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UNITED STATES SENATE  
Special Committee to Study Problems of  
American Small Business

August 24, 1942

Honorable Franklin D. Roosevelt  
The White House,  
Washington, D. C.

My dear Mr. President:

This is a matter which, in spite of the tremendous burdens you are now bearing, I conscientiously believe should have your earnest consideration.

Our Senate Small Business Committee is receiving an ever increasing amount of complaint from small business men throughout the country who have mortgages and other forms of indebtedness falling due this year and are being pressed for settlement in full.

For the most part, these obligations appear to be held by local institutions and especially banks. You can well understand how these demands present almost an impossible situation for most small businesses. Yet, from the complaints received, there is evidence of a growing panic on the part of financial institutions, who, undoubtedly, in normal times, would renew these obligations without very much difficulty.

It is my fear that this condition may grow to tremendous proportions with disastrous possibilities for the country as a whole, to say nothing of its effect upon hundreds of thousands of small business enterprises.

I feel sure that you would want the situation brought to your attention. I am taking this means of doing so now. I have recently addressed a communication to Jesse Jones, with reference to the same matter, but have, as yet, had no reply from him on it.

Very sincerely yours,

(Signed) JAMES E. MURRAY

Chairman.

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THE WHITE HOUSE

WASHINGTON

August 31, 1942.

Dear Jim:

I am glad that you have called my attention to the hardships that may be suffered by many small businesses as a result of the war effort. The problem is one that has concerned me for some time, and I wish very much that a solution might be found.

I notice that Senator Pepper has introduced a bill creating a corporation for the relief of such small businesses. It would be helpful to me to know what you and your committee think of this bill, and what, if any, changes in it might be needed to make it workable and successful.

In the meantime I am sending a copy of your letter to the Secretary of Commerce, the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the War Production Board, with the request that they do everything they can to cooperate with the work of your committee.

Very sincerely yours,

(Signed) FRANKLIN D. ROOSEVELT

Hon. James E. Murray,  
United States Senate,  
Washington, D. C.

✓ Copy for the Chairman of the Board of Governors of the Federal Reserve System.

TO

Mr. Hurston

FROM \_\_\_\_\_

REMARKS:

Is this  
OK. in your  
opinion? LHP

CHAIRMAN'S OFFICE

Harry

very good

for

September 16, 1942.

The President,  
The White House,  
Washington, D. C.

Dear Mr. President:

In the absence from the city of Chairman Eccles, I wish to acknowledge receipt of the exchange of letters dated August 24 and August 31, respectively, between Senator James E. Murray, Chairman of the Senate Special Committee to Study Problems of American Small Business, and the President. It is noted that copies of this correspondence have likewise been furnished to the Secretary of Commerce, the Secretary of the Treasury, and the Chairman of the War Production Board, likewise with the request that they do everything they can to cooperate with the work of the Committee.

Meanwhile, Senator Murray, under date of September 14, has addressed a letter to Chairman Eccles respecting this same problem of small business concerns hard hit by the war, and advising that the Committee expects to conduct hearings on the problem commencing September 29, 1942, and requesting the Chairman's appearance as a witness.

Yours respectfully,

(Signed) Lawrence Clayton

Lawrence Clayton,  
Assistant to the Chairman.

LC:jam

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