

Friday, December 16, 1927.

Report of the Newspaper Conference.

There has been so much already written about the flight of Colonel Lindbergh to Mexico City that it would require more invention than I have to add anything new or fresh to what has already been said. I suppose what the conference wants, though, is something that they can hang on the words of the President. It is quite evident that his flight there has had a very pleasing effect. It has evidently pleased the people of Mexico very much. The Government of Mexico has accorded him a most painstakingly cordial reception, and the President and the Mexican Congress have done everything they could to honor him. I have no doubt that his going there will increase the friendly relations between the people of Mexico and the people of the United States. I have no doubt that the Central American Republics would be very much pleased to have Colonel Lindbergh fly down there. I have no information whether he contemplates anything of that kind. I think I have seen it referred to in the press, but that is the only information I have about it. There is a further interest connected with that, which I referred to in my Message to the Congress, my desire to establish as soon as can be an air service between this country and the countries south of the Rio Grande. I think that Colonel Lindbergh's visit to some of those places would increase the already great interest in having something of that nature done.

Here is a question that recalls to me what I forgot the other day. I constantly have it brought to my attention, and I see statements in the press from time to time, indicating that I have undertaken to be engaged in one kind of employment or another after the termination of my office as President of the United States, and I was going to say that there is no founda-

tion for any suggestion of that kind. I shouldn't give it a thought myself, if it had not been brought to my attention through the press and otherwise. I am very glad to suggest to you, and you can suggest to the public if you wish to, that all reports of that kind are without any foundation and will be unless they are officially announced by me, which is likely to be a very considerable time in the future. It is a matter, quite naturally, that I haven't given any attention. I think some one asked me out at Rapid City. I said there that I usually had brought to me plenty of work to do and had no doubt that would continue. But while I remain in the office of President I do not expect to make any arrangement whatever for any future kind of employment. Here is a suggestion inquiring whether I might go to the Senate or the House in the future. I haven't any present intention of going back on that end of Pennsylvania Avenue. There are going to be vacancies in the city Government in Northampton. I do not know why the City Council of that town should be neglected in the press comments and reports.

I do not think the sentiment for peace in this country which is very strong, as it ought to be, and in which I most cordially share, will be unfavorable to the proposal to carry out the building program that is suggested in the bill which has been sent up. I judge from some newspaper comment that I have seen that the process by which bills of that kind are sent to the House and the Senate may not be fully understood. Under the Bureau of the Budget law any bill of that kind that is to be submitted that calls for an expenditure of money is first presented to the President through the Bureau of the Budget to inquire whether it would be in conflict with his financial program. This bill, of course, went through that regular process, and I replied that it was not in conflict with my financial program.

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Of course, I wouldn't want to state that I would positively approve or veto any bill that was on its passage through either house of Congress. The only thing I could say about any bill I think would be that I would take it and consider it when the bill reached me, and try to decide it on its merits. It is my opinion that the bill that has passed the House, reducing taxes \$289,000,000, carries the reduction further than is warranted by the prospective condition of the Treasury. Of course, nobody knows what is going to happen in the future in relation to the business of the country. It is quite improbable that during the year 1928 the country will experience a great business boom that will very greatly increase the taxable income of the country. It is possible, but not probable. It is possible that there might be a serious depression, due to some events that can not be foreseen, that would very greatly reduce the taxable income. I do not think that is probable. It is possible. The probable condition of the Treasury is that which has been indicated, a surplus of \$252,000,000, of which \$75,000,000, I think it is \$75,000,000, is nonrecurring. That means the surplus that is to accrue from taxable revenue is \$177,000,000. That does not support a tax reduction of \$289,000,000, and the surplus that I have indicated at \$252,000,000 is made without taking into account the probable increases in expenditures for flood control or some increase in the Navy, and, I think, the amount of money that will go out of the Treasury when the alien property is returned. There are other very considerable items. Of course, in doing a business of \$4,000,000,000 it isn't safe to whittle the margin to nothing. Those are some of the reasons why, as far as I can see now, the proposal to reduce taxes by \$289,000,000 is too much.

Question: Would you care to state what you think is a safe limit?

President: Yes. We have stated that in the tax bill - \$225,000,000.

That, I think, is safe, if it is reduced in the way that the tax bill provided for it to be reduced. If you take taxes off things that are certain and which you know you are going to get, and put them on a mess of uncertainties, then of course you ought not to make the reduction so large. That is what has been done by taking the tax off automobiles and leaving more of the taxes to be brought in in other ways. Of course, the bill will go to the Senate, where I know it will have very careful consideration, and I have every reason to suppose that it will be brought within the proper limits, then adopted by both houses.

There was another matter that I was going to mention to the conference, and that is the proposal to erect a memorial to Abraham Lincoln and his mother in the State of Indiana in the county where Lincoln lived for 14 years. I understand that that is the county where his mother died and is buried. The cost of the memorial is to be \$1,265,000 and there is so much interest in it in that State that already the people of that State have come forward with their quota of money that is to be raised. A memorial of that kind is a very proper enterprise, not only on account of its patriotic significance, but on what we should expect to be the artistic excellence. There is some memorial at that place to the mother of Abraham Lincoln. I have seen pictures of it, but it is not as large or as fine as the situation warrants. I am very much pleased to see that there is a very considerable number of citizens and former citizens of Indiana that have associated themselves together to carry out this very good work. It was presented to me by Mr. Richard Lieber and Senator Watson, the other day.