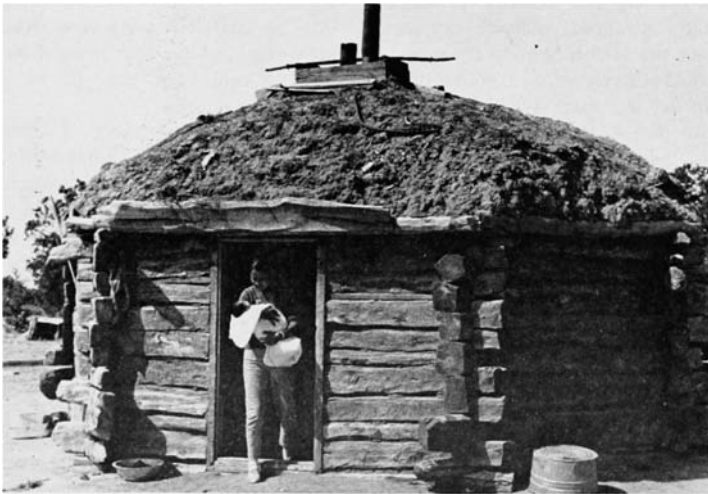


# States of the Union

## THE RURAL HOUSING FAMINE

BY RICHARD J. MARGOLIS



**A** HOUSING famine is raging through rural America, and no one is lifting a finger. More than two-thirds of the nation's bad housing is located in rural areas and small towns, yet about 90 per cent of all Federal housing funds goes to the cities. The upshot is a continuing mass migration from shacks to tenements—out of the rural frying pan into the urban fire.

Meanwhile, about 13 million Americans remain in their shacks, their tarpaper huts, their mud hogans, their tents. There are Indians living on the northern plains who sleep in rusted-out car bodies, in the dead of winter. There are sharecroppers in the Deep South who cannot afford an outhouse; they use a slop bucket or the ditch. (The ditch usually runs near the pump, the sole source of drinking water.)

In Burlington, Colorado, investigators hired by the state university found three migrant farmworker families, totaling 33 persons, living in "a converted chicken coop, divided into three rooms. The ceiling was approximately six feet high . . ." Flies and black widow spiders were in abundance; everyone shared one outdoor toilet. At another Colorado migrant camp a rat was seen swimming in the water supply.

The migrants, the sharecroppers and the seasonal workers supply muscle and sweat for the nation's thriving \$125 billion food industry. We eat the products of their misery. Next time you open a daintily wrapped container of S. S. Pierce plum pudding, think about S. S. Pierce as a slumlord. The company's seasonal farmworkers in California earn \$4-8 per day (except during the height of the season, lasting a month-and-a-half, when they can earn up to \$16 per day). They live in company trailer camps, where rent is \$150 a month; if the family is too large to be stuffed into a single trailer, a second one is made available for \$80 a month. In sum, the rent

S. S. Pierce charges is approximately equal to the wages it pays. News like that can take the joy out of eating.

Like all famines, the rural housing famine is an agent of death. Tuberculosis and other respiratory diseases occur in rural areas at rates disproportionately high. Ditto for infant mortality and for maternal deaths associated with childbirth. In 1964, the maternal death rate in rural areas was 41 per 100,000, compared to 25 per 100,000 in America's suburbs.

At the Rosebud Sioux Indian reservation in South Dakota a few years ago, several Federal agencies pooled their funds and built almost 800 new houses. About three-quarters of the population was rehoused, almost overnight. As a result, hospital admissions on the reservation dropped 30 per cent.

The Rosebud housing effort was a "demonstration project," and what it demonstrated was that people who live in warm houses and drink clean water have a better chance of staying healthy. One might think that once Federal officials made this remarkable discovery they rushed to use it. After all, the Rosebud houses cost only \$6,000 each—considerably cheaper than the cost of supporting a Public Health Service doctor. Why not gather ye Rosebuds while ye may and build houses for all 13 million rural poor, or at least for the half-million Indians who live on reservations (where 80 per cent of the housing is substandard)?

But Federal demonstration projects are usually one-shot affairs, especially the successful ones. The failures are sometimes repeated by officials anxious to correct, or conceal, their mistakes.

**T**HERE IS, in fact, no adequate Federal mechanism for construction of new housing in rural America. In theory, public housing is available to rural families just as it is to urban families, but in practice it has been a

big disappointment. Although the program has been law for more than three decades, 38 per cent of the nation's counties have never bothered to create local public housing authorities. By and large, these are precisely the counties where one finds the most shacks.

The Bureau of Indian Affairs (BIA) is, among other things, supposed to be in the business of providing decent housing and sanitation facilities for reservation-based Indians. In 1964 the BIA and the Public Housing Administration together launched a Mutual Help



Housing program for Indians. The idea was that under BIA supervision the Indians would get together in small groups and build houses for each other. Their labor, or "sweat equity," would reduce the cash price of the house.

Officials predicted the Mutual Help program would rehouse three-quarters of the Indian population in five years. Six years later, however, seven out of every 10 Indian families remain in hovels without heat or indoor plumbing. At its present rate of construction, the BIA will require 281 more years to get the Indian population into decent houses (assuming, of course, that the Indian population does not continue to double itself every 20 years).

The only other Federal agency possessing authority to do something about rural housing is the Farmers Home Administration, a part of the U.S. Department of Agriculture. Its illustrious forebears include the Resettlement Administration, a radical creation of the New Deal that made loans to cooperatives, sponsored rural health programs, and even officiated over a modest land-redistribution program to assist black sharecroppers. Resettlement was succeeded by the Farm Security Administration (headed at first by FDR brain-truster Rexford G. Tug-

well), which operated a similar program from 1937-46.

In the reactionary postwar atmosphere, Congress decided that cooperatives and land redistribution were un-American. The old agency with its old dreams was wiped out, to be replaced by the Farmers Home Administration, an agency bereft of both dreams and funds.

Today the Farmers Home operates some 20 different programs related to housing and community facilities. Since 1960 the size of its loan and grant programs has increased 624 per cent, a promising statistic until one considers that the agency's staff has grown only 77 per cent during the same period. In other words, Congress expects each

Farmers Home employe to work nine times harder in 1970 than he did in 1960.

The result of this congressional penny-wisdom has been a monstrous administrative logjam. Some loan applicants have had to wait more than two years merely to get their applications processed. The agency entered fiscal 1971 this past June with a backlog of more than 70,000 applications—or as many as it managed to process in fiscal 1970.

Even if the Farmers Home Administration were able to break up the logjam (an incredible assumption), its program would be miserably inadequate. For example, 34,000 communities in the United States lack decent water facilities and 44,000 lack decent sanitation facilities. Most of these towns are small enough to fall within Farmers Home's jurisdiction (towns of 5,500 or less); but at the agency's current rate of subsidy it will take more than a century before the *present* need is met.

Still, Farmers Home is the only bureau in Washington with the legal authority to make direct home-construction loans to the poor, and if it took the job more seriously it could be helpful. During fiscal 1970, the agency made housing loans and grants totaling nearly \$800 million. Unfortunately, only 5 per cent of that money went to families earning \$3,500 or less; 45 per cent went to families with incomes of \$3,500-\$10,000; and half the money went to families with incomes *over* \$10,000. In other words, the only Federal program specifically aimed at helping shack-dwellers has become a middle-class boondoggle.

Farmers Home manages to ignore its mandate—that is, aiding the poor—through a combination of red tape and callousness. One case history will suffice. In Hawthorne, Florida, just east of Gainesville, lives Nancy Sylvester, a black seasonal farmworker. Mrs. Sylvester, 36 years old, supports a household of seven children (including two of

her grandchildren) by picking oranges and cucumbers for growers in the area. Each morning at 5 A.M. she walks to the road and waits for the company bus to pick her up and take her to the fields. When the company doesn't need her, the bus doesn't come.

Mrs. Sylvester earns \$560 a year from her field labors. State Welfare gives her another \$1,082. Until recently the Sylvester family lived in a tiny one-room shack with a privy in the back. The shack was heated



SYLVESTER CHILDREN

by a wood-burning stove, but often there was no wood to burn. A two-weeks' supply of stove-wood costs \$10.

**L**AST JANUARY the Sylvesters moved into a new house built by VISTA workers in cooperation with the Rural Housing Alliance, a private, nonprofit organization based in Washington. It was a low-cost, experimental house—three bedrooms and a bath—and the Sylvesters were chosen to live in it by persons associated with the local community action program.

The next step was to obtain a long-term, low-interest mortgage from the Farmers Home Administration. Community workers representing Mrs. Sylvester handed in a routine loan application, and it was routinely refused. “. . . we cannot make a loan to an applicant whose *only* income is from welfare,” explained the state Farmers Home director. (*Italics mine, R.J.M.*) “It is impossible to determine how much income a family would receive from welfare 20 to 30 years in the future.”

In response, Mrs. Sylvester's friends got the Florida welfare department to write a letter to Farmers Home declaring she would be eligible for welfare “as long as she has at least one dependent” (the youngest grandchild is two years old), and offering, in view of the mortgage, to increase her monthly payments. Farmers Home's reply hinted that the youngest child was not Mrs. Sylvester's grandchild, noted again that “the income of this family is most difficult to establish,” and refused to reconsider her application.

More exchanges followed. Finally, when it became clear to Farmers Home officials that the welfare gambit was not convincing, they took the position that Mrs. Sylvester could not afford the monthly \$20 mortgage payments, with or without welfare. What they ignored was that Mrs. Sylvester would have to pay much more than \$20 a month to any shack landlord—it would cost her more money for less housing.

In effect, Farmers Home was saying to Mrs. Sylvester, “Go live in a lice-ridden shack for \$40 a month, because you can't afford to pay us \$20.” Case closed.

Fortunately for the Sylvesters, the Rural Housing Alliance was able to pick up the mortgage (of about \$4,600). Mrs. Sylvester has been meeting her payments on time, and she and her family have escaped the housing famine. But what about the other 13 million?