

Hondo, Calif June 29-1939

Dear Mr. Eccles:

The daily Press for June 28-1939 quotes you as follows:

"What should be done is to provide reasonable pensions for old persons immediately, regardless of whether they have contributed to the security fund. That would not only meet a great social need and popular demand but it also would be economically sound at this stage in our economic life. We are deflating when we ought to be spending." Thank you for these noble words expressed by a man of such high financial standing.

a reasonable pension, in my estimation and in the estimation of many elderly people I have talked to, would be 50⁰⁰ per month to people 60 years of age.

The last Census lists about 10 million of these people therefore the cost would be around \$6,000,000,000 provided of course everybody 60 and over would apply.

Do you consider this sum excessive? Furthermore there would be practically no expense connected with this pension because the cheques would be sent from Washington & C every month to the aged themselves, thus cutting out all these busy social workers who at present get all the cream.

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Uncle Sam's postman knows where to find all the eligible elderly persons. Furthermore this 50⁰⁰ would have to be spent within the month, as next month would bring another cheque. I refer to special numbered money or marked money.

Look at all the business this would create.

If you don't adopt this system whereby the folks would have to spend the money month after month, some of them would start savings accounts etc

{ Right here where I live, an old man died the other day and they found some 200 cheques on his person money that he had saved month by month. the amount of course was only 2⁵⁰ per cheque but the idea.

Respectfully yours
Peter Sand
Hondo Calif.

REPLY

July 6, 1939.

Mr. Peter Sand,
Hondo, California.

Dear Mr. Sand:

This is to acknowledge receipt of your letter of June 29 which I was interested to read. I would not undertake to say exactly what sum per month would be a proper amount to be paid in pensions, but the sum you mention is certainly not excessive.

I wanted you to know that I appreciated your interest and your courtesy in writing to me.

Sincerely yours,

M. S. Eccles
Chairman

ET:B

Received in
Chairman's Office
JUL 5 1939
Board of Governors
of the
Federal Reserve System