



211 CONGRESS STREET  
BOSTON, MASS.

Mariner S. Eccles  
Washington D.C.

Boston Mass. 1/30/39

My Dear Sir,

I listened to your RADIO ADDRESS last week in answer to Senator Byrd and your remarks were correct. Your statement that we must get the National Income up where it belongs before we begin to economise is the only sound thing to do.

The President as well as yourself believes we should have an 80 billion income and is working toward that end which I think is an easy thing to accomplish.

I feel we are making a hard job out of a simple one, I have followed your remarks for several years also those of Harry Hopkins, Jesse Jones as well as our Presidents and from statements which have been made by each and all of you I am sure this group possess all that is necessary to formulate a Program that would give us a National Income of Eighty Billion for 1939, a Hundred Billion for 1940 and One Hundred and Twenty Billion by 1942.

If I could have an interview with you I would gladly come to Washington and point out to any one or all of you that in your minds rests the solution of the above accomplishment.

This must be done if we are going to save our Democracy.

The solution is to sell the entire output of all American Labor. It can be done .

My service to the Administration can be had if requested.

I am very sincerely yours

John W. Clapp

211 Congress St.  
Boston Mass.

- the forms with the Punch!

211 CONGRESS STREET  
BOSTON, MASS.

February 7, 1939

Mr. John W. Clapp  
The Standard Register Company  
211 Congress Street  
Boston, Massachusetts

Dear Mr. Clapp:

Mr. Eccles has asked me to acknowledge and thank you for yours of January 30 in which you compliment him for his recent radio address.

It is noted that you believe that a program could be formulated to give the country a national income of \$80 billion for the current year, \$100 billion by 1940 and \$120 billion by 1942. I have not heard anyone close to the Administration predict any such a rapid rise in the national income, most of the predictions for 1939 running in the neighborhood of \$70 billion. One of the serious problems in connection with a rapid rise is balance. Thus in 1936 with a rapid increase, numerous bottlenecks appeared and the even flow of the exchange of goods and services was restricted. These bottlenecks cannot be adequately and promptly met by any single government agency and some of them require action by both business and labor. I think most people in the financial agencies of the government would be gratified if the national income could rise as much as \$10 billion a year for the next two or three years. It would probably be difficult to maintain a good balance even with that rate of increase.

Yours sincerely,

Lawrence Clayton  
Assistant to the Chairman

Chairman's Office

LC/fg

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Board of Governors  
of the  
Federal Reserve System