

PROFESSOR IRVING FISHER
Box 1825
NEW HAVEN 8, CONNECTICUT

March 25, 1944

Mr. Marriner S. Eccles
Chairman, Board of Governors
of the Federal Reserve System
Washington, D.C.

My dear Mr. Eccles:

I was delighted to see the report in the papers of your warning regarding inflationary pressure in your testimony before the "Senate Banking Committee".

I should be glad to have a copy of your remarks.

Hitherto I have been almost a voice crying in the wilderness pointing out exactly what you pointed out. However, I am not as optimistic as you seemed to be about the ^{present} ~~desirability~~ or ^{even the} ~~seeming~~ desirability of continuing individual price control ^{after the} ~~war~~. Perhaps this is because I think I see at least the possibility of relieving, with a certainty of at least reducing, the inflationary pressure by means of tax reform and compulsory investment of savings in government bonds.

Two days ago I spoke on the subject before the Tax Institute of the New York, New Jersey and Connecticut Bar Association.

If we could substitute a spendings tax (which I "sold" to the Treasury although they insisted on recommending it in addition to instead of in substitution for the existing income taxes) we could enormously increase the savings of the country.

My book CONSTRUCTIVE INCOME TAXATION goes into the argument.

I enclose a short statement published in the New York Times and an editorial about it in the Syracuse Post Standard.

IF:M

Sincerely, *Irving Fisher*

March 30, 1944.

Professor Irving Fisher,
Box 1825,
New Haven 8, Connecticut.

Dear Professor Fisher:

In accordance with the request in your letter of March 25, I take pleasure in enclosing a copy of the statement I made before the Banking and Currency Committee of the Senate in regard to the extension of the OPA. Copies of the question and answer transcript are not yet available.

I note that you spoke the other day before the Tax Institute, and I was one of their speakers at a recent meeting in New York. It occurred to me you might be interested in seeing a copy of my talk at that time. I am, therefore, enclosing a copy of it.

Let me thank you for your letter and for the enclosed reprint of your letter to the New York Times and the Syracuse Post Standard.

Sincerely yours,

M. S. Eccles,
Chairman.

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