

We have decided, for our administrative purposes, that our best approach is what we call a balanced economic growth concept, which means to us that we take each region, each economic entity of the country, and determine through working with the local officials and our local office what is the best economic development plan for that particular area, and therefore it is impossible for us to set national priorities as to whether we should be providing loan assistance across the country on one particular segment of industry.

We are designing the use of our resources to maximize the balanced economic growth of all areas of the country, and to the extent that the economic requirements of each area of the country differ, then our priorities differ.

Mr. BROYHILL. Does this also apply to the allotment of money to each area?

Mr. MOOT. Yes, sir; it will become more and more sophisticated as we become more and more capable of handling the techniques that develop the economic planning of each area, but we allocate our funds to meet, within our capability of resources to meet the economic development needs of the various regions of the country.

Mr. BROYHILL. Does this mean then that under this system that you presently have in effect you would favor a loan from an individual who wants to set up a manufacturing company as opposed to a retail company?

Mr. MOOT. It depends upon the economy of the region we were looking at.

If the manufacturing proposal was a competitive market favorable proposal for that particular area, and it had the greatest employment potential, the answer is "Yes."

On the other hand, a manufacturing operation may be completely infeasible in a particular region. It may be that a recreation attraction or a concessionaire for a national park operation would be better. It depends upon what the economic needs of the region are.

As you well know, in North Carolina we have used a good part of our resources in development of local development companies, small manufacturing operations; because this is the kind of an economic growth potential that North Carolina has done so well with in the industrial development.

Mr. BROYHILL. You state that these are the guidelines under which we are operating today. Are these guidelines available to the members of the committee and to the committee on a written basis, staff instruction or instruction to the various offices?

Mr. MOOT. We can give you, Congressman, our general directive instructions to the field, and we will so provide for the record.

Generally speaking, we are still evolving what we are calling our balanced economic growth, as you will hear as we go through the rest of these hearings.

Mr. BROYHILL. Thank you, Mr. Chairman. I just thought we ought to have a little more understanding.

The CHAIRMAN. Without objection, the response to the request may be received for the record.

(The directive instructions follow:)