the National Recovery Administration?

THE PRESIDENT: That old Board is out, abolished.

Q In other words, the Emergency Council takes over the whole of the so-called Labor Board?

THE PRESIDENT: Yes.

MR. EARLY: I do not think that Board is abolished until January sixteenth.

THE PRESIDENT: January sixteenth it goes out because we haven't the machinery -- the other machinery won't be in practical effect until January sixteenth.

Q Does the Council have charge of enforcing the N.R.A. Codes? Does it have any duties in that connection?

THE PRESIDENT: Yes. When I say the Council, it will be the State Directors who will handle that. In other words, this Council here, the meetings every other Tuesday will be primarily -- it will be a small party, smaller than the Executive Council and so small that we will be able to sit around the table and discuss things on the agendas of the Emergency Council. In other words, the directors of the states will work under Frank Walker as the main head but, at the same time, they will have a lot of other functions. When it comes to enforcement, they will report directly to General Johnson. When it comes to farm credits, they will report directly to Myers. When it comes to home loans, they will report directly to Fahey, et cetera. But they will be under the general supervision of Frank Walker and, through the setup of this

more centralized authority, we will get rid of a great crossing of wires, a great many overlapping functions and a great many functions of local boards and committees, and concentrate them into groups that will have knowledge of and information about everything within their own group. It is just a practical administrative business measure, that is about all it is.

Q Anything to say on gold today?

THE PRESIDENT: No. I wish I had brought over the thing -- you probably read it in the Sun last night -- the small boy who asked his father about gold. It is a perfect scream, one of the best things written yet. (Laughter) I feel like the small boy and the father both. (Laughter) The conversation is wholly inconclusive.  
(Laughter)

Q Can you tell us anything about reports that you will ask Congress for power to buy gold through some other means than through the R.F.C.?

THE PRESIDENT: I do not think there is anything in that at all.

Q Have you received any report from Peek (Mr. George Peek) on the new foreign trade?

THE PRESIDENT: No; probably won't until the beginning of the week.

Q Have you received anything or any compilation of those reports on the cost of living?

THE PRESIDENT: No, not a one.

Q Do you expect those in the near future?

THE PRESIDENT: I do not know; I have not asked Perkins (Secretary Perkins) about it for a couple of weeks.

Q Will the tariff reports go to this new outfit?

THE PRESIDENT: I suppose copies will.

Q I understand the sugar report is completed and ready for either the Executive Council or the Emergency Council?

THE PRESIDENT: I do not know where that goes; it will probably come to me.

Q Mr. President, I have had an inquiry as to whether you are going to discuss foreign relations when you talk or if you talk at the Woodrow Wilson Foundation at the end of this month?

THE PRESIDENT: Gosh, Stevie (Mr. Stephenson), I do not know. I have not thought about what I was going to talk about yet. (Laughter)

Q Anything on a governor for Hawaii?

THE PRESIDENT: No.

Q Will you give us the pleasure today of signing that order for a holiday over Christmas?

THE PRESIDENT: Yes. The authority for a holiday, I am going to sign that today?

MR. EARLY: Right.

Q Can you tell us anything about silver, the prospects of action?

THE PRESIDENT: I do not know; I have not talked about silver for some time. You knew that India had lived up to its agreement. That is the only news. They have issued the order for the purchase of their quota. I do not think any of the other nations have.

Q That is a suspicious looking container back there.

THE PRESIDENT: What goes into that?

Q Egnog. (Laughter)

CONFIDENTIAL

Press Conference #80,  
Executive Offices of the White House,  
December 22, 1933, 3.10 P.M.

MR. DONALDSON: All in.

THE PRESIDENT: I just wanted to be quite sure so I stood up today so that I can see who is present at the Press Conference -- I never know otherwise -- also so that I can wish you all a very Merry Christmas.

Q Same to you.

THE PRESIDENT: I suppose you want to know about silver?

Q You put one over on us, didn't you, Mr. President?

THE PRESIDENT: Perhaps, off the record, that is the result of stopping Treasury leaks. I think you know, really, all there is. I think the real feature of it is the fact that for the first time in world history, so far as I know, the nations of the world have got together on one of the two great mediums or bases of currency. It is a very hopeful sign and we hope that it will be extended to other bases of currency some day.

Of course this country, in fact the world since history has been written so far as I know has been on a bimetallic standard. All through our own history both silver and gold have formed the basis of currency.

Q Are the purchases of silver limited to 24 million odd ounces?

THE PRESIDENT: I have only heard what is stated by the proclamation.

Q It said at least 24 million. Do you anticipate that purchases will go beyond that?

THE PRESIDENT: That I don't know.

Q That is about the limit of our production.

THE PRESIDENT: About the same as production.

Q It is possible to take up all the domestic production?

THE PRESIDENT: It would be. As far as we can tell, domestic production may increase but that would not depend so much on silver as it would on other metals because somewhere around 60 or 65% of all silver we produce is by-product production. Suppose there is a greater demand for copper and the copper production of the country should increase. That, automatically, would increase the silver production of the country. That would be caused, primarily, by an increased demand for copper. It is a thing you can't guess at definitely. It depends to a certain extent on general economic conditions. But probably the increase, in any event, would not be very, very large. It might be another five or ten million ounces.

Q Would that be accepted too?

THE PRESIDENT: I don't know. We will have to cross that bridge when we come to it.

Q There was some talk on Capitol Hill this afternoon that there had been a leak on this announcement and it was supposed to be announced yesterday afternoon, and a letter is supposed to be sent to you by one Senator about it.

THE PRESIDENT: I think we kept it pretty tight.

Q Too tight.

Q We did, too. (Laughter)

Q Mr. President, do you anticipate that it might be possible to reduce the seigniorage charge?

THE PRESIDENT: That is another thing that we have not considered at all.

Q It would be possible?

THE PRESIDENT: Practically, we can make it anything we want.

Q Might you not operate with the silver prices the same as you do with the gold prices?

THE PRESIDENT: Oh, heavens, that is too much "if." The price of silver is fixed by law at \$1.29.

Q You have authority to change?

THE PRESIDENT: No, I do not think I have authority to change.

Q You can change the coinage?

THE PRESIDENT: I can change the seigniorage. We have not considered that one way or the other.

Q What is this other basic currency you were speaking of?

THE PRESIDENT: It depends on where you are. On the South Seas it is shells with holes and other things. (Laughter) They use gold in some countries. (Laughter)

Q Mr. President, General Johnson had something to say about the C.W.A. as being under the wages of many of the codes?

THE PRESIDENT: You mean too high in some places?

Q Yes, sir.

THE PRESIDENT: I do not believe we can say anything about that because we are looking into it at the present time. We have not got very far into it. I do not think it is much of a story and I do not think we would do any changing unless it is shown to be distinctly out of line with what it ought to be.

Q Harriman (Averill Harriman) said he left a program on housing and

slum clearance. Can you tell us anything about that?

THE PRESIDENT: He did not leave any program. He just verbally talked about the possibility of developing housing programs in various cities that needed it.

Q Mr. President, one more question on silver: Do you look upon this as inflationary, or relieving the silver mining states, or both?

THE PRESIDENT: That again, goes back to the old dictum that if you start defining inflation, we can talk about it for three hours and won't agree on it any more than the professors do.

Q Is it a monetary policy or a method of relieving the silver producers?

THE PRESIDENT: It is carrying out an international agreement.

Q Will this increase in the price of silver encourage production to a point where they will build up stocks of metal, other metals?

THE PRESIDENT: I don't believe so. That ought to be discouraged.

In the copper industry there is an enormous surplus of copper which we are trying to get rid of and which the more expensive pound and franc during the past month or six weeks has helped us to get rid of, quite materially. Our copper exports since October have increased very heavily.

Q This is what the Democratic platform speaks of as a rehabilitation of silver, among other things?

THE PRESIDENT: I think so. It is a good idea. (Laughter)

Q How soon will the Secretary of the Treasury's tabulations become effective or be ready, do you know, Mr. President?

THE PRESIDENT: I do not know. They were working, I think, late last night and this morning. I think practically immediately. I

imagine by Tuesday the various mints will be ready to receive.

Q Mr. President, has your attention been called to the strike situation in Philadelphia, the transportation strike situation?

THE PRESIDENT: Is that the truck thing?

Q Yes, sir; everything but the streetcars have been piled up. They are all out on general strike.

THE PRESIDENT: They have been striking or threatening to strike now for the last two or three months. It is largely, as you know, a matter of jurisdictional dispute, anyway, between the union that was organized under the Federation of Labor and one of the brotherhoods, the Brotherhood of Locomotive Trainmen, or something like that -- one of the railroad brotherhoods -- and what we are trying to do is to get the Federation union and the railroad brotherhood together. We have been quite successful on two or three different occasions. I don't know what the existing situation is. The Attorney General has been handling the thing with the Department of Labor and up to a couple of days ago it was going along all right.

Q Mr. President, there was some intimation from Madrid yesterday afternoon that Spain may ask us to intervene in Cuba on behalf of the Spanish policy?

THE PRESIDENT: I meant to ask Bill Phillips about it this morning and forgot to. I had not heard anything up to last night.

Q Do you care to comment on the Ways and Means Committee action today in fixing the liquor tax at two dollars?

(The President did not answer the question.)

Q Not even off the record?

THE PRESIDENT: No.

Q Returning to Madrid, isn't it unlikely that you will protect the Latin interests in Latin America?

THE PRESIDENT: This Madrid thing, according to the papers, was based on an entirely different thing. It was based on a clause in a treaty a great many years ago.

Q You mean the Platt Amendment?

THE PRESIDENT: Some treaty between Spain and the United States, according to one of the papers. Frankly, I do not know anything about it at all. I do not know whether it was in the original treaty of peace after the Spanish War. I will have to check on it.

Q Have you transmitted to the Congress, to the Ways and Means Committee, any recent recommendations on liquor tariffs?

THE PRESIDENT: No.

Q Are you still standing on the Department report?

THE PRESIDENT: I am not very familiar with that.

Q This movement in the Middle West to fix the price of hogs, has that come to your attention or not?

THE PRESIDENT: Is that something new?

Q About two weeks ago.

THE PRESIDENT: Not since the five governors were here.

Q About two weeks ago you were asked to fix the price at six dollars and I understand there is a meeting at Omaha today regarding it. The complaint is that the fixed price of corn has made it unprofitable to feed hogs and sell them at the present price. Have you any comments on that?

THE PRESIDENT: I have not heard about that at all. Of course the general thought when they put the corn-hog program into effect was that it would not be particularly effective until January or the middle of February. Nobody expected it to work out before that time.

Q We have been led to believe that this plan of Senator Frazier's --

THE PRESIDENT: (interposing) No, Senator Frazier came in the other day with some other gentlemen and they presented a program that has been talked about before, not only in the Northwest but other places, in regard to building up comparatively small industries for goods that would be locally consumed in the farm districts, especially relating to products that they themselves grow within the district and then have to ship a good many hundreds of miles for processing and then have to have them reshipped back to them in processed form. It is a very interesting possibility and I told them that we are interested in it but that we would have to have something concrete and definite and that the Federal Government certainly could not bear the whole cost of financing.

Q Does that mean it will bear part of the cost of financing?

THE PRESIDENT: Yes; in other words, if they set up some agency and showed their interest and good faith and faith in the project by putting in their own money and if they then needed a Federal loan on it and it looked like a good proposition, it would be a perfectly good thing for us to take a part in it.

Q If that same principle applied, it might apply to every state?

THE PRESIDENT: I have not heard any other state that talked about it.

Of course it is a little bit along the line of what is being done

with that \$25,000,000. for setting up small experimental industries that use local products in farming communities. It all ties in. We have not got to any definite point on it yet.

Q Any comment on Dr. Lowell's hesitation about accepting appointment to the Motion Picture Code?

THE PRESIDENT: I do not know anything about it. Did he hesitate?

MR. EARLY: According to the press, he resigned.

THE PRESIDENT: I hope he will reconsider.

Q Has the tariff report on sugar reached you yet?

MR. McINTYRE: No, sir.

Q Any date been fixed for calling in the State Directors of the Emergency Council?

THE PRESIDENT: Do not call it a fixed date, but the week after the sixteenth of January.

Q When will they be appointed?

THE PRESIDENT: That I cannot tell you. I think they are going over the names now. Mac (Mr. McIntyre) says they have got twenty-eight to look at now.

Q There are stories being published that this is quite a political setup. Any comment on that?

THE PRESIDENT: I hope to goodness they will keep it out of politics.

Q Any tariff on beer?

THE PRESIDENT: What has happened to the beer?

MR. McINTYRE: I have not seen anything of that lately.

THE PRESIDENT: I sent it to somebody for a report; I could not tell you who it was. Maybe the State Department, maybe Peek.

Q Have you picked a successor to Interstate Commerce Commissioner

Brainerd? His term is up the last day of the year.

THE PRESIDENT: I have not made a decision yet.

Q. Merry Christmas, Mr. President.

THE PRESIDENT: Merry Christmas, thank you.

CONFIDENTIAL

Press Conference #81,  
Executive Offices of the White House,  
December 27, 1933, 10.45 A.M.

Q Good morning, Mr. President.

THE PRESIDENT: Everybody in? The only thing I can think of this morning would be to deliver a homily on gluttony; too much Christmas turkey.

Really, frankly and honestly, there isn't any news. I cannot tell you anything about the budget because it is in the state of being prepared. I cannot tell you about the Message to Congress because I have not started it. I am in the delightful position of knowing nothing.

Q Anything on the pay cut, the restoration of it?

THE PRESIDENT: No; I haven't any report yet.

Q And the appointment of the District Commissioners?

THE PRESIDENT: Jim Farley arrived this morning and came in to see me and we have a tentative date for some time in the next week to talk things over.

Q How about the Interstate Commerce Commission appointment?

THE PRESIDENT: I have not thought of it.

Q Mr. President, we have reports from Chicago that in that city they have eight thousand old-time saloons and they are asking out there if, because of platform assurances about the old-time saloons, if the Administration is planning to take any cognizance of that fact, as the Mayor and Governor are doing nothing.

THE PRESIDENT: I don't think I can say anything further than I have said before. I have the same suggestion from Missouri and other

states.

Q There has been a lot of talk about sending a Spanish cruiser down to Cuba. Have you had anything from foreign sources?

THE PRESIDENT: I have not seen a word. I have had nothing from the State Department up to seven o'clock last night.

Q Can we say anything about how you feel about it?

(The President indicated a negative answer.)

Q The latest reports say that Madrid denied that a cruiser was being sent.

THE PRESIDENT: You did. (Laughter)

Q We will have a pretty good A.P. story on this soon. (Mr. Stephenson said this, having in mind Mr. Storm's query, which had been predicated on U.P. reports.)

Q (Mr. Boettiger) The St. Lawrence Treaty is the first order of business scheduled by the Clerk for the Senate to be taken up and I wondered if there was to be any change in the Treaty or action by the Administration to take care of a diversion of water at Chicago?

THE PRESIDENT: I do not think there is any news. I do not know whether I am going to send a Message. Of course I am for the St. Lawrence Waterway. As I understand it -- this is just a tip for you -- the Army Engineers have made some kind of a report on the amount of water necessary for navigation and sewage. You had better check up on that.

Q How do you stand for the Treaty in its present form?

THE PRESIDENT: I am not saying anything about it because I have not looked at it. The thing was referred to the War Department and then there is that fellow out in Chicago that I saw, the Missis-

issippi Valley Chairman --

Q (interposing) Bob Randolph?

THE PRESIDENT: Randolph, yes. He was talking about it.

Q He came away thinking that you were going to obtain some sort of guarantee for Chicago.

THE PRESIDENT: It depends largely on engineering facts and that is why I suggest you get the War Department report first. I have only glanced at it and I have sent it over to Secretary Ickes, I think.

Q In general terms, does it require an increase in water over what was originally required?

THE PRESIDENT: I had only read the first page and I do not know.

Q Mr. President, Governor Gore of Puerto Rico was outside this morning and he said he was planning on seeing you.

THE PRESIDENT: I suppose I will. I did not know he was up.

Q He said he was going back to Puerto Rico and I said, "Are you going to stay there?" and he suggested that I ask you. (Laughter)

THE PRESIDENT: I have not seen him so I cannot tell you anything about it.

Q Can you tell us anything about George Peek's recommendations for regulation of foreign trade?

THE PRESIDENT: No, it is still in the preliminary form.

Q Have you in mind to say something to Congress on that?

THE PRESIDENT: We have not got as far as that yet. It is still too preliminary. We are checking about the general setup of handling foreign trade from the Government point of view.

Q Mr. President, do you care to talk about business conditions at the

turn of the year? You suggested you would have something to say on that subject this week.

THE PRESIDENT: I do not think I had better because I see the old people who make predictions for the Sunday paper before New Years are at it again and of course they have been wrong so often I think they had better continue to be the goats. (Laughter)

Q Mr. President, is this Army Engineer report available to us now?

THE PRESIDENT: I do not know. You had better talk to Colonel Waite and the Secretary of the Interior and the Army about it. I do not know whether it is or not. As far as I am concerned, there is no reason why it should not be given out.

Q What are you taking up with Secretary Morgenthau this morning?

THE PRESIDENT: All sorts of things -- Budget.

Q How about taxes?

THE PRESIDENT: No, I do not think so; I think just Budget.

Q The Treasury Daily Statement over there shows a deficit now of about a billion dollars. Is that a true estimate of the condition?  
(Laughter)

THE PRESIDENT: What do you mean by "deficit"?

Q That is what I would like to know. That's what it shows.

THE PRESIDENT: Why, of course this year we are going away overboard -- a great deal more than that. All you have to do is to figure up the total appropriations of the last session of the old Congress plus the Special Session, total them all up, find out what the receipts are going to be from taxation, et cetera, and that will give you the deficit for the year. That deficit for the year is chargeable to recovery and it is very large. There is no news in

that. That was created as a potential and fairly definite deficit the day that Congress adjourned.

Q It seems to imply that you expect the entire three billion three hundred million appropriated for Public Works will be spent by July first.

THE PRESIDENT: Oh, no. Now you are confusing it with what we will have to talk about when I have that little Conference next Tuesday about the Budget. Just for people who are really interested in financial stories, I think there might be a little Conference of thirty or forty who are interested in the financial picture and get down to simple facts, the way we used to do in Albany, so there won't be confusion in the writing of financial stories.

One of the things I would want to bring out when we talk next week on it is the difference between appropriations and expenditures. Well, just for example, the question you asked is a very good illustration. The last session of the Congress appropriated three billion three hundred million for Public Works. Now, of that total amount, a portion of it will be actually paid out by the Treasury during this fiscal year; a portion of it will be paid out by the Treasury next fiscal year, and a portion of it will be paid out in the fiscal year after that. That is shown by the Daily Balance Sheet of the Treasury that Steve (Mr. Stephenson) referred to. That is merely a daily balance sheet. After all, you can't go on daily balance sheets. What you have to go on is the obligation that the Government has created for itself. Now, the obligation was 3.3 and yet some of that amount won't be spent until probably the spring of 1936, which is a long ways off.

That is why I think it probably advisable not to write special stories on this today until we get this whole thing made perfectly clear the beginning of the week. The Treasury balance represents the amount of money actually paid out on the appropriations, but the obligation of the Government is far greater. We went overboard the last session of the previous Congress and the Special Session of this Congress -- we went way overboard. As I say, there is no news in that. We went overboard the day the appropriation bills were signed.

Q Can you tell us whether the revenue is meeting the current expenditures of the Government?

THE PRESIDENT: I haven't the report here. It is very close to it. That eliminates special expenditures.

Q Have you any definite estimate yet on what the deficit will be at the close of this fiscal year?

THE PRESIDENT: There again, what do you mean by deficit? The money actually spent or the money obligated?

Q Actually spent. You said several weeks ago that you would not be able to estimate within a billion dollars yet.

THE PRESIDENT: Yes, that's right, but there again you have to take into consideration what kind of a deficit it is.

Q Mr. President, I understand that Mr. Quezon of the new Philippine Mission is arriving here tomorrow.

THE PRESIDENT: They are coming to lunch today.

Q Is there likely to be any new dealing with the Philippine problem in this session of Congress?

THE PRESIDENT: You are one jump ahead of the game. I do not know.

I have not seen them at all. We will probably talk at lunch about it.

Q Coming back to Peek for a moment, was that his own report or the report of the Executive Commercial Policy Committee headed by Phillips?

THE PRESIDENT: It was not a regular report. He talked with all the Committee; he sat with them and what he brought in yesterday was merely a graph of the setup --

Q (interposing) Including --

THE PRESIDENT: (interposing) It includes the tie-in -- the State Department, the Department of Commerce, Agriculture, et cetera.

Q It is a general summary of the picture at the moment?

THE PRESIDENT: It is only in graph form.

Q It includes the Executive Policy Committee's discussions?

THE PRESIDENT: Yes.

Q Anything on the Newspaper Code?

THE PRESIDENT: No, only Dave Stern's editorial in the New York Evening Post last night; I commend it to John Boettiger and, John, entirely off the record, I wish you would give a dare to Bert (referring to Bert McCormick) to reprint it. (Laughter)

Q You say that is off the record?

THE PRESIDENT: Yes.

Q (Mr. Boettiger) I will mail you a copy of that. (Laughter)

Q Do you care to discuss your ideas as to what part the Government should play in assisting railroads to refinance their 1934 maturities?

THE PRESIDENT: I am talking with Jesse Jones sometime this week. I do not know yet about the probable financial needs of the roads.

I do not think he has his final estimate on it yet. There is a good deal of refinancing, yes.

Q Their original estimate was \$100,000,000. this year?

THE PRESIDENT: Yes.

Q Anything new on the sugar situation?

THE PRESIDENT: No, not yet.

Q Behave New Year's Eve.

THE PRESIDENT: Right.

Q Thank you, Mr. President.

CONFIDENTIAL  
Press Conference #82  
Executive Offices of the White House  
December 29, 1933, 4.15 P.M.

THE PRESIDENT: Well, what is the news?

Q That is what we would like to know.

THE PRESIDENT: I think everything is all quiet. No message written yet, no budget message. We are still scribbling lots of figures and essays and so forth all over sheets of paper. I am living with sheets of paper.

Q What seems to be the trouble on that, Mr. President?

(Laughter)

THE PRESIDENT: What?

Q Any trouble on this budget?

THE PRESIDENT: You can figure it out any way at all. You can make it come out ten billions plus or minus, depending on the way you sharpen your pencil. (Laughter) That is my present frame of mind.

Q Can you tell us anything about the conference this afternoon with General Johnson, Senator Nye and Senator Borah?

THE PRESIDENT: Oh, I think so. It was merely a preliminary conference to discuss some of the new problems which have been raised through the actual operation of NRA. We have had two worries, not only Senator Borah and Senator Nye,

but General Johnson and myself. The two worries are that the operation of some of the codes may work out in such a way that big business will be benefited to the detriment of the little businesses. The other problem is that certain developments would tend to show that some industries believe that the Sherman Anti-trust Law principle has, in some mysterious way, been abolished by the NRA Act which, of course, is not so.

What we are seeking is the method of answering those two questions. The first is the adequate protection of the little fellow against the big fellow, and, secondly, the retaining of the principles of the Sherman Anti-trust Law.

That is about as far as we got. It was just a preliminary discussion as to how to go about it.

Q Will that lead to legislation or be largely administrative correction without legislation?

THE PRESIDENT: So far as the protection of the little fellow goes, it can probably be done administratively. So far as the clarification of the retention of the Sherman Anti-trust Law goes, we may have to make the language of NRA a little bit more clear by legislation.

Q Mr. President, does this first proposal contemplate taking more of the small retailers out than were taken out in this order that was put through some time ago? How do you intend to tackle that administrative problem?

THE PRESIDENT: Probably through the setting up of some better machinery for the protection of the little men. As I say, we haven't got to the details of it yet. We did discuss the possibility of some board that would act towards that problem in the same relative way as Senator Wagner's Board has functioned in regard to disputes between capital and labor.

Q Can you tell us what the disputes are between those two classes of business men? What is the dispute between the business men?

THE PRESIDENT: A lot of little fellows have thought that they might be forced out of business and we want to avoid that, and there will have to be somebody for them to go to.

Q Go to for modification of the code?

THE PRESIDENT: No, to go to to check up their particular case. In a great many cases, probably the majority, it would not involve modification of the code itself. It would be merely a question of saying what is a fair practice.

Q Mr. President, doesn't this bring up the inevitable fact

that the operation of the NRA must drive the marginal producer or business man out of business?

THE PRESIDENT: That is a pretty broad subject and there is a lot in it. Well, the simplest way of putting it is to give an illustration. What are you going to do in the case of shoes? There are enough shoe factories in the country today to turn out 900 million pairs of shoes a year and we only wear about 325 million pairs of shoes a year. There is a certain limit to the number of shoes a human being can wear in the course of a year. What shall we do in case you decide to go into the shoe business tomorrow and start a brand new factory? You only complicate things. Well, those are the things we have not solved yet. Or suppose you have a thoroughly inefficient show, what are we going to do about it?

Q If I am a little fellow, a little inefficient fellow, I am going to be the fellow that comes to the Board.

THE PRESIDENT: You might be a big fellow. Inefficiency is not necessarily based on size. It is a tremendously interesting problem. We have not solved it yet.

Q On the same question, there has been some suggestion that the NRA LAW might be broadened to give loans to industry through the mortgage companies or in some way. Has that been discussed?

THE PRESIDENT: That would not come under NRA anyway, it would come under RFC. No, we have not discussed that at all. Loans can be made today, under the present law, to mortgage companies.

Q Senator Wagner is said to have indicated that he is going to withdraw to resume his senatorial duties.

THE PRESIDENT: Mac (Mr. McIntyre) tells me that he is willing to carry on for the present until we can find his successor.

Q Have you a successor?

THE PRESIDENT: No.

Q Are you going to recommend legislation on the stock market?

THE PRESIDENT: I haven't done a thing about it. I believe a lot of people are looking it up and checking on it -- members of both Houses and the Commerce Committee and I don't know who else. There are lots of people checking on it.

Q Do you contemplate some legislation?

THE PRESIDENT: I cannot tell you because I haven't a thing on it as yet.

Q Have you considered a platform consideration of the tariff?

THE PRESIDENT: What?

Q The Democratic recommendation on a party basis -- platform basis?

THE PRESIDENT: It has been so long since I read it that I don't know what the platform said. But I think you can make a perfectly safe guess that there will be a recommendation or suggestion for some form of tariff legislation, form not yet disclosed.

Q Will that be a general revision?

THE PRESIDENT: I said, "form not yet disclosed."

Q In view of your speech last night, do you plan to send Davis back to Geneva in time for the opening of the Conference?

THE PRESIDENT: I haven't talked to Norman about that for a couple of weeks. Frankly, I don't know whether it is definite that they will go on then or adjourn again. Undoubtedly he will go back just as soon as they are going to have a regular session.

Q Mr. President, apart from the form of tariff recommended, how about reciprocal agreements?

THE PRESIDENT: That comes within the form. I cannot tell you yet.

Q Can you tell us whether you are preparing for it? Mr. Peek is.

THE PRESIDENT: No, Mr. Peek is preparing a different thing. Mr. Peek is working on an organization chart that will

tie in all of the tariff agencies of the Government so that they will work together, which they never have done before. That chart is now being passed around for comment by the different agencies affected. They are the Tariff Commission, the State Department, the Department of Commerce, the Department of Agriculture and one or two others, I think.

Q Isn't he working also, at the present time, on the regulation of foreign trade and on tariff?

THE PRESIDENT: Yes, that all comes into the same thing.

Q Are you contemplating any suggestions to Congress in connection with the foreign debt situation?

THE PRESIDENT: I cannot tell you; you are premature.

Q We hear that organized labor has made a formal protest concerning the construction code.

THE PRESIDENT: Yes, they did, and we are having a hearing as soon as the message to Congress is out of the way -- some day next week.

Q Can you tell us what their protest is?

THE PRESIDENT: Just a general protest, just two or three paragraphs from Green in the form of a request for a hearing, which they will have.

Q Aside from the other things, have you had time to give

any thought to the restoration of the pay-cut?

THE PRESIDENT: I have not had a report from the Department of Labor as yet.

Q I think it is due tomorrow.

Q There seems to be quite a lot of sentiment among the returning members of Congress with respect to some change in the provisions of the Economy Act affecting veterans. Can you give us your reaction to that?

THE PRESIDENT: The only thing I heard about it at all was when I had a visit from the Commander of the Legion a couple of weeks ago and he left a formal letter with me. I have not taken it up as yet.

Q Can you tell us whether you discussed with Senators Borah and Nye a proposition of either of them accepting a place on this Board that may possibly be created to discuss anti-trust legislation?

THE PRESIDENT: We only mentioned it casually. I think we are all agreed that they could not and should not -- no member of Congress should or could accept a place on an Administrative Board with powers.

But we also were in general agreement with the thought that Congress should, in some way, keep in touch with the administrative procedure from day to day and week to week

through the year. In other words -- now this is off the record just so as to give you the thought in back of my head. It will be a great deal better for the government as a whole if Congress could keep in very close touch right straight through the year with the operations of the Administrative Branch of the Government. The custom in the past has been for Congress, every once in so often, to conduct an investigation which goes back two or three or four or five years. It doesn't do anybody any particular good because it would be a great deal better, if the Administration is doing anything it should not do, to have it known right away.

So, for a long time, I have been trying to work out some practical method of keeping the Congress in touch, day in and day out, with what the Administration is doing, so that there won't be an accumulation of things which may result, after a long period of years, in scandal or investigation. At the same time we could keep perfectly clear the separation of functions.

Some of you who were in Albany remember the drag-down knock-out fight I had four years ago <sup>against</sup> ~~when~~ the effort of the New York State Legislature to maintain, throughout the year, a control over the expenditures

of appropriations. I had to carry it all the way up to the Court of Appeals. We lost in the two lower courts and won out by a unanimous opinion in the Court of Appeals saying that the Legislature had no right to control in any shape, manner or form, Executive functions. That does not mean that the Legislature hasn't the right and probably should have the actual practice of constantly inspecting Executive acts. That is a very different thing, as long as they do not tell the Executive how to carry out the Executive functions.

Q That is a board of Public Works Administration?

THE PRESIDENT: Practically every function of government.

Q How would that contact be maintained, through committees of Congress?

THE PRESIDENT: Probably through committees of Congress who will keep in touch throughout the year.

Q They have such in regard to Internal Revenue now.

THE PRESIDENT: Do they function?

Q Yes; right through the year.

MR. EARLY: Make it background.

THE PRESIDENT: All right; Steve says make it background.

Q It can be used as background?

THE PRESIDENT: Yes. In other words, if you use it, draw the

distinction that we cannot have interference by the Legislature. After they once pass a law and appropriate the money, they have nothing more to say about its expenditure in an Executive way, but, at the same time, they have every right to go ahead and watch the operation of spending. It makes for frankness and public knowledge of government throughout the year.

Q Did you discuss that generally this afternoon?

THE PRESIDENT: No; just touched on it, that's all.

Q On that point of small businesses, when the President's agreements expire January 1st, will they be asked to sign up again?

THE PRESIDENT: You mean the blanket code?

Q Under the blanket code?

THE PRESIDENT: I have forgotten what the Proclamation said, but I think anybody who still flies the Blue Eagle would be automatically considered to have signed up.

Q Can you tell us anything on the action of the Senate silver bloc today in putting out a resolution demanding full and free coinage of gold and silver? It was put out by 27 Senators.

THE PRESIDENT: No, I have not heard of it at all.

Q Returning to Davis, in connection with his return to the

Disarmament Conference, may we report that his participation is going to be limited to armaments and not politics?

THE PRESIDENT: Right.

Q Can we assume that Davis will take a more active part in the discussion of land armaments?

THE PRESIDENT: On that, our position was made very, very clear last May. We have stated our proposition.

Q May I present the compliments of Colonel McCormick, and tell you that we are running Mr. Stern's editorial on the freedom of the press tomorrow morning.

THE PRESIDENT: No! (Laughter) I think that is perfectly grand.

Q On the subject of armaments, have you anything to say concerning the intention of the Navy Department to try to get Congressional authority for one hundred and two new vessels?

THE PRESIDENT: I never heard of it at all, except what I read in the papers. The Secretary of the Navy said nothing, the Assistant Secretary said nothing, and neither did the Chief of Operations.

Q They had nothing to say?

THE PRESIDENT: No.

Q Can you give us any enlightenment on the order yesterday on gold?

THE PRESIDENT: That order that was given out this morning?

Q Last night.

THE PRESIDENT: Henry Morgenthau told me it was a technical matter involved, which would probably mean that five millions in gold would come in. The order related only to about five millions of gold, and it required that order in order to bring it in.

Q It does not signify anything new?

THE PRESIDENT: No.

Q Can you tell us anything about the reactions to your speech last night, particularly from abroad?

THE PRESIDENT: Only the yellow slips that Steve (Early) brought in. I had better not comment. Perhaps Steve will tell you off the record what I said to him.

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