January 13, 1924.

Remarks by the President to the Newspaper Men.

Here is an inquiry about the lease of the Teapot Dome Naval oil reserve. That is under investigation, I think, by a Senatorial Committee, and of course no action is contemplated by any other arm of the Government so far as I know. It wouldn't be natural to take any action until the Committee had made their investigation, in order to find out whether anything develops that would appear to warrant any further investigation or action by any other part of the Government.

Also an inquiry about the present shipping problem. I don't know that we can say that it is disposed of. There are several bills pending in Congress. My own feeling about it is that the Chairman of the Committee in the Senate, Senator Jones, thinks that the present plan ought to have an opportunity to be thoroughly tried. There is a bill pending, or will be pending, I think, which is to be introduced by Mr. Edmonds on the part of the House, who is the second man on the Shipping Committee there. I think Senator Edge has a bill. I don't know whether there are any other bills or not. The shipping problem won't be disposed of until the Jones bill is thoroughly carried out, which finally contemplates a private ownership of the merchant marine. As I stated in my message, we can't carry that out under present conditions. The only thing I know of that can be done is to go along as we are going.

I have here two or three inquiries about the tax bill. It is perfectly evident that sentiment is in favor of tax reduction. It is not only of tremendous strength in the country, but is growing stronger all the time. My position was stated in my message to the Congress, and my position hasn't changed. I am in favor of the administration's bill. I don't mean by that, that I expect that any bill that is submitted will go through Congress without any change, or any amendment, especially a bill like the one pending. But I am for the bill as it stands at the present time. I think the support for the measure as it now is framed, is growing stronger and stronger in Congress. They are having more and more opportunity to study it, and I think they are coming more and more to see the wisdom of its provisions.

Here is an inquiry about the port of Tampico, that has been declared under blockade. From any information I have, I am not expecting any difficulty on that account.
An inquiry also about the passage of Mexican troops across American territory. It is my information that New Mexico and I think Arizona have given consent to their Governments to the passage of Mexican troops, but that the Acting Governor of Texas thought that such passage through Texas territory might incur some danger. Of course, the opinion of the Governor there would be respected, and unless the local authorities, I mean by that the Government, state authorities, want to give their consent, our Government would notify the Government of Mexico that it seemed expedient to have troops pass through Mexico. Whether that would be refused, or changed at all, when the Governor gets home, I don't know. It may be that the Acting Governor simply didn't want to take the responsibility of making an affirmative decision, and is awaiting the return of the Governor.

No final decision has been made about the extension of coastwise shipping laws to the Philippines. A good many difficulties are in the way. I should be exceedingly loath to take action in that respect that was very much opposed by the Philippine Government, or by the Filipino people. I recall that some of our own difficulties in colonial days resulted from the fact that our people were very much embarrassed by the restrictions that were put upon their shipping. While I am exceedingly anxious to build up the American Merchant Marine, I shouldn't want to do so in a way that would imperil the friendly feeling of the people of the Philippines for America. I don't think that would be profitable or helpful. We want our friendship, their commerce, and their cooperation, and in order to secure that, of course, we would have to take very largely into account their desire. If it is a wise thing to do, deliberation and discussion on their part will reveal that to them, and they would join in wishing to have it done. I am very loath to impose upon them something they don't want to have.

An inquiry as to whether there will be a representative of the farming interests to fill the vacancy on the Shipping Board. What I want is some one that will represent that region that is ordinarily known as the agricultural region, though it has very large industries besides agriculture. I am hopeful to find a man that would represent that region. It may be he would be a farmer, or he might be a transportation man or a business man of some kind, but it must be some one, if I can possibly find him that does really represent the great interior region of the United States.
3.

An inquiry about the visit of Mr. A. W. Harris of Chicago. I am not exactly certain, but I think that his house has a Boston branch, or rather that his headquarters is in Boston. I think he is of the firm of N. W. Harris and Co., though of that I am not quite sure. I am rather confirmed in that opinion, because an old friend of mine, who is connected with that firm in Boston, named Weeks, came in with him. I understood they were both to go to Boston. It was merely a personal call, Mr. Harris coming in to call on me and being presented by Robert Weeks. He lives in Brookline and is connected with the Harris firm in Boston.

Whether I believe that this is an opportune time for a renewal of the invitation to France to inaugurate negotiations for the refunding of France’s debt to the United States. I am not in touch with the details of that situation any more than you, and in fact any of the general public that may be following it. It is in the hands of the Debt Funding Commission, and I should want to consult them before giving any positive opinion about the present situation. I judge, though, that it has been their view that the present isn’t an opportune time, on account of the difficulties that our prevailing in Europe.

I have already referred to the Senate investigation of the naval oil lease.
I have already referred to the passage of Mexican troops, and the tax bill.

I hope to be able to send in some nominations of Judges by the first of next week. There is no present foundation for the suggestion that William Phillips may be appointed the American Ambassador to Italy. I don’t know of any such thing being in contemplation. Mr. Phillips is a very fine man. He is a good man to represent America anywhere. I think he was former Minister to the Netherlands. I should be sorry to lose him from his present position, which ranks, of course, next to a Cabinet position in the service of the present State Department.

Did anything happen at the Cabinet Meeting?

I was going to speak about that. We had considerable discussion about the difficulties that are arising in the northwest on account of the closing down of some banks up there, and we are making plans to see what we could possibly do to relieve that situation. The Federal Reserve Banks and the Federal Reserve Board are going to do what they can. I have been in conference with Comptroller Dawes about it, and the War Finance Corporation stands ready to be of any possible assistance. The situation is serious, though not desperately so. They have a great many banks in the northwest that are quite different from what we understand as a bank in the
east, and with very small capital. I was astonished to find they had one bank for about every eight hundred people, which puts a good deal of a burden on eight hundred people to support a bank, but whether they have been wise in having that number, I don't know, and I am very anxious to relieve them by furnishing additional credits. Mr. Dawes has been in communication with banks in Chicago and with the Twin Cities. Mr. Meyer also is working in the same direction. I think they have a plan by which they can finance the troubles up there and get the matter straightened out as speedily as possible. I haven't any figures on the matter. There is a large bank in Sioux Falls, I think the Sioux Falls Savings Bank, that is the correspondent of quite a lot of other banks around there, and has their deposits and keeps for them their legal reserve. It is to relieve that situation and take care of the needs of those banks that had deposits there that Mr. Dawes and Mr. Meyer are especially solicitous.