

CONFERENCE ON CREDIT AND THE ECONOMICALLY DISADVANTAGED

Opening Remarks

Roger Guffey

*Conf. Representative of the Economically Disadvantaged*

Good morning and welcome. It is indeed a pleasure to be able to welcome an audience with this geographic and professional diversity. We have among us lenders, community leaders, directors of foundations, elected and appointed government officials, government program administrators, researchers, regulators and the press. Indeed, the ways in which we personally come into contact with the topic of the economically disadvantaged are as varied as our affiliations.

Since the late 1980's, the economically disadvantaged have attracted an increasing amount of public attention. This has been particularly true in the housing arena where both the homeless and those seeking credit to buy housing have been prominently featured in the media. But the economically disadvantaged reach beyond lower income home buyers. They frequently include small businesses, that broad category of business which employs the majority of our work force and accounts for much of the technological edge we enjoy as a Nation. The same small businesses are often the core of economic revitalization for our inner cities as well as for rural America.

We have convened this conference not because of what we know about credit and the economically disadvantaged, but because of

what we don't know. The studies of racial disparities in home mortgage lending seem to raise questions, not answer them. Likewise, the release of examiners' Community Reinvestment Act (CRA) ratings of banks and savings and loans will likely have the same effect of raising new questions about the credit needs of local communities and the attention given them by local lenders.

I don't expect our conference today will answer all our questions. My hope is that it will stir our imaginations, encourage more research, and produce some thoughtful experimentation. If it does this, we will have succeeded not only in our conference objective, but in a larger sense by making our *Community a better place to live and raise our families* financial system a bit more efficient and effective.

Again, welcome and please enjoy the conference with me.

Bill Nelson - Chairman CEO

Collin McCortly - Executive

RC McMillan