courts, that will afford the protection of the law to those who are least able to secure proper representation.

In my own experience there have been frequent instances in which we have had to represent poor clients in filing proceedings to set aside default judgments in order to afford them their day in court, and in many instances the mere step to set aside a default judgment will put the merchant or the debtor in a more receptive position to discuss the ways and means of resolving without trying the merits of the issue. I will deal with that probably, in response to your question, when I deal with the question of legal service.

Mr. Chairman, in order to save time, because I found from Dr. Caplovitz' testimony that we have in fact repeated some of the observations that he made in his book and in his study in New York, resulting in the conclusion that the poor not only pay more but they pay much more, I am going to skip some portions of my written testimony to get to the substance of your interest as to what the Office of Economic Opportunity has attempted to do.

I would like to mention, however, that the urban poor consumer is not the only one with problems. In rural America the only source of credit is often still the plantation store or the company store. Many marginal farmers and sharecroppers give up most or all of their earnings in return for credit that will enable them to plant and harvest a crop. There are many cases in which small farmers are charged more than 50 percent interest annually for operating money.

In addition to the marginal farmer and sharecropper, there is the migrant worker. He has little left after he repays the farmowner, the crew leader, or the individual who contracts out his labor.

Recently, there came to our attention a rather substantial or large farmowner in Alabama who still pays the people that work on his farm by a species of money that is not in general circulation, and when they are paid with that they must buy the goods at the store, and they receive a certain percentage of dollar value which has a built-in profit for the employer because he only redeems the chit for less than the full dollar for which they have been working.

In both urban and rural areas, the type of credit available to the poor insures that they will remain in poverty. In fact, that the poor pay more is now receiving the national attention it warrants. And the fact that the poor pay more precisely because they are poor is the most important problem we face.

When our agency began its consumer programs, it was virtually breaking new ground.

A number of laudable efforts have been made in the consumer field by labor and by private groups, but these were generally confined to a constituency above the level of the poor. They were in some sense serving a middle class and a class that is not entirely unmindful and unneedful of this advice.

I would not, for one moment, suggest that the groups to which these consumer programs were directed were not needed there, but only to indicate that they did not reach the real poor that are the victims of exploitation today.

We began experimenting in an effort to bring the shopping dollars of the poor consumer up to the level enjoyed by the rest of society. We looked for ways to help the poor gain the access to the lowest market prices and interest rates enjoyed by the general public.