of the economic opportunity program, which with your permission will be included later by Mr. Greenberg in his testimony on our economic development and antipoverty program.

We will, of course, be happy to answer any questions you may have as we proceed. So, Mr. Chairman, if there are no objections, I will now go into the highlights and the summary of my statement.

The CHAIRMAN. Very well.

Mr. MOOT. The status and prospects of small business in a progressively growing economy are generally good. Yet, some grave problems confront us, growing out of the increased market power of giant firms in some segments of industry; current inflationary pressures, high-interest rates, and attendant tight money market conditions; the increasing need for management and technical assistance to small firms; and the uneven distribution of the benefits of economic growth and prosperity among social groups, regions, and industries.

From the date of SBA's establishment through December 1967, our financial assistance programs, excluding disaster assistance, have made $5.3 billion available to finance the capital needs of over 117,000 borrowers. Of this total, $2.2 billion—or 41.6 percent—was financed by the private sector (table 1).

Our studies of the business loan program demonstrate that these loans have helped borrowers to achieve highly satisfactory growth rates and to contribute to the well-being of the economy in general. These growth rates, in recent years, have been at higher levels than the growth of business in general and confirm the oft-stated belief of the Congress that small business, if given a fair opportunity can compete in the open market place without subsidy.

The local development company loan program has assisted over 1500 projects, representing a gross investment of more than $300 million, principally in smaller communities (table 20). I believe that this program is still well below its full potential in both rural and urban economies.

The legislative enactments of 1966 and 1967 have done much to strengthen the SBIC program and to restore confidence in its prospects. The companies have undertaken almost 27,000 financing transactions, involving a total investment of close to $1.2 billion. We expect progressive improvement in the financial soundness of licensed companies and extension of the benefits of the program to additional areas in the near-term future.

In the first 13 months of complete operation under SBA we have made over 3,700 economic opportunity loans, aggregating almost $40 million, to disadvantaged persons in urban and rural areas. Our management assistance facilities have played a major role in this program and will be further emphasized to assure achievement of the congressional objectives set forth in the recent amendments to the Economic Opportunity Act.

We have loaned almost $97 million to 1,308 business concerns displaced by federally financed construction projects (table 15). We are stepping up our efforts to increase private sector participation in this program.

Since the establishment of SBA, there have been about 600 declarations of disaster of widely varying dimensions. A total of 69,000 loans and $616 million have been approved for disbursement to assist