

THE NASSAU CLUB
PRINCETON, N. J.

Mr. Henry Hazlitt,
c/o Newsweek Magazine,
New York City.

21 July, 1955

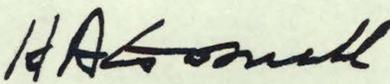
Dear Mr. Hazlitt:

I try not to miss any of your stuff but I have never seen anything on the following subject, one on which the average reader is, I feel, entirely uneducated. If you have never covered it, I wish you would undertake to do so ~~at~~ on some occasion, if you consider it proper to do so.

I refer to the fact that any government bond (issued by a government which has no earned revenue) is essentially a complete fraud in that its interest and its principal is simply paid by the taxpayers --- maybe the same ones who hold the bonds. The result: ~~everyone~~ is kidding ^{again} himself and, instead of receiving anything from the govt, actually pays more than he gets back, thanks to handling-costs, etc. In true fact, the people therefore would be much better off if their money were simply siezed to begin with. There is also the added angle that the banks take one's savings and "invest" it in govt bonds, without the desire or will of the depositor. All of the foregoing is old stuff to you but I simply lists the points because I know few others are aware of them. Maybe you have "laid off" discussion of such matters as being "out of order," in the way of public policy (?)

Here is one touch: I wonder if it has occurred to you that there is the following way, and the only way, to eliminate the debt, if it ever is to be eliminated --- well, it won't be. Here it is: in some way, see to it that everyone owns (all) govt bonds in exact proportion to his liability to pay taxes. (A cinch!) Then after this is done, the entire national ~~debt~~ can be cancelled without anyone losing a dime! In fact ~~everyone~~ everyone will be relieved of the above-mentioned handling charges. Fat chance of anything along these lines ever being even considered. The average boob would be so sure he was being robbed, there would be a riot. The dope in this and the preceding paragraph, however, of course go together. In any case, it is a great bunch we have in Washington and I trust you ~~x~~ will continue to "pour it on" to them in the furture as in the past.

Yours very truly,


H. ALLEN GOSNELL

Mr Henry Aaly Litt

c/o Newark

Broadway + 42d St

Ny City 36

