The Commission's hearing and investigation also disclosed that the Department of Agriculture has not dealt satisfactorily with the matter of eliminating segregated offices. In Montgomery, a Commission staff member observed that the black agent and his secretary occupy an office in the Post Office building isolated from the area where all of the white agents and their secretaries have their offices. Another incident was described in testimony at the hearing.

When the Sumter County Extension Office was directed to desegregate in 1965, the black employees were moved from another building into the same building as the white employees, but their offices were located in another section of the building. The Chairman of the Sumter County Extension Service, B. B. Williamson, Jr., testified that in 1967 he was ordered by the Department of Agriculture to desegregate his office. This was accomplished by moving the black secretary into what had been the storage room and moving the supplies into the office used by the two white secretaries. The white supervisor of the home demonstration agents shared her office with a white subordinate, while the subordinate black demonstration agent was placed in an office by herself. The two white farm agents also shared an office, while the black agent had an office to himself.

This practice of office segregation not only violates the prohibition of the 1964 Civil Rights Act against discrimination in federally assisted programs, but it facilitates choices by the whites to seek service from whites and blacks from blacks. Sumter County had one of the highest rates of segregated service in any of the counties investigated by the Commission—95 percent of white agents' time and visits were with whites and 98 percent of black agents' time and visits were with blacks.

*Farmers Home Administration*

The Farmers Home Administration was established in 1938 to help small tenant farmers get out of debt, acquire family size farms, and build decent homes and communities. The financial and technical assistance provided by FHA over the years has been an important factor in maintaining the family farm as a significant part of American agriculture.

The Commission discovered, however, that in the 16-county Black Belt region of Alabama FHA programs have had only a negligible effect on black rural poverty and that white farmers and rural residents, who represent only 38 percent of the rural population in the 16 counties, receive by far the greater share of FHA resources. Testimony at the Commission's hearing also showed that the loan practices of FHA tend to perpetuate rather than alleviate the economic dependency of black farmers and rural residents by providing them primarily with marginal subsistence loans rather than growth and development loans.

The Commission learned that for Negro farmers agriculture is little changed from the 1930's. They continue to plant only a few acres of cotton and some feed corn. They plow and cultivate with mules and sow, fertilize and spread insecticides and weed poisons by hand. They mortgage their crops before the planting season to their landlords and to the furnishing merchants[5] for rent, seed, fertilizer, poisons and rations or cash for subsistence, for which they are charged six to eight percent interest on the principal and outstanding indebtedness. At the end of the harvest they have nothing and often owe more than they have taken in. Approximately two-thirds of the black farmers in the 16 county area of rural Alabama investigated by the Commission farm less than fifty acres. Economic progress has been made in Southern agriculture, but today black farmers are not significant in the farm economy of the Black Belt except as a source of economic exploitation by white landowners, furnishing merchants and others.

*Unequal Participation in FHA Programs*

Contrary to the original intent of Congress in establishing the Farmers Home Administration, poor black farmers in Alabama have benefitted little from FHA programs.

Much of the capital required to finance the shift from row crops, such as cotton, to diversified farming has been provided by FHA at favorable interest rates. In addition, FHA County Supervisors have been active in encouraging many farmers to diversify and have provided the necessary technical assistance

[5] A "furnishing merchant" makes advances of goods to farmers in return for a mortgage on the farmer's crop.