

Congress of the United States
House of Representatives

Washington, D. C.

August 1, 1950

Hon. Amon G. Carter, President
FORT WORTH STAR-TELEGRAM
Fort Worth, Texas

Dear Mr. Carter:

Let me thank you for your kind letter of the 27th and your thoughtfulness in sending me a copy of your wire to President Truman. I share your concern that the President will tend to impose too little rather than too much in the way of economic controls.

It seems to me that the greatest threat to the continuation of the free enterprise system lies in the possibility that we may subject our economy to so much inflation that we will destroy the value of our money, our bonds, our insurance policies, and other intangibles.

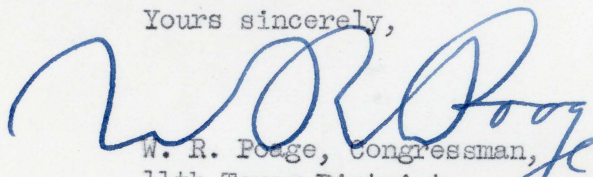
I cannot believe that it is possible to control prices without at the same time controlling wages. Frankly, I fear that the President will be reluctant to impose wage controls, but without them, it seems hopeless to try to control prices.

Likewise, there is a natural reluctance to advocate the imposition of new and burdensome taxes, but I find myself in full agreement with the views expressed by one of the outstanding Bankers of our State who recently visited me and pointed out that it was much better for our people to have their entire income absorbed in taxes for a few years than to have their capital investment taken away.

Inflation can destroy our capital. A war fought on credit would probably result in that kind of inflation. A war paid for by current taxation would leave our capital and our economy in being.

I appreciate your willingness and the willingness of other great business leaders to make momentary sacrifices in order to preserve our economic stability. Thanking you, and with best wishes, I am

Yours sincerely,


W. R. Poage, Congressman,
11th Texas District

WRP:h

