

wise in ten of the poorest, and predominantly white, counties of West Tennessee (almost all eligible for Economic Development assistance) there are no CAA's, because, again, there are no available funds for new programs and there is a predictable attitude of non-cooperation on the part of the local power structures. It is imperative that more program development funds be made accessible to the poorest communities of our country, so that those most in need may have the greatest chance at self-help opportunity. We make this request in the knowledge that only 15.5 percent of all community action funds went to rural communities last year, although 43 percent of the nation's poor families dwell in these areas.

The move towards state-operated community action programs serving rural and smaller communities is bad and should be reconsidered. The southern states where NSF works have already shown a most unwise tendency to use what veto power they have to stop programs needed by the poor particularly in the rural communities. (NSF itself has just had one important program for training local leadership approved for funding by OEO and then vetoed by the State of Alabama.) The participation of the poor in planning and directing a program in such a top-down arrangement would be at maximum a token gesture. The reason poverty, illiteracy, and migration are so prevalent in wide areas of the rural South is in large part due to calculated neglect of these areas by state and local agencies. To turn over vital parts of the poverty program to the whims of state agencies would be to abandon the poor.

The National Sharecroppers Fund is most vitally concerned with Title III-A and -B, respectively programs of rural loans to help low-income farmers and their cooperatives, and to aid migrant workers and their families. The suggested appropriation is \$20 million for Title III-A and \$27 million for Title III-B—\$20 million for loans to rural poor who are desperately trying to remain on the land is \$8 million less than was requested last year (FY 66) when only 8,846 EO loans were able to be made to 14,892 poor farmers seeking help in the 16 poorest Southern states. Likewise the \$27 million suggested for this year's III-B programs represents a drop of \$6 million from last year, meaning that OEO will have to discontinue some critically needed programs just begun for seasonal farm workers.

The importance of the rural loan program cannot be overestimated. It is helping small farmers to remain on the land and, especially with coordinated help from training programs, to raise their income levels to a decent standard. And it is helping them to pool their resources through cooperatives to purchase farm machinery they could not acquire individually, to save on buying fertilizer and other farming necessities which were previously a source of perpetual debt, and to market their crops more profitably by elimination of middleman profits. NSF has worked with these farmers and helped them to organize their cooperatives, but FHA itself needs to make far greater efforts to assist these groups of farmers in farm management, crop diversification, and soil conservation techniques if the co-op loans are not in effect to be wasted. Just last month, Secretary of Agriculture Freeman visited one of the low-income cooperatives which NSF helped to get started. After his visit, the members of this West Batesville (Miss.) Farmers Co-op wrote to Mr. Freeman, explaining the insufficiency of help and guidance from the Department of Agriculture. They said:

We would indeed like to make the West Batesville Farmers Cooperative Association a success and an inspiration to groups of poor farmers throughout the South; but we find that our original loan from FHA to buy the equipment and facilities, which you inspected on your visit, was not sufficient to sustain and expand our operation. We have, as we think you learned, a desperate need for a full-time manager and for technical assistance from local and federal government officials knowledgeable in crop diversification, farm management, soil conservation, and other agricultural assistance which we have been unable to obtain from local representatives of USDA agencies in Mississippi.

We certainly hope that you will fulfill your expressed dedication to assist low-income farmers by making available *grants* (out of interest charged against FHA loans) to provide the technical assistance necessary to save the livelihood of poor farmers like ourselves throughout the South.

It seems absurd to use and to these co-op members that FHA in its administration of a delegated *antipoverty* program should "pocket" the interest on loans to groups of poor farmers. It seems only consistent with the spirit and intent of the E.O.A. that such interest gained on loans should be plowed back into the cooperative operations of the poor in the form of providing management, education and technical assistance so that these co-ops can become truly economically