

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

## Office Correspondence

Date September 18, 1939To Chairman EcclesSubject: Harold M. GrovesFrom Emile Despres

In response to your inquiry, transmitted through Mr. Currie, I have looked at three articles on taxation by Harold M. Groves which appeared in the New Republic. Examination of these articles suggests that

(1) Groves is an experienced and competent taxation specialist; and

(2) Groves strongly favors the development of a truly progressive tax structure.

On the other hand, Groves, like most public finance specialists, shows no awareness of the monetary effects of taxation and of the influence of different types of taxes upon the flow of income.

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