

inability of any but the largest firms to make effective use of this new technology of communication."

The President and the Secretary of the Treasury, in recent statements and testimony, have pointed out the unfavorable and discriminatory impacts of inflation and the tight money market on small business concerns. The prime bank interest rate has risen to 6 percent, in contrast to 5 percent or lower, which prevailed from March 1, 1960, through March 10, 1966. Equal or greater proportionate increases have been registered in other rates and in public and private bond yields. Further, there is significant evidence to indicate that small concerns have greater difficulty in securing needed financing, even at these high rates, than do larger concerns.

The impact of the uneven distribution of economic growth and prosperity among geographic areas, industries, and social groups on the small business sector of the economy generally escapes public attention. Yet, the decay of central cities and the flight to the suburbs have taken a heavy toll of small business enterprises and weakened an important element of the economic and social structure of our largest cities. At the other end of the economic spectrum, thousands of small business concerns serving a declining farm population or dependent upon mining or other primary industries have disappeared, leaving behind pockets of high unemployment and poverty in small towns and among the rural non-farm population across the nation.

The following summary tabulation shows the wide variations in growth trends and prospects among industries within SBA geographic areas. The figures show expected employment changes from 1950 to 1970, based on current trends: