

C. W. HAZELETT

FIFTY-ONE EAST FORTY-SECOND STREET

NEW YORK

November 20, 1939.

Honorable Marriner S. Eccles,
Federal Reserve Bank,
Washington, D.C.

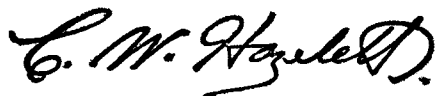
My dear Mr. Eccles:-

I do not know whether you took the time to read the pamphlet which I gave you on "Incentive Taxation". It offers, in what I believe is a much more popular way, a method of achieving what you propose. It tends to compel private spending of substantial amounts of money, instead of the Government taking the same and spending it.

As I see it, when the individual spends his money, he gets something he wants and puts men to work at the same time. But it is too difficult to sell him the idea of letting the Government spend the money for him.

I was much pleased to see your emphasis on taxing corporate surpluses if not used. I am sure this is a vital step in the right direction.

Yours sincerely,



November 21, 1939.

Mr. C. W. Hazelett,
51 East 42d Street,
New York City.

Dear Mr. Hazelett:

AS Chairman Eccles is temporarily absent in the West on a belated brief vacation, I wish to acknowledge receipt of your letter of November 20.

The Chairman was, I know, interested in your approach and your suggestions in regard to what you call incentive taxation. It seems to me that it is directed to the same objective he has in mind.

Sincerely yours,

Elliott Thurston,
Special Assistant
to the Chairman.

ET:b