occupied by blacks is substandard. Farm tenant evictions continue to create many homeless black people in the 16-county area.

In 1966, FHA made rural housing loans to 64 whites and 63 blacks in the 16 counties; blacks received less than half the money loaned to whites. In 1967, the Farmers Home Administration made 212 rural housing loans in the 16 counties. Whites received 120 of the loans which totaled $1,141,000. Blacks received loans totaling $440,460.

Reverend Daniel Harrell, who directs a self-help housing project in Wilcox County, testified that even if FHA loaned all its rural housing money to blacks it would not help those who need help the most:

> Now through Self-Help housing we can reach only a certain group of people. Because they have to have the ability to repay the loan. And a lot of people in Wilcox County are not making over $500 a year . . . these people are left out. . . .

Reverend William Branch of Greene County told the Commission how the black community drew on its own meager resources to house evicted tenant families after they were turned down by FHA:

> . . . many of them went to the FHA there in the county to try to secure some help in building these houses. But, due to the small acreage or the small lots, and due to having no income whatsoever, they were not approved, their loan was not approved.
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> * * * * * * *
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> And we have spent many, many nights calling people together who already have land. We couldn't buy land from the whites, and calling these people together who had land and we had to sit down and sometimes had to reflect on the Scripture saying, "When the Master came," we said, "When I was outdoors you took me in, when I was naked you gave me clothes." And we used that statement, and we have converted a lot of people who owned land to be willing to permit those people to either live on their land free of charge, until they can do better, or sell them a portion of that land.

Discrimination by FHA Committees

All loans made by the Farmers Home Administration are first approved by a local committee in each county composed of three persons representative of the rural population eligible for FHA assistance. Negro witnesses stated their belief that racially discriminatory attitudes on FHA County Committees may be a factor in refusing loans to black applicants.

Reverend Daniel Harrell, who has assisted a number of evicted tenant families in purchasing land on which to build, testified that:

> I think FHA is okay, but I am kind of questioning FHA's committee. I do know of a case down in Coy, where Mr. Le Croy [the county supervisor] and I sat down in his office. I took into him 14 applications, we discussed them and he knowing most of the people because he has been in the county for maybe 15 or 16 years, maybe more than that. He and I came to the conclusion that nine of these said persons would pass. However, out of the whole group after the committee meeting, out of the total group of 14 persons, only one passed. And so I kind of question the committee a little bit.

The Farmers Home Administration has directed that at least one black person be placed on each local committee. Although this directive has been followed, in no county in which black rural residents predominate has more than one black person been named to the local committee.

Supervised Credit

Testimony was heard that the supervised credit policy of FHA when applied to self-help cooperatives conflicts with efforts to establish initiative and self-reliance in the members. William Harrison, president of the largest black cooperative in Alabama, the Southwest Alabama Farmers Cooperative Association (SWAFCA), told the Commission that "the whole idea behind SWAFCA is to create some kind of economic basis by which people will be able to think for themselves." Supervised credit by FHA, according to Mr. Harrison, "would simply destroy the whole philosophy behind the co-co . . . that individuals will learn and do for themselves. As I view the restrictions, it simply means that FHA will have a co-op in Southwest Alabama, rather than a board of directors running the co-op . . ."

Mr. Calvin Orsborn, business manager of SWAFCA, stated:

> Under ordinary circumstance, I wouldn't hesitate one minute to take this loan. But SWAFCA, being as controversial as it is, being a whipping boy for