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HELPING THE FARMER HELP HIMSELF

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RESETTLEMENT ADMINISTRATION

WASHINGTON, D. C.

FOR many years the American people have regarded farming as the one activity certain to yield at least three square meals a day and a place to sleep at night. Many thought the farmer was never threatened with starvation, even though there were years when he did not make any money.

THIS idea was proven false during the depression, when more than a million farm families were forced on relief. The Government had to feed these families to keep them from starving. It was during this period that the Government learned that in most cases it is far better to help the farmers help themselves than to give them direct relief. It was shown that a small loan, better land, and good farming methods would put many of these distressed families on their feet permanently.

THE Resettlement Administration is the Government agency now carrying out this program of aid for needy farm families. Resettlement is extending loans and providing agricultural guidance to enable low-income farm families to become self-supporting. The purpose is to enable individual farm families to get a new start under more favorable conditions on the farms they now own or rent or on nearby lands. This part of Resettlement's program is called "rehabilitation."

• 1 •

WHAT DOES "REHABILITATION" MEAN?

"Rehabilitation" means to restore or reestablish. As the Resettlement Administration uses the word, it means simply making loans to farmers to help them get back on their feet. In emergency cases it means providing money for food and proper shelter until they are able to provide for themselves.

• 2 •

WHO ARE BEING HELPED THROUGH REHABILITATION?

Farm owners, farm tenants, share croppers, farm laborers, and other persons with farm background who need help and cannot obtain reasonable credit from any other agency are eligible for aid.

• 3 •

HOW CAN A FARMER GO ABOUT GETTING A LOAN?

A farmer who desires a loan from the Resettlement Administration should apply to his County Rehabilitation Supervisor, his County Agricultural Extension Agent, or to the local public welfare office in his county.

• 4 •

FOR WHAT PURPOSES ARE REHABILITATION LOANS MADE?

Rehabilitation loans are made for the purchase of necessary farm supplies, livestock, household needs, feed, seed, fertilizer, for payment of rent, taxes, and for food.

• 5 •

HOW LONG BEFORE A LOAN MUST BE PAID BACK AND WHAT IS THE RATE OF INTEREST?

Loans are made for periods of from 2 to 5 years, depending on the purpose for which the money is used. For example, a borrower may be given 5 years to return money used to buy a horse while money lent to buy feed for the horse would have to be repaid within 2 years, as the borrower should be making his own feed within that time. The rate of interest on all rehabilitation loans is 5 percent per year.

• 6 •

WHAT SECURITY IS REQUIRED FOR THE LOAN?

The borrower gives a note on his personal property, on property to be acquired through the loan, or on his prospective crop. A loan is not made unless there is good reason to believe that the borrower can pay back the money through the operation of his farm management plan.

• 7 •

WHAT IS A FARM MANAGEMENT PLAN?

It is a plan worked out by the farmer, the County Agricultural Extension Agent, and the County Rehabilitation Supervisor. They decide which crops can best be grown on the farmer's land and how he can make the most money from his farm. As part of his farm plan, the farmer is shown how he can raise his own food and feed in addition to cash crops. In this way he can live better and pay off his debts quicker than by using all his land for one crop. It is interesting to note that many farmers do not need a loan after their farm plans have been worked out by the county supervisor.

• 8 •

ARE LOANS MADE TO GROUPS?

Yes; under certain conditions. Many good farmers are forced to work inefficiently because they lack the right kind of equipment. Resettlement seeks to remedy this situation by making loans to individuals to enable them to join with their neighbors in buying heavy farm machinery which all of them can use. The borrowers, for example, may cooperate in the purchase of a hay baler just as they have long cooperated in the loading of a carload of chickens when no one farmer had enough poultry to fill a car. These loans are chiefly for cooperative activities of families aided by Resettlement, but other farm families in need of the same services are urged to join in whenever a cooperative arrangement is started in their community. Loans may also be made to cooperative groups and associations for the purpose of helping rehabilitate the members, provided such loans are not available from other established credit agencies.

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HOW CAN THE FARMER BE EXPECTED TO REPAY A REHABILITATION LOAN IF HE IS ALREADY HEAVILY IN DEBT?

If the farmer is already in debt, the Resettlement Administration tries to do something about it. Volunteer committees, called Farm Debt Adjustment Committees, have been organized to help debt-ridden farmers. These committees meet with the debtor and creditor. They try to have the debt scaled down, or to get the debtor more time in which to pay off the debt, or to find a new creditor. This service is available in every county to all farmers who are in debt and threatened with foreclosure.

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FOR FURTHER INFORMATION WRITE
RESETTLEMENT ADMINISTRATION
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