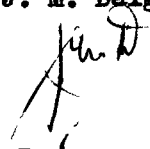


August 15, 1936

To Mr. Eccles

From J. M. Daiger



In response to inquiries from Mr. Leon Henderson, I have given to him, verbally, suggestions for dealing with the following matters:

1. The apparent lag of business recovery in the United States in comparison with other countries. Mr. Henderson says that a good deal of political capital is being made of the fact that the United States stands fifteenth in respect of recovery from the low point of the depression.
2. The argument that the reelection of President Roosevelt will mean early and ruinous inflation. Mr. Henderson says that much use is being made of the recent articles on inflation by Willis and Kemmerer. The Chicago Tribune, in its front page editorials, has exploited effectively in Illinois and Iowa the views of Willis, Kemmerer, and other like-minded economists.
3. The proposal of Colonel Knox that employees "share the wealth" of industry through participation in the equity ownership. This proposal was advanced by Colonel Knox in a campaign speech that he delivered this week.

In addition to suggesting to Mr. Henderson the lines of approach that I thought might be most effective in dealing with these matters, I have given him references to source material for use in the preparation of campaign speeches and printed matter.