

Venturella, Joseph (SAM)

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November 18, 1974

Hon. Henry M. Jackson
United State Senator
Washington, D. C. 20510

Dear Senator:

Dear Senators and Congressmen: Thank you for your reply to my letter to President Ford . It is encouraging to hear from so many of both House of Congress and both sides of the Isle, and Unanimous response. Since my answer and explanation are the same, I addressed my letter to Senator Jackson who sent his letter to The President and the Agenda. Sincerely, Joseph Venturella *Joseph Venturella*

Thank you for your reply to my letter addressed to President Ford, and sending me yours with the Agenda of which I made a few copies to pass on to my friends. It is encouraging to hear from you as the Chairman of the Interior Committee, from Senator Muskie, who as Chairman of the new Senate Budget Committee, will continue to be attentive to every future opportunity to economize in the federal budget, from Senator Buckley and Thurmond and many more. I read both your letter and the Agenda with care, I found nothing to disagree within your proposal.

To this day, I have not received any reply from the White House. During former President Nixon's Administration I used to receive a reply in about six weeks, either from the Treasury Department, Office of Tax Analysis or from the Council of Economic Advisers. Until I receive a reply from the White House I have no way of telling whether the President or anyone in the White House has had time to read my letter and other material I sent him.

Whether the President is willing to listen to any of us or prefers to follow his favored plan matters little. It is more important at this time that we acquire a thorough knowledge of the natural law, of the economic principles governing the economic structure, to secure economic stability which will be valid and permanent. Since those who are losing their jobs cannot wait until such a study is completed, we must lay aside our own self interest and put our trust in those dedicated men who have devoted their lives to study economics, and with sincerity have given time and money to make this world a better place in which to live. I am including here the comments from a few top Economists reported in the Chicago - Sun-Times, September 6, 1974:

- (1) Thomas Moore, Hoover Institute, Standford University: End some of the government regulations that make prices artificially high, often by prohibiting price competition. He cited government fixed freight and passenger rates, quotas on dairy import and the informal agreement that limits how much low-cost foreign steel can be imported.
- (2) Carl Madden, U. S. Chamber of Commerce: Institute nationwide "career education" to prepare the young for real jobs. Reduce government's costly paperwork demands on business.

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- (3) Arthut M. Okum, Brookings Institute: . Fight inflation by cutting taxes that add to the cost of goods in the market-place. He cited excise taxes, such as that imposed on telephone service, and also mentioned payroll taxes, such as Social Security, which is passed along to consumers.
- (4) George P. Shultz, former Treasury Secretary: As he did so long in the Nixon administration, he stressed economy in government. "The word has to be discipline, discipline, discipline," Shultz said because "the Budget is always verging on getting out of control and anything you add this year you add forever."

My own contention at this time, as I tried to emphasize in my letter to the President, is to empower a committee of economists, let them draw a policy along the line of encouragement of Land Value Taxation and Free-Trade, and follow through until a thorough study on Land Value Taxation and Free-Trade is completed. The knowledge of this goal will build morality in the industries and labor forces.

Since men without jobs cannot wait until the study is completed, for a quick remedy to arrest inflation, and keep the economy moving at normal pace, the Executive Branch in the White House and the Congress can do two or three things as a top priority and emergency: I am forced to repeat, with a slight change, the number 7 paragraph on page two of my letter to the President of October 8, 1974.

- (1) For quick remedy, as a shot in the arm to the economy, to arrest inflation and prevent a major recession, the President and the United States Congress could ass an emergency law as top priority: Eliminate all federal excise taxes and tariffs on motor fuel and automotive accessories, advise state and local governments to do likewise. This would reduce the costs of transportation for freight, passenger and pleasure cars. The reduction of the cost of transportation should be passed on to reduce the cost of consumer goods and food products. The oil tax can be placed on oil land according to the estimated potential capacity, to encourage the oil industry to drill more wells to supply the demand.
- (2) With the countries who think they have an ace in a hole, and charge exorbitant price for their oil, we will find a way to cope with the oil price at a reasonable figure. Once the economists have drawn a policy and let the American people know our goal, the American people will be glad to fight a non-shooting war and win. This will build morality and restore confidence in government.

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Just talk about Land Value Taxation and Free-Trade among members of the White House and Congressmen, will help to prevent land speculators from keeping land idle, and will bring more productive land into the market at reasonable rentals or selling prices. It will encourage state, local legislators and concerned citizens to make similar study, and find out for themselves the role each of us has to play. This will help to create harmony among employers and employees, and more friendly negotiations on wage disputes without the risk of strikes.

In regard to the surcharge tax, we ought to remember that it was the spark that started the spiral inflation in 1968 when President Lyndon B. Johnson announced that the Federal Government needed the surcharge tax to avoid another deficit. The 2½ cents a gallon of gasoline tax increase in the State of Illinois which caused the truck drivers' strike increased freight rates also contributed to inflation. You may read my explanation on pages 12-13 in Tax Reform With Justice, a book I wrote which I am sending you in a separate cover.

I am happy to inform you that through my letters to Federal, State, and local Legislators, and local newspaper articles, I induced two State Representative friends: John G. Fary, Democrat, and Walter "Babe" McAvoy, Republican, to introduce a bill in the General Assembly of Illinois, calling for lower taxes on buildings and improvements and higher taxes on land values according to location and productivity whether the land is in use or not and regardless of who holds the title. No additional tax would be levied for remodeling or improvements, even if the owner tears down the old building and builds new one on its place.

Many of us hope that you will find time to make further study of this subject. It will be highly appreciated by many of us, and will worth the time you spend, in helping to shape the future of our Nation and promote a world lasting peace with abundance for all.

With my best wishes, I remain,

Sincerely,

Joseph Venturella

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