

## Letter: Point by Point

June 23

Chuck McEwen, Bonita Springs

Point by point

Russ Duggan, commenting on my June 9 letter, made assertions I wish to challenge.

His first: Business leaders cite "lack of demand and underutilized capacity" as the primary reason they are hoarding cash. (He cites no authoritative source.)

The American Express Annual Survey of Chief Financial Officers found that well over two-thirds of the respondents stated their primary reason for hoarding cash was "the uncertainty if not downright fear" that the policies of the current administration, which are leading the country into very dangerous waters, may continue for another four years.

That the findings of the American Express survey accurately depict the beliefs and intentions of business leaders has been affirmed by countless articles, studies, interviews by the Heritage Foundation, the Cato Institute, Wall Street Journal.

His second: We are going nowhere unless we have "additional demand creation" (a call for more government directed spending of borrowed money).

The American Express survey addressed this specific point. It asked, even if a new administration were to enact programs favorable to business on taxes, trade, energy, wouldn't it make sense to hold on to your cash until demand increased for your products and/or services?

The answer they gave, no. The reason: with an administration intent on encouraging the private sector, it becomes much safer to draw down our cash reserves — and we would — by investing in research and development, software, information technology, all the things that will enhance operating efficiency and make our products and services more competitive in the marketplace.

This kind of spending — private funds directed by the superior business acumen of the private sector — generates economic activity, creates good jobs, helps to spur the upward spiral of a recovering economy.

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