

November 28, 1944.

Mr. Louis S. Cates,
Phelps Dodge Corporation,
40 Wall Street,
New York City.

Dear Lou:

Enclosed is a copy of the talk I gave before your Conference Board at the dinner in New York on the sixteenth. I hope you may have a chance to look it over, and I would particularly appreciate any comments you might have, if you could drop me a note as to your own candid criticisms.

I am sorry it was not possible to have lunch with you today, but I hope that the next time you are in town we can get together over the luncheon table.

Sincerely yours,

Enclosure

ET:b
LM

LOUIS S. CATES
40 WALL STREET
NEW YORK

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December 5, 1944.

Mr. M. S. Eccles, Chairman,
Federal Reserve Bank,
Washington, D. C.

Dear Marriner :

This will acknowledge receipt of your letter of November 28th and I read your speech with a great deal of interest. I can subscribe to most of it but I'll be damned if I can see how you Economists can figure on a national income of a hundred and sixty or seventy million dollars. For that reason, while I approve of your logic, I can't help but feel that nobody has told me just how any such national income is going to be created. But, of course, that is to be expected because in the last analysis, I am nothing but a mud digger.

Kind regards,

Most sincerely,

Loeb

*Send him
his essay
- not printed -*

December 8, 1944.

Mr. Louis S. Cates,
40 Wall Street,
New York 5, New York.

Dear Lou:

It occurred to me, in connection with your note of December 5, that you might be interested in seeing the enclosed copy of an article by Dr. Goldenweiser, from which you will note that the figure of \$160 or \$170 billions is not national income, but national product. The economists define gross national product as the market value of total output of goods and services in the country. If you want to pursue this further, you might be interested in taking note also of the enclosed copy of a confidential memorandum* discussing postwar national income at full employment. These documents will at least give you an idea of how the economists arrive at these figures.

I am gratified, in any case, to know that you approve of my logic, even though you are merely a humble, self-styled mud digger.

With best regards,

Sincerely yours,

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* Article by Mr. Hagen in Current Comments of 12/6/44.

ET:b