

ernment money without a little of their own money in it. I don't want the banks to make a loan without a little of the bank's risk in it. I don't think the risk should be entirely taken by the Federal Government.

The CHAIRMAN. If I might interject again, this committee is pleased to see you following the provisions of the act by which the SBA is empowered to make loans. There is some press release that said that you favored grants rather than loans, that you might be turning the agency into a welfare agency. You have no such ideas?

Mr. SAMUELS. I not only do not have such ideas, but I think I will spend less Federal money in the execution of this responsibility than we spent in the past.

The CHAIRMAN. Private enterprise, private capital, and private voluntary assistance to new entrants into business?

Mr. SAMUELS. That is it, Mr. Chairman.

And I think in conclusion, I just want to make clear to all the members of this committee that we see great responsibilities of this committee to rural America in the authorization of our section 502 corporation. And we are moving very strongly in this. And I think one of the most important provisions which you have allowed us to have as an agency is one which has been executed well in not all the cities of the country. And one of the management tools that I am going to put forward in our SBA responsibility is to see that this section 502 corporation for the economic development of rural America is more effectively used. But it is moving up, and we are making more of these corporations available every day. We have not given up our responsibility in terms of management assistance everywhere, in fact we are going to augment it with private help, Mr. Chairman.

And I think I can only conclude to you that I am sure that what you are going to say is that I have bitten off a pretty big chunk here in 3 months as head of the SBA. And I have. But on the other hand, the country needs some big chunks bitten off, the country needs some new input. The country needs some new approaches.

I would like to feel that I am providing some creative leadership in solving not only some of our social problems, but in involving the agency in new areas, because I don't think that they can wait until tomorrow.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Conte; yes, sir?

Mr. CONTE. The only thing I want to do is retract what I said at the beginning. Certainly, Mr. Samuels has made a fine presentation. He's done a fine job in the 3 months of his tenure in trying to meet some of the problems of the ghetto. I realize that it is not very popular today to even discuss the problem, let alone biting off the big chunk that you have bitten off.

Mr. SAMUELS. Mr. Chairman, I had to take my phone out. I got four threats in one weekend from one television program I did on the development of the economy.

Mr. CONTE. I can well imagine, because there has been a change of thinking in the country, unfortunately, in this respect. I want to take this opportunity to commend you for tackling the problem.

Mr. SAMUELS. Thank you very much.

Mr. CONTE. You have my support.

Mr. SAMUELS. Thank you, Mr. Congressman.