Tuesday, July 27, 1926.

Report of the Newspaper Conference.

It is probable that there won't be any appointment of an Assistant Secretary of the Treasury to succeed Judge Moss for several weeks. Mr. Mellon didn't make any recommendation before he went away and the appointment may not be made until he returns.

And I don't know how soon an Assistant Secretary of Commerce in charge of civil aeronautics will be appointed. Most of the immediate work that is to come under that Department consists in mapping out the air lines and marking them and lighting them. That would be done in conference with the Army and Navy and a man is to be detailed from the War Department, if that has not already been done, not as an Assistant Secretary of Commerce but to advise about the work of the mapping out of these air lines, so that there isn't anything pressing there that would come under the direct supervision of an Assistant Secretary.

Of course Mr. Hoover is an engineer by profession and while I don't suppose he professes to be particularly well versed in aeronautics he is well versed in the particular problem that he has to deal with just at present. But as soon as some one can be found that would appear to fill that position the appoint-ment will be made.

I haven't any particular questions to discuss with Mr. Ford. I knew that through his business connections he was in touch with all parts of the nation and wanted to discuss the general business situation over the country with him. I shall ask him what progress his organization is making in aviation
2.

and what plans they have for the development of commercial aviation. I was informed last spring that they were working on plans for making quite a large number of planes. I was desirous of finding out how those plans were materializing and what provisions they are making for the manufacture of planes.

I don't expect to discuss the foreign situation at all with Mr. Child. I doubt if he is in touch with that now. It is some two years since he retired as Ambassador to Italy. I think he has been giving almost all his time and attention to domestic problems, judging from the articles that I have observed he has been contributing to current literature. I think there is a publication called current literature, I didn't refer to that, but I referred to the general field of newspaper and periodical publications. I presume Mr. Child will stay two or three days. He is at his old home now in Pennsylvania.

The only object that I know that President Crowley has in coming is to pay his respects to the office, as I am located up here along one of the lines of his railroad. I don't think he has any railroad matters or other matters that affect the Government at all to discuss with me.

I don't know of any occasion that might call for an extra session of Congress. I do not expect to go to the Congregational Church at Malone next Sunday. I have chosen a church over in Saranac Lake and I hope to attend that while I am in this section.

I have noticed in the morning press a report of the death of Robert T. Lincoln. He was at one time Secretary of War and at another time Ambassador
to London. In business life I think he was President of the Pullman Co. at one time. He was a man of large and varied experiences. I had met him two or three times when I was in Washington. He came to call on me when I was Vice President and I had seen him at other times. I didn't meet him until he was very advanced in years, so that my knowledge of him came more from his reputation than from personal contact. If you will remember that he was in college at the time that his father was elected President of the United States, which was 66 years ago, you will see that he was a man that was very old at the time I came to Washington. I think he was then over 80. But he was a man of remarkable attainments, which even under the handicap of constant comparison with his father were not only remarkable but such as are exceedingly creditable to any American citizen, both in the public service that he performed and in his private business life. The-business-conditions-in-the-country-are

The business conditions in the country are more than meeting expectations. It had been thought at the opening of the year that there might be something of a slowing down in business. That hasn't seemed to materialize. The first six months of the current year showed good business conditions and since the first of July there has been something of an advance in general business conditions. I Think that is attributable partly to the reduction of taxation. It takes some time to get the full effect of that, but it stimulates business by releasing money that otherwise would go into the public treasury which can go into enterprise. A very good example of that commented on in the press, which took place in the middle of June, was when the Secretary of the Treasury was
able to meet out of the current funds all of the current expenditures. It had been expected in banking quarters that he would have to call on the country for a loan of some $300,000,000 and banks had accumulated funds for the purpose of making that loan to the Government. When the Government didn't call on them for that money it was at once available to go into business enterprise. As far as I can see myself and as far as I am advised by the members of my Cabinet, Mr. Hoover who keeps very closely in touch with the business situation and Mr. Mellon who is in touch with the banking situation and the business situation too both advised me just before I left Washington that the business outlook for the coming period, immediate period, was good, and so far as there have been developments since I talked with them their expectations have been fully confirmed.

Nothing further has developed in relation to a new Commissioner for the District of Columbia.

There are no understandings in any of the debt settlements other than what are included in the terms which were signed by the parties and ratified by our Congress with foreign Governments. This country hasn't any method of making any understandings except through the duly authorized channels of treaties, and all those treaties of course go to the Senate for ratification, and in almost all cases, I think practically every case, the Senate adopts a motion removing the injunction of secrecy, so that our treaties are public and of course the debt settlements were all public. They were public when they were referred to Congress, somewhat different in nature than a treaty because they partook of the expenditure of public money and for that reason were ratified by both the Senate and House.
There is no way we could make any private understanding. No one has any authority to make it. The only method that a private understanding could be entered into with this country, would be by a treaty ratified by the Senate from which the injunction of secrecy was not removed. Then it would be private in the sense that it wasn't published. I doubt if we have any treaties of that kind. I have never heard of one. It is customary oftentimes to discuss treaties in executive session, but it was the uniform practice when I presided over the Senate that if a treaty had been ratified that the injunction of secrecy so far as the treaty was concerned was removed and the treaty became public.

Press: Didn't the agreement entered into with Great Britain carry the provision that if other countries got better terms than they had it would be reduced? But I understand it was repealed. It doesn't exist now.

President: There isn't anything of that kind as far as I know. I am very certain that there wasn't anything of that kind in the agreement that was submitted to Congress. I think that agreement was ratified in its entirety.

Press: Could this possibly refer to the exchange of notes that occurred before the material was sent to Congress?

President: There wasn't any exchange excepting at the time the loans were made. There were negotiations for settlement. Of course the negotiations for settlement were merely an attempt to get duly authorized and empowered representatives of foreign governments to come here and negotiate with us for settling the debts. Mr. Baldwin came over here with Montague Norman and some other members of a commission and settled the British debt back, I think, in 1922.
6.

There has been quite a good deal of discussion in the press about the attitude of foreign countries towards us. I doubt if we need to pay too much attention to that. I have seen reports, I don't know how trustworthy they are, of alleged difficulties that some of our tourists have had abroad. Two kinds of tourists go abroad. One kind are of a somewhat bumptious nature. If that kind of tourist gets some education abroad and finds out that there are other people in the world that are entitled to some consideration and respect as well as Americans, I don't think that will do any great harm. There is another kind of people that go abroad that have an appreciation of the amenities that are usually practiced, and if they do not find things to their liking abroad of course their remedy is to come home and stay here and spend their money here. But the main point that I wanted to emphasize is this: That one holding the office that is responsible for our foreign relations and one who wants to maintain friendly relations with all other nations, always regret that some of our people make assertions that are not always warranted by the facts, the main effect of which is to stir up animosities in foreign countries against us. When anything of that kind occurs I always hope that the people abroad will realize that it is a somewhat irresponsible utterance and doesn't really represent the feeling of this Government and probably doesn't represent the public opinion of this country. Now, it is a poor rule that doesn't work both ways, and when some irresponsible person abroad makes some statement that is likely to irritate us why I have to apply the rule here that I hope others will apply to us and realize that it is not an expression on the part of foreign governments, probably doesn't represent
7.

their convictions, probably isn't an accurate representation of the public opinion abroad. Our desire is to maintain friendly relations with all other countries and accord them the treatment that will secure us that result. It is necessary at this time to have our own people keep in mind that the people abroad are in a difficult situation. They have met tremendous losses as a result of the war. Their economic and business situation troubles them, but instead of our disregarding their condition and heaping criticism on them I think it ought to be the part of our people to view their difficulties with sympathy. Of course we have undertaken to do what we could to help and have been successful in that respect in a good many ways, but perhaps one of the most helpful things we can do is to make allowances for the conditions that foreign countries are in and not indulge in our part in any unwarranted criticism or any recriminations. We ought to be thankful that our own condition is as good as it is and manifest a desire to have other nations working towards good conditions. I think perhaps from that outline you will get the idea of just what I have in mind.