doors to low income people. In the press over the weekend, one of the so-called civil rights leaders has recommended that the poor file for bankruptcy.

May I ask first, what your own personal reaction to this kind of nationwide drive might be, if it were successful in any way; and second, what do you think the reaction of the administration would be to such programs if this kind of a drive caught on or were even endorsed by others?

I must say if this report is accurate I was greatly dismayed to find that support for the bankruptcy movement has been received by about 3,900 members of a local of the American Federation of State, County, and Municipal Employees.

Third, would you comment—or hazard any comment—about the increased problems this program might encounter in the Congress, in the authorization committees and in the appropriation committees, if we found this kind of a proceeding recommended and followed by others?

Secretary FREEMAN. As to No. 1, I do think the co-op loans have been extremely useful. They have permitted more encouragement for the pooling of resources and equipment. We have only begun to scratch the surface, but I think this will prove to be a very, very important step forward.

Second, I did not see this reference and I do not know what it means. On the one hand if it meant the poor like the rich ought to know about the laws on bankruptcy and be able to use them like anyone else, I would say that would be only common justice.

On the other hand, if it is meant there is to be a program to encourage people to file bankruptcy proceedings I would think that would be very bad, public, private, and national practice.

I always hesitate to vouchsafe an opinion as to what the Congress would do, whether it be on authorization or appropriation but it would be my guess any real such program to in effect abuse the bankruptcy laws or to encourage their use would have an adverse effect in this legislation before the Congress.

That would be my horseback opinion.

Mrs. GREEN. If the quote is accurate, this civil rights figure has said that he regards his bankruptcy campaign as a possible threat to the entire credit system.

Leaving out what Congress might do, what do you think the administration might do in making loans? Woud it change your attitude toward making loans?

Secretary FREEMAN. Again, I am not quite sure what this means but we have certain laws on bankruptcy on the books.

They have been passed by the Congress and they are the law of the land. Under certain conditions an American citizen can proceed under those laws.

Mrs. GREEN. We are well aware of that, Mr. Secretary.

Secretary FREEMAN. I see no threat in that. In the other instance if what is proposed here is to encourage people to file for bankruptcy every time they can instead of trying to pay off their bills, that is a bad thing.

Mrs. GREEN. I interpret the article as exactly that, to encourage people to file for bankruptcy, not to make them aware of the bank-