BERNARD M. BARUCH

1934 - 1945
May 4, 1934

Dear Mr. Baruch:

You are more than generous to send me your check to carry on the work in New York State and I do not know how to adequately thank you for your kindness. We have, I think, gradually interested many women in the affairs of the government, both state and national, and we were distressed at the thought of having to let this work lie, particularly at this time.

With many, many thanks, I am

Very cordially yours,

Mr. Bernard M. Baruch

120 Broadway

New York
My dear Mr. Roosevelt,

Thursday, 5-2-37

Herewith I am glad to send your check.

I enjoyed the exhibit very much but I enjoyed mine even more. Beautiful handling of Pen and Pencil.

Sincerely,

Brandon Bancroft

Thanks very much!

[Signature]
Mr. Bernard Baruch
1055 Fifth Avenue
New York
N.Y.

June 5, 1934

We leave 11:02 p.m. on 6th. Rather long day visiting Tygart's Valley and Reedsville returning Washington evening of 7th. Do hope you can come. Please let me know.

Eleanor Roosevelt
Mr. Bernard Baruch
1055 Fifth Avenue
New York NY

June 6, 1934

Delighted to have you with us. Train leaves 11:00 o'clock tonight. Have made your reservation.

Eleanor Roosevelt
June 13, 1934.

Dear Mr. Baruch:

I got the copy of your note to Miss Jones this morning. I had already written her as had Nancy. I can not tell you how delighted I am to have this work made possible and that is one thing off my mind.

I have had a little difficulty because Miss Clapp was out of town in getting the budget for the school in detail as I wanted it, but finally I am enclosing it. You can see the capital outlay for this year is for the interior fixings and for the extra buildings which would not go ordinarily into a rural community but which we feel will be a great demonstration of what can be done and should be done in rural communities. The running expenses for this year are less because I am taking care of Miss Clapp's salary. Next year and the year after they will have to be included. The other items are the items which the state is not prepared to carry. In the end if the whole set up proves its value, the yearly expenses will be carried by taxes on the people.

We are now busy figuring out, as we decided that it was better to drop the effort of putting through a post office factory for fear of having a great deal of "hot-air" in Congress and another attack on Reedsville written into the record, what shall be the industry down there. The important thing from Dr. Wilson's and my point of view is that a family shall have a sufficient means of livelihood and the assurance of an ability to pay their expenses covering a standard which we hope to establish as something to shoot at in all rural industrial communities. As soon as this becomes concrete at all
I am going to ask you to give us the benefit of your advice.

My deepest thanks to you for your interest. You cannot imagine what a pleasure it is to feel we may count upon you for advice and cooperation.

Very cordially yours,
New York, N.Y. Oct. 11, 1934

Mrs. Eleanor Roosevelt,

The White House.

Deeply regret unable go this time with you. Will you please leave the figures on Reedsville at the Carlton Hotel Friday night or send wire there where I can obtain them. Many happy returns of the day and may you be spared for many many years to continue the useful and inspiring work you have been doing for such a long time. I am happy in the confidence and friendship you have always given me.

Beau

M. Baruch.
Dear Mr. Baruch:

I understand that you are still asking for figures—this is the best I have been able to get out of them. I hope it will really satisfy you.

I want to go down to Rockville for a day in December if possible and I think now it will be about the twenty-seventh. Would you be able to go then or would you rather wait until later on?

I shall be back in Washington about the first of December.

Very sincerely yours,

Bernard Baruch, Esq.,
597 Madison Avenue, New York.
Received at
QN72 20-RC WASHINGTON DC NOV 27 445PM.

MRS ELEANOR ROOSEVELT=
WARMSPRINGS GA=

HAD LONG SESSION WITH PYNCHON AND BELIEVE GETTING DOWN
TO ROCK BOTTOM FIGURES STOP LEAVING FOR CAROLINA TONIGHT
WARMEST REGARDS=

B M BARUCH.

403PM.
December 8, 1934

Dear Mr. Baruch:

I am enclosing a letter which has come from Mr. Pynchon and which I thought would give you a little more information.

Very sincerely yours,

Mr. Bernard Baruch
587 Madison Avenue
New York
My dear Mrs. Roosevelt:

Enclosed is the letter from Mr. Pynchon which you were good enough to send me. I am waiting to receive the latest information from him.

Of course what we want are houses for these people but I know that you agree with me that it would be very unwise to get the people into them under conditions that would not permit them to retain the houses, and which would place unbearable burdens upon them. That is the real reason for getting these costs before we place a new burden upon the home owners.

I am looking forward with pleasure to seeing you very soon.

Sincerely yours,

Bernard M. Baruch

Mrs. F. D. Roosevelt,
The White House,
Washington, D. C.
Dear Mrs. Roosevelt:

You doubtless received my telegram which was sent after a long conversation with Mr. Pynchon who informed me that he is going to prepare a letter to you concerning the facts as he has them, together with the observations of himself and his assistant, whose name just now escapes me but who, I think, is a tip-top man.

You know you told me to treat this as if it were my own matter and I propose to follow out your request until you tell me not to.

With reference to your school at Reedsville, would you like to have some more money for it this year or for next year? I think I could manage it.

I will not be able to go down on the 27th of December because I always give the last two weeks of December to my family, in South Carolina where we all try to assemble each season.

The President says he wants to see me the end of this week and if I come down, I hope I shall have the pleasure of seeing you.

Being persistent, but I hope not disagreeably so, when Mr. Pynchon sends you that letter I hope he will send me a copy. If not, may I see yours?

As always,

Sincerely yours,

Mrs. F. D. Roosevelt,
The White House,
Washington, D. C.
NEW YORK
TO: [Address]

Dear [Name],

I was very happy to get your letter and I have had a

number of good times in New York. I have been

bottled, too, and I hope you've been happy and

enjoyed yourself. I want you to know how much I

value your company and how much I love you.

Be sure to stay in touch and to let me know how

you are doing. I hope you have a good time on your

vacation.

Thank you very much for your letter.

Best, [Name]

July 12, 1929
BERNARD M. BARUCH
597 MADISON AVENUE
NEW YORK

December 18, 1934.

My dear Mrs. Roosevelt:

Of course you shall have the additional $3,000. As I understand it, you have received $10,000 of the $22,000, and I owe you $12,000, which, in addition to the $3,000, makes $15,000. I understand you do not want this now. When do you want the other money? You shall have it just as quickly as you want it.

Now, in reference to the Pynchon letter, which I am returning to you, the cost of the original experiment will be $1,597,707.80. On the basis of a sales contract with each of the 190 homesteaders at $3,000 each, the total sale price will amount to $570,000. This will mean a charge-off of $1,027,707.

The crux of the whole matter is whether the homesteaders can be set up in a community, in a house costing $3,000, which will not load them down with a financial burden they will be unable to carry.

Further, I received a letter from Mr. Pynchon dated December 11th in which he informs me that they are about to get started on the construction of a small factory to assemble electric vacuum cleaners, which will employ at the start from fifty to sixty men and women. I had already received this information from Mr. Gerard Swope, but Mr. Pynchon further states that "during the next several months we will have completed a good portion of the additional 140 homestead houses and it is going to be all-important to have an additional industry there to employ the balance of the homesteaders."

The question now is, can we get employment for these extra 140 families. If we do not, we should not burden them with a $3,000 house. We have now to address ourselves to this
Mrs. Roosevelt

December 18, 1934

problem which is the crux of the situation as it was with the original ninety homesteaders.

I may be in Washington the end of this week, and if so, will notify the White House in case you wish to see me. Please always remember that you do not have to spend any time on me that you do not think will be helpful to your enterprise. I know full well how taken up your time and energies are and I am sure we understand each other enough to leave it just that way.

Always,

Sincerely yours,

Bernard M. Baruch

H. F. Roosevelt

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
My dear Mr. Baruch:

Thank you very much for your kind letter. I used it in my press conference on Monday and the girls thought it was a perfectly swell thing to have.

There is an article in this month's Atlantic Monthly by a Dr. Brooks, a Minister at Morgantown, which I think is worth reading. It will not reach the same group which Mr. Hearst's articles do, but perhaps it will reach thinking people who will be more sympathetic to the idea. I always feel that the people who read Mr. Hearst's papers probably read the first installment, possibly a second, but rarely follow through anything as uninteresting to them. However, I may be wrong.

I am hoping that all of this has not upset the morale of the people in Reedsville. Nancy Cook went down there yesterday and I am awaiting a report from her upon her return.

Very cordially yours,

Mr. Bernard M. Baruch
597 Madison Avenue
New York, New York
January 26 1935
Carlton Hotel
Washington

My dear Mrs. Roosevelt:

I am accustomed to pioneer new fields, the criticism of Reedeville because I am not an expert in this field. However, some convincing proofs are quite fair.

I have been privileged to be in the school and I hope you will let me continue to get the experience.

Sincerely,

[Signature]

[Address]

[City, State]
ment too.

Sincerely,

[Signature]

P.S. You can use this letter in any way wish or I shall be glad to make a table next. I have no copy and am leaving tonight at 10 30 for the South. Please return haste.
Georgetown, South Carolina, January 28, 1935
Mrs. Eleanor Roosevelt.

As was suggested after visit to Reedsville a breaking down of figures on costs disclosed under estimates but excess of costs over your technical advisers estimates at Reedsville not much larger relatively than great many business and engineering precedents in other pioneering. Discrepancy not the important thing because the experience there in costs and available employment will pay for itself in savings on other projects. You are to be congratulated on your implacable insistence on accurate figures revealing the truth.

E. M. Baruch.
Dear Mrs. Roosevelt:

Pursuant to your request I went to see Eric Gugler's prefabricated bath-room and had a nice visit with him and his wife, during which I went over the subject as thoroughly and as frankly as I could.

I received a letter asking me to come to the meeting in reference to the Reedsville school. Of course you know that my interest in this was due to my desire to help you in a situation which engaged your rare combination of intelligence and great heart. I am still willing to help you, but I really do not know enough about the subject to do other than contribute a little money from time to time.

I want to be able to stand beside you and the President as long as I can and so long as you want me to do so. Of that you can always be assured.

Very cordially yours,

[Signature]

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D.C.
May 11, 1935

Dear Mr. Baruch:

I am going with Mr. Levy to Staunton, Virginia, to see some of his mills and then I am taking Mr. Levy over to Reedsville. I should be delighted if you could go with us. We leave Washington on the morning of the 28th of May and get back on the morning of the 29th. If you would prefer to meet us in Reedsville on the morning of the 29th that would be grand, as I would like so much to have you see how they are progressing.

Cordially yours,

[Signature]

Mr. Bernard Baruch
120 Broadway
New York
May 18, 1935

Dear Mr. Baruch:

I have a letter from Miss Clapp begging me to have you reach Speedsville on the 29th in time to see the school really in operation, and as much as I would like to have you motor with me and go to see Mr. Levy's mill, I am going to suggest that you go down by train on the night of the 28th. Someone will meet you and take you to breakfast and then over to Athurdale. I will try to be there by one or two o'clock, so that we can have the afternoon and evening together.

I hope you will plan to stay that evening as I am suggesting a general homestead meeting and I particularly want you to see the group as I have seen it and get an idea of the spirit that is growing up, which I think is one of the valuable contributions that is being made by the school and the money which you are giving.

I am taking the liberty of allowing $1100 of your money to be put into a revolving fund to which I have added $1000 which I received as a gift. This money will be used for medical purposes, such
as removing tonsils, taking care of teeth, etc. There is no free clinic anywhere in West Virginia. The homesteaders will pay back this money as they are able to do so, but the doctors and hospitals have to be paid in lump sums.

I have also allowed them to use $400 to add to $400 which they saved on salaries. This money is to be spent on equipment to carry through a summer project which Miss Clapp expects to do. I hope you will think I have been wise.

The Educational Council meeting included Professor Dewey, Mrs. Sprague Mitchell, and Dr. Fred J. Kelly, met on Wednesday. They were enormously interested in what is being done.

With many thanks for everything,

I am

Very sincerely yours,

Mr. Bernard Baruch
New York
May 28, 1935

Dear Mr. Baruch:

Thank you so much for your letter. I am sorry that you cannot go down with us on this trip. Will you let me know when you feel you can go so that I can arrange for you to look over everything that I want you to see?

Very cordially yours,

Mr. Bernard M. Baruch
597 Madison Avenue
New York, New York
I am afraid I can't get down on the 28th or 29th but I shall go down soon after.
As long as you want to try I shall help you.
For seems my well.

Farewell
Bernard M. Baruch

May 1935

Monday

Bernard M. Baruch
597 Madison Avenue
New York
Lyme Park, N.Y.
June 1, 1936.

Dear Mr. Baruch:

I deeply appreciate your letting me know your plans and that you will have a mistake sorted out.

Will you let me know as soon as you get back, we shall be looking forward to seeing you and your family.

Cordially yours,

Bernard Baruch, Esq.,
155 Fifth Avenue
New York, N.Y.
I shall leave for Europe in the Homeric to be gone about six weeks.

In the mean time good luck and happiness to you and the President.

Perhaps on my return you will let me come to Hyde Park.

Always sincerely,

[Signature]

1055 Fifth Avenue

Sunday

My dear Mrs. Roosevelt—

You have not heard from me recently owing to the fact that I was confined to the house for ten days but I have been out for ten days now.

Saturday, immediately after a very quiet wedding of my younger daughter, I
Dear Mr. Baruch:

I was so sorry to read of your daughter's illness and your forced return from Europe. I know what an anxious trip that must have been, and I only hope that by now you are free from worry.

I have had three delightful weeks up here and hope that we will be at Hyde Park the end of August.

I am very anxious to talk over with you our joint enter, ise in Reedsville. Things seem to be going pretty well from the human side down there and I think we could not ask for better development or a more remarkable ability to meet their problems than they are showing. I think your letter to Mr. Tugwell is going to result in making the cost to homesteaders within their incomes, so all the projects look to me much more hopeful for the future.

If you are going to be in Washington, I will be there the 28th and 31st, and after the 37th at Hyde Park. Franklin may be at Hyde Park at that time too, I hope, but I expect surely to be there.

Very cordially yours,
My dear Mrs. Roosevelt:

Many thanks for your letter of August 9th. My daughter is quite all right now and I am returning to Europe on the Berengaria on the 16th.

I am delighted to know that you are having such a nice time up at Eastport because you certainly deserve the rest.

I am glad to know that you agreed with what I wrote Rexford Tugwell because it will do no good helping people unless they can help themselves. Placing people in homes or in circumstances in which they cannot carry on, would be tragedy. The blame would rest entirely upon our shoulders. That is one thing I fear in connection with many of the things we are trying to do for people that they may be left in circumstances where we have not helped them but have hurt them. However, if our hearts are in the right place and we use our heads, I am sure everything can be worked out.

On my return from Europe, we will foregather and see if we can make a combination of heads and hearts that will help those people who are not so fortunately situated.

Please give the President my affectionate regards and accept for yourself my most cordial good wishes.

Sincerely yours,

Mrs. Franklin D. Roosevelt,
Eastport,
Maine.
September 26, 1935

My dear Mr. Baruch:

I wanted so much to see you before I went away, because I felt that you would like some kind of a report on our joint educational and health venture in Reedsville before the new school year began, but, as we are leaving today, and I understand you have only just returned, I know there is no chance of my seeing you until I get back. However, I will be in New York for a few days the week of October 15, and would be so happy if you could lunch or dine with me some time that week. Word sent to me here at the White House before I get back on October 6 as to the date you prefer will give me time to make my plans and to telephone you when I get in New York.

In the meantime - the school year having begun - do you feel that you could send your contribution direct to the Friends Service Committee in the way that you did last year? They have a regular school building this year and I have sent my $6,000 for Miss Clapp's salary and an added amount for certain things that the Government did not feel it could do. With the extra money that you gave us last year, we did some really remarkable health work. Three women who the Doctor thought would die within the year are apparently going to be spared to their families, and a number of children have had various essential things done which, I hope, will mean future health and strength. This work was necessary because of conditions under which they lived for a number of years so I think we can look upon it as a real rehabilitation physically.
I will have a report for you when we meet. I hope you had a very pleasant trip this time.

Sincerely,

Mr. Bernard Baruch
1055 Fifth Avenue
New York, New York
My dear Mrs. Roosevelt:

If you will indicate the day you will be in New York City, I will set aside whatever time you would like to have.

I am going to get in touch with Louis very soon.

I would have gotten in touch with you before but I knew how busy everybody was in getting the President ready for his holiday.

As always,

Your very good friend,

Bernard

Bernard M. Baruch
597 Madison Avenue
New York

September 30, 1938

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
October 16, 1935

My dear Mr. Baruch:

I hope it will be possible for you to come to a meeting of the Permanent Advisory Committee of the Artimurale School on October 31st at 11:30 a.m., at the White House. I hope that all the members can stay and lunch with me after the meeting.

Very sincerely yours,

Mr. Bernard M. Baruch
120 Broadway
New York
New York
Miss M. Thompson Scheider,
Secretary to Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.

Dear Miss Scheider:

So pleased to learn thru your favor of Octob that Mrs. Roosevelt and you will be with us, even if only few hours on Friday, November 1st, and a suitable suite placed at your disposal with our compliments.

Looking forward with great pleasure to your

we are

Yours very truly,

THE BLACKSTONE

W. P. barnes,
Resident Manager.

wpb/am
Received at 234 Main Street, Poughkeepsie, N. Y.

NE132 21= NEW YORK NY 3 1255P

MRS FRANKLIN M ROOSEVELT=
HYDE PARK NY=

AM TAKING THE TRAIN WHICH ARRIVES POUGHKEEPSIE TEN FORTY SIX TUESDAY AND AM LOOKING FORWARD WITH PLEASURE TO SEEING YOU BOTH=

BERNARD M BARUCH.

TELEGRAMS MAY BE TELEPHONED TO WESTERN UNION FROM ANY PRIVATE OR PAY-STATION TELEPHONE.
November 26, 1935.

Dear Mr. Baruch:

I have just had a long talk with Mr. Tugwell and for the first time I feel that he really has the whole problem of the homesteads clearly in his mind and that they are reaching some definite solution.

I think he would be very glad to talk to you and to set all his plans out before you.

I am enclosing a letter from him to you and since he wrote it, I have had this talk with him.

They propose to set up a housing authority which will have the power to sell at moderate prices. They will make certain arrangements for management with the Resettlement Division. They are also setting up cooperatives such as they can set up under the West Virginia laws and they hope that in a year from now to have things in such shape that the people may be able to support themselves. This is predicated, however, on the President devising a way by which at least the interest on the entire original investment may be wiped out. This is for all the homesteads started in the old way.

I feel very much encouraged and when the President gets back I should like very much to have you come down again for a night and have Mr. Tugwell here at the same time.

Very cordially yours,
HOBCAW BARONY

My dear Mrs. Roosevelt,

While your letter was so charming and friendly and so deeply appreciated, I am fearful to have you take so much time and strength from an already overburdened life.

And your gift of the auditors is a sentiment to me also, coming from those people who are trying so hard to care for their black and I can never get out of my mind the faces of those people. I saw the day we went to Reddville.

Please have the auditors sent to me care. Save me till I Kingsville, South Carolina. I shall use them in a house.

Yours sincerely,

Hobcaw Barony

[Date: 1937]
Again many thanks.
On all send you and yours our fondest wishes for happiness and peace.
Sincerely,
Edward M. Parke
Mrs. Baruch and I regret exceedingly we will be unable to accept your charming invitation to stay with you the night of the Diplomatic Reception as we have already made engagements that will keep us in the South. My son and daughter also unfortunately will be unable to come as they have already accepted an invitation to dine and spend the night with some of their friends in Washington. I shall be coming through before then or shortly thereafter and will then check up with you on the school matter. I understand yesterday's meeting was generally favorable. Please do not hesitate to call upon me at any time on any of the matters that are of such deep concern to you.

B. M. Baruch.
December 13, 1935

Dear Mr. Baruch:

It was kind of you to send us the quail, and we have enjoyed them so much.

With many thanks for your thoughtfulness, I am

Very sincerely yours,


Mr. Bernard Baruch
1055 Fifth Ave.
NY
My dear Mrs. Roosevelt, 

in order to carry out my promise to Doc I must see his son.

May I come in and talk with you about it?

I will telegraph you when I am coming through. If you want to see me you can arrange your own time.

I wish you would say to the youth of the land what you suggested me to
Say to Harthy Stone and Jack going to as coming
from me.

With all good wishes,
Always

[Signature]
HOBCAW BARONY

My dear Mrs. Roosevelt,

As I wrote

you this morning unfortunately

I can not come Tuesday night.

Mrs. Barnard had asked a

large number of a former

house party here for a farewell

dinner to one of them on that

night.

We are having our annual

family reunion here now. This

is over on the evening of the

second.

If I can make it I hope
to be several hours in

Washington on Friday when
I shall telephone you.

Saturday I must be in New York to close up a gift and trust for Saratoga research which is quite necessary to make a success of that venture. This will result finally in alleviating almost as much misery of those who care and are willing to help themselves as anything I know.

Tuesday night is Mrs. Barrett dinner.

Wednesday or Thursday I must leave for a speech in Columbia.

I do not know what you have on your mind.
but I always want you to feel that I am available to you if possible for me to make it.

Newton Baker said he was going to Reederville himself before making his decision.

Sincerely,

Bernard W. Faure
January 4, 1936

Dear Mr. Baruch:

I am sorry that Mrs. Baruch won't be with you on the 9th, but am happy that you will be able to come. Because that is the night of the Judicial Reception we dine at seven o'clock. There will be no other guests for dinner, so that you and the President can have a chance to talk.

However, if you care to come to the Reception we will be delighted to have you. That, of course, will mean white tie. If you prefer not going downstairs for the Reception, it will not be necessary for you to dress formally.

I will see that you get off in the morning at any time you wish.

Looking forward to seeing you, I am

Very cordially yours,

Mr. Bernard Baruch
1055 Fifth Avenue
Friday Jan. 1936

Carlton Hotel
Washington

Jagreement on the night
The Tenth. But you both
shall have all you want if I by that time
Arriving of with Pleasure
Sweeping you both in then I
am.

Most sincerely
Bernard M. Baruch

Will you please have
some one indicate to me
10:55 - 5th as what dress
the dinner demands.

M. B.

My dear Mrs. Roosevelt -

As I telephoned
this morning Mrs. Baruch
is unable to come on
Thursday the ninth but
shall be glad to come
for dinner and stay
as long as you and Mr.
President desire but I
must leave on the train
for Columbia late (at 1 a.m.)
to keep a speaking en-
Mrs. J. M. Helm,
The White House,
Washington, D.C.

My dear Mrs. Helm:

Please do not go to the trouble of having me met at the train, as I have some appointments at the hotel and shall take an early train. But I shall be there for dinner promptly at seven o'clock. Also please do not make any arrangements for me to stay over night at the White House, as my train pulls out of the station at 2:30 A.M., and I can board it any time after the President and Mrs. Roosevelt have finished with me. This will make the minimum of annoyance to them.

I hope I shall have the pleasure of seeing you.

Sincerely yours,

Bernard M. Baruch
Dear Mr. Baruch,

I had a most interesting trip to Arthurdale on Monday, and there is a report to be written by an industrial engineer on the whole occupation situation down there. I think we are getting down to facing facts. I hope so.

I would like to tell you about it the first chance we get, and I think in the course of the next two weeks they may have some employment planned. They hope to get the factory started by March 1st.

Mr. Pickett and Miss Clapp are going before the General Education Board — and, I hope, Dr. Rainey — around the 7th of February.

Things seem to be moving slowly as usual but, I hope, to some better end. I am keeping your letter for use with Franklin and Rex, as I know that we will not have much chance to lower the rents until they get out the present plan, but if they get into trouble they may get some reductions.

The next time you are here do save me a little time. Nan says you were so very helpful when she talked to you about the Women's Division finances. I am going to try to talk to Louis a little bit tomorrow.

With my constant gratitude, I am

Sincerely yours,
My dear Mrs. Roosevelt:

I am returning the documents which I have read most carefully. You will note I have made some notations. The report of the Management Division Committee gives a very clear picture of the whole subject. The only question left is - what to do in the circumstances?

I believe that if we face the facts and profit by our experience, we may be helpful to these people but it would be a crying shame to continually hold out hope, a hope which can never be realized.

We now know that the price of the homesteads is too high. I doubt whether a rental of $100 per year can be paid by the tenants. We should face that and let those people have the houses at what they can pay and not for what they think they can pay.

We know now that Reedsville should not be built any larger unless we can get another factory.

We know now that the soil was not properly chosen.

We also know that when the new houses are built, there will not be enough work for all the people if all the houses are occupied.

It seems to me after reading the report very carefully, that it is going to be impossible to carry out these projects as planned originally. As Lou Howe said, the difficulties are due to the fact when the men who had the good ideas were given the money to enable them to carry out the ideas, they did not know how to spend the money and carry the idea through.

I can repeat only what I told you after my second visit, and which I suspected on my first visit, that the homesteaders cannot pay what has been asked of them and I see no reason why they should have to pay for experimentation or mistakes. I do not want to be a black
Mrs. Franklin D. Roosevelt

January 27, 1936.

crow but I do want to avoid disappointment to these people who already have had a very hard time of life and should not be chasing something at the end of a rainbow however bright that may appear. After reading this report we all will be guilty unless we become very practical and give these people a real break.

The one bright spot in this is Miss Clapp's school. It has cost somewhat more than we had expected but I do not regret that as far as I am concerned. It is the one thing the government had nothing to do with, and is the one bright shining spot. This is due more to you than anyone else. However, some arrangements will have to be made for its further continuance, and even then it will not be of value unless Arthurdale, or some place nearby, will have the pupils to send to it.

I am waiting with much interest to see what will now be done in view of this very interesting and illuminating report. There are several things that are very important -

1. Above all, these people should not be disappointed.

2. That the people who are doing these things shall not continue to make mistakes and expect someone else to shoulder the burden of the attacks and explanations. These attacks will be only too well justified if we continue as we are doing and we shall be responsible for shattering the hopes of these homesteaders.

Please tell me what, if anything further, you wish me to do in the circumstances.

Sincerely yours,

Franklin D. Roosevelt,

The White House,
February 4, 1936

Dear Mr. Baruch:

I was very much interested in your comments. I thought them very good and very satisfactory.

I was glad to see Mr. Lewis' letter and I understand that it is now worked out.

Very cordially yours.
Dear Mrs. Roosevelt:

The enclosed will show you that I am following up the Reedsaville matter as you requested.

Perhaps my comments upon the report you sent me were not entirely satisfactory but I shall always be frank and tell you exactly how I see things. If the various homesteads were not placed correctly, the matter should be corrected. There is one certain way and that is to let the homesteaders have their places at a price low enough to allow them to live even in the circumstances in which they find themselves.

I cannot understand how the mistake was made in selecting places where soil needed care and attention before it could be used. However, as I said before, it is not a question of criticizing but rather what can be done in the present circumstances. The important thing is that we do not disappoint these homesteaders or place them in the position where they cannot make good.

Please return the enclosure when you have finished with it.

Sincerely yours,

Bernard M. Baruch

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
January 29, 1936.

MR. B. M. BARUCH,
597 Madison Ave.,
New York City.

Dear Mr. Baruch:

I hope you will pardon the delay in getting the information to answer your inquiry of last Friday about the Reedsville project. I have just succeeded in getting in touch with John Tuteur, representing the Electric Vacuum Cleaner Co., who is familiar with this situation.

Mr. Tuteur tells me that at the present time there are two points which the Electric Vacuum Cleaner Co. desires to clear up before beginning operations at Reedsville.

The first relates to the legality of the factory, as it is understood by the Electric Vacuum Cleaner Co. that the Comptroller General has declared this part of the project illegal.

The second question is with regard to the lease itself. In January 1934 the Electric Vacuum Cleaner Co. agreed to sign a lease which had been drawn up in 1934. On January 15th a new lease was received which has several new features not wholly acceptable.

When the legal complications are straightened out it will require about sixty days before operations will be started, when some forty homesteaders would be employed for a period of not less than thirty weeks in a year, with a total payroll of perhaps $24,000.

Mr. Tuteur will be in town all day tomorrow and, if you desire any further information, I shall be glad to arrange an appointment for him to see you if you will have your secretary call me.

Yours very truly,

[Signature]

J.W. Lewis
Assistant to the President
February 26, 1936

Dear Mr. Baruch:

I won't be in Washington until the 2d.

The General Education Board is considering the high school part of the whole school down at Arthurdale, as they thought there was a better chance by doing that than if they considered the whole school. Miss Clapp has an appointment on March 2d with someone at the Rosenwald fund to consider the primary part of the education.

Mr. Howe seems to be pretty well.

Very cordially yours,

Mr. Bernard Baruch
Georgetown
South Carolina
Hobcaw Barony

My dear Mrs. Roosevelt,

I know that I last wrote to you on January 18th. I am wondering what happened about the general education board meeting a week ago. I follow your thoughts through the papers and know you must be well.

Sunday, March 1st. I shall arrive in Washington and be there the whole day some time that
Say Sam going free soon.
when I hope is doing well.
Tell Nancy Dick have not forgotten her request, and shall take it up with her on my return.

My congratulations on the new grand daughter, and warmest regards to you and the President.

Sincerely,

[Signature]
TELEGRAM

The White House
Washington

12 W. UA. RA. 18 - 1:40 p.m.
New York, N. Y., March 26, 1936
Mrs. Franklin D. Roosevelt.

IN Washington all Friday Carlton Hotel, in case you want to
speak to me about anything. Kindest regards.

B. M. Baruch.

3/27 - Phone to say Mrs. Roosevelt out of town.
He is in town for one day only.

Mollie
My dear Mrs. C.,

Many thanks for your letter. I shall be there tomorrow but I don't come to lunch as you all wish probably want to be alone.

I spoke to Mr. of his private things and I encouraged him when he asked and I am so glad I did as I know his last day was made happier a little bit.

My love to you and the President. Perhaps I can help you with a little of so please care.

I have sent your name and I must see the boys.
Too bad we couldn't get to see him and talk with him and keep him over rough places.

Yours sincerely,

[Signature]

[Name]
April 2, 1936

My dear Mr. Baruch:

I am sending you this letter to show you what we have tried to do with the Foundations.

Miss Clapp tells me she is asking you to go down on the 6th and 7th, but I hardly dare hope that you can do it. Of course, I would be most happy if you could.

I am also sending you a report from the Department of Commerce Committee which I took down to Arthurdale. I think it is encouraging and they seem to feel something will be done. I am still after the Resettlement people on the reduction of rents which does not seem to come through, and also on the final signing of the lease of the present factory. They keep telling me these two things will be done every day but so far they have not actually accomplished them.

Very sincerely yours,

Mr. Bernard Baruch
597 Madison Ave., N.Y.C.
Dry Letter

Mr. Bernard Baruch
597 Madison Avenue
New York N.Y.  

April 9, 1936

Sorry you couldn’t get to Arthurdale. Will you be Washington Saturday Sunday or Monday? Miss Clapp will be here thought you might be interested to visit with us

Eleanor Roosevelt
My dear Mrs. Roosevelt:

If it is possible for me to do so, it is my intention to leave Washington, Monday night, and spend the next day in Arthurdale, returning to Washington again that night. This is a result of a very nice letter from Miss Clapp in which she says that in all probability you and some others will be there.

Will you please leave word at the Carlton Hotel, where I shall arrive Monday morning, as to your wishes in the matter and I shall try to adjust myself accordingly.

I have also promised to see Lou on Monday afternoon and I do want to keep that engagement.

Sincerely yours,

Bernard M. Baruch

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
April 11, 1936

Mr. Bernard M. Baruch
597 Madison Avenue
New York NY

Delighted to have you from 2:00 to 4:30 Sunday. Hope you can stay for supper.

Eleanor Roosevelt
New York, April 11, 1936.

Mrs. F. D. Roosevelt:

I can be in Washington from two to four thirty or even later Sunday. Will that be convenient to you? Please answer to ten fifty five Fifth Avenue.

B. M. Baruch.
April 18, 1936

My dear Mr. Baruch:

Mrs. Roosevelt has asked me to send you the enclosed copies of letters from Major Walker together with a copy of her reply to him.

Very sincerely yours,

Malvina T. Scheider
Secretary to Mrs. Roosevelt

Mr. Bernard M. Baruch
597 Madison Avenue
New York
NY
Miss Laddand —

From the desk of—

Mrs. Scheider

Mrs. R. wants to know if

President cares to read

this letter from Mr. Baruch.

She would like to have

it back quickly.

Mrs. L.

Immediate

Mrs. Schneider

President has seen
My dear Mrs. Roosevelt:

It had been my intention to leave Washington tonight for Reedsville, but I find that the Feast of the Passover starts this evening. I never strictly observed any of the Holy days, but during my Mother's life I spent most of them with her. Since then out of respect for her memory, I have never done anything on those days. I am quite sure you understand.

I wanted so much to be at Reedsville tomorrow because of the others present; and above all because of my interest in the venture and to do my share in helping to realize some of the high hopes we have for it. I have never forgotten the look on the faces of those men and women as you addressed them on our first visit.

Here were the questions I intended to ask. What has been the result of the first settlers or homesteaders from an agricultural standpoint? Did they raise any crops? Were they able to sell any? How far were their ventures self-supporting or profitable?

Did they pay any rent or interest? And can they in the present circumstances?

Where are the titles to the property now occupied? What of the future, agriculturally and industrially? Have not some of the homesteaders been there long enough for us to know what can be done with their plots of ground agriculturally? Can they make enough for themselves and to sell to pay for the homesteads? I never have believed the latter was possible on five-acre plots so far from markets and on that soil. That idea is probably in the discard now.

Can these homesteads be sold at a price low enough to give the buyers an opportunity to finally own them?

Let us not put these people on their feet unless it is humanly possible for them to stand by themselves when the helping hand is removed. If we can't do it here, we can in some places nearer markets and work I am sure.
The Following Pages Are the Best Available.
What about the factory -- can it be maintained as an economic unit with costs approximating what other competition?

Does it not get down to this? Unless there has been a great change, the homesteaders cannot pay the $20.00 per month formerly discussed. I do not believe they can afford there in those circumstances more than $100.00 a year. I think $50.00 per year would be nearer the right figure in those surroundings. Nor do I think that a price should be set upon the homesteads that would require the payment of more than 3% interest and 2% amortization, that will equal in the aggregate a sum greater than $100.00 a year. Please remember that all the time I am talking of the homesteads at Reedsville and not at places with better soil conditions or nearer work.

If my memory serves me correctly, was it not shown in the report that the land there had to be made all over again?

Whatever mistakes have been made, all errors of omission and commission and experimentation should be charged to the government, not the homesteaders. If we will learn not to put people where they cannot earn enough to care for themselves whatever the cost, it will be cheap.

Above all, we should be careful not to make promises that cannot be realized or hold out hopes that cannot be fulfilled. It is better that we should suffer for these mistakes than the homesteaders. And when I say that the hopes cannot be realized, I mean by the average man. It would be cruel to place people in better homes with no possible means of earning enough to support themselves in their surroundings. It would be worse than that to hold out improved conditions with no possibility of their attaining them. I think we should be realistic about the whole matter and if we have to, the homesteaders should be permitted to have these houses for nothing rather than at a price, no matter how low, if we will not allow them to make a living and enjoy these better surroundings.

Miss Clapp's school has been worth all of the time and money expended on it.

Sincerely yours,

Bernard M. Baruch

Please show this to Miss Clapp and she will understand why I am not there.

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

Dm. 13
I am prepared to put into effect the rent changes as soon as I hear from you.

Waller

4/13/36
April 13, 1936

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

Dear Mrs. Roosevelt:

Mr. Silvermaster was at Arthurdale on the 10th, the day he promised the homesteaders he would be there. He reports a very satisfactory meeting with the homesteaders, and states that it will be entirely possible to satisfy most of their objections. He suggested to them the organization of a Grievance Committee, and will return some time next week to meet this committee and to report on the arrangements he has been able to make.

I think on any question regarding labor relations occurring to Miss Clapp, it would be best for her to pass them along to me, so they may be turned over to Mr. Evans, as the policy of the Labor Relations group is not to advise those in charge of their proposed visits when dealing directly with the people concerned.

Since my letter to you this morning regarding Arthurdale, I am making a further recommendation that the Hoggsan houses be rented at a base rate $2.00 per month less than the Wagner houses. I am anxious to have this change effective as of the first of May, but would like to advise the project manager, so that the homesteaders may be aware of what will happen, as soon as I hear from you.

Sincerely yours,

J. O. Walker,
Acting Director,
Management Division.
April 13, 1936

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

Dear Mrs. Roosevelt:

In discussing Mr. Baruch's letter to you, I feel that certain figures should be considered in the beginning, as they will, in my opinion, have a marked bearing on the eventual decision as to what disposition shall be made of Arthurdale.

The figures listed below are estimates only and are exceedingly modest:

(1) Manager $2400.00
    Stenographer 1200.00
    Bookkeeper 1200.00
    $4800.00

(2) Taxes - $20.00 per homestead 3300.00

(3) Road Maintenance and Snow Removal 3000.00

(4) Maintenance Public Buildings 3000.00

(5) Heat 1000.00
    Stationery and Printing 500.00
    Telephone & Telegraph 300.00
    Car Operation 500.00

(6) Public Power 1000.00 2300.00
    Insurance 1000.00

(7) Education 20000.00

$38,400.00

(1) These figures are as low as could be reasonably expected and are much less than are being paid at the present time.

(2) If the project is placed on the public tax rolls, this is a
modest estimate as to the amount each homesteader would pay and there is no consideration as to taxes which may be levied on privately owned public buildings.

(3) There are eleven miles of roads in the project and there is no evidence that West Virginia can be expected to do much maintenance on more or less private roads and in winter the State hands are full in their effort to keep major highways clear of snow. The normal reasonable estimate as to the cost of maintaining macadam roads is $1,000 a mile; however, the type of road we have in Reedsville, with the relatively light traffic could probably be kept in passable shape with the amount estimated.

(4) Maintenance of buildings includes the school center and buildings at the administrative center. Most of these buildings being of frame construction, the maintenance cost will be relatively high and this figure is an extremely modest one.

(5) This figure is probably reasonably accurate due to the low cost of coal in that area.

(6) Public power includes lighting for public buildings and the operation of the pumping plant for the main group.

(7) Education at the present time is costing about $30,000. However, Mr. Pickett feels that in a final program, it probably could be reduced to $20,000 without affecting its character.

The only income accruing to the community will be rents or payments from homesteaders, as every other activity development in the place will be for the purpose of adding to the homesteaders' income so the charges may be met. Using Mr. Beruch's suggested figure of $10 per month, this would mean a gross income of $19,800 and it is immediately apparent that a minimum difference exists of $18,600. If the homesteaders continued to pay the present figure per month, sufficient income would be provided to cover the cost as estimated; however, there would be nothing available for any return to the government either on individual homesteads or public buildings.

There is a possibility of a small amount of income to the community as a result of purchasing power at wholesale prices and redistributing it to homesteaders at retail prices. This income should be set aside for the sole purpose of maintaining the electrical distribution system within the project at a high state of maintenance and, therefore, should not be considered either as a credit on account of homesteaders' payments or for other budget purposes in its operations.

It is, therefore, apparent we are confronted with a decision as to whether we will write off the entire investment and if, in doing so,
Mrs. Roosevelt -3

We also reduce the monthly payment for homesteaders, some provision will have to be made for subsidizing the undertaking.

The initial efforts on the part of homesteaders to supplement their incomes by growing food, etc., on their holdings, were extremely spotty. It must be borne in mind, however, that most of these families had gone a long way from agricultural pursuits and were almost in the position of having to learn a new trade; the evidence indicates, with proper guidance, they will be able to raise a sufficient amount to supplement their cash incomes.

Up to the present time, homesteaders have paid $23,000 in rent. It is contemplated that these payments will eventually be considered in connection with the final sale of the property. Delinquencies in payments, as of the first of February, were 4.9%. The feeling exists that the amount they are now paying is too high and there is a strong feeling among many that the amount suggested by Mr. Baruch is what should be expected; however, it is my feeling adjustment of rents should be made only after final consideration has been given to the disposition of the property, as it is desirable to fix what may be a permanent figure when the change is made.

The title to the property still remains in the Federal Government. At the present time the agricultural possibilities are largely the provision of food for the family, supplemented by such cooperative activities as may be possible on small holdings. Efforts are being made to secure additional farm land in order to strengthen the agricultural side of the project, but this is greatly complicated due to mineral right reserves in this region and the present rulings do not permit the government to purchase land where mineral rights are reserved and in many cases, the acquisition of these rights involves a considerable expenditure even though there is no evidence of a possibility of the mineral deposits being developed. Surface rights only may be purchased with cooperative funds, but this must be repaid with 3% interest.

Industrially, the only activity is the woodworking and metal working shop, providing a small amount of employment. The contract for the operation of the factory has been approved both by Dr. Tugwell and the Arthurdale Association and has been signed by the Vacuum Cleaner Company. We accepted all proposed changes made by the Vacuum Cleaner Company and operation will begin about June first; however, the minimum rate provided in this plant is less than that being paid for work on the project and, therefore, we may experience some difficulties in providing the number of employees. The Vacuum Cleaner Company may be willing to increase this compensation. The company guarantees to employ homesteaders but makes no guarantee as to the number they will employ, and the contract runs from year to year with a cancellation clause providing for the payment of one year's rent should they decide
to cancel the leases. There is no indication at the present time of any additional plants being located at Arthurdale; the rule preventing our building additional factories, if necessary, is a handicap.

I feel that we have a reasonable possibility of being able to build this group up, over a period of five years, to an income, including subsistence from their farm plots, of $900 to $1,000 per family, and I think the rental or purchase figure should take this possibility into consideration.

I would be willing to recommend that lease arrangements be made on a rising scale basis, starting with $10.00 a month the first year and increasing this payment by $2.50 a month each successive year until a maximum of $20.00 per month is reached. We could provide for a moratorium arrangement of some kind in case the income did not increase with such rapidity as to justify the increased annual figure. This arrangement would have the advantage of lightening the load at the present time and would, ultimately, provide sufficient income in the project by the people themselves to carry the community.

I feel we should definitely set Arthurdale up in its final form, writing off the cost as a social, educational, economic experiment conducted for the purpose of illustrating the possibility of increasing the wealth, health and happiness of the people of the State of West Virginia.

I should be very glad to have your personal reaction as to the rent suggestion before submitting it to Dr. Tugwell for his approval.

Sincerely yours,

J. O. Walker
Acting Director
Management Division
May 12, 1936

My dear Mr. Baruch:

I am planning to go down to Arthurdale on the afternoon of June 16, and will return to Washington on the morning of the 18th. Do you think you could go then?

Very sincerely yours,

[Signature]

Mr. Bernard Baruch
507 Madison Avenue
N.Y.C.
May 16, 1936

Dear Mr. Baruch,

I am glad that you had such a satisfactory talk with Hartley. I think you are a marvelous friend to carry out your promise in this way.

Many thanks for the shares which you sent to the Friends Service Committee.

I want to talk to you about what should be done about the school for next year. If you are able to go down with me on the 17th of June that would be a good time. If not, I can see you here sometime or when I come on to New York if you have time.

I think I need hardly tell you what a grand person I think you have been in doing so much in the past for me at Arthurdale. There are few people one trusts without reservation in life and I am deeply grateful to call you that kind of a friend.

Very cordially yours,
My dear Mrs. Roosevelt:

Hartley Howe and I had an agreeable morning together yesterday. I think he is a fine boy and is going to be all right. He is going to try to live on his salary. If he cannot get through, he is not to go to his mother, but is coming to me. I think the boy is going to make good. At least he is going to try and stand on his own feet. So much for that.

The other day I sent 150 shares of a stock which the American Friends Service Committee will be able to sell for about $12,000. This is the last of my promise to the school and makes a total of $23,775 for this year, it being as you know the last year covered by my promise.

It is too bad that the government could not do as well as you have done with this school. I do not know how we can go ahead while the government is making promises and holding out hopes that cannot be fulfilled.

If there is anything further, please let me hear from you.

Sincerely yours,

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
May 25, 1936

My dear Mr. Baruch:

I wrote you a few days ago saying that I hoped to go to Reedsville on the 16th of June, but I find now because of the change in the President's plans that I will not be able to go until the 23rd, spending the 24th there, and returning on the 25th. I am merely sending you this information so you will not try to make any plans to go on the 17th.

Very sincerely yours,

Mr. Bernard Baruch
597 Madison Avenue
N.Y.C.
The White House
Washington
New York, N.Y., 4:37PM. June 3, 1936

Mrs. Franklin D. Roosevelt,
The White House.

Did not answer your letters because I had slight indisposition which kept me in house for week. Can arrange to come to Washington late Thursday and be there Friday. Please let me know if you are free any of that time.

B. M. Baruch.
June 4, 1936

Mr. Bernard M. Baruch
1055 Fifth Avenue
New York, New York

Will be in New York today hope you can come to Room seven naught four three thirty one Madison Avenue at four fifteen If not just telephone Nancy Cook.

ELEANOR ROOSEVELT.
The White House
Washington

New York, N. Y., June 16, 1934

Mrs. Franklin D. Roosevelt.

Arriving late tonight. Lunching with President tomorrow. Returning to New York in afternoon. Leave word at Carlton if you wish to see me.

B. M. Baruch.

4/18 - Phone Carlton - left message that Mrs. Roosevelt is in New York today and will be in the State House tomorrow.

[Handwritten note at the bottom]
Mrs. Franklin Roosevelt,  
The White House.

Exceedingly anxious know results Reedsville visit also hope you understand that despite Franklin's expressed opinions will stand with you. What time and where can I 'phone Tuesday or Wednesday?

Baruch.
Bedgastein July 3, 1936.

LC Mrs. Eleanor Roosevelt,
White House, Washington DC.

Delighted contribute ten as requested Affectionate regards President and self.

Baruch.
Hyde Park, N.Y.
July 12, 1935.

Dear Mr. Baruch:

I have been working quite hard over the Arthurdale situation. I went down there and saw Miss Clapp and she told me of her agreement with you on the essentials; that the future condition at Arthurdale did not seem to justify our continuing an educational experiment there to the extent of the present amount involved.

She is extremely anxious to carry on the experiment, however elsewhere, if the economic condition is more stable, and she said you gave her the hope that you might be willing to help. I would, of course, be very much interested in seeing this one, but I feel that my first obligation is to carry through the transition at Arthurdale and make those people have as good a chance as possible under whatever economic conditions they can work out.

I told Miss Clapp that I would be much interested in any other experiment that could be worked out and that I would work with it in every way except a financial one until I was free of any obligation at Arthurdale. This seemed a ridiculous thing to say when I have no funds in sight to help Arthurdale except that you give me, but I am still hopeful whichever way the election goes of making something to contribute.

Miss Clapp would like to take with her the nucleus of teachers who are not West Virginia teachers if another experiment is begun but I feel it is my obligation, as well as here, to make every effort to place these teachers somewhere else this autumn, so I set to work to make plans as rapidly as possible.

I had a meeting in Washington the following week
when Mr. Tugwell returned and at the meeting were: Mr. Tugwell, Major Walker, Mr. Peterson, Mr. Kenney, Mr. Pickett and Miss Falke.

I told them of your decision; that Miss Clapp and I concurred and that I imagined they would feel that it was a wise thing for the homesteaders to become tied in with the West Virginia school system. To my surprise, Mr. Tugwell at once made the statement that the morale at Arthurdale and conditions there were ninety percent better than in any other homestead, entirely due to the school. This rather took my breath away as I understood he did not feel this way and I had been told that he did not tell me his exact feelings because he felt anything; I wished must be carried out. I besought them all to be entirely truthful and told them my feelings were not involved in any way. He still stood by this statement and proceeded to say that he hates to have the school changed in any way because he felt the children were gaining so much they would be much better able to cope with their conditions as they grew up. However, I told him that this was impossible.

We went over the economic conditions and they assured me that they felt the vacuum cleaner factory really meant to give the experiment every chance to succeed. They then said that of course, they could not give a pledge that there would be something else by the first of January next. They are working hard and I am enclosing to you the study which they gave me which may be of interest to you.

I think all we can do is to hope that for the sake of the people there they will be able to carry through their plans and bring into the community the needed income.

In the meantime, Miss Clapp feels that the transition should not be too sudden and that was why I asked if you would be willing, even though she will not say, to contribute $10,000 this coming year at least. One reason for this is that the increase
in numbers of children is not as it would be in a settled community, and as West Virginia laws base the number of teachers allowed on the average attendance of the year past, they would have a woeful lack of teachers next year and possibly the year after, so I suggested that we try to supplement the number of teachers and if possible carry on the health work.

Construction will still carry the nurse's salary, but the doctor's salary would have to be paid from private funds until they carry the idea throughout their neighborhood of monthly subscriptions, though the subscriptions now paid by the Arthurdale people only cover the needed medicine and minor expenses.

The one other thing I am anxious to carry for another year or two is the nursery school and for that we will probably need $6,5000 more and I am going to try to get it from the Carnegie Foundation. I realize I may not be successful. I may try to get a number of people to contribute $1,000 each, for I feel with the new families coming in, the health care and the nursery school are two vital things.

After the meeting in Washington, I went to Arthurdale and called a meeting of the West Virginia Committee, which included the County Superintendent of Schools. We spent the morning last Thursday together and I laid before them the situation and our recommendations. They will have to have a meeting together with the state authorities and find out just what they can do and what they think wisest to carry on.

I told Mr. Flynn, the project manager, all this. I did not, however, tell him that Mr. Tugwell had promised me a better project manager to help the new superintendent of the school! This will have to be a West Virginia person. I stressed the fact that the people he chose were vitally important to the success of the future and that the nucleus of
West Virginia teachers now there should be kept there in order to keep the standard up and continue the same kind of education if possible.

I met with the homesteaders at three-thirty as work is over for the day at three o'clock. I explained the entire change to them of course, not telling them that we doubted their future economic situation but stressing that it was important to them to carry on the work on their own responsibility and to tie themselves in in every possible way with the state, the committee and the general neighborhood. They are to elect a man and woman to represent them on the West Virginia advisory committee and to make their own recommendations as to what they feel most vital for their community to the West Virginia committee.

We have sent letters explaining the entire situation to our national committee asking them to continue their interest in the school if they feel able to do so for another year at least to help the people work out their own salvation.

They will run their own baby clinic, they can run their own music festivals, their athletics and many of their recreational activities through the Homesteaders Club. They will, of course, not be as good as with Miss Clapp and her trained staff but I think they can with the two years opportunity they have had, and the grant which you are giving them, do much better than they would otherwise.

I stressed to them that I was not in any way lessening my interest and would be there as often as I had been in the past and work closely with the West Virginia committee and their own school people if they wished me to do so.

I hope that you will feel I have acted wisely and have done what you would have done, for I value your good opinion and cooperation more than I can tell you.
I gather from your first wire that Franklin's statement as to the possibility of an amendment being necessary, troubled you, but after all that is in no way an attack on the Constitution for we have many amendments already and even Mr. Landon made the same statement, so please do not be really troubled on this point! Franklin feels as keenly as you do about the Constitution.

I am very glad that Governor Lehman is going to run and hope that you will be back in this country before long for I do feel the need of talking to you very often.

I saw Dean Russell and Mr. Brunner last Thursday. They had been to Arthurdale and made a study of the situation and are both still extremely anxious to have a Foundation follow an experiment such as Miss Clapp has begun at Arthurdale and suggested that if the people carried themselves with your aid for next year, by that time a foundation might be willing to ask Miss Clapp to go back as things might be more stabilized. They did not have as much anxiety from that point of view, but said they would try to find out immediately whether they could raise the money for the nursery school now, as I explained to them I much preferred to have that carried by a foundation. They were both full of praise for the work that had been done.

With warm good wishes and every hope that the cure is doing you a great deal of good and that you will return feeling grand. My kind regards to any of your family who may be with you and as you know my tremendous gratitude and affection are yours always,

Very cordially,
September 22, 1936

Dear Mr. Baruch:

Many, many thanks for the beautiful basket of flowers. You were more than kind to think of me and I was greatly cheered.

I did have a disagreeable time, but am up today and feeling fairly well but taking life very quietly.

I am concerned about you, as your message makes me feel you are not well. I had hoped your stay in Germany would put you entirely on your feet again. Do let me know how you are.

Hoping to see you before long, and with many thanks again, I am

Very cordially yours,

Mr. Bernard M. Baruch
120 Broadway
NYC
From Another Invalid
Bernard M. Baruch
My dear Mr. Baruch:

I am sending you a copy of part of a letter I received from Miss Clapp. Inasmuch as it pertains to you I thought you would be interested to see it.

Very sincerely yours,

Mr. Bernard Baruch
597 Madison Avenue
N.Y.C.
Robinhood, Maine

My dear Mrs. Roosevelt:

I have been away

for a few days, and your note has just reached me. I gave to Mr. Pickard

several weeks ago a statement of the Medical

Fund to date, which he wanted for use.

I enclose a similar statement in this

Note, with a few minor additions.

The individual accounts are kept in the

doctor's office, and can be seen by anyone at any time. Miss Plummer, the Nurse, knows about them. The list of them, drawn up by

my Secretary and checked by Miss Plummer and

Dr. Wills, which August 14th totaled $1855.54,

was left with Mr. Flann, the Project Manager,

who agreed to keep on collections. Unquestionably

in the past six weeks there have been changes

and payments. I have a copy. The amounts due vary from $100 to over $200. I wrote

to those families who have needed hospitalization and

operation. Medicines are now paid at

cost in cash.

There is in addition a small fund raised by a

supporter, a benefit performance given by housewives last year in the Rudensville Bank, a full
Statement of receipts and expenditures from the fund was left with Mrs. Bill Simkin by me the last of July, and the account put in her name at the Bank.

I think she and Mrs. Plummer together should have charge of those accounts.

I trust this will give you the information you need.

You will be glad to know that all the teachers but one are now settled either teaching or studying. I think he will also find something.

I am still at work on the account of a community school, using material from both the Antioch and the Kentucky experiments. The educational world is anxious to have this material. Everyone now is concerned with community education, but few know just what it involves or how it is done.

Teachers College wanted to subscribe to the writing of the book, but was not able to arrange it, so I am going forward with it myself. Mr. Dixey wants me to do it. Beyond that, I have no immediate plans. I hope to get the manuscript in shape by January. Then I would like to investigate...
The problem of education in remote rural areas, and determine how to further it.

I have some ideas which I would like to discuss with you sometime.

Of course I am eager to again do a piece of community education in the field. When Mr. Bennett is better I would like to discuss this with him. I do not know whether he has anything in mind, or whether his reward in June was just cordial to me. I am sorry he is not well. I feel a little hesitant to discuss anything with him lest I seem to press him. When I have something tangible to propose, I shall feel differently. Although I would enjoy seeing him, Clarence urged me to call on him and report the closing and transference of Arthurdale, and I called his office where I was in the city, but he was away, Ill.

I shall soon have to return before the Cot in Maine, but the color is superb. My permanent address is Can Nos Romas, Myra. By The Brookland Road, Gans, Conn. Fly The first of November I shall be in New York. Perhaps I could see you there sometime.

I hope your attack of influenza is over. I was so sorry. Please take care of yourself.

Sincerely yours,

E. F. Hollywood

Oct. 4, 1936
Medical Fund - Grindrodale  
Nov. 14/34 to Oct. 1/34

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Expenditure</th>
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<tr>
<td>Revolving Fund</td>
<td>Medical</td>
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<td>Hospitalization</td>
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<td>Medical</td>
<td>Operations</td>
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<tr>
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<td>Dentistry, Gifts</td>
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<td><strong>Total</strong></td>
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<tr>
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</table>

Homesteaders' Payments  
- 653.04

**Total** 3276.67

Accounts Receivable - as of Dec. 14/34

Amounts to be paid by homesteaders for hospitalization, operations, X-rays, dentistry, glasses.

£ 1855.54

E. R. Clapp  
Oct. 4, 1934.
November 7, 1936

My dear Mr. Baruch:

Many thanks for your telegram of congratulations and good wishes. It was very kind of you to wire me and both the President and I are deeply grateful for your very generous and loyal support.

The President is tremendously heartened by the vote of confidence he received but, of course, realizes that this vote carries a great responsibility with it.

Very cordially yours,

Mr. Bernard M. Baruch
597 Madison Avenue, N.Y.C.
MRS. ELEANOR ROOSEVELT
WHITE HOUSE WASHDC

CONGRATULATIONS ON WHAT IS A REAL PERSONAL TRIUMPH IN WHICH YOU HAD
SOME SHARE FOR THE PRESIDENT STOP MY AFFECTIONATE GREETINGS AND
GOOD WISHES TO YOU MY FRIEND

B. M. BARUCH
November 15, 1936.

Dear Mr. Baruch:

The enclosed letter struck me as so appealing that I asked Mrs. Woodward to look into it and as you see, the investigator seems to have verified the entire story.

It would be rather difficult for me to lend the $200 just at present and I wonder if you know of any one in Florida who would be willing to do this.

They sound like people who would repay.

I am beginning to think that some government agency which would lend people on the basis of character and salary, enough money to tide over debts contracted in the depression period or to tide over emergencies such as this at a reasonable rate of interest — say three percent, might be one of the most helpful things that we could do for the self respecting middle class people in this country.

If you can think of no one who would be interested and able to do this, will you let me know as I of course, can manage it.

Affectionately,

[Signature]

Hollywood, Florida
November 30, 1936

My dear Mr. Baruch:

What do you know about Mr. Hugh Maclure? He is very anxious to have some one in the Department of Agriculture given particular charge of rural life and act for farmers in the way that Frances Perkins acts for labor. He says they have never had adequate representation and the Department of Agriculture does not deal with them as human beings. He is most anxious to see his plan, which I am enclosing, carried out in either the Department of Agriculture or in the Rural Resettlement. He left me these things to read, and, as I would like to get everything together for Franklin, I would be very happy to learn if you know anything about the man.

Very sincerely yours,

[Signature]

Mr. Bernard Baruch
597 Madison Avenue
N.Y.C.
December 1, 1936

Dear Mr. Baruch:

I am looking forward to having you dine with me at my apartment on Monday night, and I just wanted to remind you that there are three flights of stairs to climb—we have no elevator. If you feel that this would in any way tire you I shall be glad indeed to have you dine with me at any other place that you may name.

Very cordially yours,

Mr. Bernard Baruch
Waldorf Astoria
New York
Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.

My dear Mrs. Roosevelt:

I only know about MacRae generally but his memorandum shows a very intelligent report on the subject. The best method of approach is an investigation by intelligent investigators of Castle Haynes, St. Helena, Invershiel and Fenderlea.

A cursory glance at the memorandum which is dated March 1933, shows that

a. that good land was selected - indeed the best that had come under their observation

b. that the people selected were foreigners who had been accustomed to hard work - probably very hard work.

An investigation coupled with a personal visit (which I always like to make after the report of investigators, in order to see with my own eyes) ought to give a good idea of what can be done.

The memorandum is quite correct in suggesting that a visit be made to these colonies while the Rural Program is being worked out. I quite agree that rural life and the farmers have not had the personal attention that has been given, for instance, to labor by the Secretary of Labor. We have often complained of the manner in which the departments and the Settlement Administration dealt with the settlers as experiments not with human beings but rather having some intellectual thesis in which they are fitting these people.
You will notice he says the following men have intimate knowledge of what he has been doing -

Daniel C. Roper  
M. L. Wilson, Asst. Sec. of Agriculture  
S. H. Hobbs, Jr.  
Dean I. O. Schaub, of North Carolina University  
David R. Coker, South Carolina  
Dr. Frank Fritts, New York

Roper, Wilson, Coker and Fritts are the type of men who could give you some short-cut information about this matter, or do you want me to find out for you?

This rural program is one of the things I told the President I was very much interested in. It goes without saying that it would be perfectly fine to work it out with you.

Sincerely yours,
My dear Mr. Baruch:

I am sending you a copy of a letter which came to me from the woman in Florida to whom you sent the money, and also a copy of my letter to her. I gather from her letter that you did not want your name to appear in this although I do not feel it quite fair that I should get the credit when you actually sent the money. However, I will not tell her, of course, that you are the benefactor if you do not wish me to do so.

Mr. Bernard M. Baruch
597 Madison Avenue
N.Y.C.

X Mrs. Sayon Love Bulluck
My dear Mrs. Roosevelt:

Please do not let the Florida woman know anything about me. If she pays back the money, you can use it for some other purpose.

I saw Jimmie going down on the train on Monday. What a fine man he has grown to be! I do not know anyone who has grown so much in every way and he has such delightful and charming manners.

The President made a fine speech at the Gridiron dinner.

I am waiting to hear further from Miss Dickerman. May I say one thing? Don't you offer to lend any money. I think the school ought to stand on its own. You should hang on to the $10,000.00 you spoke of.

I had a long talk with Secretary Wallace on Resettlement work and I think he is going to do a good job. I found he had a good understanding of it and his heart is in the right place. I think he has plenty of common sense.

I am leaving for Hobcaw tonight to spend the holidays with my family and hope you and yours will have a very happy holiday season.

With affectionate regards to all,

I am

Sincerely yours,

Mrs. Franklin D. Roosevelt,
The White House;
Washington, D. C.

Bernard M. Baruch
597 Madison Avenue
New York
December 23, 1936.
Sunday Jan 1937

1055 Fifth Avenue

My dear Mrs. Roosevelt,

So many thanks for your invitation to dinner and concert but the doctors all say that I have made such a wonderful recovery they don't want me to take any chances in crowds. Perhaps I could see neither you nor the President nor any of my other friends so will come perhaps later in the week.

I'm sorry to hear that arrangements have been made to have the school bazaar at Reedsville. I wasn't able to go to the one at Wellesley. I shall put in my conscientious objection.

I understand you go to Reedsville. I want to see people who treated you and I hope will come next week through Dover.

The dam is so interested in buying the house for the school that I shall leave all information coming from Miss Dicker to you. I hope that you will get it or hear next week and I want to give it my conscientious attention.

Yours sincerely,

[Signature]
The President in Richmond's visit has his best opportunity for peace and expanding trade. With these coming, I can see a trade revival that will balance the budget and a debt retire much commenced within a year after. But the English have got to show that they have to share responsibilities by doing their share of the needful. This has been one of my pet ideas for the last four years. The President will know how I understand. Did you get the tortoise shell vanity case or did it get broken again? Sincerely,

B. J. B.
January 14, 1937

My dear Mr. Baruch:

This is just to supplement the formal invitations which may have gone to you, and to tell you that I hope, if you can be here for the Inauguration, you will feel free to come to the White House for the "little informal luncheon" with some four-hundred others, and that I can offer you a room in which to wash your hands. I am sure some one will make it his business to see that you get something to eat.

If you are staying on after the Inauguration, I would love to have you come to dinner on the twentieth and go to the concert with us if you feel you would like to do so. However, we will let you go back to the hotel after dinner if you prefer that to the concert.

Marion Dickerman tells me that you have made an offer for the house and I am terribly interested to see what happens.

Mr. Bernard Baruch
597 Madison Ave., NYC
My dear Mrs. Roosevelt:

You doubtless will have received a communication from Miss Dickerman announcing the purchase of the building for $100,000. Enclosed you will find copy of a memorandum I have given Major Hooker for the closing of the titles.

The two friends referred to therein, are you and my brother who insists upon making a contribution - not a loan. He is giving it as an expression of the very high regard he has for those, like Miss Dickerman and yourself, who, he feels, have given a fine direction to the life of his daughter.

I am appearing before the House Military Affairs Committee on Thursday morning and shall be free during the whole afternoon and evening in case you or the President wish to communicate with me.

Sincerely yours,

Bernard M. Baruch

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D.C.
January 26, 1937.

The price agreed upon for 33 East 74th Street was $100,000 - $50,000 in cash and $50,000 in a purchase money mortgage.

The purchase is dependent upon

a - the passing, by the proper authorities, of the building as fireproof and acceptable as a school, without any ifs, ands or buts

b - that the contractor will undertake this work for $22,000.

The approval of the proper department must certainly be had before the purchase is completed.

Occupancy is to be had not later than June 1st, preferably that date, with the adjustment for taxes usual in such cases.

The question of whether the school should be organized as a corporation or kept in private ownership is a matter entirely for them to decide, but it should be considered.

If alterations can be made for $22,000, the total cost will be $122,000. The funds in hand, I understand, are securities worth about $52,000. and $15,000. from two other sources. $122,000.

If a purchase money mortgage for $50,000. were taken, that would necessitate, in cash, $72,000. against which you would have the amounts referred to above, i.e. $52,000. value in securities and $15,000. from two other sources, totaling $67,000.

This would leave still to be obtained, the sum of $ 5,000.
January 27, 1937.

Dear Mr. Baruch:

I am thrilled that you have bought the school for $100,000 and I am writing Harry Hooker at once. I consider it much better to incorporate the school and have the school take title to the property.

I understand the cash to be paid is $50,000, and $50,000 in a purchase money mortgage. That means that $22,000 for repairs must be raised on the outside and that $5,000 is still needed.

I will talk to Miss Dickerman over the week end and see exactly what she thinks can be done. I gather that your brother does not intend to raise a fund but will give a part of the money himself. Is he still considering getting others to join with him?

I hope you will dine with us tomorrow, Thursday and stay for part of the Reception at least.

Affectionately,
February 10, 1937

My dear Mr. Baruch:

Many thanks for your long letter. I am so glad you feel as you do about the Court.

I am thrilled about the pottery and will wait anxiously to hear more. I am also still waiting to hear something more about the school, and Franklin is anxious to hear the results of your work with the industrialists.

I shall be away from the afternoon of February 16 to the morning of February 25.

Affectionately,

Mr. Bernard M. Baruch
597 Madison Avenue
NYC

S:DD
My dear Mrs. Roosevelt:

So many thanks for your generous reference to my testimony before the House Military Affairs Committee. I shall send you a full copy of the statement. It is not as good as it should be as I had to do it between the hour of my arrival in Washington, eight o'clock in the morning, and my appearance before the Committee. It can be condensed about one half, but repetition will not do any harm except to the craftsmanship of the writer, myself. As you suggest, it will not only prevent big profits but will permit only very small profits.

Nothing would give me greater pleasure than to discuss with you the question of government owned munitions plants and give you some facts that might be helpful to you when talking on this subject. You are pretty nearly right, but not quite, at least from my standpoint. There ought to be government owned munitions plants manufacturing practically all lethal instrumentalities. Most governments have them. They would not alone have great social values but if they would keep up the necessary dies, jigs, plans and specifications, it would help expansion by private industry in war time. But there is a much wider class of munitions than these. Indeed munitions covers everything.

If it had not been for the present sit-down strikes and the controversy over the Supreme Court's action in reference to recent legislation, I do not believe there would have been any objection to the President's proposed reorganization of the judiciary. I have read his message three times. It is a very ingenious and practical way of handling the situation. As I had not given it any thought before, I want to read it over a few more times before coming to a final decision. I do not find myself shocked as others do. I should like to talk with you and the President about it when out of my active and subconscious processes I have come to a conclusion.

There is one question that might come up and I think it ought to be cleared right away. At present I understand six judges constitute a quorum. If the number of judges is increased, a quorum should be stated in order that it will not be charged that the court's work
will be delayed instead of facilitated because of the necessary presence of all fifteen judges.

I am working with the manufacturers who have just presented a child labor law. From what they told me of it before, and what I have seen in the newspapers, it may be the solution of the problem.

I am now working with them on the question of minimum wages and maximum hours. I will present it to the President if and when I think it is all right. They have already made some proposals which I am not willing to recommend.

I am in very close touch with the Resettlement Administration in South Carolina. You and I are going to try that pottery business as soon as I get the right person to handle it. I want someone who will give all her time and have sense enough to go abroad to get the designs. My daughter told me of the wonderful things you can get abroad and so cheap. Maybe you have hit upon the thing that will pull Arthurdale out, and the nice thing about it is that you thought of it yourself.

This afternoon I am seeing Harry Hooker and Miss Dickerman on the question whether we can have a school in a restricted area. I think you can get away with a school like Todhunter. As a matter of fact, I am really staying over in order to have this conference because they seemed rather disturbed about the restrictions. They will doubtless write you the results of it. Don't you bother about this. You have plenty of other things to do. We will work it out somehow or other.

On my way North, I will stop over long enough to do anything that is on your schedule or that the President may want to see me about.

In my opinion, minimum wages and maximum hours issue is going to become a law of the land. If it is not written into the law, public opinion will force it. I am not a bit afraid of getting it through this year in a satisfactory form.

I am sorry this letter had to be so long.

Sincerely yours,

Mrs. F. D. Roosevelt,

The White House,
Washington, D.C.
The impression was more emotional than dealng
with facts.

When I went to meet Mr. D.
I only wanted at the time to correct the error I
made in writing about the
question.

This Tellerman brother
and I had a long confab
which for content I have
learned to own.

1055 Fifth Avenue

My dear Mrs. Roosevelt:

And myself in error about the
matter of a question (not
magnet) in the discussion.

There is no case.

Johnson made a fine
concluding speech on it
today and the radio's.

Then I do not know a
subject more, and I
let my subconscious feel.
February 17, 1937

Mr. Bernard M. Baruch
597 Madison Avenue
New York, New York

Mrs. Roosevelt in Ithaca will not be in New York until twenty second back in Washington twenty fifth.

MALVINA T. SCHNEIDER
Secretary to
Mrs. Roosevelt.
TELEGRAM

The White House
Washington

25 JU 11

Mrs. Eleanor Roosevelt:

Kept here by law suit which believe end Wednesday kindest regards.

B. H. Baruch.

---

TELEGRAM

The White House
Washington

21 JU 28 D.L. 105pm

Mrs. Eleanor Roosevelt:

In case you have anything on your mind will be in New York Thursday afternoon till Saturday. Will see Miss Dickerman My best to you and the President.

E. M. B.
Day Letter

Mr. Bernard Baruch
Fort Sumter Hotel
Charleston, S.C.  

March 4, 1937

Leaving tonight on lecture trip to be gone until 26th. Still trying to get neighbors consent. Signed provisional lease for one year present building. Have just signed radio contract which will take care of Arthurdale problems. Will hope to see you on my return.

Eleanor Roosevelt

Mrs. Franklin D. Roosevelt,
The White House.

Still here Fort Sumter Hotel on suit but think will finish this week. Heard nothing about school. Will you be in Washington first of next week. Regards.

B.M. Baruch.
March 29, 1937

Dear Mr. Baruch:

Thank you for the lovely azalea.
You are always so kind and I appreciate
your remembrance of me in this way.

With kindest regards, I am

Affectionately,

Mr. Bernard M. Baruch
1055 Fifth Ave.
New York, N. Y.
April 28, 1937

Dear Mr. Baruch:

I am wondering if you would care to go to Arthurdale on May 25. That is the day of the High School Commencement and also the formal opening of the Phillips-Jones Shirt Factory. If it would not tire you too much, I would be very happy indeed to motor you back to Washington that afternoon.

I am off tonight for Seattle and will be back in New York on the 18th of May.

Affectionately,

Mr. Bernard M. Baruch
597 Madison Avenue, NYC
My dear Mrs. Roosevelt:

I am leaving for Nevada tonight, following the trail you just blazed. I shall return about 10th of May.

I have to speak in Cleveland on May 21st and in Charleston, on May 29th. If I can arrange it, nothing would give me greater pleasure than to spend a day with you at the High School Commencement and also the formal opening of the Phillips-Jones Shirt factory in Arthurdale.

Sincerely yours,

Bernard M. Baruch

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
TELEGRAM

The White House
Washington

3:00 W. 24- N.Y. 10:00 e.m.
New York, N. Y., May 20, 1937
Mrs. H. T. Scheider.

Please telegraph me Mrs. Roosevelt's schedule for Arthurdale as
em trying to change mine so as to be there on opening of new factory.

E. M. Beruch.
My dear Mrs. Roosevelt:

Herewith is a report on the matter we discussed enroute from Arthurdale.

1. The Arthurdale Settlement is exactly like every other settlement work - an economic one. If the families which have been transferred there cannot make a living, the settlement is doomed to be a failure.

   As the government has urged people to go to these places, it should let them have the houses at such rates as they can pay and make a living. Your school and the factories have made Arthurdale outstanding, but unless in the taking over of the resettlement work by Mr. Wallace the homes are given to the homesteaders at something not exceeding $50,00 per year, I do not expect to see any success there.

   I know how careful you want to be not to disappoint those people. I am wondering if in the other re-settlements, conditions are not worse.

2. With reference to the dental work for the children, I am sending you two letters which you can read and return. The gist of them is that Mr. Guggenheim is willing to have the Guggenheim Dental Foundation send one of its staff there to make a survey and report of the situation at Arthurdale, with recommendations as to what would be required in order to provide the necessary dental care. He would send the assistant director of the Clinic down there for a few days. This assistant could examine the mouths of quite a few of the children, and in that way get an idea as to the volume of work that would have to be done for them; he could report on the approximate number of children requiring dental care and make recommendations as to the equipment and personnel necessary to accomplish the desired result.
Mr. Guggenheim would be very glad to defray the expense of such a visit.

He suggests that it would be a good plan to arrange, if possible, for the services of one or more of the dentists who have had experience at the Guggenheim Dental Clinic and who have acquired the necessary knowledge and practice to qualify them as specialists in the treatment of children's teeth.

It probably could be arranged that this man should have a traveling organization with portable equipment that could visit different Resettlement divisions to take care of the children's teeth, but at the expense of the Resettlement Act.

3. Miss Jonay telephoned Mr. Gordon. She is now doing some night club work in Washington. Gordon will be glad to see her. There is a prospect of his giving her a chance in his Great Waltz the coming season.

4. I do not know whether I was to see Harry Hooker regarding that tax matter, or whether you were satisfied with it.

5. I spoke to Freed about electric rates and I think he is doing all that can be done in the circumstances.

6. You wanted me to spend some time with you before Wallace decides the manner and method of taking over the resettlement work. Please communicate with me when you wish to see me. I am leaving town on the 13th but will return on the 14th and unless I am wanted to help out here, I am going to sail for Europe shortly after that.

Sincerely yours,

Sincerely yours,

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
May 27, 1937.

Dear Bernie:

My secretary has informed me of the telephone conversations had with you yesterday and today in connection with the desire of Mrs. Roosevelt and yourself to provide facilities for rendering very necessary dental care to the children in the families living in the Resettlement community at Arthurdale, W. Va. Needless to say it would give me a great deal of pleasure to be of assistance in this matter, if it were possible for me to do so, but the institution that Mrs. Guggenheim and I established here in New York several years ago could not undertake any actual operative work.

At our Dental Clinic in East 72nd Street during school terms we are rendering free dental care to an average of approximately 275 poor children per day who are brought to the Clinic principally from public schools of the upper East Side of Manhattan accompanied by teachers in buses provided by the Board of Education. In addition to the director and his assistant, we have twenty-five paid dentists on our staff; including our other supervisors, clerical staff, nurses, building maintenance employees and girls being educated as dental hygienists, we have a Clinic "family" of upwards of 100. Last year, 11,721 children made a total of 74,381 visits to the several departments of the Clinic, and in addition to all the other work done for them, 46,633 permanent fillings were placed in their teeth. Thus, you will appreciate the fact that our available facilities and organization are utilized to the fullest possible extent, and it would not be possible for us to take on any outside work.

We could, however, if Mrs. Roosevelt and you wish us to undertake it, make a survey and report of the situation at Arthurdale with recommendations as to what would be required in order to provide the necessary dental care. We could, for example, send the assistant director of the Clinic down there for a few days, He could examine the mouths of quite a few of the children, and in that way get an idea as to the volume of work that would have to be done for them; he could report on the approximate number of children requiring dental care and make recommendations as to the equipment and personnel necessary to accomplish the desired result. I would be very glad to defray the expense of such a visit.

If provision could be made for following his recommendations, it strikes me that it would be a good plan to arrange, if possible, for the services of one or more of the dentists who have had experience at our Dental Clinic, and who have acquired the
necessary knowledge and practice to qualify them as specialists in the treatment of children's teeth. In September of each year we take on a group of 19 graduate dentists from different parts of this country and Canada who serve for one year at the Dental Clinic as salaried members of our staff. They are replaced by other graduate dentists at the end of a year's service because it is our desire to educate as many young dentists as possible in the methods and technique favored and taught by the director of the Clinic.

As a further suggestion (and again provided funds would be available) I should think it would be an excellent arrangement to have a traveling organization with portable equipment that could visit different Resettlement communities to take care of the children's teeth.

I shall await further advice or suggestions from you, and shall be glad to cooperate to the extent indicated above.

With kindest personal regards, believe me to be

Cordially yours,

Bernard M. Baruch, Esq.,
597 Madison Avenue,
New York, N.Y.
June 11, 1937

Dear Mr. Baruch:

I have written for the statement you want and I will send them to you as soon as I get them. Please do not write any letter about it as I think it much better to leave these things unanswered until one is actually asked a question. If I am asked I will say I paid my taxes on every penny of money which I have received.

Franklin says there is no chance that there would be any trouble as no Treasury rule has ever been changed from one Administration to another, and it is clear that I have not attempted to evade the law on anything which I have received.

I am sorry we kept you from sailing for Europe but I do think it is important that you do see the President, and if you can come down on the 15th, we can talk in the afternoon and you will have a chance to talk to Franklin in the evening, and we can settle perhaps definitely about the prices on those houses.

You are entirely right. If I am interested enough to do anything for any one I will go to you myself and will never ask other to go to you. Occasionally people ask me to do things for them and ask if I will interest you, or give them a letter to you. If I think anything is worth while I will speak to you about it. I will certainly not put you in a position of having to take any one else's word for it.
I have taken up the Guggenheim suggestion through Mr. Pickett. I think we will know in a few days just what can be done.

Hoping to see you on Tuesday,

Affectionately,

S.L

Mr. Bernard Baruch
My dear Mrs. Roosevelt:

I approve of what you say in regard to waiting in order to compare the surveys of the children needing dental care.

Miss Jonay saw Mr. Gordon and I think she is on the road to a good engagement.

Had a talk with Harry Hooker who seemed to know nothing about it, but said he would look further into the matter.

Here is the way your tax matter lies in my mind, and I have about decided to write a letter to the Herald Tribune and to David Lawrence. After all is said and done, none of this money passed through you, nor did any of it stick to your fingers. It all went to charity. Your position is exactly what anyone's would be if asked to appear on a program for any cause whatever.

I do not know whether it is necessary for you to say anything unless it is put right up to you. Then you can say something like the above. Of course, I could advise better if I saw the treasury ruling. As it has broken, I am not as concerned as I was previously and if I were you, I would not let it concern me.

I have to answer your last two paragraphs in one. It had been my intention to sail for Europe on June 16th, but I am postponing that because I want to see you and the gentlemen you named so that we can make up our minds as to exactly what ought to be done.

We should not continue to hold out hopes and promises to those people in Arthurdale, or any other Resettlement, that are not based upon a chance to make a living, not by government help, but by their own efforts. If a mistake was made in getting those people there, as I think there was, we can rectify that in two ways -

1 - by letting them have the houses very cheap, or for nothing
June 12, 1937.

Mr. B. M. Baruch
598 Madison Avenue
New York
N.Y.

I hope very much that you can come down on the afternoon of Tuesday the 15th dine and spend night. You and I can talk in afternoon I will be free from 2:30 to 5.

Eleanor Roosevelt
Mr. P. M. Baruch
598 Madison Ave.
New York

Hope very much that you can come down on the 15th. I
have several urgent things to attend to. You and I
can take an afternoon. I will be free from 2 to 5.

E. R.
June 18, 1937.

Dear Mr. Baruch:

I am enclosing some material about a man who came to see me yesterday. I am sending the samples of his product to you under separate cover.

Mr. Wilson, our minister here, says he used this product all last winter and for the first time in his life, was entirely free from colds and that he had gained weight which is a very unusual thing for him.

This man, Luigi Ascenzi, is an American citizen, and as you will see has had his product tested. He wants $1500 to tide him over. A man in the village of Hyde Park has given him space in which to work. He hopes to sell to one of the big drug companies in order to make a contract even though he does not make a great deal of money. He thinks if he is able to do this, that the product will sell and he will be able then to do better for himself.

Do you think I should take a chance and lend him the $1500, or as insist on being my partner, would you be willing to risk $750? If this product does all he claims, it should be a boon to mankind, but of course, I have no way of deciding whether it is good or not.

Please be perfectly frank.

Affectionately,
June 22, 1937.

Dear Mr. Baruch:

I have told the Cod-liver Oi1 gentleman to write you for an appointment and to take all his material with him. I think that will be the most satisfactory thing. I have also told him when he writes for an appointment to present all his information in writing and to be brief.

I have no intention that any one shall say I am backing the gentleman. All he has asked for is $1500 which he thinks will give him a chance to get a backer. I do not know whether he is worth taking a chance on and it is only because it sounded as though the product might be a really good thing; and if it should succeed, it would mean work for the people in the village of Hyde Park, that I am interested at all. I shall get somebody else to give him the money as I have never suggested to him that I could do it myself, so he will never know the real source from which it emanates.

I am terribly pleased that the prices of the houses is settled, and also glad that they are trying to get a first rate executive. I hope to goodness he will be the kind of man who will find out about the background and
get a real idea of what should be done.

I am glad to know about Mr. Kenney because I think he should take the other offer which has been made to him.

You are, as always, a most wonderful helper.

Affectionately,
June 21, 1937

My dear Mrs. Roosevelt:

Just have your letter of the 16th in reference to the Cod-liver Oil business. I will let you know later. If he can sell any stuff, he ought to be able to show you the contracts, not conversational ones, but real ones, with the prospective buyer. If he gives me the name of it I will find out from the prospective buyer whether he really means business; also he should show you what the financial set up is. So often even good businesses are under-financed, and they get into trouble. This man seems to have been around for ten years already.

You must also be prepared that in case you do take an interest in it, that despite all promises given to the contrary, it will be soon whispered that you are backing it.

So please let him send me the information and I'll give you the answer.

I wish to report to you concerning my talk with the Secretary of Agriculture, Messrs. Alexander and Wilson, the net result of which was that Wallace said that he will make a cut in the price of the houses from which it won't be necessary to make any further cuts, i.e., he will cut it to the bone.

Mr. Alexander said that they were now engaged in getting a first class executive who would do the things that were necessary to do and say yes or no. I don't think they are going to take Kenny.

As ever yours,

Mrs. Franklin D. Roosevelt,  
White House,  
Washington, D.C.

BMB: AG
September 22, 1937

Dear Mr. Baruch:

The enclosed letter is from a colored girl whose work came to my attention several years ago.

If I check on the work that she is doing now and find it good, would you be willing to pay the rent for a year? My own money is all pledged.

Very cordially yours,

[Signature]

Mr. Bernard M. Baruch
597 Madison Avenue
NYC

Margaret Innis
224 W 134
NYC
October 13, 1937

Dear Mr. Baruch:

I cannot tell you how much pleasure your birthday telegram gave me. It means so much to be remembered by one's very good friends and I count you as one of them.

I do hope I shall see you before long and be sure to let me know if you are going to be in Washington when I am here.

Affectionately,

Barnard Baruch, Esq.
TELEGRAM

The White House
Washington


Mrs. Franklin D. Roosevelt,
The White House.

Many happy returns.

Bernard M. Baruch.
My dear Mrs. Roosevelt:

Mr. Daniel Willard just finished talking with me and saying that he had just visited Arthurdale and I thought you would be pleased to know that he spoke particularly well of the school.

I am awaiting your further advice regarding the Harlem matter you brought to my attention.

Sincerely yours,

[Signature]

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
Dear Mr. Baruch:

Here is a copy of the report of the survey on the school which I hope you will read and give a very frank opinion about it.

Miss Dickerman is as anxious to have your opinion as I am.

It seems to me an enormous sum of money and I think our plan should be based on a smaller amount. If it did not saddle Miss Dickerman with such a load, I would rather that we borrowed the money than to go out on a campaign at the present time. Perhaps things will go up and people will be interested in the ideas which we evolved from our luncheon meeting and which from my point of view, is the only basis that a small private school such as ours, has for asking the public to be interested in its educational efforts.

Jimmy tells me he had a very interesting time with you this morning. I am more than anxious to see you, but I am going off on a lecture trip and will not be back in New York until the thirtieth of November. Perhaps we could have a real talk soon after that.

Affectionately,
November 2, 1937

Dear Mr. Baruch:

I think you will be interested to read this letter which I have received from Mrs. Houghton, of Arthurdale.

Very sincerely yours,

Mr. Bernard Baruch
597 Madison Avenue
NYC

Mrs. D. E. Houghton
Arthurdale
W. Va.
December 9, 1937

Dear Mr. Baruch:

I am delighted that you and Mrs. Baruch are coming for the Cabinet Dinner, and while I am sorry that you are not staying with us, I understand perfectly.

Perhaps you will be here long enough so that we can have a long talk. Our partnership needs reviving and I need advice!

Very cordially yours,

Mr. Bernard Baruch
Georgetown
S.C.
January 11, 1938

Dear Mr. Baruch:

I am sending you a copy of my little book on peace in the hope that you might be interested to read it.

Did I send you a copy of my autobiography? If not and you are interested, I should like to send you one.

Affectionately,

Mr. Bernard M. Baruch
597 Madison Ave.
NYC
I am honored and privileged to testify from my experience on the problems of the economic system under which we live.

This system has been good to me and mine. My father, a scientist, was an immigrant and a refugee from attacks on freedom in another country, to find himself fighting against what he regarded as oppression of the Confederacy in this country. My mother's people had been here since before the Revolution. They were both of a race and religion which have not always been granted liberty and equality of opportunity in other lands. I am as proud of one as of the other. For both of them, and for myself, I feel grateful to the political and economic system which has nourished and honored us, and so confident of its principles, that I cannot agree with those who now seem to feel that because it has faltered, it has failed. I do not believe that, in those essentials it should be condemned in favor of the unproven experiments we see going on in other and less liberal lands. From what I know of those alien countries and of this, I regard our own as the one hope of civilization in a troubled world.

I have been among the first to urge that the lag of our economic and political systems behind the developing complexities and social necessities of modern life must be eliminated. I think I was as early as any to urge economic equality for agriculture, a floor under wages and a ceiling over hours, federal assumption of a share of the cost of relief especially by public works, the elimination
of unfair trade practices, the principles of social security, and, in
general, a point of view best expressed by Woodrow Wilson many years ago.

"In these doubtful and anxious days, when all the world
is at unrest and, look which way you will, the road ahead
seems darkened by shadows which portend dangers of many kinds,
it is only common prudence that we should look about us and
attempt to assess the causes of distress and the most likely
means of removing them.

"There must be some real ground for the universal unrest
and perturbation. ***

"The Russian Revolution *** was due to the systematic
denial to the great body of Russians of the rights and
privileges which all normal men desire. ***

"It is to be noted as a leading fact of our time that
it was against 'capitalism' that the Russian leaders directed
their attack. ***

"There are thoughtful and well-informed men all over the
world who believe, with much apparently sound reason, that
the abstract thing, the system, which we call capitalism, is
indispensable to the industrial support and development of
modern civilization. ***

"Is it not, on the contrary, too true that *** many
fine men who were actuated by the highest principles in
every other relationship of life seemed to hold that gen-
erosity and humane feeling were not among the imperative
mandates of conscience in the conduct of a banking business,
or in the development of an industrial or commercial enter-
prise?

"And if these offenses against high morality and true
citizenship have been frequently observable, are we to say
that the blame for the present discontent and turbulence
is wholly on the side of those who are in revolt against
them?

"Ought we not, rather, to seek a way to remove such
offenses and make life itself clean for those who will
share honorably and cleanly in it?
In other words, I agree that our system needed revision but I do not believe that it needs revolution, peaceful or otherwise, and I think there are a few fundamental general principles that should guide us in everything we do.

Since Mr. Wilson wrote that some fifteen years ago, we have had an opportunity to study the workings of the Russian plan to do away with the profits system. We have also seen the Nazi and Fascist experiments. We have observed the back-wash of these ideas flooding against the shores of the democracies -- France, England and America.

What have we learned from their attempts? I think that much of the Nazi and Fascist upheaval stems from the blunders of the Treaty of Versailles. To avoid facing grim realities, burdens were placed upon the vanquished which disregarded human equations and economic laws as immutable as the multiplication tables. Partly because of this impossible artificial forcing, both the Communist and Fascist systems also adopted measures equally inconsistent with the great natural laws of human and economic nature. In whatever direction we look, the result is not pleasing to observe.

So much of the peace and trade of the world as ever rested on good faith and solemn international agreements is gone. Much of the commerce among nations, where not dwindling, is stimulated by artificial uneconomic devices. Peace hangs by a thread. Whatever hectic activity may have been forced within the non-democratic
nations, externally they are nearly bankrupt. Both international and private morale are at a low ebb. I can see very little of their effect either within or without their own boundaries to recommend their systems to us.

What then have we learned from this history since its beginning at Versailles?

Have we not yet learned that we cannot free ourselves from the ultimate working of the natural economic forces or the inevitable human equations which govern mankind?

I think these experiments show the fundamental principle that should lie at the bottom of everything that we plan or do in combating this depression. Every action should be designed not to attempt to repeal natural economic laws but to accommodate them to our uses and harness them to our needs. Every action should consider all human equations and not attempt to force divergent humanity into the rigid mold of some social or economic thesis.

From the time man appeared from primordial obscurity as the commanding figure among living things, his existence has depended on his ability to accommodate natural laws — to prevail against animals and insects, starvation and disease, war and weather — and above all — his own incredible folly. The lesson that shrieks for recognition throughout all history is that, in solving this problem of existence, we do not oppose these laws. We apply them. We do not make them our enemies but our allies.
To sail the sea is not to obstruct the law that the "wind bloweth where it listeth". It is to use the wind to take us where we will, no matter where it listeth. Savages crouched in terror before the lightning. Benjamin Franklin harnessed it. We have wisely used and adapted the laws of chemistry and physics but not so wisely have we managed laws governing economics and human nature.

Much progress there has been. No longer do we countenance the ruthless old law of survival of the fittest in social relations. Savages destroyed the weak and the aged. We have progressed from that. But, until a recent day, society was concerned with no more than mere alms to the unfortunate. We have made great strides away from this "little mercy of man". We recognize a responsibility of our national community for all its members. There are none who go much further and say that community responsibility is everything—individual responsibility nothing. That doctrine, I think, ignores the economic law that there is a limit to the burden a community can carry and the human rule that when relieved of individual responsibility man ceases maximum effort.

These are not limits of selfishness. They are limits of natural effectiveness — limits beyond which the lack of responsibility among non-producers plus the burden on producers slows down all production and makes the real state of the whole community, including the less fortunate, much worse than it was before. I fear that in trying to amend our system we have attempted too much too hastily to keep within these natural limits.
In the field of business economics, I sometimes wonder whether we have even stopped to discover what the true governing natural law is. We are blundering among three separate and diverse ideas: (1) complete government operation of business as in the fascist states; (2) a recognition that our economy has fallen naturally into great groupings and a determination to use them to our maximum advantage, regulating them to protect the public from exploitation and to prevent abuses; and (3) unlimited competition. The third idea, "survival of the fittest" remains here our law to the full extent of the jungle rule of tooth and fang. Like an ancient fly in amber, it is preserved from our elder day, in all the pertinent statutes on our books. Our anti-trust acts are built on a mandate for business competition as the perfect antidote for the social poison of monopoly. Yet in contemplation of 40 years of the practical application of this attempt to prevent concentration of economic power which were a natural and unavoidable by-product of our great growth, it seems a failure. Never in history has there been such a centripetal phenomenon as our modern concentration of business in a few institutions of overwhelming power.

I think that in this is revealed our backwardness in accommodating the natural laws which govern us to our developing necessities. Should we not reap the full benefits of our natural developments of mass-production and mass-distribution and by intelligent regulation prevent all abuses? We have not adopted this philosophy. We cling to the doctrine of unlimited competition.
Perhaps it is an aspect of another natural law -- the principle of the pendulum. Up to the end of the 17th Century, there was an ancient and co-called "mercantile" doctrine growing out of the guild-system of the Middle Ages. It permitted one form or another of regulation of nearly every business and labor relationship.

With the revulsion against regimentation of mind, body and spirit that came toward the end of the 18th Century, this economic philosophy of the Middle Ages was also broken and the pendulum swung to the other extreme of the arc. The doctrine of laissez faire was born. Just as unlimited freedom of thought and political action was preached as the social salvation of mankind, so unlimited business competition was to be the sole solution of the economic problem of every nation. The doctrines of Dr. Quesnay and Adam Smith became an economic religion.

What is unlimited laissez faire? Is it more or less than a complete surrender to -- the ancient animalistic natural law of survival of the fittest? Is it a doctrine more enlightened than that man can't adapt the law of the winds in sailing the sea? I think not and yet I truly believe that it was the most effective doctrine in developing a country of continental extent, of boundless resource, and unlimited for individual initiative.

But that ended at about the end of the 19th Century. In the industrial East, at least, individual initiative had begun to merge into corporate collectivism.

As the years of the 20th Century advanced, our new industrial engine became marvelously efficient. The motors of mass and machine production raced merrily in times of ascending activity to
give employment and increased enjoyment of its products to all. But the engine had neither governor nor fly-wheel. It disgorged tons of output with little regard to the power of its human parts — which were its only markets — to consume its products. When the channels of production clogged with undigested surplus the whole machinery stalled. Its human cogs and ratchets had lost their individual self-sufficiency. When their jobs were gone, they could no longer trek westward. Not only had the old free West vanished, but, in their specialization, they had lost power to conquer it if it had remained.

The peaks of prosperity became higher and steeper but the valleys of depression grew deeper and wider. The old cushions for depression — new horizons of free land — were gone. But we took little heed of this vast change. We clung to the doctrine of unlimited competition and individual laissez-faire long after the conditions to which it was suited had vanished. We did not even attempt to adapt the underlying economic law to our new uses or our new uses to economic law.

The crash of 1929 and the lean years that followed it at last thoroughly awakened this nation and the world to the starting necessity to temper the raw doctrine of laissez faire with the age-old lesson of our race — that we must not lie down dumbly under the destructive effect of natural laws. We must stand up and apply human intelligence to their adaptation as mankind did to the glacial age, to flood, fire, famine and pestilence — to storm and drought and earthquake.
Everywhere in Western civilization this attempt is being made in every guise from Communism to Fascism. As in all such periods of distress, the tendency is to go too far and at a pace too headlong. It is human nature to do this — to rush from a freezing at the ice of laissez faire — "regulate nothing" — to a turning at the other fiery extreme of — "regulate everything." In our country, as I have said, we seem to be undecided whether to try to break our big units up into small ones, or to regulate everything.

To regulate everything in a country of the size and complexity of ours is an infinite task for which there is little if any experience. Woodrow Wilson, in giving instructions for an immense industrial regulation under the stress of war, laid down a rule which at least worked — to leave alone what is being well done, to administer that which is ill.

I think that is a good guide. That seems to me to accord more with natural law. Depressions start and grow from the too-great submergence of particular economic areas. Rooms burst from the too-great advance of others. The submergence of one area, such as agriculture, reduces its buying power and so restricts the principal consuming market of the industrial parts of the machine. Thus a decline begins which can only end with a restoration of balance. — either by the elevation of the depressed part or a degradation of all else. Similarly, the too-great elevation of any economic area has a precisely equivalent effect. The price of its products gets beyond the reach of its accustomed markets and the only cure is recession until balance is established.
Worked recession means misery to millions.

These exaggerated departures both above and below the even line of normal balance, when at one moment we go through the roof and the next go through the cellar, I like to call "uneconomic" areas. It is to clear abuses of our economic power and to those extreme areas rather than to our whole business structure that I think we should apply our efforts.

If anywhere within our ingenuity there are means to prevent abuses of private economic power and the recurrence of these wide swings -- these peaks too high and these valleys too deep -- can we be satisfied to sweat it out under the ancient doctrine of laissez-faire? Every year it becomes more certain that we cannot leave the material welfare of 130,000,000 people to the vagaries of every economic wind that blows.

We have produced in the past four years some far-reaching prescriptions on particular fronts but have we done so wisely? Few indeed are the adaptations by man of natural laws that have sprung into being full-fledged like Minerva from the brow of Jove. The skepticism of medicine toward any new nostrum may, at times, have been too conservative but the scientists' approach is surely better than the witch doctor's.

Just as I believe that it is better to address only the "uneconomic" areas than to try to shatter this sorry scheme of things to bits and then remold it nearer to the heart's desire,
so also do I think that we might take lessons from the patient study of the scientist, and fewer from the miracles of the magician.

I think that we could take a lesson from the British practice of public hearings before non-political mixed commissions addressed to a single subject before devising earth-shaking changes in our economic and political systems. It has its disadvantages, among them being delay, but it seems preferable to the presentation to Congress of full-fashioned, far-reaching statutory innovations.

I do not undertake in this opening statement to talk about specific applications of these generalized conclusions. I prefer to leave details to such questions as you care to ask, but I do want to emphasize one general guiding principle which all that I have said before was intended to develop.

The moving forces of mankind are acquisitiveness, the urge to function as an individual, a yearning for freedom in mind and body, and above all the constant quest of opportunity to advance. These are the attributes of individualism. Difficult as it may seem, I think that the only proper solution of our many problems is one which admits and adapts to our needs this inherent human force. The combination of these separate incentives of the workers among 130,000,000 people are the motors that run our economic machine. In correcting "uneconomic" areas and policing vast concentrations of economic power for maximum public service and minimum abuse we must preserve, to the utmost,
individual initiative, individual freedom, and in the least possible
degree, restrict opportunity for individual advancement. Those
have ever been, and ever will remain, the dynamo of all our progress.
Recently we have taken too little care for this principle.

For what is the alternative to the incentive of the hope
of individual gain and advancement. Clearly it is the fear of
punishment — compulsion by the state. Perhaps that can make men
work grudgingly to share a phantom of equality, but it can never
make them work without stint or limit in the hope of getting ahead
in life. It cannot possibly create the type and quantity of service
and production that we must have to keep alive our body economic,
social and political.

To every ability, every investment, every effort, we can
say, "Yes, you can go ahead and do your best to earn but the
state by regulation, restriction, administration or taxation, is
going to take the fruit of your labors to give to others who
through whatever cause — weakness, sloth or misfortune — have
not earned as much."

There is an idea abroad that this is a way to share
our wealth, but I say it is sharing our poverty, because it removes
the steam from our engine of production — the hope of gain. When
we have done that, there will be less effort and hence less output.
There will be less to go round. The poor will be poorer and the
rich less rich. I believe our whole system will collapse in
political revolution and economic ruin because we shall have
destroyed its dynamo through failure to recognize the economic and human laws that govern it.

To activate our economy, we can rely on the profits system and the hope of gain, or we can try the new European ideas of state regulation and the fear of punishment. We can try either but we can't try both at the same time. The hope of gain demands more freedom from political domination than is consistent with any fear of punishment. On the other hand under any governmental domination, there can never be sufficient freedom and hope of gain to activate the production and re-employment that we must have. You can have either, but not both at the same time. "America must choose."

If it became clear tomorrow that America has definitely chosen her traditional profits system, forces would be released that would rapidly hasten recovery and re-employment.

In stating these principles, I do not mean to convey any idea that I am not in sympathy with most of the great social objectives for which I have myself argued for many years. I believe they can all be attained within these principles. I think, however, that we must cut the coat to suit the cloth. As I said earlier there is a limit in laying burdens on any economy beyond which you get a less rather than greater return by reason of the multiplicity of drains. It is called the law of diminishing returns.
I realize that political officials must do things politically. I know that it is just as cogent for a politician to say of a businessman "he never had to win an election" as for a businessman to say of a politician "he never had to meet a payroll." But there is surely a common ground of mutual sympathy, understanding and compromise if both keep a clear recognition of essential principles from the violations of which, as I believe, our whole frustration stems.

In this connection, I must frankly say that I do not believe there has been a proper, or even a wise co-operation, of all those managing business with those who must finally enact and administer the rules governing the relationships in our complex life, which there must be between government, management, capital, labor and agriculture. Of course, impossible experiments should be fought. But all approaches to a solution should be more sympathetically considered by those experienced in business who know what the practical workings and results would be. Furthermore, industry must help eradicate its own abuses in the field of finance, public utilities, speculation and relations with labor and the consuming public. It has not done its full share there. If it does not help co-operatively, the job will have to be done by government alone, and far less well.
In the difficult tasks covering our whole national and international life in this changing world, our Congress representing all the people, and examining the recommendations of its executives, has a terrific unceasing task before it. A better mutual appreciation of that responsibility and also of the problems of business would go a long way toward a solution.

Above all, we must work and will work to meet the emergency and the needs of our unemployed. About 20 billions of dollars have been spent. This is a huge sum. Yet important as it is, after all it is wealth that can be re-made and replaced. It will sink into insignificance if we have preserved to our people the morale and will to fend for themselves. It is that which has put America in the foreground of the world and it is that, and that alone, that can now pull America out of this new morass.
April 19, 1938

My dear Mr. Baruch:

I am enclosing this memorandum from Mr. Pickett and wonder if you are still interested in doing what Miss Clapp is interested in having you do. If not, I will be very glad to tell her definitely that you do not feel you want to go into anything like this at present.

Affectionately,

Mr. Bernard Baruch
597 Madison Avenue
New York, New York
My dear Clarence:

What I had in mind the other day when we spoke together was this:

That the awakening consciousness of the need for a quickened social education of rural communities that is now taking place, be given form and direction by an experiment which would illustrate and reveal the resources and possibilities latent in a region and its people, and indicate the conditions under which these may be used and realized - how these people in their region can be encouraged to study their situation, make use of its potential resources and to develop their own powers.

Such an enterprise should, in my judgment, be undertaken where the need is urgent and, to some extent at least, recognized by the people themselves. Where, also, natural resources are available and may be developed - a characteristically rural area whose soil, timber, water power, mineral or clay deposits, etc. warrant expanded use, accessible by road or river to markets for produce and products. In cooperation with people still able, despite hardships, to work. In an area where social agencies are either lacking or inadequate to meet the needs.

Whatever form the enterprise takes - it is essentially and fundamentally educational - a learning process. Whether it is an agricultural laboratory, a health program, a rural arts center, it is inescapably an educational venture. A long step is taken by admitting this at the outset. It regularizes the learning that must and does take place and is usually coveted by the people themselves. No other social agency is as effective as is a "school" - potentially anyway. None as natural - a "school" is part already of everyone's habit and expectation. In our American way of life the connection between progress and schooling is already established - and makes it possible and feasible for the community to identify their interests and advancement with the school that is theirs. So possession, and participation and extension become natural developments. It is the sole social agency already the people's - their's to use for their own advancement, and therefore the best instrument of democracy.

The school has also the advantage of being an institution that endures, that goes on regardless of changes in administration, answering the continuing need for learning in successive generations.
The experiment (granted its essential educational, social-education character) is the discovery and utilization and use of the natural-economic, human and social resources of a people in their rural region. It bases itself on efforts for livelihood in both the economic sense and in the larger sense of living. It embraces varied efforts of people at all ages - older and younger, in family and home groups, young people, older men and women, children. It is inevitably inclusive (whatever its beginning) of earning a living, family life, community relationships and organization, child care, recreation, health and learning, cultural resources of arts and crafts, music and dance. It could start at any one or more of these efforts, but would swiftly and inevitably include others and soon embrace all these and others as the developing needs demanded them. Whatever the initial enterprise, it should from the beginning be seen and developed as part of the whole. The essential factor in development is a group of people who identify themselves with the community and who work with their neighbors to accomplish shared purposes. (Again, the role of teachers is an acceptable function)

Each situation is unique, and particular needs are relevant to it, initially and later. But always among them are

- livelihood - for older and young people;
- health - which is urgent and involved in all others;
- home conditions - their improvement;
- child care;
- recreation and expression through drama, music, arts and crafts;
- cultural and informational resources;
- science laboratories and agricultural experiment stations;
- some organizations - such as co-operative stores and markets, etc.;
- community units - meetings, etc.

In listing such needs one comes quickly to naming - home-economics, teaching centers; science laboratory and agriculture experiment stations; clinics, health centers; nursery schools; library collections - and a place for learning - meetings - recreation - good times - to a community center to accommodate these things - and either to the enterprise of co-operating with existing schools, or more effective, of establishing another school as part of the schools of the region and the state.

Among all the educational groups and social education groups, there is a great deal of discussion of "community education."
It is well-motivated but on the whole not realistic and not yet conceived in basic terms or sufficiently inclusive. In my judgment, after a year of participation in these discussions and some acquaintance with conditions in rural areas of a number of regions in the Northeast, Southeast and Midwest, I feel that this is the time for an experiment that would reveal needs, resources and indicate conditions for meeting the problems of rural regions.

Experiments such as Arthurdale have opened the way for this. What it showed to be possible must be developed.

It is urgently necessary to do this - and to do it quickly. America's fate may depend finally upon the people of its country areas - the people who raise its food, who develop its natural resources. It is impossible not to believe, watching the tragedies abroad that no time can be lost if our people are going to be able intelligently - and economically speaking also - to choose democracy and life supported by their own work, their own life freely lived in a land whose unused resources their children learn to conserve and to utilize.

These events do not create the importance of launching such an enterprise; that is furnished by conditions here in our own country. They do, however, urge haste in its execution. Our democracy is already being put to the test. It will be a stupidity we cannot forgive in ourselves if we fail to do now what is necessary to conserve and develop it.

(signed) Elsie Clapp

P.S. - I hope you can talk this over with Mrs. Roosevelt and that she will talk with Mr. Beruch. Such an experiment could be his great gift to America and to her. It is time for us to work together again and to create an enterprise which would stimulate others, as Arthurdale (and other experiments) have done. The state of the world makes it imperatively necessary to begin to do this at once.

Mr. Wallace's plan to train youth for agriculture at least on a subsistence basis could form part of such an enterprise. The Department of Agriculture's already existence system of farm agents and home demonstration agents are an essential agency ready for use.

Rural arts are an integral part of the development of resources in rural areas. Alone they are of course not inclusive enough.
I meant to indicate that after the first of May I was relatively free through the summer. The magazine is not issued again until October—so I could arrange to do any exploratory work needed. (Should any enterprise develop I would, as you know, prefer to serve it instead of the editor work. Nothing seems to be as important as this problem)

I feel confident that M. L. Wilson would welcome any such proposal and would want to co-operate with it.

If Mr. Baruch is interested I would be glad to talk with him. He would have valuable advice on the economic side, and a depth of understanding of the whole purpose. Mrs. Roosevelt should, if she is willing, be connected with it, without too great a responsibility. I would like to talk to her about it.

I suggest that you see her as soon as you can, and that she see Mr. Baruch; that I see them both afterwards; and that you and she and I talk together. All this soon, and before the end of May.

I can be reached—

April 14......Care President's Office
Tuskegee Institute, Tuskegee, Ala.

" 16......Care President's Office
Alabama College, Montevallo, Ala.

" 21-24......Hotel Utah
Salt Lake City, Utah

I shall be in Washington April 27-28 (I can stop in Philadelphia on my way).

In New York April 29 on—

In between dates given, my secretary, Miss Rosenthal, 310 West 90th Street, New York (Schuyler 4-1260) can reach me.

E. R. Clapp

Did you arrange for me to go to the Rural Arts Meeting in New York May 3? Place?

Sorry this had to be hand-written. We stopped at Gainesville, Fla. overnight. Going out to Winter Park—Rollins College—for April 11.
April 20, 1939

Dear Mr. Baruch:

Your lovely hydrangea plant has added a gay and cheerful note to my sitting room and I am deeply grateful for this added expression of your friendship and thoughtfulness.

I enjoyed so much lunching with you. Don't let us allow too much time to elapse between meetings!

With many thanks and all good wishes,

Affectionately yours,

Mr. Bernard M. Baruch
1055 Fifth Avenue
NYC
April 26, 1938

FOR MR. BARUCH:

See Mrs. Roosevelt's note:

"Mr. Baruch - Is there any organization that investigates and makes loans such as this? E.R."

Letter from Mrs. Julia K. Daly, 100 Pelham Road, New Rochelle, N.Y. - Is in debt - husband out of job - she has work and wants to borrow $1500 to pay off bills and repay loan at $40 or $50 monthly.
May 4, 1938

My dear Mr. Baruch:

Mrs. Roosevelt asks me to thank you for what you have done for Mrs. Daggett. She deeply appreciates your writing some one in her behalf.

Very sincerely yours,

Malvina T. Scheider
Secretary to
Mrs. Roosevelt

Mr. Bernard M. Baruch
597 Madison Avenue
New York, New York
My dear Mrs. Roosevelt:

I have written someone in San Francisco about Mrs. Madeline Daggett whose letter you sent me.

Unfortunately the problem of unemployment, particularly for those over thirty-five, cannot be solved by taking care of special instances. It must be done by improving the general economic structure. For your own information, I do not think we are moving wisely in this connection.

I hope to see you soon.

Sincerely yours,

[Signature]

Bernard M. Baruch
597 Madison Avenue
New York

May 2, 1938.

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
May 20, 1938

Dear Mr. Baruch:

I am leaving on the morning of the 26th to motor down to Arthurdale and I am leaving to motor back as soon as the exercises are over on the 27th, stopping in Romney for dinner and getting in here around 10:00 p.m.

The President is going down by train Thursday night and I know he would be delighted if you wanted to go down and back with him on the train. However, that would mean that you would arrive in New York at a rather bad hour in the morning. So perhaps you may prefer to motor back to Washington with me and take the midnight from Washington.

Affectionately,

Mr. Bernard Baruch
597 Madison Avenue
NYC
My dear Mrs. Roosevelt:

I have your letter in reference to the dental clinic.

I do not want to stop my interest in Arthurdale and if you think a contribution towards the clinic is the best thing to do, I shall be very glad to make it.

Sincerely yours,

[Signature]

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
June 16, 1938

My dear Mr. Baruch:

I saw Mr. Rothschild the other day and I cannot quite make up my mind about him. He says he is interested in doing something to reduce mortality of mothers and babies but that it must be done through the Government and that his contribution will be to help in organizing the work. The Social Security is doing a certain amount of this work, but I suggested to him that about all any one could do would be to awaken public interest in his own community and that would almost have to be done through volunteer organizations financed privately. I do not know that he agrees with me, and I cannot quite make out whether he just wants a chance to talk to the President or whether he really wants to work.

Very sincerely yours,

Mr. Bernard Baruch
597 Madison Avenue
NYC
My dear Mrs. Roosevelt:

I have your letter about Mr. Rothschild.

I am unable to place him. I thought at first it was L.F. Rothschild who is a first-class man in every respect. Perhaps I will have more information when I see you on Sunday.

Let me know when the books arrive.

Sincerely yours,

Mrs. Franklin D. Roosevelt,
Hyde Park,
New York.
October 13, 1938

Dear Mr. Baruch:

You were sweet to telegraph me on my birthday and I loved having your message.

I am still thinking of what a pleasant evening we had together and shall look forward to our next meeting.

Affectionately,

Mr. Bernard M. Baruch
TELEGRAM

32 E. 26th St.

The White House
Washington

P.O. New York NY 1218pm Oct 11 1938

Mrs. Eleanor Roosevelt
The White House

Many happy returns of the day and may you be spared many years to radiate cheer, comfort and happiness to all those who touch you or your activities.

Bernard H. Baruch.

Second
You were invited to telegraph on my birthday. I close.
having your message.
Jane still thinking of what a pleasant evening we had together.
I shall look forward to our next meeting.

affec

E.J.P.
November 4, 1938

Dear Mr. Baruch:

Do you know of anyone who could look into this case and then find a bank that would take over the whole loan at a reasonable rate of interest so that the man’s wages would not be garnished?

Of course it should not be done unless the family is really worthy, but if they are perhaps a little help might be given. I would go on a note or something of that kind.

Affectionately,

[signature]

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Hon. Bernard Baruch
597 Madison Avenue
NYC

Thurlow MacBryne
28-11 91st St, Elmhurst L.I. - junior salesman at $18 a week - lost several jobs because of his creditors' demands. Has brought his debts down from $1500 to $400 and is again about to lose his job. Worried and harassed - asks advice.
November 15, 1938

Dear Mr. Baruch:

I wonder if you know anyone who might give either this woman or her husband a chance?

Very sincerely yours,

Mr. Bernard Baruch
597 Madison Avenue
NYC

Mrs. Lillie Harwell
8-W-109 St., NYC

- husband can find no work in NY
- She thinks she would do well in radio dramatic work - has had some experience and training writing scripts.
GOOD CHEER AND BEST WISHES FOR GOOD LUCK NOW AND FOR ALL TIMES=
/ BERNARD M BARUCH.
My dear Mrs. Roosevelt:

Enclosed is report I received from the National City Bank on one of the matters I took up for you.

Are you expecting me? And, if so, on what date? Or, are we going to try to meet in New York?

Sincerely yours,

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
Re Mr. McBrayne - whose letter was sent to Mr. Baruch by Mrs. Roosevelt.

Mr. Townsend of the National City Bank called and reported the following.

The National City Bank representative called on Mr. McBrayne who was very much pleased but rather surprised at the call. He said that on his part the matter had been more or less forgotten. He has arranged with a local finance company to make a loan. The interest rate is very high but the finance company was perfectly willing to carry him indefinitely as long as he pays the interest.

He has a position although he is in a period of training, and the relief people are taking care of them. He expects to start earning something shortly. He is in much better spirits at the present time. Thinks he can work this matter out all right.

Our representative told him to get in touch with the bank if they could be of any help to him. The relief people told him they would take care of him. No reason for him to worry until such time as he gets on an earning basis. The concern with which he is connected is well regarded.
Mr. Bernard M. Baruch  
597 Madison Avenue  
New York, New York  

December 15, 1938

Sorry cannot invitation to dine with you. Won't you dine with me?

ELEANOR ROOSEVELT
TELEGRAM

The White House
Washington

7:30 U. RA. 13-

NBN. New York, N. Y., December 15, 1938

Mrs. Franklin D. Roosevelt.

As the party is larger would you all like to dine with me,

B. M. Baruch.
December 15, 1938

Dear Mr. Baruch:

Thank you so much for getting the tickets. Please let me know how much I owe you.

I am looking forward with joy to Monday night.

Affectionately,

Mr. Bernard M. Baruch
597 Madison Avenue
NYC
December 14, 1938

Mr. Bernard M. Baruch
537 Madison Avenue
New York
N.Y.

Would love to have six tickets for Monday evening. Many thanks

Eleanor Roosevelt

Write

Baruch

Thank you so much for getting the tickets. Please let me know how much I owe you.

I am looking forward to Monday with great

appre

E.R.
TELEGRAM

The White House
Washington

New York, N. Y., December 14, 1938
Mrs. Eleanor Roosevelt.

Have four tickets for Kiss the Boys Goodbye Monday evening and can get two more if you want to enlarge party. Looking forward with pleasure to the evening.

Bernard M. Baruch.
December 23, 1938.

Dear Mr. Baruch:

I told you there were two things on my mind and I forgot to speak to you about them the other night.

One of them is about the Democratic Digest which is put out by the women's division of the Democratic National Committee. I know Mrs. McAllister has written to you about it. They really need the money and if you can afford to let them have it, I think it would be a good thing. She is doing a grand piece of work and the National Committee tells her that they have no money and can not give her anything until after the Jackson Day dinner. I personally should hate to see this magazine given up, so I shall be personally grateful if you can do as she asks. I hope she will be able to return it to you.

The other thing is whether you would be willing to see some young people in the American Youth Congress. They want to do an organizing job and put on a campaign of education for living in a democracy but they must first put themselves in contact with rural youth of America. This can only be done with a certain amount of organizing. I want them to talk to you about their plans because I do not want you to do anything if you are personally not interested and did not think it of value. I certainly do not want you to do anything because I happen to be interested.
If you are willing to see them, I will ask them to go to see you. They want $5,000 and if you do not feel you can give it, but think what they plan has any value, perhaps you could help them to go to the right people to get it.

I enjoyed our party on Monday night more than I can say, and I hope the next one is not too far off.

Affectionately,
My dear Mr. Baruch:

I am sorry to say that on account of the fact that the appropriation for the Farm Security Administration, under which the homesteads are run, will not be through Congress by February 2, it seems to me ill-advised to make a trip to Arthurdale. It might in some way influence the thought of the legislative branch of the Government. Therefore, I have decided to postpone our visit to West Virginia until a later date.

I regret this very much and hope it will not inconvenience you in any way.

Hoping to see you soon, I am

Affectionately,

Mr. Bernard M. Baruch
597 Madison Ave.
NYC
Mr. Bernard M. Baruch  
1055 Fifth Avenue  
New York, New York  

Cannot be in New York next weekend. Love to see you here next Thursday at four and for dinner and reception if you care to come. Nothing urgent.

ELEANOR ROOSEVELT
Mrs. Eleanor Roosevelt.

Your kind invitation for luncheon Thursday did not reach me until noon today, and I have been trying to postpone or change engagements but I cannot. However, if you have something urgent then I would break anything to serve you. I plan to leave Thursday night and return through Washington about next Thursday. How about some play last part next week, and, if so, what one? Affectionate good wishes.

B.M. Baruch.
February 28, 1939

Dear Mr. Baruch:

Here are two people whom I have heard about since I talked with you. Both of them, I am sure, are not only good secretaries but whizbangs as stenographers, and I thought you might like to see either or both of them.

Affectionately,

Enc. letter from Miss Lape about Hannah Kahn
72 Irving Place, N.Y.C.

Note to be included about Miss Kruger(?)
March 6, 1939

Memorandum for Miss Hickok.

Will you please add Miss Kruger's qualifications to this correspondence, and then send the whole thing to Mr. Baruch?

for

Malvina C. Thompson
March 1, 1939

MR. BERNARD M. BARUCH
GEORGETOWN
SOUTH CAROLINA

MRS. ROOSEVELT LEAVES WASHINGTON SUNDAY MARCH FIFTH
AT MIDNIGHT

HALVINA C. THOMPSON
Dear Mr. Baruch:

When you told me the other day about giving help to some of the South Carolina colleges, I meant to speak to you about this institution. I enclose a letter from the man in charge.

This man came to see me in Nashville and I was much impressed with what he told me. I haven't seen this college but I thought if you were interested you might like to have some one near there find out about it. I also do not know whether you are helping institutions outside of South Carolina. In going through Tennessee, I felt that anything which would help rural conditions was certainly worth while.

I hope you will see Franklin before long. I think you will find him in an extremely cooperative frame of mind. I am particularly anxious to see your plan carried out for refugees, selfishly because I think it will help solve many of our international problems. At the same time I am anxious to see us let business have some of the reforms which they think will solve their difficulties, no. because I agree but because I think there is much in the psychological effect.

I want to see us make a drive for some fundamental changes in attitude and that I would like to talk to you about. I should be back in Washington just before Easter if all goes well with Anna.

Affectionately,

Floyd Braillar

Madison College
March 16, 1939

Dear Mr. Baruch:

I have had a letter from Helen Fuller. She was so happy and pleased to have had a chance to see you.

I am so grateful to you. You are always so kind.

Affectionately,

Mr. Bernard Baruch
597 Madison Avenue
New York City
March 7, 1939

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

Dear Mrs. Roosevelt:

Thank you very much for arranging the appointment with Mr. Baruch for me. We had a very pleasant conversation yesterday morning, and I was interested to learn his views on many of the problems which young people are facing. He has kindly agreed to make a contribution to the Council of Young Southerners and is to get in touch with me again after he has seen Joe Cadden in New York.

I am very well pleased by the progress we have been able to make with our program thus far. Of course, it is difficult to see results in the first stages of any new program, but from the responses of the young people we are meeting I feel that we must be moving in the right direction. We have already established state committees in several of the Southern states and hope to have forums underway in at least a few of them very shortly.

Please know that we are deeply grateful for all the help and encouragement you have given us, and let me thank you again for interesting Mr. Baruch in the Young Southerners. His contribution will relieve much of the immediate financial strain and will, I believe, add strength to our requests for funds from other sources.

Sincerely yours,

Helen Fuller
Chairman.

From Mr. Baruch

Gram had a letter
from Helen Fuller
She was so happy
She said to me to get a Coast
March 22, 1939

My dear Mr. Baruch:

I am perfectly delighted with the books which you had sent to me from the National Geographic Society and know I shall enjoy them very much indeed.

Many, many thanks for your kind thought.

Affectionately,

Mr. Bernard M. Baruch
597 Madison Avenue
NYC
National Geographic Society  
WASHINGTON, D.C.  

Mr. Bernard M. Baruch  
has requested that the accompanying  
gift be sent you with best wishes  

NATIONAL GEOGRAPHIC SOCIETY