

December 15, 1923.

Remarks by the President to Newspaper Men

Here is an inquiry about the loan to Germany. That isn't anything that is pending before our Government, nor anything in which our Government can take any action. As I understand it, it is a negotiation that is pending between the German Government and either the allied Governments or the Reparations Commission, I am not quite certain which, in order to get the necessary consent to the making of such a loan in such a manner as would make it possible to negotiate. The loan is going to be made to Germany under the treaty to which we are not a party and has to be done after consent is given by the Reparations Commission. Otherwise, it would be on top of the reparations, and a loan of that kind would probably find very few takers. So this is an effort on the part of the German Government, for their immediate pressing necessities to get a loan in order to get something to eat. That would be under the reparations, as I understand it. I have no definite information about it.

Mr. President, have you heard what the amount of the loan is? Is it \$70,000,000?

I think I have heard \$70,000,000 mentioned.

Would it be anticipating too much to inquire whether, in the event of an agreement for a loan through the Reparations Commission to the German Government, what the attitude of this Government would be?

Well, you mean toward making a part of that loan in this country?

Yes.

I am quite sure that our Government would be perfectly willing that our bankers should participate in it if they so desired. It wouldn't be for us to ask them to. If they desired to participate in it, I am sure our Government would look on it with favor.

Would they wish, Mr. President, to put this loan ahead of claims?

I don't think so. But about that I am not absolutely certain. I don't think so. There is nothing, so far as I know that would prevent Germany from borrowing money anywhere in any treaty that exists between the United States Government and the German Government.

There isn't any action that is ready in relation to the prisoners - sometimes called political prisoners. That is still under investigation.

Here is an inquiry relative to a proposal made by Chairman Dempsey of the River and Harbors Committee to create a so-called Budget Committee. Generally speaking, I wouldn't care to comment on proposals of that kind, that is, relative to the transaction of the business of the House. It is their business, and they know how they want to do it, and any method that they might adopt in the way of appointment of Committees, I feel quite certain would be entirely satisfactory to me. I don't know of any reason why I should propose changes in their rules or procedure, and no reason why I should be advocating it. It is simply a matter of something that I would be entirely satisfied with any action the House might wish to take. I haven't any information about this. I don't know of any reason, though there may be very important reasons, for superseding the present Appropriations Committee of the House.

Here is another inquiry of somewhat like nature. Relative to what procedure the House had better take in the matter of taxation and bonus legislation. Of course, that is for them to determine. I don't know what would be best for them to do. I am very anxious, of course, that there should be legislation relative to taxation. Generally speaking, I should favor any plan that would appear to promote that end.

Here is another inquiry about the search for capital belonging to Germany, the German Government I suppose, or German citizens, that is located outside of Germany, and asking whether our Government would take any part in searching for it. Of course our Government would not take any part. It is a matter that doesn't concern the United States Government in any way at the present time.

Mr. President, would the United States Government permit such an examination in this country?

The United States Government has no power that I know. The only German property we have is that in the hands of the Alien Property Custodian. Our Government has no jurisdiction over any other property that is here.

Some other inquiries here about the Committee for the economic rehabilitation of Germany. There isn't anything that can be said about that until action is taken by the Reparations Commission. The exchange of notes and correspondence, and the decision of the United States, have all been published. I think those re-

veal that the only thing to do at the present time is to await the action of the reparations commission.

Here is an inquiry about Mr. Grundy of Bristol, Pa. He came in to pay his respects to the office, as I understood it.

And also an inquiry about General Butler, and whether the administration has indicated to him any ideas on law enforcement. I have never seen General Butler that I know of. I have very likely met him at some time or other. I don't think I have seen him at all since the suggestion was made that he be released, in order that he might go up to Philadelphia. I have talked with Senator Pepper and others that came in her. Their representations were public and known. They were that ~~he~~ as a Pennsylvanian he seemed peculiarly available for the discharge of a Pennsylvania duty. We dislike very much to cut down our Marine force, and the Secretary of the Navy was rather opposed to doing that, but upon the recommendations that came to me from the Mayor-elect and Senator Pepper, who is practically a resident of Philadelphia, and the Governor of Pennsylvania, that this man would be very acceptable to them, with the training and ability he has, that seemed to make him a desirable occupant of the office, he has been granted leave of absence.

An inquiry about the nominations made for the Shipping Board. Those were nominations made of men who were already in office, and who had been confirmed by the Senate at previous times, with the exception of Mr. Farley, and Mr. Farley, as you know, was a recess appointment made by my predecessor in office. So that all those names went in together. I haven't any files here of the last administration, so I do not know what recommendations were made about any of these men.

An inquiry about a conference with Mortimer L. Ship. He came in to pay his respects. I inquired of him as to whether it would be possible to better the railroad condition by consolidations. His opinion about that was that some consolidations might be helpful - that his experience had rather demonstrated to him that it was dangerous to undertake to administer business in too large units, and that the administration in cases of that kind was in danger of breaking down. There is about so much that one man can carry, and when a business became so large that it went beyond that, such an enlargement was of doubtful expediency. Such consolidations that would come within that rule, he thought might be helpful.

I think that covers every~~ing~~ thing except ~~one~~ or two inquiries about my message, and on that I don't think I need to comment, as I indicated the other day.

Anything in the cabinet, Mr. President?

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No, the cabinet had a very short meeting this morning, which I said, in the presence of the Cabinet, indicated there wasn't anything so troublesome that it needed to be discussed.