

March 14, 1924.

Remarks by the President to the Newspaper Correspondents.

Here is a suggestion that I discuss the appeal of the United States Sugar Association from the ruling of the Tariff Commission excluding the Philippine Islands from the pending investigation into the tariff on sugar. That is a matter about which I don't happen to have any information. I knew the Tariff Commission was making an investigation into the cost of the production of sugar. I don't know to whom the appeal would lie, unless possibly it means that the Sugar Association wants to appeal to me. It is my understanding that the Tariff Board would make this investigation on my request and that therefore they would follow whatever request I have made. Whether I have made a request that would warrant this or not is for them to determine. So I am not in a position where I can give much information about that.

The administration hasn't any new attitude about the loans of private American financial interests to foreign governments. Technically, I suppose that in time of peace in a way any American has a right to lend his money wherever he thinks it will secure him the largest return, taking everything into consideration. I think large loans are not usually made to foreign governments by private interests unless it is known that the U. S. Government has no objection. Not that the Government takes any responsibility about it, but simply that it indicates it has no objection to it. This recent loan that was made came to my attention first through press information. Very likely ~~if~~ there was inquiry made at the State Department about it, though about that I have no information.

X As I understand the attitude of the American Government about things of that kind, loans to foreign governments, it goes right along that line. It recognizes the privilege of American financial interests to place their money where they think it will be of the greatest service to those to whom the money belongs. Sometimes it is necessary to take a rather broad view, to consider not merely the immediate financial return, but the general result. That is especially true under present conditions, when large sums of money are owed to us by European countries, so that on that account we have what we might say is a direct financial interest in the economic reconstruction of Europe and in those countries becoming financially able to repay us. We are collecting very large sums from Great Britain and naturally would not want anything to

occur that might jeopardize those payments, and we should be glad to have any reasonable action taken that might put other countries in Europe in a financial condition to consider repayment to us of money due us. That has relation merely to our debt. I don't want to bring that up at this time as indicating a determination to press it or anything of that kind. I simply speak of it as a present condition. Then of course there are always the trade relations. I think it has been for many years the policy of the British financial interests to make investments abroad for the purpose of the commercial advantage of the people of Great Britain. Sometimes that takes one form and sometimes another, but as those investments are made abroad they result in credits there and financial obligations which it is supposed have been a very dominant influence in increasing the trade of Great Britain. So that our country would be glad to have surplus capital of our nation invested in that way. Then of course we always have to look at our domestic conditions. There are times when credit in this country is scarce and money is high and dear, and when there are conditions of that kind our Government would probably not want to encourage the investment of money abroad. They would rather have it retained at home where, in taking a general and broad view, it would be of more advantage to the American people. Now all of this comes down to one thing. It ought to be the attitude of the American Government so to encourage the use of American capital as best to administer to the welfare of the American people. Sometimes that is done by suggesting that we make no investments abroad. At other times it would be done by encouraging investments abroad. X I suppose that the recent loan took all of those conditions into consideration. No doubt they thought it would be best for the welfare of the nation and for the welfare of those who hold the money to make, or to stand ready to make, a large investment abroad for the purpose of protecting American interests. Of course there is a little broader view than that to take - of assistance to those that are in distress. That is a duty that always falls on us, as well as merely taking care of our own material needs. It is a real duty, one that we can't escape, and one that we always have to consider in determining questions of this kind.

X Here is another statement that the Department of Interior has issued instructions forbidding bureau officials from recommending attorneys to handle business before the Department. I don't know that that is the expression of any particular administration policy. It does occur to me that it is a salutary regulation, though there are quite a number of things to consider. Anyone who has been in a Department knows

that a department is constantly the recipient of requests for what amounts to legal advice and our departments are very generous in having printed forms and so on ready to send out answering questions. Of course that is probably as prevalent in the Treasury Department as anywhere when questions of taxation come up, but it is prevalent in all the Departments, and oftentimes it is very difficult for the Department to take the responsibility for giving advice, and the person inquired of, when an inquiry of that kind may come, may know of parties in Washington that are experts in this matter, and I can conceive of times when it is perfectly proper to say that Mr. A. or Squire B, as we say in the country, is an expert about this and would be able to give you advice which I wouldn't want to be responsible for. But on the other hand, you can see that abuses might arise, under which ~~it~~^{there} would be a claim that certain attorneys were receiving a recommendation by the Department, and, unless a good deal of care is exercised, that such attorneys get favors from the Department that ~~they~~ are unwarranted. I don't know of any such cases, but that would be a danger, so that I think Departments ought to make recommendations about the employment of particular individuals as little as possible. X I judge that this instruction in the Department of the Interior has been issued with that in view. Almost all instructions and laws, and so on, are the result of some particular abuse brought to the attention of some one. I don't know of any in this case, but very likely some abuse may have been brought to the attention of the Department that caused this action to be taken. Like all rules, it has to be observed with discretion and judgment.

I have appointed the Shipping Committees recommended by Senator Jones after conference with Admiral Palmer. I have sent out to try to get a list of those. I didn't keep the list here. Admiral Palmer and I made up the list and I am not able to give you from memory the names. There are two Committees and the details of the work that these Committees are to do - one of them is to look into the requirements necessary for reconditioning and keeping the ships that we have from deteriorating and the fleet from deteriorating, and the other is the general question of coordination of the different activities of the Government and private enterprise for the purpose of securing cooperation between shipping and railroads, and so on.

I don't know that I can make any specific comment about the defeat of the Norbeck-Burtness bill. I thought that bill had a good deal of merit, and thought that

It would be helpful to the present distressed situation in the agricultural regions. It seemed to be in harmony with some of the recommendations that I made in my message to the Congress. I am not familiar with all the details of it, but the policy of it was assistance by the Government to farmers to diversify, and assistance meant furnishing them with a small amount of capital with which to begin operations in that direction. I became interested in that field through the interest of the President of the Agricultural College of North Dakota, who seemed to have a very clear idea of what the present situation was, and what might be helpful in securing a way out. That bill and the McNary-Haugen bill are entirely different things. They haven't any relation. One was to help diversify, and the other to undertake to increase the price of farm commodities.

X I can't give any statement regarding the selection of Chief Justice Wilbur as Secretary of the Navy, other than what the press already has. The suggestion came that he would make a good Secretary of the Navy from a newspaper source. That is a very good recommendation always, as you would probably be willing to admit, and after careful investigation it seemed that he was qualified by his experience and training, his character and ability, to undertake that work. X

There wasn't much of anything done in the Cabinet today, except to consider a note from the Canadian Government in relation to the St. Lawrence waterways. It is my understanding that that note is to be given out this afternoon, so that it will be in the morning papers.

From what source, Mr. President?

I think from the State Department here and from the Canadian Government.

Can you give us a little more in the way of detail about the selection of the new Secretary of the Navy, Mr. President?

He was here at the time at the law institute and went down to North Carolina to visit some friends. I think it was North Carolina he went to. He stopped when he came back here and I had a conference with him.

I don't know that I can ~~be~~ make any comment about not being able to get a resolution providing for the 25% reduction in the income tax returns for March 15th. I gave the principal objects that I had in mind in relation to that in the message I send to the Congress. I have understood that there was a project on foot to pass a resolution of this kind before the next quarterly tax day. Should that be

included in the tax bill, it would be taken care of in that way.

The matter of the appointment of members of the Mexican Mixed Claims Commission can't be taken up until there is an exchange of ratification of the agreement. The agreement has been made. I think ours has been forwarded to Mexico and there's has been sent up here, but there has not been an exchange of ratification.

I have here the statement of Admiral Plunkett, which I think went to the press, though I am not certain. It is as follows:

1. "The quoted statement 'Washington is the wettest city in the United States and the Federal authorities are not attempting to clean it up' was not stated by me on the witness stand or subsequent thereto."

2. "In answer to the question by the presiding judge as to what was the wettest city in the United States, I stated 'I have been informed that Washington is the wettest city in the United States.'"

3. "I made no comment or criticism whatever upon the manner in which Federal authorities are carrying on their work or duty."

4. "The above statement I confirmed by telephone with the presiding judge this date, as I noticed a Washington paper misquoted practically everything I said. The presiding justice confirms the above statement."

I haven't any plan yet about the appointment of the District Commissioners. I am investigating some reports that were made to me. I have here the information in relation to the Shipping Committees. The Committee on survey of the needs of the merchant marine - that is to keep it intact - The Secretary of the Treasury, Secretary of War, Secretary of the Navy, Secretary of Commerce, Chairman of the U.S. Shipping Board, and the President of the Fleet Corporation (Mr. O'Connor and Admiral Palmer). The Committee to coordinate activities of the Interstate Commerce and Shipping Board: Secretary of Commerce, Chairman of the Interstate Commerce Commission, Chairman of the Shipping Board, a practical railroad man, and a practical shipping man. Those are not yet selected, and the President of the Fleet Corporation. Perhaps because they are not selected is the reason it has not been given out.

That seems to cover the questions.