

In both situations the basic facts are the same. Rural young people in grinding poverty are forced or are escaping to the city slums and the jobs. They are stacked deep in the slums marked by their language and looks. They were ill prepared and ill-educated for urban slum life.

The anger and the numbers build up, and some really insignificant incident explodes this inflammable situation.

We have blindly accepted the unplanned and unaided immigration from grinding rural poverty and the resulting social ills. It is a costly and inhuman way to treat rural poverty. It is cheaper to treat rural poverty in rural America, rather than wait until families break under it and move to urban slums and wait like time bombs until a match is lit. It is often too late to prevent this poverty in the slums and ghettos.

STEPS TO PREVENT AND ELIMINATE RURAL POVERTY

Increasing net farm income

Much of the rural poverty is generated by people being forced out of farming. Today farm income is at a very low point—74% of parity. With this kind of farm price, we are driving more and more farmers and farm workers from the land. We as a nation will regret this deeply within a relatively few years when world starvation becomes common place. Meanwhile, we drive the poor farmers and farm workers from the land and into the cities which helps to create the riots and the congestion problems of our urban areas. There is a relationship between low farm price and urban overcrowding and problems, and if we are not going to send another 200,000 rural people heading for the slums before next summer's riot time. We must do something about farm prices.

Fall finding of the 1965 farm act would be the biggest step in preventing rural poverty.

Doing something about farm prices is not enough for most farm families in poverty. The family farm which is well equipped and with enough land is as efficient as the corporate farm and in many cases more efficient.

One of the prime difficulties that most family farmers, including the southern Negro farmer, can not obtain sufficient credit to buy the land or get the equipment, and can not arrange the marketing system so that he can compete with the corporate farm and the large farm empires. Many low income farm families need more and lower interest credit if they are to work their way out of poverty.

We have supported the encouragement of farm co-operatives as recommended by the U.S. Food Marketing Commission. We support the SWAFCO Co-op, which has been funded by the Office of Economic Opportunity, and we urge that farm co-operatives for low income farmers of all types be aided. We also realize that low income farmers will need much more credit than is currently available. We have testified dozens of times this year on the need for this credit. It now appears that we are moving into an even worse tight money and high interest rate situation. While most urban borrowers found money easier and cheaper to get this past few months, the farmer has continued to have a high interest-tight money situation and it is going to get worse. The rougher it gets the more poverty level farm operations we will have in this country. To keep up with the need for new equipment and land, the average farmer needs about 10% more credit each year. One of the chief reasons that a majority of the Spanish surname and Mexican-Americans citizens in this country have moved from the farm to the small town and urban area during the past two decades is the lack of credit. The lack of credit and high interest rates have forced many southern sharecroppers and small farmers out of farming.

The cost of higher interest rates and tight money is staggering. This is one of the chief generators of rural poverty.

The Farmers Home Administration farm operating loans need to be expanded. The Economic Opportunity loans need to be expanded and the size of the loans increased. This program has in general been well run and is reaching very low income people and has been used for small farm cooperatives.

Increase Federal aid to education

Property and sales taxes are regressive taxes in rural areas. The modern corporate and technological wealth is not located (or taxable) in most local rural communities or rural states. At least ¼ of the income for the public schools should come from the Federal income and corporate tax sources. Only this type of effort can equalize the schooling level where in 1960 the average urbanite had 11.1 years of schooling, the rural non-farm 9.5 years, and the rural 8.8 years of schooling. This should include major increases in vocational and adult education.