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542 Fifth Avenue,
New York, May 14/38

Dear Mr. Eccles.

Your address before the New Jersey Bankers Association interested me greatly, as it presented such a strange mixture of orthodox and New Deal economic theories. If you will do me the favor of reading the enclosed editorial from the New York Times for April 18th., entitled "The Theory Behind Spending", which they prove to be a Marxist theory, you will understand better what I mean.

You advocate the reduction of wages during a depression, which is orthodox economic theory, while you recommend spending our way out of the depression, which has been adopted by the Communists as their official doctrine, as you will see by the enclosed article.

One remarkable thing about this country is that as soon as a man is elected or appointed to public office, he immediately assumes that he knows all about economics, whether he has had any education in this subject or not. In other countries they leave such questions to experts. In Australia for instance, they came out of their depression by taking the advice of their ablest economists.

Unless we do the same in this country very soon, we are going to see far worse times than we have now. The country must return to orthodox economic doctrines and discard the radical economists who are now advising the Government, for it cannot exist on a half capitalist and half Marxist economic system, as they are irreconcilable.

Very truly yours,

Howard W. Starr

May 18, 1938.

Mr. Howard W. Starr,
542 Fifth Avenue,
New York City.

My dear Mr. Starr:

Chairman Eccles requested me to acknowledge your letter of May 14th and to enclose a copy of the full text of his recent address before the New Jersey Bankers Association, from which you can draw your own conclusions.

Very truly yours,

Elliott Thurston,
Special Assistant
to the Chairman.

enclosure

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