

## UNITED STATES SENATE

February 9, 1938

James Roosevelt, Secretary to  
President Franklin D. Roosevelt,  
The White House.

Dear Mr. Roosevelt:

Not because it presents a new problem or thought, but because it so well depicts an old problem and cause, I am enclosing, herewith, the letter of Mrs. F. S. Schumacher describing the plight of a certain class of people who have all been completely ignored by the relief set-up of recent years. Please read her letter.

After you have read it, I wonder if you might be in position to advise me concerning any consideration which might be passed on to her which might lend a bit of encouragement? The plight of these small business people through these years is desperate to say the least. I shall deeply appreciate hearing from you in this connection.

Sincerely yours,

(signed) Gerald P. Nye.

Zeeland, N. Dak. Feb. 4, 1938

Senator Gerald Nye.

Dear Senator Nye:

Desperation is driving me to this, and I'm sure you get many letters like this, but where should we turn?

My case is like many other poor merchants, and no matter which way we turn, there's no provision or help for us, because we once had a store. When the failures came, we helped, these so called poor farmers, in hopes they pay us back the next year, but year after year, "and now, the laws against us", now what. There is more money in N. Dak. right now than ever, but its gotten with no work and thus it is spent, for pleasure and cars, and we are just a thing of the past.

We are just down and out, right now, waiting for better times, and pay is out. We are the people who suffer, us old hard workers and tax payers, for years.

I'd like to know how it is that there was provision made for everyone but the small town merchant. The farmer gets large allotment, resettlement, direct relief. How can we live because each one of these honest fellows, who owes us, has his fine car and drive to larger towns to spend their cash. We are losers, at the same time these people were, why not, provide for us.

I have a boy who was gone all last summer till Dec. He worked like a slave, but just made a bare living. Why? Because out west, or anywhere, they ask why don't your state give you help? They have plenty of their own in the other states.

Then I have a young man, well educated, quiet and and honest, who used to be our postmaster, but with the dirty politics and rich guys, who have pull, he was shamefully thrown out for an old woman who doesn't need it.

He absolutely can't get a job anywhere, and tell me, can I throw these boys out like dogs. I have only asked for work untill its warm,so they can get out and tramp around like so many have to do.

They say, well they have a store. Yes we haven't a thing in it, and if they'd think that we could live on the thirty-five thousand they own us. We wouldn't have to be peddlers.

So why, do see unto it, if the farmers lost everything in these hard times and get help, why not us? There are many farmers with bank accounts, and have never helped anyone, still they get cash money from the government. My husband has worked like a slave all his life, and getting

old, then who wants him and where should he turn. We've paid taxes and lived here all our life, now the state lets us down, where we can't see our way from one day to the next.

Please hear me, but don't tell me to go to our welfare board, or any kind of home folks right here in our town, the head of all, are a couple fellows, who by the slightest hook, should be behind bars, and at headquarters its a bunch who stick together and gives only the loafers and good for nothings. Believe me I know this country very well. Try and do something. All I want is work for these two boys, then we will try and get along.

Its such a big item to me that the President has provided for nearly everything, and so many places, where it is unnecessary, but just no help for us poor merchants. We are entitled to allotment, the same as the next fellow. We lost more and no help.

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This/just pouring out my soul. Hope you do not just ignore it. Tanking you. Sincere a broken mother.

Mrs. F. S. Schumacher.

THE WHITE HOUSE  
WASHINGTON

February 26, 1938

Memorandum For:     Honorable M. S. Eccles  
                          Federal Reserve System

Dear Mr. Chairman:

Mr. Roosevelt asked that I send you the enclosed correspondence for your consideration. He would appreciate some word from you that he, in turn, may send to the Senator.

Very sincerely,



M. A. Durand  
Secretary to Mr. Roosevelt

March 8, 1938.

My dear Mr. Roosevelt:

I am returning herewith Senator Nye's letter to you of February 9th and the enclosed handwritten letter from one of his constituents, together with a suggested reply to the Senator.

This appears to be a typical case of a small country merchant who is the victim of changing economic conditions, and for whom nothing can be done directly, since to extend Government credit to keep such a store running could not be justified. The writer of the letter to Senator Nye is a woman who declines to apply for or accept relief, and who complains bitterly that farmers and others have been helped by the Government program, that these recipients of help are unworthy, but that nothing has been done to help poor but worthy merchants. Of course the Government's program of aid to farmers, of relief, and other expenditures has indirectly been of inestimable help to merchants who have any basis for sound business.

This seems to be a case of a business that is not sound and is doomed, but there is no use in saying so to this woman.

Sincerely yours,

M. S. Eccles,  
Chairman.

Honorable James Roosevelt,  
Secretary to the President,  
The White House.

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My dear Senator Nye:

Your letter of February 9th, enclosing one from Mrs. F. S. Schumacher, presents a most distressing case, which can only appeal deeply to your sympathies as it does to mine.

I wish I could suggest to you some immediate solution to her problem, but I am at a loss, as I gather you are, to know precisely how the Government might be of direct assistance, inasmuch as the only provision that could be made either by State or Federal authorities would be through welfare or relief, to which she is unwilling to turn.

As you know, the Government's agricultural, public works, and other programs of rehabilitation have been of inestimable indirect help to small merchants and business throughout the country, but no provision has been made for direct advances of cash or credit to distressed merchants whose businesses are such that they cannot prosper when there is a general economic revival.

In this instance, as in others of a similar nature, the best hope that can be held out is that as general economic conditions improve, their business will once more flourish. The Government's function, as you know, is to do all that it can to foster this kind of broad restoration.

If you have any suggestions as to some sound method for assisting in cases of this sort, I would appreciate hearing from you.

Sincerely yours,



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