

FIELD MEETING OUTLINE

**Monday, April 21, 1958
Americus Hotel, Allentown, Pa.**

INTRODUCTION. In office seven weeks: they have been busy and exciting.

1. Byrd Questionnaire.

THE GENERAL NATURE OF OUR ECONOMIC SYSTEM

I. Discuss briefly the core of our system - without too many qualifications.

II. A market economy of purchase and sale.

A. A purchase is like a vote for use of resources.

B. We spend in various capacities.

1. Individuals/family groups.
2. Voluntary associations.

a. Corporations.

Business spending for plant, equip-
ment, inventories.

b. Other.

3. Collectively through Government.

- a. Federal.
- b. State and local.

C. Our dual desires.

1. That total votes are just adequate to use our resources
at constant price level.

a. Too many votes won't create goods - leads merely
to higher prices.

b. Too few votes means unused resources.

2. Maximum freedom in voting.

- a. A profit and loss economy.
- b. Transfer of resources from loss to profit companies.

3. Tendencies to inflation and unemployment.

III. Public policy to mitigate fluctuations.

A. Fiscal policy.

1. Expenditures.

Why not speed these up when we want less as individual consumers -

And slow up when we want more as individuals?

2. Receipts.

Why not let public keep more of its income in depression -

And take more from public in inflation?

3. Automatic stabilizers.

B. Debt Management.

1. A flexible policy.

2. How decisions are made:

a. Federal Open Market Committee.

b. Federal Reserve Bank of Philadelphia Directors.