

Boston 2/16/35
New York (Harvard) 2/19/35

OUTLINE OF SPEECH

- I. Introductory remarks
- II. Reference to Columbus Speech stressing need of compensatory action if capitalism is to be saved.
- III. Capitalism can only be defended and saved if it produces results. It is on trial.
- IV. How can recovery be achieved?
 - A. Laissez faire arguments - answered.
 - 1. Need of more liquidation.
 - 2. Reduce wages.
 - 3. No legislation inimical to profits and no interference with business.
 - 4. Business will revive if left alone.
 - a. It has in the past.
 - b. Need for replacement and repairs finally bring recovery.
 - 5. Example of England.
 - B. My own diagnosis of how spending is held up.
 - 1. Not lack of confidence but in industry--the existence of unutilized capacity, and in building--the gape between rents and costs.
 - 2. Dispose of gold standard and unbalanced budget arguments.
 - C. Pump priming theory--dispose of fear of inflation.
- V. How can prosperity, once achieved, be maintained?

(Three point program--concentration upon taxation.)
- VI. Summary and conclusion.