COMMUNITY DEVELOPMENT TRAINING PROGRAM

SUBCOURSE CD(SBA)1
ECONOMIC GROWTH POTENTIAL ANALYSIS

Prepared for
THE SMALL BUSINESS ADMINISTRATION
by
THE INDUSTRIAL DEVELOPMENT DIVISION

LESSON PLANS

Engineering Experiment Station
GEORGIA INSTITUTE OF TECHNOLOGY
Atlanta, Georgia
COMMUNITY DEVELOPMENT TRAINING PROGRAM

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March 25, 1969
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LESSON PLAN

Essential Data

TITLE: CONCEPTS OF REGIONAL ECONOMIC DEVELOPMENT: AN OVERVIEW

PURPOSE: To examine the general concepts of regional economic development and the relationships and impact of such developments upon community development

DATE PREPARED: March 25, 1969

METHOD OF INSTRUCTION: Lecture

HOURS: Two hours

STUDY ASSIGNMENT: None

ESTIMATED TIME REQUIRED TO COMPLETE STUDY ASSIGNMENT: None

INSTRUCTOR REFERENCES:
1. Handbook on Community Development

TRAINING AIDS: See LIST OF SUPPORTING PAPERS

ADDITIONAL DETAILS: None
CONCEPTS OF REGIONAL ECONOMIC DEVELOPMENT: AN OVERVIEW

Lesson Manuscript

INTRODUCTION

1. Gain Attention. -- Until quite recently, most planning and development in this country have been conducted on a local basis -- town, city, or county. Traditionally, we have had a suspicion that public planning, especially at the national level, is akin to socialism and thus a threat to the free enterprise system. Generally speaking, citizen interest, participation, and financial support have tended to focus on the small local area rather than the large area with its regional implications. We are now beginning to fully understand that, while the community is the building block for area and regional development, regional and area growth characteristics constitute a general guide for community development.

2. Motivate. -- The principal purpose of the training program you are now attending is to prepare you to assist in applying SBA resources to valid community needs and to assist communities in the development of viable community development programs. If we are to do our job in a rational manner, we must understand the interrelationships of community development with development efforts that are taking place in the area or region in which the community exists. We must understand that regional growth patterns have a direct relationship with and influence community growth patterns.

3. State Purpose and Main Ideas. -- It is our purpose during the next two hours to examine some of the general concepts of regional economic development
and the interrelationships and impact of such developments upon community development. This will include:

a. A discussion of the idea of the area hierarchy as it relates to economic development in this country.

b. An examination of the regional concept and the regional approach to the solution of economic development problems.

c. An examination of the subregional concept and approaches to the solution of economic development problems.

d. A discussion of the economic development relationships among the community, county, subregion, state, and region.

e. An examination of regional and subregional factors that must be considered by SBA personnel when working in the community development field.

TRANSITION. -- If this were a training program designed to examine all aspects of economic development, we probably would commence the course at the community level and move step-by-step to the regional level. However, since we are interested primarily in community development, we will take a brief look at the regional and subregional aspects of economic development and then concentrate on community development aspects of the developmental process.

BODY

1. The Areal Hierarchy Idea.

   a. Background. The idea of areal units is not new even for the purposes of economic development planning and programming. Although the local unit has been the traditional base for economic development, many towns and cities have
expanded their planning and development considerations beyond city and county political boundaries to form metropolitan areas with the idea of coping with problems of population spread and the provision of urban services. Intercity and interstate organizations have been established in the form of port authorities to handle problems that could not be handled on the basis of a single municipal jurisdiction. The Tennessee Valley Authority and the Appalachian Regional Commission were established to accomplish specific region-wide aims that could not be handled on a local basis.

b. **Current Concept of the Areal Hierarchy.** Although we have had some development effort along the idea of the areal hierarchy, only recently have we begun to consider economic development in a systematic manner with an approach which involves an economic chain of links from the community to the national level. Thus, we are now beginning to approach economic development from several levels in the areal hierarchy. (On TRANSPARENCY #1) These levels are as follows:

1. **Multistate Economic Regions.** A multistate economic region consists of all or parts of contiguous states that are bound by geographic, cultural, historic, and economic ties.

2. **State.** Although a particular state may not be an economic unit since economic activity does not follow political boundaries, the state is considered a part of the areal hierarchy since it does promote state-wide economic development programs and plays a coordinative role with subregional economic units within the state. (Off TRANSPARENCY #1)

3. **Subregional Multicounty Economic Development Districts.** The multicounty economic development district usually comprises from five to fifteen
counties grouped together to form a significant pool of resources. These counties can be economically linked by markets for resources, labor, goods, and services.

(4) Local Areas. The local area includes the community but generally does not exceed a single county.

TRANSITION. -- Now that we have examined the several levels of the areal hierarchy, let us take a brief look at some of the economic factors involved in regional and subregional economic development. So that we can place a region's or subregion's development in perspective, let us first look at the historic stages which economists tell us are the typical patterns for economic growth of regions.

2. Patterns of Regional Growth. -- Various economic theories stress contrasting historical interpretations of the United States' regional growth. One of the more popular descriptions is that outlined by Harvey S. Perloff in How a Region Grows. The thesis of this study is that the economic growth of various regions of the United States has been closely tied to changing relationships resulting from national forces influencing supply and demand changes. The role of each region in the national picture is broadly defined by natural resource capacity, its geographic position, and the period of settlement and development. Four distinct periods of growth are identified. (On TRANSPARENCY #2)

a. Agricultural Period. The first period is described as the agricultural period when rich, arable land was almost a free resource. As the country grew and population pushed westward to bring greater areas of land under cultivation, regional development reflected transportation routes to market centers. It
also set the stage for the next development period by establishing a pattern which emphasized growing population, well-developed transport, and market accessibility.

b. **Minerals Period.** The second period, starting about 1840 to 1850, is characterized by the expansion in mineral demand, in part sparked by the growth of the railroad industry, which became a large market for iron and steel products. This was typical of the rapid growth in areas where coal, iron ore, and markets were in proximity. Subsequently, demands for nonferrous metals expanded and the minerals impact extended into other regions. The development of petroleum and gas resources, as part of this minerals exploitation, extends up to the present.

c. **Manufacturing Period.** The rise of manufacturing activities is the central theme of the recent regional growth period. It originated relatively late in the second period, and has extended past 1950. A major consequence has been the specialization of regions in the national economy, with manufacturing growth trending westward to the Great Lakes area.

d. **Present Regional Growth.** The present period of regional growth has witnessed the rapid expansion of service functions. Because of the emphasis on "amenity resources" rather than raw materials, those regions providing the largest variety of personal activities for a population with rising income and increased leisure are prospering. (Off TRANSPARENCY #2)

Admittedly, dividing economic history into four periods in this manner greatly oversimplifies actual regional trends. These four periods greatly overlap each other. Furthermore, although each period sees more rapid regional growth in those parts of the country supplying the resources most
demanded at that time, there are important "spillovers" to other parts of the country at the same time. Nevertheless, in spite of the oversimplifications involved in this "historic era" analysis, it provides a useful perspective. This perspective shows clearly that long-run shifts in the demands for resources in the national economy are responsible for many of the persistent regional growth problems.

3. The Need to Attain a "Critical Mass" Level of Activity.

a. Export Activity. A central factor influencing the economic development of every region is the degree to which it builds up sufficient local services resources and population to attract or generate additional economic activity. (On TRANSPARENCY #3) The factors involved in this complex process can best be explained by use of an example. If a valuable mineral deposit were suddenly discovered in a wholly agricultural area, there might be a sudden influx of miners. If enough miners appeared, another group of persons would be attracted to the area in order to provide services to these miners. This group would include people selling groceries, operating laundries, building houses and shopping centers, and providing medical and government services. Thus, the persons originally engaged in a purely export activity -- the mining of a mineral for shipment elsewhere -- soon attract others engaged in local activities -- providing services consumed in the area itself. This distinction between export and local sectors in a region's economy is crucial to understanding how regions grow and decline.

As this hypothetical economy expands because of further increases in the demand for the basic mineral, two additional sources of growth might appear. The first would consist of plants which processed the mineral. Instead of
shipping this mineral to some other region for processing, the fabricators
might find it less expensive to build new processing plants right near the
mine and ship the finished products instead. This would be especially effi-
cient if there were a great loss of weight during the fabrication process.

b. **Backward Shifting of Processing.** This is known as **backward shifting**
of processing toward the source of the raw materials involved. It is not re-
stricted to initial processing of raw materials, but can take place at inter-
mediate steps in the productive process, too. For example, if a final assem-
bly plant for TV sets moved to be closer to the firm making cabinets for
those sets, this also would be backward shifting. Shifting of this kind
forms a major source of economic growth in many regions, especially those
which provide mineral and agricultural raw materials.

A second major source of further growth in the hypothetical mining town
would become operative when its population became large enough to support
local factories producing objects consumed in the area. For example, most
large communities have their own breweries. The manufacture of beer requires
the addition of large amounts of water to lightweight raw materials. There-
fore, it is always less expensive to locate breweries near the final consumers
than near sources of raw materials.

c. **Import Substitution.** But far more complicated shifts of processing
towards consumer markets may also occur. For instance, at one point in history,
almost all automobiles were assembled in Detroit. Then the populations of
other regions far from Detroit became large enough so that each could absorb
the output of a separate automobile assembly plant; so such plants were built
in these regions.
This kind of development is known as import substitution. It occurs when facilities producing some commodity consumed in a region are moved from some other place to the region itself (or new ones are built in the region to handle expanded demand) in order to be closer to the consumers of that commodity. The commodity itself need not be one which is sold directly to its final consumers, but can be an intermediate product as well. Thus, if a manufacturer of cans moved into a city in order to be near a local brewery which used its products, this also would be import substitution.

Import substitution is the exact opposite of backward shifting of processing. In import substitution, fabricators of raw materials move closer to their ultimate consumers -- and, therefore, farther from raw material sources. In backward shifting of processing, fabricators of raw materials move closer to the sources of those materials -- and, therefore, farther from their consumers. Yet, both of these forces can be simultaneously important sources of growth for a single region.

Moreover, both import substitution and backward shifting of processing are related to the development in a region of a certain "critical mass" of either consumers or production facilities. No import substitution can occur in a region until its human population or its enterprise population is large enough to form a market which will support a locally based factory producing some finished product. On the other hand, manufacturers are reluctant to shift processing factories near sources of raw materials unless the locations involved have adequate supplies of supplementary facilities. These include both activities necessary in production (such as printing shops, tool shops, repair facilities, roads, and trucking firms) and amenities necessary for
good living conditions (such as schools, local government services, housing, and shopping centers).

The particular "critical mass" which is large enough to attract an export processing industry may be totally different from the "critical mass" large enough to attract an import substitution industry. Thus, there is no single size or composition of a city or region which constitutes the "critical mass" necessary for it to attract further activity. Yet the basic idea that a city or region must attain a certain size and level of activity in order to generate further growth remains valid. (Off TRANSPARENCY #3)

d. **Principle of Concentration.** This concept of "critical mass" gives rise to a crucial conclusion called the **principle of concentration.** It states that the economic growth of a relatively underdeveloped region can best be encouraged by concentrating additional activity in only one or a few places within that region. This will cause those places to reach the "critical mass" levels needed to attract or generate further growth. For example, in Turkey, the government in 1920 began a program to develop the primitive central highlands of the country. Rather than dispersing the industrial and other projects available for stimulating development throughout this vast area, the government concentrated as many as possible in one city, Ankara. By thus focusing a significant number of individual projects in a single spot, it was able to push that community up to a sufficient "critical mass" so that it attracted further growth spontaneously. Although the government did scatter a few other projects around other parts of Turkey, no other previously underdeveloped areas succeeded in attaining anything like self-sustaining growth. None had received enough assistance to reach a "critical mass" size.
The concept of an economic development center is derived from the need to concentrate additional activity in those areas which have a good chance of reaching a sufficient "critical mass" to achieve self-sustaining growth. It is true that almost no city or region is ever entirely self-sustaining. Nevertheless, it is also true that areas which are quite small, or contain very low levels of activity, are not nearly as likely to attract additional resources as those large enough to have attained the "critical mass" needed for import substitution on the one hand, or backward shifting of processing on the other.

4. Concept of "Take-off into Self-Sustained Growth." -- This concept, developed by W. W. Rostow, sees economic development occurring in a three-phase sequence:

   a. A long period (up to a century) during which the preconditions for "take-off" are being established. (On TRANSPARENCY #4)

   b. The take-off itself, covering two to three decades.

   c. A long period when growth becomes normal and relatively automatic.

   (This does not exclude the possibility of short or long-range declines in economic development, or the possibility of short-range spurts of activity which are not subsequently sustained.)

   The generalized process is seen as this:

   First, there is a static agricultural society, based on unchanging production methods; there is little saving or investing. Change is blocked by the traditional political, social, or cultural structures, or perhaps by the fact that there is already a relatively comfortable income level through agriculture or the exploitation of mineral resources.
Second, the idea of change appears. There may be improvements in the techniques of agricultural production and marketing. These improvements may free labor from the farms (which is then available for manufacturing) and they may also earn capital. There may be a broadening of education and the growth of financial institutions for the saving and investing of capital. Entrepreneurs come forward; some manufacturing appears, usually providing articles which had previously been imported.

During this phase there may be substantial economic progress, but it is not self sustaining.

Third, as the preconditions become well established, the take-off itself begins to occur. Usually, the actual beginning of the take-off can be traced to some particular sharp stimulus. This may be a war or revolution, or it may be a technological innovation (particularly transportation). Rostow makes the point that for the take-off, or even for the establishment of preconditions for it, a change has historically been required in the political and social structure, and even in cultural values.

Typically, in the take-off period forces which had previously yielded only short bursts of activity now become substantial, rapidly moving trends. Usually the way is led by one particular industry which has strong, rapid growth. Other sectors of the economy are stimulated as well, and begin to grow. A new class of businessmen and public officials emerge and occupy the decision-making positions in the economy.

By and large, the loanable funds required for the take-off come from several sources: (1) a shift in income flow, e.g., income redistribution by taxation, which is an attempt to get funds out of the hands of those who will hoard into the hands of those who will spend (or lend); (2) importation of
capital; (3) investment of profits from the rapidly expanding sectors back into these sectors.

Fourth and finally, there is the long and fluctuating stage of sustained economic growth. The original rapid growth industries, which sparked the take-off, may decelerate, but overall economic progress is sustained by a succession of new, rapidly growing sectors. The proportion of the population in agriculture and other rural occupations declines. The economy finds its own place (changing, not static) in the international economy (or, in case of a region, the national economy). (Off TRANSPARENCY #4)

5. Problems in Regional Economic Development. -- What are some of the obstacles to the economic development of a region? They are numerous and varied, and they will usually be found in combination. Among these are the following: (On TRANSPARENCY #5)

a. Lack of Resources. A region simply may not have adequate water, mineral deposits, arable land, forests, or the other natural resources upon which economic growth is usually based. If human resources are present, they may be ill-prepared for industrialization through lack of a good educational system.

b. Overspecialization. Sometimes a region may acquire industry, but only of one type. Such a concentration of one type of industry may tend to keep out other and perhaps more desirable industry. A case in point is the textile industry in the southeastern U. S. This region developed a heavy concentration of cotton mills beginning in the 1890's. A substantial movement of other types of industry into this region began only recently. Cotton textiles is a labor-intensive industry; it located in the Southeast because
of the availability of low-wage labor. The mill owners and managers, who were also usually among the most influential men in their communities, did not want to see other industry coming in and competing for labor because they were afraid this would force wages to go up. So they would actively discourage new industry.

c. Shifts in Demand. Hand-in-hand with overspecialization goes the danger of a shift in demand for the products of a particular industry. The woven carpet industry formerly was concentrated in New York State. When the tufted process for making carpets was developed, there was a definite shift in consumer preference away from woven carpets to tufted carpets because they were, for all practical purposes, as suitable, and they cost considerably less. The shift away from the use of anthracite coal to bituminous coal which occurred several decades ago closed many mines and collieries in the state of Pennsylvania and depressed the economy over a wide area.

d. Geographical Factors. Some regions have the built-in disadvantage of being physically remote and inaccessible to the major economic centers. Transportation and communication are vital to economic development; where these facilities are limited, industrial development will be limited. The so-called Appalachia region of the eastern U. S. is a case in point. Although this region, which includes parts of 10 states, is not very far from the big economic centers along the eastern seaboard and in the Midwest, the mountainous terrain and lack of good highways caused it to lag behind the surrounding regions. When a regional development program was established several years ago for Appalachia, one of the first things given attention was the construction of an adequate network of highways to open up the region and make it accessible to those regions around it.
e. **Selective Out-migration.** The four factors which we have just mentioned can be regarded as among the primary problems which prevent growth in a region or cause a loss of industry already there. When these things occur, secondary problems may appear which compound the difficulties and accelerate the economic downtrend. One of these is selective out-migration. This is simply the situation that occurs when the younger, more intelligent, more ambitious people tend to move away from a region because there are not enough jobs which offer enough income and hope for future advancement. These people will naturally tend to go where they can find better opportunities. At the same time, these are the very kinds of people who are most needed for economic development. These are the potential entrepreneurs, the skilled workers, the technicians, and plant managers. The loss of significant numbers of these people makes it that much more difficult to develop the region.

f. **External Factors.** As a region lags in development, it may acquire an image which further contributes to its depression -- that is, it may not be considered a good place for industry, or it may simply not even be thought of when economic decisions are made. Bankers will not want to invest their funds there, because risks are greater. Industrialists will not want to build plants there because their key personnel don't want to live in a backward area -- the schools will be considered poorer there and living conditions not attractive. Government will not devote as much money there because it doesn't represent as much economic power and influence as the other, more active regions.

g. **Internal Factors.** The same poor image of a region which may cause outsiders to avoid it may also cause its own inhabitants to be reluctant to
invest in their own future. Without the prospect of growth and expansion, there is little incentive for those within the region to develop new business operations. Bankers would try to conserve their capital and would be reluctant to make loans involving much risk at all -- further constricting economic activity. Once this pattern of thinking becomes established in a region, it is difficult to break without stimulation from the outside. (Off TRANSPARENCY #5)

TRANSITION. -- Now that we have taken a look at regional growth patterns and some of the problems involved in regional growth, let us consider a major approach that is being undertaken to resolve some of these problems.

6. Establishment of Economic Development Regions. -- The Public Works and Economic Development Act of 1965 provided for the establishment of "economic development regions." These regions, to be designated by the Secretary of Commerce with the concurrence of the affected states, were: (1) to be bound by geographic, cultural, historic, and economic ties; (2) to be within contiguous states (except for Alaska and Hawaii); and (3) to be lagging behind the nation in economic development as indicated by various criteria. These criteria included unemployment, low family income, out-migration, slow growth, industrial readjustment, and a low level of public facilities. The definition of the new multistate regional unit was largely patterned after Appalachia, which had already been designated by previous legislation.

a. Organization of Regional Commissions. After extensive consultation with states in the affected regions, the Secretary of Commerce designated the following three multistate regions during the first week of March 1966: (On TRANSPARENCY #6)
(1) **New England:**

(2) **Upper Great Lakes:**
   The upper two-thirds of the states of Minnesota, Wisconsin, and Michigan.

(3) **Ozarks:**
   About a third of southwestern Missouri, northwestern Arkansas, and eastern Oklahoma.

Late in December of 1966, two more regions were designated:

(4) **Four Corners:**
   The bulk of the states of Utah, Colorado, New Mexico, and Arizona.

(5) **Coastal Plains:**
   The eastern part of the states of North Carolina, South Carolina, and Georgia, from the Piedmont Plateau to the coastline.

After the designation of regions, the affected states were invited to form regional commissions. Each commission is composed of the governors of the affected states and a Presidential appointee, designated the "federal co-chairman." (Off TRANSPARENCY #6)

b. **Commission Programs.** The Office of Regional Economic Development, a separate unit of the Department of Commerce, furnished the commissions guidelines for administration and for program formulation. The central theme of the guidelines is that the commissions, after appropriate analysis of the problems and the potentials of the regions, should develop comprehensive
programs of public investment as a major tool for stimulating economic development. At this point, it appears that many major issues must be solved in implementing the basic legislation. Perhaps one of the greatest problems a commission faces is determining its place in the wide array of planning and development activities already under way within its defined geographic area. Regional commissions are joint Federal-state institutions and may in the future play a new and vital role in intergovernmental relationships.

TRANSITION. -- To this point in the presentation we have emphasized the role of regional economic development in the national picture. After a ten-minute break, we shall drop down one rung on the areal ladder and examine the sub-regional aspects of economic development.

7. Subregional Economic Development. -- If we mentally review what we have said about economic development at the regional level and the role of the regional commissions, we shall probably have the feeling that such activity is a rather nebulous thing. This likely is because the problems, the opportunities for solution, the authority for action, and the self-interest advantages are more apparent on lower levels of the areal hierarchy. At the sub-regional level, forces come into play which are usually more understandable. In this connection, perhaps the most significant event that is taking place at the present time in the field of economic development is the emerging role of the multicounty economic development districts. These districts, which are of a subregional nature, are now beginning to assume an important role in the economic development process in many states.

So that you may have a better understanding of these subregional organizations, let us for the next few minutes make a brief review of a particular
case. Please keep two things in mind while we are considering this matter. First, many of the things we said about regional economics apply to the sub-regional as well as the regional level. Second, we have chosen to speak of the development of the Georgia multicounty, subregional organizations because Georgia has been a pioneer in this phase of economic development, and its program of subregional organization is more comprehensive than is found in other states. In fact, some states have not yet ventured into this type of activity.

a. Subregional Economic Development in Georgia

(1) The Forerunners of Local Planning. The Better Home Town Program, sponsored by the Georgia Power Company, may be cited as the "benchmark" to present-day planning and development in Georgia. Beginning some time before the close of World War II, this program encouraged local communities to "paint-up, clean-up and fix-up" so as to improve the appearance of the home town and make it one that would be pleasing to the eye of a total stranger. The theme was that "a town with a 'clean face' becomes a proud, progressive town -- it attracts citizens with self-respect, character and a talent for getting things done." Stated another way, "the foundation of community development rests on the appearance of the community."

While the above approach may have somewhat oversimplified the task of planning and development, it nevertheless served as a beginning for encouraging local people to think about their town and about what they wanted the home town to be like. The Better Home Town Program continued through 1954, during which time more than 400 communities throughout the state participated in the project. In 1948 the Champion Home Town Contest attracted entries from 209 cities, and by 1954 the number of annual entrants had grown to 287.
This do-it-yourself community development program paid off for many local communities, and for many it proved a liberal education in the complexities of community makeup, needs and problems. However, there was the realization that more was needed if actual economic development and growth was to take place as desired and in a way that would be compatible with the various sectors of the community. This thinking encouraged a look-see into planning and zoning for local areas.

(2) Measures to Authorize Local Planning for All Communities.

In 1955, a task force, composed of representatives from the planning school at Georgia Tech, the departments of Agricultural Economics and Landscape Architecture and the Institute of Law and Government at the University of Georgia, the Georgia Municipal Association, and the Association County Commissioners of Georgia, convened to study the need for and techniques of implementing planning and zoning in Georgia. The investigation first revealed a need for state legislative action in the form of a general law granting cities and counties, jointly and/or separately, the authority to engage in planning and zoning.

As recently as 1957, Georgia had only five local planning commissions; these were authorized by constitutional amendments, by local legislation passed through the General Assembly, or by a limited general planning enabling act passed in 1946. Besides this cumbersome means of providing for planning and zoning, particularly when the need was state-wide, there was another important influence urging the state legislature to prepare and adopt a comprehensive general planning law. The Federal government, through the Housing Act of 1954, as amended, would provide matching funds for local planning; but for any state to participate, it must, among other things, have adequate
legislation. Without such a general law, Georgia stood to forfeit several hundred thousand dollars annually, as well as fail to realize the benefits to be derived from adequate planning and zoning. That year, the Georgia General Assembly passed the comprehensive General Planning Act of 1957.

Through local leadership and initiative, encouraged and assisted by state agencies and private development groups in Georgia, local planning commissions were soon organized and began operating. Evidence of the success of these local planning commissions is the fact that planning is now a vital part of the local governmental function.

(3) The Concept of Area Planning. The idea of regional or area planning was next conceived. The general acceptance of local planning, its success, and the knowledge gained by local officials and leaders next led to the realization that planning could be carried on over a multicounty area -- particularly where groups of counties and municipalities had like problems and interests.

Post World War II population migrations brought dramatic population increases to some counties, but at the same time depopulated others. By the early 1950's, the evidence of these relocations of people could be readily observed, and the problems which resulted caused some officials to think in terms of multicounty cooperation as a possible solution to the difficulties being faced.

In 1957, the Georgia Municipal Association, in cooperation with the Georgia Power Company, held at Americus the first nonmetropolitan area meeting on planning in Georgia. This meeting was followed in 1958 by a series of approximately 20 meetings over the entire state. City, county and state
officials, members of the Georgia General Assembly, chamber of commerce officials, representatives of agriculture, the press, and other interested parties were invited to attend these planning programs. The net effect of this initial effort to emphasize planning led to the creation of the area commissions. In 1960 the General Assembly passed an amendment to the 1957 enabling legislation which permitted multicounty organizations and gave them legal status. (On TRANSPARENCY #7)

The 17 area planning and development commissions now organized in the state are all voluntary but legally bound groupings of county and municipal governments within an area. They have legal identity and status in and of themselves. The commissions do not supersede or interfere with local governments or governmental agencies; neither are they regulatory or legislative. They are strictly advisory groups. The commissions, because of their legal status, can lawfully receive financial support from state, Federal and local governments and can contract with public and private agencies. Sixteen of the 17 commissions are organized under the General Planning Enabling Act of 1957, as amended. The Atlanta Region Metropolitan Planning Commission was organized under a special act. All but 11 of Georgia's 159 counties currently are members of a commission. (Off TRANSPARENCY #7)

(4) Membership. Membership in all area commissions except the Atlanta Region agency is established along the same general lines. Representation on the commission is limited to two members from each county, appointed for overlapping terms. One member is appointed by the county commissioners and the second by the governing authority of the county seat -- after consultation with other municipalities of the county. In metropolitan
Atlanta, the commission is composed of three members each from DeKalb and Fulton counties and the city of Atlanta, and two each from Clayton, Cobb, and Gwinnett counties.

(5) **Financing.** Each commission must have funds to operate. A full-time staff is a requisite for developing and effectively carrying out a purposeful, long-range program. Thus, it is necessary that an adequate budget be provided.

Several sources of financing are available to the area commissions. First, there are local contributions. These generally serve as the initial and most important source, and are made available through contributions of the cities and counties within the planning area. The most generally accepted practice by the commissions for apportioning the cost of financing staff operations and the organization among the several counties is to assess on a per capita basis. Each of the counties and the city or cities in each county work out among themselves the details as to who will pay what part of the annual appropriation. Generally, per capita assessments range from 10 to 15 cents in the more populated areas to 25 cents in the least populated areas.

Funds also are made available through the Georgia State Planning Bureau. When certain criteria are met, the State will match up to $50,000 of local contributions.

A third source of funds is the Federal government, which provides matching grants and loans. In this connection, 11 of the 17 commissions have been designated as economic development districts by the Economic Development Administration.
(6) **Function.** The function of an area commission is to carry out its general objective of total development of an area's resources, and can best be spelled out along the following lines:

(a) To provide a means whereby the towns and counties of the area can collectively consider economic development problems and needs of mutual concern.

(b) To study and analyze the human, natural, and economic resources and opportunities of the area, and serve as a clearinghouse for all basic data on the area.

(c) To work out a program for the sound development of the area.

(d) To encourage cooperation among the local governments and groups in developing and carrying out area plans and programs. For example, the commission's staff assists state, Federal and local governments or agencies in developing coordinated regional planning in such areas as highways, recreation facilities, tourism development, economic and industrial development, and in any other subject areas which are regional in nature.

The commission works through committees in various fields of development potential, such as agriculture, tourism, industry, local and regional planning, minerals, water resources, and others of mutual concern. (On TRANSPARENCY #8)

This chart shows some of the typical activities carried on by a commission staff. Please note the assistance furnished communities by the staff. (Off TRANSPARENCY #8)

**TRANSITION.** -- The Georgia experience in developing subregional economic development units is a classic example in that it demonstrated a bottom-to-
top kind of economic development effort, rather than one imposed from the top by the Federal government. However, recognizing the need for a multicounty or subregional economic development unit, the Federal government has recently moved to encourage this type of development.

b. The Economic Development District Program

(1) Background. The Public Works and Economic Development Act of 1965 provided the enabling legislative basis for the establishment of economic development districts in areas where certain economic conditions exist. This program is operated under the cognizance of the Economic Development Administration. At the present time, over 88 multicounty units have been designated as economic development districts and the program is still growing.

(2) Basic Characteristics of the Program

(a) A Multipurpose Agency. (On TRANSPARENCY #9) The district is a multipurpose agency. That is to say, it recognizes that development of the economy cannot be accomplished in isolation, that the economy is inextricably bound up with all the other resources of the area -- social, physical, natural and human. Therefore, the district is necessarily committed to community development on a broad scale. Districts may seek a role in health planning, in HUD 701 programs, in human resources activities and education, as well as EDA statutory programs. Economic development, of course, must rank as the central concern of an EDD, and the record proves that it does in almost every district. But in emphasizing a job creation and income-producing role, one must not think that full progress can be achieved in an area that is not moving ahead on all development fronts.
(b) **Broad-based Organization.** The point that is being established through the EDD program is that local governments alone cannot solve the complex socioeconomic problems confronting their communities. Business alone cannot do the job. Nor can the man on the street. And the hard-core unemployed are not really able to change things on their own, either. What is needed is a coalition, a merger of all community interests for the common good. If everyone contributes what he has -- power, money, skills, ideas, resources, understanding, or whatever -- much more can be done than in an unorganized, every-interest-for-itself situation. One cannot expect any substantial segment of the community to support that community's development without having an effective voice in deciding what is to be done.

(c) **Autonomous Local Institution.** The district is an autonomous local institution. Stated in another way, an economic development district belongs to the local people who make it up. Though EDA is its principal sponsor, at this time, it does not belong to any of the Federal agencies funding it. The district exists as a local development agency. Because it qualifies for EDA help and fulfills its requirements, EDA assists the local group in its economic development efforts. EDA has no control over an EDD beyond the rather limited, technical requirements of the Act and of its official guidelines. The staff is responsible to the board of directors; the board is responsible to the constituent members of the district organization. This local autonomy is one of the chief reasons for the enduring potential of the district concept.

(d) **Requires State and Federal Support.** The district program requires state and Federal support. Especially in the distressed areas with
limited resources and leadership, one cannot expect that counties, on their own initiative, will group themselves into cohesive alignments in an efficient pattern of subregionalization. Too many programs and interests must be served, too many local rivalries overcome. And beyond the problem of multipurpose delineation, it must be admitted that financial and technical help are necessary precisely because of the emaciated condition of the local economy. The development road is long, hard, and expensive. The prosperous national economy must assist its disadvantaged pockets to reach a more self-sufficient level.

(Off TRANSPARENCY #9)

TRANSITION. -- Since the thrust of the economic development district program is so similar to the Georgia program which we discussed in some detail and since time is so limited, we shall not examine the EDD program in further detail. Those of you who have EDD's in your area of operations must become familiar with the program and with those involved in the program. Now, let us direct our attention to the role the state may play in the economic development progress.

8. Role of the State in Economic Development. -- As we noted earlier, a particular state may not be an economic unit since economic activity does not follow political boundaries. However, for our purposes here today, we consider it a unit within the areal hierarchy since it does promote state-wide economic development programs, and plays a coordinative role with subregional economic units within the state. Since the various states employ such diverse approaches to economic development and related activities, we shall not dwell on the matter at this time. In a later period of instruction, we shall discuss the matter of program coordination in some depth.
9. **Community, Subregional, and Regional Interrelationships.** Throughout this presentation, there has been the implication that the community must relate to the total environment in which it exists. The regional and subregional economic factors and organizations which we have discussed play a vital role in the development of a community's resources. We shall return to this matter in a later period of instruction when we shall emphasize the interrelationships of the community with the area in which it is located.

10. **Interrelationships of the Community Development Program with Regional and Subregional Factors.** As announced, this training program is concerned with community development. Yet, we have spent almost two hours discussing regional economic development with only an occasional mention of the community. Why? Perhaps a discussion of the following factors will give you a clue.

   a. **Economic Factors.** A viable community does not exist in isolation. Community leaders and those of us who are attempting to assist communities must know and understand the regional economic factors that are either helping or hindering the growth of a particular community. A knowledge of these factors will enable us to develop more useful and effective community development programs.

   b. **Information Factors.** As we shall learn shortly, one of the most serious obstacles to sound development is the lack of valid information. Those of us who will be working with our community development program must have accurate information and facts concerning the communities in which we work. Thus, we should know of all development agencies with which the community may be associated. If the community is in an area in which a multi-
county development agency is operating, we should immediately establish communications with that agency in an effort to acquire the information we need in our community development work.

c. Public Relations Factor. If we are to work with a community that is associated with a multicounty development agency, it is essential that we establish a working relationship with that organization as soon as possible. As we shall see in a later presentation, the subregional development agencies are assuming a leading role in the coordination of development programs within the area in which they operate. We must coordinate our efforts with local organizations which have been established by the residents of an area if we wish to be of substantial assistance to a community.

OPPORTUNITY FOR QUESTIONS

SUMMARY. -- During the last two hours we have examined some of the general concepts of regional economic development and the impact of such developments upon community development. We have discussed the idea of the area hierarchy as it relates to economic development in this country. We have examined regional and subregional concepts of economic development and some of the organizations that have been established to further regional development. In our discussions we have attempted to describe the interrelationships among the community, county, subregion, state, and economic region. Finally, we have touched briefly on those factors that we should consider when working at the community level.
LIST OF SUPPORTING PAPERS

1. Training Aids

<table>
<thead>
<tr>
<th>Transparency #1</th>
<th>Areal Hierarchy</th>
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<tbody>
<tr>
<td>TRANSPARENCY #2</td>
<td>Four Stages of Economic Growth</td>
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<tr>
<td>TRANSPARENCY #3</td>
<td>Critical Mass Theory</td>
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<td>TRANSPARENCY #4</td>
<td>Concept of Take-off into Self-Sustained Economic Growth</td>
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<tr>
<td>TRANSPARENCY #5</td>
<td>Obstacles to Regional Economic Growth</td>
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<tr>
<td>TRANSPARENCY #6</td>
<td>Economic Development Regions</td>
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<tr>
<td>TRANSPARENCY #7</td>
<td>Georgia Area Planning and Development Commissions</td>
</tr>
<tr>
<td>TRANSPARENCY #8</td>
<td>Staff Activities</td>
</tr>
<tr>
<td>TRANSPARENCY #9</td>
<td>Basic Characteristics of the Economic Development District</td>
</tr>
</tbody>
</table>

2. Other Documentation

None
## Lesson Plan

### Essential Data

| Title: | INFORMATION REQUIREMENTS OF COMMUNITY DEVELOPMENT PROGRAMS |
| Purpose: | To examine fundamental considerations involved in meeting SBA information needs in the field of community development |
| Date Prepared: | March 25, 1969 |
| Method of Instruction: | Lecture |
| Hours: | One hour |
| Study Assignment: | None |
| Estimated Time Required to Complete Study Assignment: | None |
| Instructor Reference: | Chapter II, Handbook on Community Development |
| Training Aids: | See LIST OF SUPPORTING PAPERS |
| Additional Details: | None |
INFORMATION REQUIREMENTS OF COMMUNITY DEVELOPMENT PROGRAMS

Lesson Manuscript

INTRODUCTION

1. Gain Attention. -- Every development agency faces major problems in satisfying its information needs. An agency involved in community development usually finds itself in a difficult position from the moment it undertakes work in any community in which it has not worked before. This initial difficulty usually results from the lack of information concerning the community. Yet we know that the first step in the community development process is the collection of all the facts bearing upon the community and its problems.

2. Motivate. -- At the outset, we must recognize that the application of our SBA resources to community development needs, within the framework of a rational community development process, cannot be satisfactory unless our efforts are based upon the facts relating to the community in which we are working. Thus, each of us who work with communities must have access to the facts. Some facts and information may be readily available; some will not be available, and this will require that we diligently seek out and develop the required information before we attempt to apply our resources or assist the community in its development program.

3. State Purpose and Main Ideas. -- It is our purpose during the next hour to present some of the fundamental considerations involved in meeting our information needs in the field of community development. This will include:
a. A brief survey of the nature of the community development process and the characteristics and sources of information involved in the process.

b. An examination of the general information needs of developers involved in community development.

c. A discussion of SBA requirements for community development information and its involvement with local information networks in obtaining this information.

d. An examination of considerations involved in the establishment and maintenance of a development collection.

TRANSITION. -- In our discussion today, we assume that you have not had an opportunity to read Chapter II of the Handbook. This handbook will be your ready reference in your work in community development. However, today we want to reinforce your understanding of the information problem by elaborating on certain aspects of the material contained in the Handbook.

BODY

1. Nature of the Community Development Process. -- A working knowledge of an area's water, minerals, soils, climate, topography, location, and people are basic to the total development of an area. However, these items in an area's makeup do not become useful until translated through the objectives, value systems, technical abilities, and financial resources of the people involved in the development of the community or area. A well-developed area is one in which people gain personal and social satisfaction and where industry, business, the professions, and other activities can function with a reasonable expectation of survival and success.
Resource development is an inherent aspect of the community development process. While resource development is often thought of in economic or industrial terms, it also involves the wholesome and constructive growth of the community or area which depends on a general concern for the social, physical, and moral welfare and productivity of its people.

2. **Development Agencies.** -- To better understand the characteristics of development information, it is necessary that we fully understand the types of agencies involved in the development process. One way to examine these agencies or activities is in terms of their basic nature or source of support. In this discussion we are interested not only in a particular agency's need for information, but also its ability to produce development information for the use of others as well as itself. (On TRANSPARENCY #1)

   a. **Public Agencies.** These are agencies whose programs are established by law and/or who are supported in whole or part with public funds. The city planning bureau and the office of the county agricultural agent fall into this category as much as do the Economic Development Administration, the Small Business Administration, and the economic development districts. Agencies concerned with public services and those responsible for planning and development have to maintain extensive files of data reporting current conditions and projections for the future. The planning agency is more likely than any other to have assembled records from the several governmental sources, bringing together data on housing vacancies, construction, school enrollment, and land use. In addition to unpublished data, published reports containing statistical measures of the area are frequently found in these offices.
Some government agencies not directly involved in development activities exercise regulatory functions and, consequently, must maintain detailed records on specific facets of community activity and growth. The building inspector's office, for example, normally can provide information on building permits granted. Few published materials will be found in the offices of the regulatory agencies.

Certain public agencies offer technical assistance to communities and to economic enterprises. The Small Business Administration, the Economic Development Administration, the Department of Agriculture, and other Federal agencies provide financial support for such assistance. Their offices will have published reports that will increase the effectiveness of the technical assistance, and thus may constitute excellent sources of information. To a lesser extent, state agencies engage in technical assistance activities; when they do, their programs are likely to be closely correlated with those financed with Federal funds. As information resources their chief contribution is likely to be found in the personal competencies of their staff members.

Publicly supported academic institutions make unique information contributions to development programs. Most of them conduct research that has immediate implications for developers. The research bureaus of many of the academic institutions annually produce estimates of population, income, and other economic measures on a county basis. The bureaus of business research frequently collect and publish data regarding commercial and manufacturing activity and even issue a statistical abstract for the state at periodic intervals. In addition, the academic institutions conduct individual studies of specific segments of the economy of the state and of its counties. A number of universities have programs of technical assistance, and some of these have appropriate information collections probably broader in scope than those of any other agency involved in development.
activities. They emphasize published materials, particularly professional literature, technical reports, and economic information.

Except in rare cases, neither public nor academic libraries have been involved in any direct way with development programs. Their chief potential contribution lies in the wealth of published information found in their collections. University libraries usually include in their collections commercially published monographs, state and Federal documents, technical and scientific literature, standards, and journals.

Although public libraries have never collected development literature to any significant extent, they do purchase some directories, publications on industry, and the more general books on community life. The public library will often purchase books and subscribe to journals on the recommendations of local agencies, and it can serve as a key to locating extensive collections outside the community.

b. Private Agencies. Some agencies responsible for community improvement programs are supported primarily with private funds. Many of these are legally incorporated, but their commitment to community development is voluntary. They develop small information collections relating to their own specialized needs, increasing the information resources in the community.

Chambers of commerce constitute the most numerous and energetic of the private agencies. The information collections maintained by chambers emphasize descriptive information about the geographic areas they serve: labor availability, wage rates, industrial sites, organizations, companies, and transportation facilities. They receive publications from other chambers and are frequently depositories for city directories. To enhance their promotional services, they
compile brochures presenting facts about the community as a whole or specific facets of its economy.

Professional, trade, and public interest associations and organizations represent special groups in the community and usually have some kind of an information file. These associations usually can provide valuable statistical measures for an industry or a profession and occasionally have such data on a local basis.

In addition, there may be various ad hoc citizens' groups which collect a great deal of information in their lifetimes. Usually the information is scattered when the group is disbanded, but during the period of activity ad hoc groups should not be overlooked as potential sources of information.

c. Commercial Activities. In even the smaller communities, some business firms are engaged to a limited degree in development activities. In larger cities, it is not uncommon for banks, utilities, railroads, and real estate firms to operate extensive industrial and/or community development programs. Such firms usually own the expensive reference tools associated with their respective lines of activity. While some of the information held by the companies may be proprietary or classified and not available for general use, much of it is open to a legitimate user. In addition to the data that it collects for its own use, an individual company frequently has brochures summarizing cost data for the services extended by the company. In the case of electric or natural gas services, for example, these summaries are very useful.

Many of these agencies, public, private and commercial, operate as both consumers and producers of information. In order to fulfill their basic responsibilities, they collect and utilize relevant information, and in carrying
out their missions, they may well generate data. The specialized subject background and professional experience of individual staff members contribute a third dimension to the information resources found in an individual agency. Most of their information collections are organized in a haphazard fashion, however, and receive little systematic supervision. (Off TRANSPARENCY #1)

TRANSITION. -- We have now described many of the agencies that are involved in one phase or another of the development process. We have also indicated the type of information that such agencies need and develop for their own use. With this background, let us now take a closer look at the characteristics of development information -- the type of information that you will use when working with community development programs.

3. **Characteristics of Development Information.** -- In content, the information used by community developers coincides precisely with the variety of activities, problems, and elements characterizing present-day community life. Much of the information utilized by the developer comes not from the pen of a fellow member of his profession, but from that of a psychologist who analyzes leadership qualities, of a sociologist who explores group dynamics, of a civil engineer who describes the relative merits of different types of highway construction, or from a computer programmed by some governmental agencies to produce data on small areas.

Variety in content and source, therefore, is the dominant characteristic of the information utilized by individuals engaged in programs of community improvement. In spite of its variety, this information can be identified in terms of its subject content and physical form in such fashion as to outline the nature of the information resource required to support adequately development activities.
within a community.

For the next few minutes, we shall discuss the types of information needed by community developers. (On TRANSPARENCY #2) This information may be categorized as follows:

<table>
<thead>
<tr>
<th>Subject or Type</th>
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<tbody>
<tr>
<td>Economic and statistical measures</td>
</tr>
<tr>
<td>Professional material</td>
</tr>
<tr>
<td>Official material</td>
</tr>
<tr>
<td>Directory material</td>
</tr>
<tr>
<td>Technical material</td>
</tr>
</tbody>
</table>

Form

Published

Unpublished

(Off TRANSPARENCY #2)

a. Types of Materials to Be Collected. The developer routinely consults professional publications for materials dealing with principles and methods. He needs materials that will enable him to plan and implement effective community projects. He also wants access to theoretical works so that he can conceptualize local problems more effectively. Few works of either an applied or theoretical nature have been produced solely for the developer. Most of the professional literature appears in the form of pamphlets and journal articles.

The SBA staff development specialist will make extensive use of statistical measures and economic information. His most important information requirements occur in this category. He will have to compile data describing population characteristics, households, income, wage rates, and manpower. He will need measures
of commercial, manufacturing, and agricultural activity. For best results, the
data must measure current conditions and, on occasion, report forecasts for a
decade or longer. He also will have need for data to make comparisons with
state, regional, and national averages.

Other developers seeking opportunities to use state and Federal aid may ex-
pect the SBA community developer to have access to local, state, and Federal
laws and ordinances in planning and implementing public works programs, for ex-
ample. Nationally adopted standards covering building construction, recreation
facilities, and health services also will be needed at various stages in working
with specific communities.

Specialized phases of a community improvement program require developers
to consult scientific and technical materials. They have to utilize water quality
data, information about mineral resources, and soil composition. Concern for prob-
lems of sewage and waste disposal sends them to technical reports on waste utili-
ization, for example.

b. Physical Appearance of the Material. Development information appears in
the form of books, journals, theses, government reports, pamphlets, newspapers,
brochures, questionnaire returns, computer print-outs, and interview notes. Be-
cause of a combination of factors, pamphlets and journals outnumber the other
types of publications. Most of the subjects treated do not warrant book-length
coverage. Secondly, the limited potential sale necessitates an inexpensive form
of publication. Furthermore, because of the premium attached to currency of in-
formation, a means of immediate and rapid publication has to be employed. Pamphlet
and journal publication meets the requirements imposed by these factors. But much
of the information that developers seek can be obtained only in unpublished form,
if at all.

Every day the developer uses statistical data and other information measuring and describing a specific community and its resources. Published sources of such information cannot normally meet the requirements of both currency and extensive detail. The Census of Population, for example, provides more detailed data for small areas than any other source but is released only every 10 years. The Survey of Buying Power supplies annual population estimates but on a county basis only. In order to obtain up-to-date measures, the developer, therefore, often has to use unpublished data. In fact, he most often has to collect or produce the required data, supplementing published sources with his own research.

TRANSITION. -- For the last few minutes, we have been examining the general characteristics of development information. In summary, let us examine some of the trends and obstacles in meeting information needs.

As we progress through this training program, it will become evident that there is a continuing increase in development activity throughout the United States accompanied by an increasing volume of development information. This trend also has been accompanied by an increased dependence on information.

In this connection, there is an increasing demand for higher professional standards for the collection and utilization of economic and development data. No longer can a development agency rely on glittering generalities about a community and conduct a successful development program. The agency must utilize accurate data and reasonable forecasts and must be prepared to answer questions intelligently. No longer can units of city and county governments depend on guesses in reaching solutions to problems. Instead, a definite problem-solving approach must be adopted in handling the difficulties confronting individual
communities. This means that competent personnel must look objectively at specific problems and utilize established techniques and principles in conjunction with accurate information.

If you will reflect for a moment on what has been said about the characteristics of development, you will see that the very nature of such information presents certain obstacles in meeting the needs of agencies involved in development work. These obstacles are: (On TRANSPARENCY #3)

- The multidisciplinary nature of development.
- The dependence on unpublished data.
- The multiplicity of development programs.

Now that we have reviewed some of the trends and obstacles involved in meeting information needs, let us turn our attention to the needs of our own community development programs. (Off TRANSPARENCY #3)

4. Establishment and Maintenance of a Development Collection

a. Collection Policy. Each SBA office should examine its information needs carefully and formulate a definite policy concerning the satisfaction of those needs. The policy statement should cover selection criteria and, in general terms, the basic organization of the information files. Except for those materials which are used so often or in such a manner that they are needed at hand, no office should attempt to collect publications that are readily accessible elsewhere in the community.

Knowing what not to collect contributes as much to the value of an information file as knowing what to collect. Adding materials that are not going to be used increases the cost of maintaining the collection and complicates the storage
and retrieval of publications. A smaller collection of live, frequently used material is much more effective than a larger collection of little used and outdated materials.

A selection policy statement would contain answers to questions concerning the type of newspaper clippings to be collected, whether market surveys and articles on processes are to be acquired, and what related material about other localities should be retained.

A good selection policy statement also cites specific types of information and materials that are not collected. Moreover, it provides guidelines to new staff members when personnel changes occur so that continuity in development of the collection is possible.

b. Selecting Materials.

(1) State and Federal Sources. Some states have produced lists of publications about the state, and these can usually be obtained through the local library.

Additions to the basic collection should be made in conformity with the selection policy. Lists of new publications are available to assist in identifying new titles of potential value. The local newspaper constitutes an excellent source for identifying reports and studies dealing with the community and state as a whole, and it should be scanned for this purpose as well as for the information it reports.

The Federal government publishes some of the most important materials utilized by the developer. While The Monthly Catalog of United States Government Publications contains the most inclusive listing of new government documents, checking it is time consuming, as it includes many documents of no interest to
developers. Instead, most SBA specialists can meet their needs by reviewing the list of publications contained in Chapter II of the Handbook.

(2) Local Information Networks. Local conditions and requirements exert significant influences on development agencies, but typical patterns exist insofar as programs and information collections are concerned. In any community, several agencies with different but overlapping programs are engaged in activities designed to make the community a better place in which to live. In addition, there are agencies whose involvement in development is only peripheral, but who nonetheless are sources of information.

As a result, a great volume of information valuable to a developer exists in any given community but is located in several different agencies and is not well-organized or indexed. No agency can be completely self-sufficient where information is concerned, and each locality could profitably consider establishing an informal information network which would enable the agencies concerned with development activities to exchange information and ultimately to strengthen the information resources of the community.

As we work with the communities, we should take the following action at the local level: (On TRANSPARENCY #4)

(a) Inventory information resources.

(b) Encourage the establishment of regular communication among local agencies in matters relating to development information.

(c) Maintain appropriate data on local conditions.

(d) Establish our own lines of communication within the local information network. (Off TRANSPARENCY #4)
c. Suggestions on Storage of Materials. Due to the limitations imposed by space and staff availability, the SBA development offices should adopt a simple procedure for filing and indexing its materials. As with a selection policy, the procedure to be followed should be committed to writing.

Shelving or filing of development material is considerably simplified if publications of a like physical type are filed together. Specifically, separate sections can be maintained for books, pamphlets, clippings and manuscript notes, and maps. Because books constitute such a small portion of a development collection, they can usually be located quickly if they are filed alphabetically by author, title, or subject. If the collection includes many directories, it may be convenient to file them apart from the other books. The size of the collection and the frequency of its use will determine whether or not a card index should be established.

Pamphlets and brochures can be filed most satisfactorily and with least expense in pamphlet boxes on open shelves. A simple subject filing arrangement usually proves most effective. When a pamphlet covers more than one subject, it is possible to achieve cross indexing by reproducing the title page and then filing the duplicate title page under one of the headings and the pamphlet itself under the other.

Newspaper clippings and manuscript notes are handled with greater ease and safety when stored in folders in regular vertical files. A subject arrangement is again the most helpful one. Finally, maps can be filed by issuing agency or by area covered. The latter arrangement serves more needs.

Except for the maps, it is possible to bring books, pamphlets, and newspaper clippings together in one shelving system. The problems of filing diverse
physical forms cannot be completely eliminated in a one-sequence filing system, however. When several filing sequences are used, the same subject headings can be applied to the different parts so that one merely looks for the same heading in three or four places.

Whatever the filing or shelving arrangement, the ultimate effectiveness of the collection depends on the subject headings adopted. The headings chosen must be carefully adapted to the requirements of the individual agency. In selecting the headings, the developer may find it helpful to follow A List of Subject Headings for Indexing and Filing Industrial Development Collections, American Industrial Development Council ($2.00).

The process of selecting, acquiring, and filing materials should be kept as simple as possible. No time-consuming records or routines should be established.

OPPORTUNITY FOR QUESTIONS

SUMMARY

During the last hour, we have made a brief survey of the nature of the community development process and the characteristics and source of information involved in the process. We examined the general information needs of developers involved in community development and discussed our own requirements for community development information. Finally, we took a brief look at some of the considerations involved in the establishment and maintenance of a development collection.

(On TRANSPARENCY #5)

Our message is this:

Our community development programs cannot succeed without accurate information.
Our agency cannot be self-sufficient insofar as information is concerned. We must have on hand what we need on a daily basis; we must stimulate others to produce and share needed information.

Community information programs should be planned systematically in recognition of the basis characteristics of the community development process.
LIST OF SUPPORTING PAPERS

1. Training Aids
   TRANSPARENCY #1  Development Agencies
   TRANSPARENCY #2  Information Needs of Developers
   TRANSPARENCY #3  Obstacles to Meeting Information Needs
   TRANSPARENCY #4  Action Program
   TRANSPARENCY #5  The Message

2. Other Documentation
   None
### LESSON PLAN

#### Essential Data

**TITLE:** Human Resources in Community and Regional Development  

**PURPOSE:** To provide SBA professional personnel with concepts and a basic understanding of community and regional human resources analysis and its importance to economic and industrial development efforts  

**DATE PREPARED:** March 25, 1969  

**METHOD OF INSTRUCTION:** Lecture  

**HOURS:** One hour  

**STUDY ASSIGNMENT:** None  

**ESTIMATED TIME REQUIRED TO COMPLETE STUDY ASSIGNMENT:** None  

**INSTRUCTOR REFERENCES:**  
1. Handbook on Community Development  

**TRAINING AIDS:** See LIST OF SUPPORTING PAPERS  

**ADDITIONAL DETAILS:** See instructions contained in Question and Answer Section
INTRODUCTION

1. Gain Attention. -- Some years ago, a human resources specialist remarked that "a community without human resources really has no need for its natural resources and until human resources have been developed within a community, there is no need to develop natural resources."

The ultimate purpose of any community resource development program must be to upgrade the people or human resources of the community. In our modern society this must be done if we are to provide the people of our communities the economic opportunities and the quality of living that our society is capable of producing. This means the development of modern skills, the creation of payrolls, the provision of opportunities to increase incomes, and the raising of standards of living for all of the people of the community.

2. Motivate. -- We of the Small Business Administration are now undertaking programs which we feel will be beneficial to communities. Since people are the primary and most important element in the community development process, each of us must have a clear understanding of the factors involved. We must be prepared to operate in a real-world situation involving people--people as human resources and people as manpower resources.

3. State Purpose and Main Ideas. -- The primary purpose of this period of instruction is to develop a basic understanding of community and regional human resources and their importance in the community development process.
TRANSITION. -- At this point I'm reminded of Gomer Pyle's remark, "Surprise, surprise, surprise!" For I expect that in about three minutes you are going to be surprised. Perhaps, dismayed is the correct expression in this instance. We are going to "walk" through a most elementary and fundamental exercise. We are going to walk through this exercise because most developers seem to take human resources for granted, never thinking any further than the words "people" or "population."

BODY

1. Introduction. -- For the next twenty minutes we are going to talk about human resources. Later we will discuss manpower resources. Now, put your thinking caps on and put your imagination in gear because we are going to look at a community's human resources in its most elementary form; we are going to take a fish-bowl view of the human resources within a community. If this exercise is to be a success, you must think--and you must participate.

2. Class Exercise

   a. Question and Answer Period. I have put on each of your desks sets of questions and answers, including some comments to stir your thinking. Now for question number one.

   b. Summary. Gentlemen, I'm now handing out the summary sheet which includes the information shown on the blackboard. In our discussion we have identified the components of a community's human resources. Again may I emphasize the basic approach that we've taken to alert you to the fundamental consideration involved in the total community manpower picture. We should
now begin to understand some of the subtle differences between human resources and manpower resources and between potential manpower resources and present manpower resources. Present manpower resources provide a basic capability of transforming other community resources into goods and services which will have an economic impact on the community.

OPPORTUNITY FOR QUESTIONS

SUMMARY. -- The purpose of this session was to provide you with a basic understanding of a community's human resources. We pointed out that human resources are present or potential manpower resources and that manpower resources are used to transform other community resources into goods and services. During the next session, you will have an opportunity to learn about manpower analysis and its importance in community development efforts.
LIST OF SUPPORTING PAPERS

1. Training Aids
   
   None

2. Other Documentation
   
   Prepared Questions and Answers
HUMAN RESOURCES IN COMMUNITY AND REGIONAL DEVELOPMENT

Prepared Questions and Answers

1. Purpose. -- The questions and answers have been prepared to assist the student and instructor in exploring the fundamental aspects of human resources. The answers or hints given are for the purpose of engendering thought on the part of the student and are not restrictive in nature.

2. Instructions

   a. Reproduce one copy of the attached questions and answers. Fold copies so that questions and answers are not visible. Number questions 1-12 on outside fold.

   b. Distribute copies in random manner to students.

   c. Caution students not to open questions until told to do so and explain that they will be "walking" through a basic exercise illustrating the fundamental nature of community human resources.

   d. Move through questions and answers in a sequential manner, encouraging group discussion on each question as time permits.

   e. As question items are discussed, place key words on blackboard (e.g., men, women).

   f. At the conclusion of Question No. 12 distribute one copy of the summary sheet to each member of the class.
Question No. 1
What is the purpose of any economic development program?

Answer:
Please discuss the above question, using your own thoughts and words. To help get you started, you may want to consider the hints listed below:

a. The ultimate purpose of all community economic development is to upgrade people (human resources). Economic development is not an end in itself, but a means of developing skills, creating payrolls, increasing incomes, and raising standards of living.

b. Total development involves all community resources, which include the attributes of an area and its people. A working knowledge of a community's water, minerals, soils, climate, topography, location, and people, among other items, and a detailed knowledge of them, are basic to total community development. Yet these items of a community's makeup do not become useful until translated through the objectives, value systems, and technical abilities and financial resources of the people who seek to harness them.

c. A well-developed community is one with a broad range of opportunities. A well-developed community is not only one in which people gain personal and social satisfactions, but also one where industry, business, the professions, and other activities can function with a reasonable expectation of survival and success. These elements, together with people, government, churches, and related institutions and functions, make up the total complex of the community.

d. Total development involves all people. The wholesome and constructive growth of a community depends on the general concern for the social, physical, and moral welfare and productivity of its people. This can be realized through creating higher standards of livability, more and better work opportunities, and generally high standards of development.
Question No. 2

Human resources are?

Answer: MEN.

Using your own thoughts and words, please discuss the above question as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. Men make up a large part of a community's work force.
b. Men are usually the key leaders within a community.
c. Many men within a community are highly trained.
d. Many men are untrained, unskilled and underemployed.
e. Some men within a community are unemployed.
f. Some men within a community are young.
g. Some men are old.
h. Some jobs that women have traditionally done could be done by men.
Question No. 3

Human resources are?

Answer: WOMEN.

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. A large number of women are found in a community's work force.

b. A large number of women are not included in the work force.

c. Many women would come into the work force if the right opportunity came along.

d. Some jobs that men have traditionally done could be done by women.
Question No. 4

Human resources are?

Answer: BOYS.

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. Boys are a community's future manpower.
b. Boys are a community's future leaders.
c. Boys need to be well-educated and well-trained.
d. What can we do about boys dropping out of school?
e. Should all boys go to college?
f. How do we keep boys from moving out of a community?
Question No. 5

Human resources are?

Answer: GIRLS.

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. Girls are a community's future mothers and housewives.

b. Girls, like boys, are a community's future leaders and workers.

c. Should girls be trained and educated as much or less than boys?

d. Should girls be encouraged to pursue skills and professions that have traditionally been sought after by boys?
Question No. 6

Human resources are?

Answer: PERSONS.

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. Total development involves all persons.

b. Total development involves:
   1. Old persons
   2. Young persons
   3. The unemployed persons
   4. The unskilled persons
   5. The low-income persons
   6. The uneducated persons
   7. The retired persons
   8. The employed persons
Question No. 7

Human resources are?

Answer: FOLKS.

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. Who are the folks of a community?
b. Are they:
   1. City folks
   2. Farm folks
   3. Young folks
   4. Old folks
   5. Untrained folks
   6. Poor folks
   7. Uneducated folks
   8. Underprivileged folks
Question No. 8

Human resources are?

Answer: INDIVIDUALS.

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. There are many individuals within a community.
   b. Some of these individuals belong to the formal groups; others belong to the informal groups.
   c. Certain individuals are higher in the community "power structure" than other individuals.
   d. Certain individuals may be selected to be community leaders because of the talents they possess.
   e. Other community individuals may need special individual attention, because these individuals can't help themselves.
Question No. 9

Human resources are?

Answer: BEINGS.

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. Everyone within the community should be treated like a human being.

b. Total development involves all "beings" and all "beings" should be considered when a community's human resources are being inventoried and analyzed.
Question No. 10

Human resources are?

Answer: CITIZENS.

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. Citizens are the people who vote.
b. Citizens are the people who pay taxes.
c. Citizens are all people within the community:
   1. The rich
   2. The sick
   3. The poor
   4. The healthy
   5. Everyone
Question No. 11

Human resources are?

Answer: PEOPLE
-ALL KINDS
-ALL SORTS
-ALL COLORS

Using your own thoughts and words, please discuss the above statement as it pertains to a community's human resources.

To help you get started, you may want to consider the hints listed below:

a. People are the human resources of a community.

b. People are what industrial and economic development is all about.
Question No. 12

Human resources are?

Answer: POTENTIAL

MANPOWER RESOURCES

Using your own thoughts and words, please discuss the above statement as it pertains to a community’s human resources.

To help you get started, you may want to consider the hints listed below:

a. Human resources are all the people in a community.

b. Basicly, human resources are all the males and females in a community from one year old to 100 years old.
Human Resources Are:

Men
Women
Boys
Girls
Persons
Folks
Individuals
Beings
Citizens
People-

All Kinds
All Sorts
All Colors
Potential Manpower Resources

The difference between human resources and manpower resources is a matter of instruction or training. After certain instruction and training, manpower resources are used in transforming other community resources into goods and services. In community development, all manpower components should be inventoried and analyzed.
TITLE: MANPOWER RESOURCES ANALYSIS

PURPOSE: To provide the participants with a basic understanding of community manpower resources analysis

DATE PREPARED: March 25, 1969

METHOD OF INSTRUCTION: Lecture

HOURS OF INSTRUCTION: One hour

STUDY ASSIGNMENT: None

ESTIMATED TIME REQUIRED TO COMPLETE STUDY ASSIGNMENT: None

INSTRUCTOR REFERENCES:
1. Handbook on Community Development
3. Labor Requirements As a Factor in Plant Location, Allegheny Power System, 320 Park Avenue, New York, N. Y. 10022
4. Manpower reports developed by the Employment Security Agency, Georgia State Employment Service
5. County manpower resources profiles developed by the Manpower Section, Industrial Development Division, Georgia Institute of Technology, Atlanta, Georgia

TRAINING AIDS: See LIST OF SUPPORTING PAPERS

ADDITIONAL DETAILS: SUPPLEMENTARY MATERIAL and OUTLINE OF INSTRUCTION to be reproduced locally and distributed during class period
MANPOWER RESOURCES ANALYSIS

Lesson Manuscript

INTRODUCTION

1. Gain Attention. -- In the field of community and area economic development, human resources are commonly referred to as manpower resources. Manpower resources are employed in processing or transforming other community or area resources into finished products. A community's manpower is its most valuable resource. Certainly it will be one of the prime determinants in the location decisions of most business and industrial firms. Yet, the manpower factor is probably the most neglected and poorly presented of all community assets.

2. Motivate. -- Communities are generally prone to overstress the quantity of available local manpower and to neglect the qualitative factor. If we are to be of substantial assistance to communities, we must thoroughly understand the role manpower plays in the community development process and be prepared to provide advice and analytical assistance to community groups in the field of manpower resources development when such assistance is needed.

3. State Purpose and Main Ideas. -- It is our purpose during the next hour to present some of the fundamentals of manpower resources analysis and to point out and discuss with you the importance of manpower resources analysis in community industrial development.

This will include six topics:

(1) General characteristics and the importance of community manpower resources analysis.
(2) Leadership role in community manpower resources analysis.

(3) Manpower resources data required by new and existing industry.

(4) An approach to accumulating community manpower data.

(5) Sources of manpower information.

(6) Maintenance and use of community manpower information.

TRANSITION. -- Many communities have an ample actual or potential surplus of workers for industrial development, but those prepared to submit detailed data as to age groupings, sex, specific industrial skills, and local conditions affecting the employment and payment of workers are exceptional and definitely have a competitive advantage of great value. The more a community can learn about its manpower resources, the more valuable such information will be in selling the community to industry.

At this point, we should try to make a distinction between industrial and economic development. Economic development is the overall stimulation of business activity for the purpose of augmenting job opportunities and increasing per capita income. Industrial development is most often thought of as the location, formation, or expansion of manufacturing enterprises in a community. If during the next hour, we tend to overemphasize the industrial aspects of economic development, it is because we feel that in most situations the basic economic "payoff" is through manufacturing payrolls rather than through retail and service payrolls, since the latter will inevitably result from increased industrial activity.
1. General Characteristics and the Importance of Community Manpower Resources Analysis. -- Now, let us discuss the importance of manpower resources analysis and research in community economic and industrial development.

As we said earlier, the ultimate purpose of all industrial development is to upgrade manpower. Industrial development is not an end in itself. It is a means of creating payrolls, developing skills, increasing income, and raising standards of living. However, trained or trainable manpower must be available for industrial development. A new industry can do without rail facilities, local sources of raw materials, etc., but it cannot do without manpower regardless of the degree of automation.

Community manpower resources are more often described in broad generalities than any other asset (e.g., "abundance of labor," "finest people on earth," "100% native stock," etc.). It is difficult to be objective in describing manpower because of the human factor involved, and it is difficult to measure precisely the quality of the local labor force. However, these difficulties do not diminish the importance of thorough research and analysis of an area's manpower resources.

It is difficult for community representatives to be objective. The reason is their concern for people. They will admit that a plant site is poor, but not that the local work force is inadequate.

It also is difficult to measure manpower resources precisely. Water can be analyzed and the availability of electric power can be measured, but how do you quantify worker productivity? Accumulating and evaluating specific community manpower data require much work since measurements are not always precise.
But, regardless of the difficulties, specific and complete manpower data are needed to satisfy most industrial prospects and further the overall community development effort. Since manpower resources information is presented in so vague and general a manner in many communities and states, a community which can present detailed and objective manpower data will have a decided advantage over competing communities.

2. Leadership Role in Community Manpower Resources Analysis. -- In any community development program, some individual or organization must take the lead in conducting a community manpower resources analysis.

It should be the responsibility of those persons or organizations assuming the leadership role in community manpower resources analysis to collect existing manpower resources information, develop new information, analyze the collected or developed information, and disseminate it to the appropriate individuals and agencies who have a need for it.

Although we may be able to provide advice and assistance to communities in the matter of manpower resources, it should be clearly understood that communities themselves must attack this problem with the appropriate involvement of other interested development agencies. However, within our own operations, as we work with communities, we ourselves should collect for our own use such information as may be required in the implementation of our programs.

3. Manpower Resources Data Required by New and Existing Industry. -- Now, let us take a look at what a plant location specialist or an expansion planner might want to know about the manpower resources in a community. (On TRANSPARENCY #1)
He will want to know:

a. **Number of Workers Available.** First and foremost, he will want information on the number of workers available for employment in the community and within a reasonable commuting distance of the community. He knows and we know that the available labor supply is drawn from three major groups:

   (1) **Unemployed.** This group is the most obvious, the most readily available, and the most easily identified group. However, it does not always contain the best or the most highly skilled workers.

   (2) **Employed and Underemployed.** (An underemployed person is one who is working at less than his highest skill or potential.) The fact that new industry sometimes takes employees away from existing industry must be faced. This may be upsetting to existing employers, but it is not always bad because it gives the underemployed a chance for advancement. This benefits the individuals concerned as well as the community.

   (3) **New Entrants to the Labor Force.** School graduates and dropouts, housewives, marginal farm workers, and new residents enter the labor force as employment opportunities develop. An industrial prospect is interested in a continuing supply of workers, as well as what is presently available.

b. **The Quality of the Available Labor Supply.**

   (1) **Skills.** What specific skills are available? This is sometimes critical, but some new industries prefer to train their own workers. In these cases, **trainable** manpower is more important than **trained** manpower.
(2) Characteristics of the Work Force. An industrial prospect is interested in the reputation of the local labor force in terms of ability to learn, productivity, attitude toward work, dependability, and stability. These characteristics are difficult to describe and almost impossible to measure objectively.

c. Prevailing Wage Rates in the Area. Industrial prospects must be able to establish pay policies and figure labor costs based on the following:

(1) Specific Rates for Specific Jobs. What are the prevailing wage rates for certain key jobs, such as carpenters, electricians, mechanics, machinists, general laborers, bookkeepers, and secretaries?

(2) Pay Practices. What pay practices (bonus, piecework, overtime payments, shift differentials, etc.) are specifically covered by existing labor codes or regulations? What are the prevailing practices in the community in those areas not covered by codes or regulations?

(3) Fringe Benefits. What benefits (insurance, vacations, retirement plans, etc.) are common in the area? Which are required and which are controlled by the company?

d. History of Labor Relations in the Area. Many industries select areas to avoid unions, while others prefer that their employees be represented by a union (e.g., a manufacturer of work clothing must have a union so that his product will carry a union label).

(1) Degree of Unionization. To what extent are local industries organized? What unions are represented?
(2) **Record of Strikes and Work Stoppages.** How militant are unions? What labor strife can be anticipated?

(3) **Attitude of the Community.** Are labor laws strictly enforced? What is the general feeling of the community toward union activities?

e. **Training Facilities Available**

(1) **Vocational and Technical Training Schools.** What facilities are available? What courses are offered? Is training available during off-duty hours? Do schools provide continuing source of trained workers?

(2) **Special Training Programs for Industry.** What programs are available to help a company train groups of workers for startup or expansion? What does the community provide -- and what must the company contribute?

f. **Labor Codes and Regulations**

(1) **National Codes and Regulations.** What specific labor codes or regulations are in force? How do these affect wages, fringe benefits, and other employment practices?

(2) **Local Codes and Regulations.** Does the local community or state have labor codes or regulations? How do these affect wages, fringe benefits, and other employment practices?

g. **Special Circumstances Affecting the Local Labor Supply**

(1) **Stability of Local Labor Supply.** Is there a large military installation or university nearby? How dependable are female employees who are wives of military personnel or students?
(2) **Competition for Labor Supply.** What types of employers are presently located in the area? What types of workers do they employ? Are other new plants locating in the area in the immediate future? Do any of the existing industries plan to expand soon? (Off TRANSPARENCY #1)

A number of national and international economic development organizations publish manpower checklists to be used internally by plant expansion planners and plant location specialists. For example, *Industrial Development Magazine*, on page 16 of its October 1966 issue, published a manpower checklist of questions asked and needed by a company wishing to expand or relocate. The Allegheny Power System has developed a booklet called *Labor Requirements As a Factor in Plant Locations* which is very good in helping an industrial firm or community audit its manpower resources.

With these checklists, we can get a fairly good idea of the type of manpower resources information that a company wants and a community needs -- ready, up-to-date, and available when expansion planners or plant location specialists come knocking on their door.

4. **An Approach to Accumulating Community Manpower Data.** -- At the outset, we must recognize that we cannot be effective unless we ourselves approach manpower resources development in a systematic manner. This means that when we are working with community leaders, we must give them a full understanding of the data needed, the purpose of the data, and the sources from which they may be obtained. The outline which we shall distribute to you now is designed to guide you in providing advice and assistance to community leaders in developing needed community manpower information. (Pass out SUPPLEMENTARY MATERIAL.)
Time will not permit us to examine all aspects of this document. However, in order to assist you in discussing the outline with community leaders, let's discuss generally each topic.

a. **Present Work Force**

(1) How many workers are currently employed?

(2) How many of these workers are male? How many are female?

(3) Answer the following questions for each group (male and female):

   (a) What percent are white?

   (b) What percent are below 40 years of age?

   (c) What percent have at least high school educations?

   (d) What percent are skilled, semiskilled, and unskilled?

(4) What skilled occupations are represented in the present work force?

(5) What has been the experience of local employers in regard to worker productivity, labor turnover, absenteeism, ability to learn new skills, promotability, special aptitudes, etc.?

Consideration should be given to analyzing objective data from employers who have formal testing and training programs to define specific characteristics of the work force. General statements from employers relative to worker trainability and productivity are useful in soliciting new industry.
b. **Available Labor Supply**

(1) How many unemployed workers are there in your community? (Consider only those who are employable and who are willing to work. Classify the unemployed by sex, age, race, and skill.)

(2) How many and what type of active applications are currently on file with your local State Employment Service office?

(3) How many applicants have there been for each type of job offered by recently established new firms?

(4) How many and what type of new workers are added each year from local schools? (How many do you expect next year? The year after next?)

(5) How many local graduates leave the area each year to secure employment elsewhere?

(6) How many housewives would work (in a particular type of plant or job) if an opportunity arose?

(7) How many "underemployed" or "marginal" farm workers are there? In other words, how many farm workers would abandon farming for a job in industry or would take a job in industry and continue to farm on the side? Do you expect an increase next year?

(8) How many farm employees have left the farm in recent years? How many have taken jobs in town? How many have left the area?

(9) How many workers in your area are now performing work which is below their highest skill capability? What specific skills are these underemployed workers capable of performing?
(10) If suitable employment opportunities existed in your community:

(a) How many local residents who are commuting to other areas would be available for employment? (Remember that fringe benefits and working conditions as well as wages induce workers to commute.)

(b) How many workers in surrounding areas would be willing to commute into your area?

(c) How many former residents would be willing to return to the area?

c. Other Manpower Considerations

(1) What labor unions are active in your community?

(2) What percent of the workers belong to unions?

(3) What is the record of strike loss hours of organized firms in your area?

(4) What are the average wage rates in major occupations and industries in your community?

(5) How do these rates compare with rates in nearby communities?

(6) What are the current going rates for such standard occupational classifications as plumbers, electricians, bricklayers, carpenters, machinists, unskilled factory workers (male and female), semiskilled factory workers, sales clerks (female), clerk-typists, stenographers, bookkeepers, etc.?

(7) What size new plant could your manpower resources support without causing undue hardship on established companies and without concentrating manpower too heavily in one firm?

-12-
Caution: There is danger to any community in tying its welfare exclusively to one major firm. If that company should fall on bad times, the entire community could suffer severely. At the same time, many firms do not want the full responsibility for the economic welfare of a town or area.

TRANSITION. -- In discussing an approach to accumulating community manpower data, we have been primarily concerned with the data required up to this point. Since the outline sets forth the purpose of the data in sufficient detail, we shall not discuss it further unless you have a specific question. Now, let us explore in a general way sources which may supply the required manpower data.

5. Sources of Manpower Information

   a. Existing Information. The first step in evaluating any community's manpower resources for an industrial prospect or for an economic development program is the use of existing information, most of which will come from published sources.

   Published sources include census data and other government publications. These are reliable and detailed sources, but information is often out of date. Published sources provide a starting point for collecting manpower resource information, but they must be supplemented by research on the local level to develop meaningful manpower data.

   Local and national government offices often are good sources of published and unpublished data on manpower resources. Some agencies may conduct special wage and manpower surveys.

   All counties in each state are served by one or more local State Employment Service offices.
In some cases, these local employment offices can provide data that can be used satisfactorily for the communities, counties, or areas not covered in their published reports.

Their manpower or labor market reports, which are published irregularly, are probably their best published information on a labor drawing area.

Each report concerns a specific city and surrounding area. It normally provides descriptive information about the area, population trends and characteristics, agricultural activities, nonagricultural activities, housing, transportation, and similar topics. Estimates of the labor force are included in addition to data taken from the Census of Population.

This type of information is good to have. It is easy to obtain, inexpensive, and simple to use.

b. Developing New Manpower Resources Information. If all sources of existing information have been exhausted and the manpower resources information on your community is still skimpy and lacking, the next or second step you will have to take to obtain the needed information is to develop it yourselves. A very big question arises at this point. Should you do the developing alone, or should other organizations be involved? The answer to this big question will have to be decided at the local level.

Usually, the needed information can be developed through basic research simply by conducting special interviews, registrations, or surveys within the community. During this activity, much needed information in addition to availability of manpower (e.g., wages, fringe benefits, skills) can be developed on a community.
(1) **Wage Surveys.** Local industries should be interviewed and surveyed periodically on a confidential basis to determine prevailing wage rates for specific jobs. Community leaders should make sure that the managements of local firms understand their program. To be meaningful, wage surveys should be done by job description rather than by job title since similar job titles do not always reflect the same degree of skill and responsibility in different companies.

(2) **Company Interviews.** Compilation of the experiences of local employers is perhaps the most useful source of manpower information if it is handled properly. An industrial prospect is interested in what others have experienced in recruiting, employing, and training workers in the local community. Local companies that are willing to talk with industrial prospects and really be objective in describing the local manpower are a real asset. In most instances, this is the only feasible means of describing and evaluating the characteristics of the local work force.

Experiences of local employers may be described through written testimonials, or their experiences may be analyzed and documented through detailed case studies of specific staffing operations of firms which have located in the community.

(a) **Testimonials.** A testimonial is a letter written by an employer describing his experience with the local manpower. To be useful, a testimonial must be specific and detailed and must avoid glowing and ambiguous overstatements of the virtues of local manpower.
(b) **Case Studies of Staffing Experience.** A detailed study of the staffing experience of a major or typical local employer will provide information which is not available elsewhere on the size of the local labor supply, the commuting area from which workers may be drawn, and the qualifications and characteristics of the labor force.

(3) **Labor Surveys or Registrations.** Surveys or registrations of individuals interested in industrial employment by mail, house-to-house canvass, telephone, or centrally located registration booths are direct means of obtaining specific data on the availability of manpower. However, unless annual registrations are held on a regular and continuing basis, there is a danger in holding too many registrations in one community. And, unless there is a definite prospect for employment, individuals will not continue to respond to registrations.

In addition to the company interview, there are four accepted methods or techniques used by industrial and economic developers for determining and developing manpower resources information on a community, an area, or district: (1) the manpower registration, (2) the manpower survey, (3) the combination registration and survey, and (4) the statistical analysis or sampling technique.

In a manpower survey, those conducting the survey try to reach the potential workers in the area by sending them forms through the mail, providing forms in newspapers, leaving blank questionnaires at schools for children to take home to parents, leaving forms at business establishments to be inserted in each package that leaves the store by the owners of the business, etc.
As a last resort, if results are not reaching forecasts of the manpower market, a team of volunteers of local men and women go from door to door asking residents to complete the survey forms. Some communities have hired persons for the door-to-door canvass to be paid according to the number of completed forms obtained. This can be dangerous.

The manpower registration differs from the survey in that those holding the registration set up registration booths strategically located throughout the predetermined manpower drawing area. Potential employees come to the booths and fill in questionnaires with or without the aid of a booth worker.

Many times, a combination of the survey and registration is conducted.

When you must make a decision to hold or not to hold a manpower registration or survey, it should be remembered that a poor or unsatisfactory registration is worse than none at all. For this reason, it is important that the organization or individual ramrodding the registration or survey be experienced and competent in organizing such a project.

In order to obtain the best results from a registration or survey, it is important to involve other appropriate organizations and to use every possible method of reaching every individual who could seek work if a new plant located in the community. A survey or registration should attempt to obtain information on all potential workers in the entire predetermined manpower market area. It should be stressed here that a manpower market is not contained in one community, but includes rural areas and other communities and towns within commuting distance. Sometimes, the prospective industry will have its own definition of the manpower market area. For general purposes, a 35-mile radius of the proposed local point is usually used as the manpower market area.
The statistical analysis or sampling technique is probably the most complex, least understood, and the least used. Because of this method's complexity, it should not be attempted by a person untrained in statistical sampling techniques. The basis for this method is a statistical random sample of the adult population or universe. The attributes found in the sample are used to estimate or project the occurrence of those attributes found in the total area or universe.

The proper sample size depends upon the size of the population being sampled. For example, a population greater than 50,000 people requires a sample size of at least 5,000.

This method is considered legitimate, accurate, complicated, sophisticated, and can be more expensive than any other method mentioned above.

6. Maintenance and Use of Community Manpower Information. -- As you will recall, we indicated earlier in this period that in any community development program it should be the responsibility of those persons or organizations assuming the leadership role in manpower resources analysis to collect existing manpower information, develop new information, analyze the collected and developed information, and disseminate it.

After the needed manpower resources information has been collected and developed, what should be done with it? How will it be disseminated and used? How can it be kept up-to-date?

Communities need to keep their manpower resources information in a convenient and usable form. They should maintain complete and accurate files on every facet of the local manpower resource situation. Simple community manpower
resources profiles should be developed concerning the availability of labor, characteristics of the local labor supply, wage rates and pay practices, manpower training, labor codes and regulations, etc. These profiles should be prepared in such a manner that they can be revised readily as new data become available, since labor information is subject to frequent change and is of little value if it is not current.

Communities need to use their manpower resources information. This means that they must keep those individuals and organizations who work in the development field advised of the availability of manpower information relating to their community. If they have complete and current information, they have a definite advantage over competing communities.

OCCUPORTUNITY FOR QUESTIONS

SUMMARY

The primary purpose of this session was to provide SBA professional personnel with a basic understanding of the community manpower resources analysis function and to familiarize them with the following considerations: (1) why manpower resources analysis and research are important to community economic and industrial development efforts; (2) what expansion planners or plant location specialists want to know about an area's manpower resources; (3) how to develop a plan of action for accumulating or developing needed manpower resources information; (4) sources of existing manpower resources information; (5) how to develop new manpower resources information; and (6) what a community should do with the manpower resources information that it has collected, developed, and analyzed.
LIST OF SUPPORTING PAPERS

1. Training Aids

   TRANSPARENCY #1   Manpower Data Requirements

2. Other Documentation

   SUPPLEMENTARY MATERIAL

   OUTLINE OF INSTRUCTION
A Systematic Approach for Inventoring Community Manpower Resources

All industrial prospects, regardless of size or type, will be vitally interested in the manpower resources of your community. They will want to know not only how many workers are available, but also something of the present and potential skills of the labor force. A detailed inventory of manpower resources will provide many of the answers that prospects need in making location decisions. Such information also will assist you in recognizing andremedying possible deficiencies.

A study of manpower resources requires a close look at two distinct manpower groups: (1) the employed work force in the area and (2) the available labor supply (the unemployed, the underemployed, those not previously employed, and those employed outside the area). In addition, consideration should be given to other factors (degree of unionization, prevailing wage rates, etc.) which affect the present and future manpower resources of the area.

The following questions will guide you in collecting facts in each of these groups.

**Present Work Force:** (See attached detailed outline.)

1. How many workers are currently employed?

2. How many of these workers are male? How many are female?

3. Answer the following questions for each group (male and female):
a. What percent are white?

b. What percent are below 40 years of age?

c. What percent have at least high school educations?

d. What percent are skilled, semiskilled, and unskilled?

4. What skilled occupations are represented in the present work force?

5. What has been the experience of local employers in regard to worker productivity, labor turnover, absenteeism, ability to learn new skills, promotability, special aptitudes, etc.?

(Analyze objective data from employers who have formal testing and training programs to define specific characteristics of the work force. General statements from employers relative to worker trainability and productivity are useful as "campaign material.")

Available Labor Supply: (See attached detailed outline.)

1. How many unemployed workers are there in your community? (Consider only those who are employable and who are willing to work. Classify the unemployed by sex, age, race, and skill.)

2. How many and what type of active applications are currently on file with your local State Employment Service office?

3. How many applicants have there been for each type of job offered by recently established new firms?

4. How many and what type of new workers are added each year from local schools? (How many do you expect next year? The year after next?)
5. How many local graduates leave the area each year to secure employment elsewhere?

6. How many housewives would work (in a particular type of plant or job) if an opportunity arose?

7. How many "underemployed" or "marginal" farm workers are there? In other words, how many farm workers would abandon farming for a job in industry or would take a job in industry and continue to farm on the side? Do you expect an increase next year?

8. How many farm employees have left the farm in recent years? How many have taken jobs in town? How many have left the area?

9. How many workers in your area are now performing work which is below their highest skill capability? What specific skills are these underemployed workers capable of performing?

10. If suitable employment opportunities existed in your community:

   a. How many local residents who are commuting to other areas would be available for employment? (Remember that fringe benefits and working conditions as well as wages induce workers to commute.)

   b. How many workers in surrounding areas would be willing to commute into your area?

   c. How many former residents would be willing to return to the area?

Other Manpower Considerations: (See attached detailed outline.)

1. What labor unions are active in your community?
2. What percent of the workers belong to unions?

3. What is the record of strike loss hours of organized firms in your area?

4. What are the average wage rates in major occupations and industries in your community?

5. How do these rates compare with rates in nearby communities?

6. What are the current going rates for such standard occupational classifications as plumbers, electricians, bricklayers, carpenters, machinists, unskilled factory workers (male and female), semiskilled factory workers, sales clerks (female), clerk-typists, stenographers, bookkeepers, etc.?

7. What size new plant could your manpower resources support without causing undue hardship on established companies and without concentrating manpower too heavily in one firm?

(There is danger to any community in tying its welfare exclusively to one major firm. If that company should fall on bad times, the entire community can suffer severely. At the same time, many firms do not want the full responsibility for the economic welfare of a town or area.)
### PRESENT WORK FORCE

<table>
<thead>
<tr>
<th>Data</th>
<th>Purpose</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td>Measure capacity, efficiency, stability, and dependability of labor in the area. General characteristics of present work force can be assumed for available labor supply.</td>
<td>Survey of experience of manufacturers in area, etc.</td>
</tr>
<tr>
<td>Race</td>
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<td></td>
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<tr>
<td>Type (Mfg., Trade, etc.)</td>
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<tr>
<td>Skills</td>
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<tr>
<td>Occupational classifications</td>
<td></td>
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<tr>
<td>Characteristics of present work force:</td>
<td></td>
<td></td>
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<tr>
<td>Trainability</td>
<td></td>
<td></td>
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<tr>
<td>Productivity</td>
<td></td>
<td></td>
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<tr>
<td>Labor turnover</td>
<td></td>
<td></td>
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<tr>
<td>Absenteeism</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitudes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local manufacturers:</td>
<td>Determine diversification of industry in area, competition for labor force, presence of one dominant industry, etc.</td>
<td>State Directory of Manufacturers; city directory; telephone directory; industrial associations in area; survey of local manufacturers.</td>
</tr>
<tr>
<td>Type</td>
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<tr>
<td>Number of employees</td>
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## AVAILABLE LABOR SUPPLY

<table>
<thead>
<tr>
<th>Data</th>
<th>Purpose</th>
<th>Source</th>
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</thead>
<tbody>
<tr>
<td>Population:</td>
<td>General indicator of quantity and composition of labor supply</td>
<td>U. S. Census of Population, 1960, etc.</td>
</tr>
<tr>
<td>Sex</td>
<td>(present and future). Basis for comparison of other labor data.</td>
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<tr>
<td>Race</td>
<td>Indicate gain or loss of potential labor supply (migratory trends).</td>
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<tr>
<td>Age groups</td>
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<tr>
<td>Trend</td>
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<td>Labor force</td>
<td></td>
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<td>Labor force ratio to population</td>
<td></td>
<td></td>
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<tr>
<td>Unemployed (or seeking employment):</td>
<td>Direct measure of quantity and composition of immediately available</td>
<td>Analysis of applications on file with State Employment Service office and local private employment agencies</td>
</tr>
<tr>
<td>Sex</td>
<td>labor supply. Help define labor market area (locations from which</td>
<td></td>
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<tr>
<td>Race</td>
<td>applications are received).</td>
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<tr>
<td>Age groups</td>
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<tr>
<td>Occupational classifications</td>
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<tr>
<td>Characteristics</td>
<td></td>
<td></td>
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<tr>
<td>Area covered</td>
<td></td>
<td></td>
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<tr>
<td>Schools:</td>
<td>Evaluation of available training facilities. Educational background of</td>
<td>Local board of education; Vocational Education Department; Survey of local educational and training facilities</td>
</tr>
<tr>
<td>Number and type:</td>
<td>local labor supply. Availability of continuing labor supply. Determine</td>
<td></td>
</tr>
<tr>
<td>Public</td>
<td>if graduates are being lost to other areas who could be retained if employment opportunities existed.</td>
<td></td>
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<tr>
<td>Private</td>
<td></td>
<td></td>
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<tr>
<td>Apprenticeship courses</td>
<td></td>
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<td>Trade schools</td>
<td></td>
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<tr>
<td>Foremen's courses</td>
<td></td>
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<tr>
<td>Graduates:</td>
<td></td>
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<tr>
<td>Present and trend</td>
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<td>Disposition</td>
<td></td>
<td></td>
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<tr>
<td>Dropouts</td>
<td></td>
<td></td>
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<tr>
<td>Women in labor force:</td>
<td>Availability of housewives and other women not now in labor force</td>
<td>Employment Security Agency, State Dept. of Labor</td>
</tr>
<tr>
<td>Percent employed</td>
<td></td>
<td></td>
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<tr>
<td>Normal female employment</td>
<td></td>
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<tr>
<td>Number commuting outside area</td>
<td>Availability of additional local labor if employment opportunities</td>
<td>1960 commuting patterns and other studies</td>
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## AVAILABLE LABOR SUPPLY (Continued)

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<tr>
<th>Data</th>
<th>Purpose</th>
<th>Source</th>
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<tbody>
<tr>
<td>Number commuting into area</td>
<td>Indicate willingness of workers to commute to job opportunities. General indicator of lack of labor competition in surrounding areas.</td>
<td>1960 commuting patterns and other studies</td>
</tr>
<tr>
<td>Cities and town in area: Population</td>
<td>Availability of labor from surrounding area. Ease or difficulty of commuting to city concerned. Definition of labor market area.</td>
<td>U. S. Census of Population; State Highway Dept. map; Area Manpower Guidebook; Labor Market Report, State Employment Services, Dept. of Labor; commuting patterns</td>
</tr>
<tr>
<td>Seasonal unemployment</td>
<td>Availability of temporary or part-time workers. Possible source of permanent employees. Consideration of counter-seasonal employment.</td>
<td>Local State Employment Service office; survey of local manufacturers, etc.</td>
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<tr>
<td>Classification of labor market area</td>
<td>General indicator of availability of labor supply</td>
<td>Area Manpower Guidebook</td>
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<tr>
<td>Applicants for work in new plant:</td>
<td>Direct measure of quantity and quality of labor available in area</td>
<td>Experimental survey: Advertisement for applicants interested in working in new plant; analysis of preliminary application forms prepared by applicants. Analysis of actual experience of new plant</td>
</tr>
<tr>
<td>Number of applicants</td>
<td></td>
<td></td>
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<tr>
<td>Education</td>
<td></td>
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<tr>
<td>Training &amp; experience (skills)</td>
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<tr>
<td>Occupational classification</td>
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<tr>
<td>Sex</td>
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<td>Age</td>
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<tr>
<td>Race</td>
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<tr>
<td>Surplus of noncompetitive labor</td>
<td>Determine excess of labor over that required by local firms</td>
<td>Survey of experiences of local manufacturers in area</td>
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### LABOR RELATIONS

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<thead>
<tr>
<th>Data</th>
<th>Purpose</th>
<th>Source</th>
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<tr>
<td>Unionization:</td>
<td></td>
<td></td>
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<tr>
<td>Number of organized firms</td>
<td>Determine union pattern in community</td>
<td>Survey of local manufacturers; local union organizations; local industrial associations</td>
</tr>
<tr>
<td>Percent of union members</td>
<td></td>
<td></td>
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<tr>
<td>Union affiliations</td>
<td></td>
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<tr>
<td>History of labor relations:</td>
<td></td>
<td></td>
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<tr>
<td>Record of strike loss hours</td>
<td>Evaluate local labor attitudes and customs and type of union leadership and industrial management</td>
<td>State Department of Labor; survey of local manufacturers</td>
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<tr>
<td>Grievances</td>
<td></td>
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<tr>
<td>Work stoppages</td>
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# WAGE RATES & PAY PRACTICES

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<tr>
<th>Data</th>
<th>Purpose</th>
<th>Source</th>
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<tbody>
<tr>
<td>Prevailing wage rates:</td>
<td>Determine labor costs involved in constructing and staffing plant.</td>
<td>State Employment &amp; Earnings by Industry (State &amp; SMSA's); area wage survey; labor market report of community; Area Manpower Guidebook (large labor market areas); newspaper ads; local State Employment Service office; BLS Wage Surveys and special wage reports</td>
</tr>
<tr>
<td>Industry</td>
<td>Determine level of wages required to compete in local labor market.</td>
<td></td>
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<tr>
<td>Sex</td>
<td></td>
<td></td>
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<tr>
<td>Unskilled</td>
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<tr>
<td>Semiskilled</td>
<td></td>
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<td>Skilled</td>
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<tr>
<td>Bench-mark jobs</td>
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<tr>
<td>Entry jobs</td>
<td></td>
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<tr>
<td>Pay practices:</td>
<td>Determine pay practices to which present work force is conditioned and requirements for competing in local labor market</td>
<td>Industrial associations in area; survey of local manufacturers</td>
</tr>
<tr>
<td>Piecework systems</td>
<td></td>
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<tr>
<td>Bonus systems</td>
<td></td>
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<tr>
<td>Overtime &amp; holiday pay</td>
<td></td>
<td></td>
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<tr>
<td>Hours and shifts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fringe benefits:</td>
<td>Determine personnel costs and types of benefits required to compete in local labor market</td>
<td>Industrial associations in area; survey of local manufacturers</td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td></td>
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<tr>
<td>Vacations</td>
<td></td>
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<td>Service benefits</td>
<td></td>
<td></td>
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<tr>
<td>Retirement income</td>
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MANPOWER RESOURCES ANALYSIS

Outline of Instruction

PURPOSE: To provide course participants with a basic understanding of community manpower resources analysis

STUDY REFERENCES: None

1. General Characteristics and Importance of Community Manpower Resources Analysis

   a. Purposes of Economic and Industrial Development

   b. Community Objectivity

   c. Analytical Precision

2. Leadership Role in Community Manpower Resources Analysis

3. Manpower Resources Data Requirements

   a. Number of Workers

      (1) Unemployed

      (2) Employed and Underemployed
(3) New Entrants to the Labor Force

b. Quality of Available Labor Supply

(1) Skills

(2) Characteristics of the Work Force

c. Prevailing Wage Rates in the Area

(1) Specific Rates for Specific Jobs

(2) Pay Practices

(3) Fringe Benefits

d. History of Labor Relations in the Area

(1) Degree of Unionization

(2) Record of Strikes and Work Stoppages

(3) Attitude of the Community

e. Training Facilities Available
(1) Vocational and Technical Training Schools

(2) Special Training Programs for Industry

f. Labor Codes and Regulations

(1) National Codes and Regulations

(2) Local Codes and Regulations

g. Special Circumstances

(1) Stability of Local Labor Supply

(2) Competition for Labor Supply

4. An Approach to Accumulating Community Manpower Data

a. Present Work Force

b. Available Labor Supply

c. Other Manpower Considerations

5. Sources of Manpower Information
a. **Existing Information**

b. **Developing New Information**

(1) **Wage Surveys**

(2) **Company Interviews**

(3) **Labor Surveys or Registrations**

6. **Maintenance and Use of Community Manpower Information**
LESSON PLAN

**Essential Data**

<table>
<thead>
<tr>
<th>TITLE:</th>
<th>ANALYSIS OF NATURAL RESOURCES AND THE INFRASTRUCTURE</th>
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<tbody>
<tr>
<td>PURPOSE:</td>
<td>To discuss aspects of natural resources and the community infrastructure which affect the economic growth potential of the community</td>
</tr>
<tr>
<td>DATE PREPARED:</td>
<td>March 25, 1969</td>
</tr>
<tr>
<td>METHOD OF INSTRUCTION:</td>
<td>Lecture</td>
</tr>
<tr>
<td>HOURS:</td>
<td>One hour</td>
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<tr>
<td>STUDY ASSIGNMENT:</td>
<td>None</td>
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<tr>
<td>ESTIMATED TIME REQUIRED TO COMPLETE STUDY ASSIGNMENT:</td>
<td>None</td>
</tr>
<tr>
<td>TRAINING AIDS:</td>
<td>See LIST OF SUPPORTING PAPERS</td>
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<td>ADDITIONAL DETAILS:</td>
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ANALYSIS OF NATURAL RESOURCES AND THE INFRASTRUCTURE

Lesson Manuscript

INTRODUCTION

1. Gain Attention. -- The growth potential of a community depends, in the final analysis, on its supply of natural resources, its infrastructure, and the proper combination of these two. For example, a community which contains or is in proximity to a supply of some raw material has an excellent growth potential. A good illustration is the cigarette industry, which is located in North Carolina near the tobacco supply.

   Similarly, a community which has a sound infrastructure (supporting activities such as utilities and transportation) is in a position to capitalize on this attraction. Large cities, such as New York, Chicago, or Detroit, are great industrial centers because the supporting activities necessary for sophisticated industrial processing are either accessible or are made available.

2. Motivate. -- If any community grows, it will be because it has the essential natural resources and/or a sound infrastructure. A community with few natural resources or with depleted or technologically obsolete services and facilities does not have to wither away. But such a community must work constantly to keep these factors in balance. Fortunately, a sound community infrastructure can help overcome some deficiencies in natural resources.

3. State Purpose and Main Ideas. -- During this class period, we shall discuss some aspects of natural resources and the infrastructure which affect the economic growth potential of the community.
Natural resources include:
a. Mineral resources
b. Agricultural resources
c. Forest resources
d. Environmental resources

Under the infrastructure, we shall discuss:
  a. Localization economies
  b. Urbanization economies

**TRANSITION.** -- We shall begin by discussing the role natural resources play in the economic growth of the community.

**BODY**

1. Natural Resources. -- Natural resources are, of course, a definite asset to a community. In many cases, historically, it was the presence of natural resources in an area which led to the community's founding and initial growth. According to the theory of development stages, economic growth accrues as follows:

   (1) Self-sufficient subsistence economy
   (2) Specialization in extractive or primary activities
   (3) Introduction of manufacturing or secondary activities because of diminishing returns in primary activities
   (4) Shift to more sophisticated types of industrialization
   (5) Specialization in service or tertiary industries

   Communities that have never passed the stages of primary activity are not fully developed. When the raw material supply in the area is either depleted or obsolete, many communities die. Others develop to a stage where they are
not so totally dependent upon the natural resources of the area. This can be seen in many agricultural areas today.

Many small towns were hubs of market activity when cotton was king. With the decline of cotton production, a number of these towns have become almost nonexistent today. Similarly, towns formed where collieries were opened and thrived for a while, until the supply of coal played out. They never passed the primary stage of growth.

Other towns broadened their economic base and moved at least into the secondary stage of growth. Today some of these are thriving; others are merely maintaining the status quo, but they are at least still alive.

So we can say that although the presence of some natural resource is a blessing to a community, it is not an unmixed blessing. Too complete reliance upon that resource may prove disastrous in the long run.

This does not mean that a community should not seek to take advantage of the resources its area provides. The community should seek to take every advantage possible of every available resource -- but with its eyes open to what future development may bring.

Further, we must recognize that some resources are renewable, while others are easily depleted. Timber or water, for example, when properly managed, can be almost inexhaustible. It is not so with most mineral resources.

a. Resource-oriented Industry. A community with an abundance of some natural resource can hope to attract industries that attempt to reduce either the bulk or perishability of the raw material. This type of industry can minimize total production costs by locating near the source of its raw materials. Examples of this type of industry are ore concentrating plants, sugar beet factories, creameries, cheese factories, sawmills and canneries.
Areas of the United States still exist in which the utilization of raw materials or natural resources is the key to further development, but these areas are limited. Industries which treat raw materials in the first stages are declining in importance. Within related industries, employment in the final processing stages typically is growing more rapidly than in early or intermediate stages. Between 1939 and 1947, for example, the rate of increase of production workers in the apparel industries (final stage) was nearly five times as high as in textiles (early stage), and in machinery nearly three times as high as in primary metals.

As a further illustration, take the production of iron and steel. This industry is basically a raw-material, natural-resource industry. The Birmingham, Alabama, area has a most favorable location in relation to the supply of natural resources. It is situated at a point with a very favorable juxtaposition of local coking coal, iron ore, and limestone. Despite this advantage, Birmingham has remained a relatively small producer compared to the mills around Pittsburgh or Gary, Indiana. Among the reasons for Birmingham's lesser prominence is the fact that Pittsburgh and Gary are located directly in the middle of the largest steel market in the United States. The southern market for steel is, of course, much smaller and has consequently held back the steel industry growth in Birmingham. Another, of course, is the industry pricing system.

b. Mining and Forestry. The mining and forestry industries are examples of industries that are especially subject to the dangers of obsolescence and depletion. For this reason, it would be extremely risky to base the entire economy of a community on one of these natural resources. Again, this does not mean that a community which has access to large stands of timber should not take advantage of this resource. By all means, a community should attempt to develop
this natural advantage. But the community may have the option of developing the forest as a recreational area rather than as a supply of cut lumber. Obviously, utilizing the forest as a recreational area is less depleting than harvesting.

No matter what the forest is used for, community leaders should use foresight and judgment if they are in any position to make decisions.

Minerals are, of course, resources that are readily depleted with no way of reseeding. Consequently, many communities that were founded around primary extractive activity literally have become ghost towns. Too, many minerals become technologically obsolete. The methods of mining also have become more automated and more mechanized, resulting in more ore being produced by fewer miners. These two factors, along with the fact that the vein of ore becomes tapped out, make the economy of a mining community extremely unstable. Extracting and processing mineral ores is a lucrative business, but a community should enjoy it as only a sector of its economy rather than being totally dependent upon it.

c. Agriculture. Agriculture is a more stable natural resource than is forestry or mining, but fewer communities than ever are based upon it today. Several trends have led to the decline of the farming town. Farms are not only fewer and bigger, but they are also more productive and more mechanized. Fewer workers are in agriculture today than ever before. Market towns, as mentioned earlier, are a thing of the past. Agriculture, like mining and forestry, is in some instances a profitable adjunct to a community's economy, but it is not capable of supporting the existence of a community as it has done in times past.

d. Environmental Resources. An area which has not received sufficient attention is what is broadly called recreation services. Tourism, as one aspect, involves using the natural resources of the land in such a way that the supply is not depleted. This "industry" is becoming more and more profitable in a
country which has the rising income and leisure time to provide a suitable market. Several communities in the United States today are based on a tourist or recreational economy. In some instances though, this industry is highly seasonal and fluctuates throughout the year. On the disadvantage side, a community based on tourism may, in time, become unfashionable. This danger is comparable to obsolescence in mining. Again, tourism could be an active sector of a community's economy, but basing an entire community on tourism is too risky in all but very exceptional cases, for example St. Moritz, Nassau, or Yellowstone Park.

e. Summation. A quote from an article in the Harvard Business Review best concludes this part of the discussion:

   Even where raw materials are still important in the production process, the manufacturer's attraction to some given material source has tended to weaken over the decades. Now that the nation has skimmed the cream off its forests and mines, the best remaining sources of forest products and ores are not so much better than the second-best sources as to constitute an irresistible attraction to the producer. If proximity to the market is also important for the producer, . . . the pull to the market may prove decisive even though a market location requires the use of second-best raw material sources. And where the outlook has been for a growing dependence on imported raw materials, the question of the location of domestic sources has been downgraded even further in the locational calculus.

2. Infrastructure. -- The infrastructure of the community, to redefine this jargonistic term, means the network of supporting facilities in the community.
Included in it are the utility system (power, water, gas, sewerage), transportation network, communications system, city services (police and fire protection), and such intangibles as the level of efficiency and level of services provided by the local government, as well as skills of the labor force, educational levels, and social attitudes of the population. Today the infrastructure of the community is more important to its growth and potential than its proximity to natural resources.

Activity that is characterized by the need to locate near a source of raw material constitutes only a small and decreasing fraction of total economic activity. The larger and more significant portion of economic activity is not tied to local raw materials. This segment, typified by the automobile and agricultural machinery industries, appears to be concentrated in areas having maximum accessibility to national markets and maximum economies of agglomeration.

Economies of agglomeration, or of concentrating in an area, are the product of increasing and developing urbanization. (On TRANSPARENCY #1) The more advanced and sophisticated the infrastructure of the community, the more able the community is to offer these economies. Of course as a city gets larger and larger, disadvantages may appear within the infrastructure which outweigh the advantages. However, in most cases the plusses associated with the fully developed infrastructure far outweigh the minuses. (Off TRANSPARENCY #1)

Now, let's look at the manufacturing concentration (On TRANSPARENCY #2) from the point of view of concentration of manufacturing employment. (Off TRANSPARENCY #2)

a. Localization Economies. The economics of agglomeration can be broken into two parts. The first part is concerned with localization economies -- the economies that are due to the concentration of industry at one point.
(1) **Locational Integration.** This involves the clustering together of different industries which have a close transfer or trade connection. In extreme cases, the complex may be considered as a single industry. Examples are the shoe-finding and shoe-manufacturing industries, and blast furnaces and steel furnaces.

(2) **By-products and Waste Processing.** This concerns industries involving the feeding back of by-products from a later stage to an earlier stage, and the use by a second industry of a first industry's waste.

(3) **Joint Materials and Complementary Products.** This covers industries using jointly produced materials or turning out jointly demanded (complementary) products, e.g., automobile parts.

(5) **Labor Pool.** In a large urban area, various industries may be linked together by the complementary use of the production factor of labor.

(6) **Specialization.** This is an advantage due to conditions where two firms are producing for a single user and both are able to specialize, e.g., again automobile parts manufacturers around Detroit.

(7) **Research.** Research facilities can easily share information.

b. **Urbanization Economies**

(1) **Transfer or Transportation Advantages.** Other economies of agglomeration are associated with the concentration of activity (not necessarily industrial) at one point. One outstanding economy is that associated with transfer costs. Since the transfer of goods and services does not proceed "as the crow flies," but is instead channeled along organized transfer routes, a community with an advantageous location in relation to interstate highways and airports and which has adequate trucking and rail service is in position to attract many industries. Industry patterns reflect the economic pressure toward concentration on main routes and at transportation centers.
The concentrating effect of transfer cost goes even further. The existence of terminal costs, reflected in relatively lower rates for long hauls, gives terminals and junctions a locational advantage over intermediate points, while the advantages of junctions as such becomes very great for enterprises trading with several material or market points.

(2) **Superior Resources of Large Urban Areas.** Aside from offering superior transportation services, an urbanized community with a sound infrastructure provides certain large-scale economies of production just as a single production unit gains in efficiency, up to a point, with added size. Another economic advantage is the availability of a broader, more flexible labor market. In addition many superior auxiliary services that cater to business in general are offered: banks, utilities, fire and police protection. These superior services make for lower interest rates, lower property insurance, and cheaper utility rates, although there are notable exceptions.

(3) **Availability of Industrial Services and Supplies.** The economies of urban concentration reflect the same basic principles as those of the individual producing unit. One of these, the principle of multiples, means that in a large industrial concentration the specialization of functions as between firms can be carried further. Certain operations and services that a firm in a smaller place would have to do for itself can, in the city, be farmed out to separate enterprises specializing in those functions and operating on a large enough scale to do them more cheaply. Another principle, massing of reserves, means that in a city the individual firm can operate on a hand-to-mouth basis in regard to materials and supplies, secure in the knowledge that more can be obtained at short notice if necessary. Bulk transactions offer essentially the economies of large-scale transfer and terminal handling.
All the above reasons indicate why, in assessing the future growth of a community, the infrastructure is so important. In fact, the location of economic activity is influenced more by the infrastructure of a community and its market potential than by the source of raw material supply.

OPPORTUNITY FOR QUESTIONS

SUMMARY. -- Natural resources have been important in the initial development of many communities. However, as manufacturing and other activities have become more paramount, a better, more diversified infrastructure is called for; this, in turn, serves to support a more sophisticated economy.
LIST OF SUPPORTING PAPERS

1. Training Aids

   TRANSPARENCY #1 Manufacturing Counties, 1950
   TRANSPARENCY #2 Employment in Manufacturing, 1950

2. Other Documentation

   None
TITLE: ANALYSIS OF THE GENERAL ECONOMY, BUSINESS AND INDUSTRY

PURPOSE: To indicate those areas to be examined in analyzing the economic base of the community. Emphasis is placed upon areas to be strengthened, especially for new business to be introduced.

DATE PREPARED: March 25, 1969

METHOD OF INSTRUCTION: Lecture

HOURS: One hour

STUDY ASSIGNMENT: None

ESTIMATED TIME REQUIRED TO COMPLETE STUDY ASSIGNMENT: None


TRAINING AIDS: None

ADDITIONAL DETAILS: Reproduce one copy of SUPPLEMENTARY MATERIAL for each student.
ANALYSIS OF THE GENERAL ECONOMY, BUSINESS AND INDUSTRY

Lesson Manuscript

INTRODUCTION

1. **Gain Attention.** -- The general economic condition of the community is a prime indicator of whether a community is growing or is declining. No other single facet tells the outsider so much about the community's potential and its use (or lack of use) of that potential.

2. **Motivate.** -- A sound general economy enables the community to overcome, with proper effort, many problems that may arise. Lack of community amenities, for instance, particularly in needed public utilities, such as adequate water and sewerage systems, can be corrected if the community rests on a sound economic base. It is desirable that the overall economy of the community be examined before any course of action is plotted. The community's ability to go forward depends to a large extent on its economic condition.

3. **State Purpose and Main Ideas.** -- Since analysis of local economic conditions is basic, let us discuss some areas that must be investigated. To determine how the health of the general economy stands, we need to look at both employment created by and use of resources in:
   a. Manufacturing
   b. Retail and wholesale trade
   c. Services
   d. Transportation
   e. Finance, insurance, and real estate
   f. Communications and utilities
TRANSITION. -- We can turn now to discussion of how to evaluate these sectors of the economy. Remember, we are seeking to develop an overall picture of the economy. First, some general comments about the community economy seem in order.

BODY

1. General. -- In this day of rapid communication and transportation advances, a community's economic boundaries are constantly expanding. These circumstances make it possible for a community to draw labor for manufacturing processes from a larger area than ever before. The area to which a community may furnish goods and services also is expanding. These factors should be taken into account when looking at the general economy of the community.

Is the community cognizant of its potential outside its political boundaries? Are the resources and markets of the surrounding area being tapped? Has the community analyzed its own consumption of goods manufactured or prepared outside the area to ascertain whether local production would be feasible? And the same for services performed from the outside?

Much of the economic strength of the community depends on its ability to market or utilize production and to obtain adequate supplies and materials. To meet these situations, a community should have definite programs aimed to expand the economic sector. Such factors as positive planning and zoning, enlightened local government, modern and adequate public facilities and services, active civic
and cultural groups, all contribute to the general economy of the community.

2. Specific Aspects. -- Here are some specific economic sectors which, upon examination, may give us clues as to whether the community is growing or its potential is being realized fully.

   a. Manufacturing. When new firms are entering the community and existing firms are expanding, not only will the industrial sector of the economy show signs of well-being, but so, generally speaking, will the whole economy. The industrial or manufacturing sector of the economy is mentioned first for a good reason: it is the most powerful and influential catalyst in the community economy. As previously discussed, only a few communities truly belong in the amenity category today, so most are dependent upon industry as an economic catalyst.

   Labor market trends may reveal the condition of the general economy. For instance, is labor in short supply, or are certain skilled categories completely lacking? Is there a demand for workers? Is there a demand for jobs for the population, jobs which do not exist? The unemployment rate and the hourly wage rate levels should be examined to help determine the condition of the overall economy.

   If the wages in the area are much below regional averages or averages in similar-size communities, obviously a poor mix of manufacturing exists.

   Another indicator is the balance within industrial types, or concentration of two or three industries. For instance, a community in which over 90 percent of the manufacturing workers are employed in the textile industry cannot be as healthy as a community with a diversified mix of metalworking, chemical, and transportation industries.

   Quite obviously, those communities whose production activities are limited to one or two types are vulnerable to changes in production, to price changes,
and to other activities within the industry. This is true much more than for communities whose variety of industry gives them resistance to such influence.

Also, industries which are heavily oriented to employment of women create a bad sociological situation. If jobs exist for women but not for men, either the woman become the wage-earner or the family moves with the head of the household to places where male employment is available.

b. Retail. Unless the community is a satellite to a major retailing center, it should have a well-developed retail structure. Types of stores (apparel, furniture, grocery, hardware) and variety in terms of specialization and price range are significant indicators.

Other measures can be used to test whether retail sales have increased in the community in line with state-wide increases, as much as those for similar-size communities. The physical appearance of stores in the central business district, the variety in price and quality of stock, the reluctance or unwillingness of the retail operators to use promotion techniques are good guides to the retail health.

Equally significant are two other aspects: have new stores or new chains opened establishments in the community? What kinds of shopping centers have been established? Have the new centers created new business, drained the downtown stores, or led to revitalization of the established retail outlets?

Opening of new retail establishments may be assumed to indicate that considerable business is being generated within the community. One other consideration is important here: the geographic relation of the community under examination with respect to major or competing retail centers in the area.

c. Wholesale. Not all communities are adequately suited or located for a substantial wholesale business. If several wholesalers are located in the community
and gains in sales over a period of years have been recorded, this may indicate an adequate strength in this area.

More recognition needs to be given to the fact that our modern interdependent economy requires more services in the distribution sector. Regional and area distribution centers are becoming more widespread. These offer additional sources of employment, as well as centers where products can be sold in quantity. Generally, the same conditions that apply to the retail sector of the economy apply to the wholesale sector as well.

d. Services. The service sector of the community consists of activities rendering services both to individuals and to business establishments. Included in this category are motels and hotels, personal services such as laundries and beauty shops, business services such as employment agencies and advertising firms, equipment rental and lease, automobile repair and service, and other types of repair shops.

Not only does a wide roster or variety of these reveal a community where most demands can be satisfied, but these services, in turn, provide a good selection of jobs and opportunities to satisfy individual needs.

e. Transportation. The extent of the transportation services and network within the community can be important to local citizens and to established businesses. Few small communities today are favored with railroad service by more than two lines, and many have to struggle along with single line service. The growing emphasis placed upon motor freight, however, has tended to offset this deficit.

Movement of finished goods, particularly from regional distribution point to the ultimate consumer, has leaned heavily in the direction of truck transportation. Therefore, the location of any community with respect to Federal highways,
and more recently to the Interstate network, has become ever more important. The variety of freight lines and services needs to be considered.

It may well be that the most important project for some communities could be to develop new or improved highway access to the nearest Interstate Highway.

Similarly, bus service for transportation of passengers and access to commercial airports are extremely important. As generators of business, these services tend to concentrate in the urban centers, but the ability of the smaller communities to avail themselves of such service can be important.

Suitable schedules and the variety of services offered the user are important measures of these services.

Some communities, admittedly in the minority, are fortunate to be able to make use of water transportation. In the present American economy, this form of transport is generally relegated to heavy bulk, low-cost materials where rapid delivery is not of major consequence.

f. Finance, Insurance, and Real Estate. This portion of the economy includes banking, insurance activities, and real estate sales (residential, commercial, and industrial).

In the smaller communities, the health and activity of the commercial bank is a true indicator of the condition of the local economy. Here again, we must examine whether nearby communities have more aggressive bank policies.

Also, the activity of savings and loan associations in the region will give a measure of the extent of real estate transactions as well as some measure of local financial trends, particularly in residential construction.

The value of the real estate in a community is, of course, a most definite clue as to economic well-being. Speculation in real estate may reflect a feverish miscalculation of the local growth pattern, or possibly it may be the result of
recent major changes in the economy. The extent of residential construction, in the light of many alternatives presently available to real estate developers, can be a good indicator of the community's economy.

g. Contract Construction. This is one of the more difficult indicators to read in examining local economic activity. While usually tied to real estate development, being of a more temporary nature, increases in construction activity generally reflect a flurry of action. This may be in response to a single major facility development or the release of pent-up demand. The latter may well be a real indicator of an expanding local economy.

h. Agriculture, Forestry, and Mining. For many communities, this sector of the economy may be very small or nonexistent. For other communities, it may be the most important sector of all.

In either case, what needs to be measured here is the amount of product sold or processed in relation to total production activity. In those communities which rely heavily upon one of these activities, diversity is imperative. Experience has shown us, in too many cases, that some of these resources can be rapidly depleted or that changing technology may make them obsolete.

On the other hand, there is growing support in many development circles for more activity, particularly in the agribusiness field. Here are opportunities which could attract more small businesses engaged either in further processing of products of the farm or oriented toward meeting the needs of the production-line farmer. He can be characterized as one who operates considerable machinery, is advanced in using the latest fertilizing processes, and is selective in his choice of planting and harvesting processes.

i. Government. Income from government sources, both state and Federal, is very important to some communities. A few owe their existence to government activities. Some examples are communities supported by military bases, those
which have grown up around special governmental installations which are today institutions of various types. Other communities serve as the seat of local government activities. In those communities where government sources apparently are of little or no importance, an examination might be made of the educational system and of social services which are generally government supported.

TRANSITION. -- We have now covered some of the specifics which are indicators of the state of the general economy of the community. Almost all sectors which show signs of growth are relatively healthy. Usually growth means progress; lack of growth means a decline in economic activity and out-migration by some of the citizens.

We have described the various sectors which contribute to the community's economic base. Some measurements of the health and activity and areas in which they are important have been suggested. Now let us take a look, under the microscope, as it were, of one community which provides a case history of responding to the economic needs and strengthening the infrastructure about which we spoke earlier.

(Discussion on Carrollton -- article published in Appalachia.)

OPPORTUNITY FOR QUESTIONS

SUMMARY. -- This session has been devoted largely to an analysis of the aspects of any community's economy. We have tried to probe where it might be weak and to understand why it might be strong. In the course of this, we ought to be able to identify opportunities for small businesses to start and prosper.
LIST OF SUPPORTING PAPERS

1. Training Aids
   None

2. Other Documentation
   SUPPLEMENTARY MATERIAL #1
   "Carrollton, Georgia -- The Redevelopment of a Southern Agricultural Town," Appalachia, October 1968
SUPPLEMENTARY MATERIAL #1

CARROLLTON, GEORGIA - THE REDEVELOPMENT OF A SOUTHERN AGRICULTURAL TOWN \(^1\)

(A Case Study)

Located in a marginal agricultural belt that runs around the southern perimeter of the Appalachian Region are numerous towns that have been adversely affected in the past two decades by the rapid shift of the Nation's economy from agriculture to manufacturing.

One such town is Carrollton, Georgia, located in the rolling foothills of the Appalachian range. Here only 51 miles from Atlanta, the largest and most prosperous city in the South, a community of 13,500 population has in the past several years been redeveloping itself from a declining cotton and corn trading center into a manufacturing town, which would supplement and benefit from the prosperous growth of its neighbor’s gigantic industrial expansion.

In Carrollton the vigorous leadership of dedicated men and a strong spirit of community cooperation have made possible this redevelopment and the improvement of public services so that Carrollton can survive the competition of Atlanta and provide a hospitable climate for new industry. The water supply has been improved; urban renewal has been undertaken; educational and recreational facilities constructed; an industrial park provided; and an airport, capable of landing jet aircraft and handling the overflow from Atlanta’s airport, is well underway.

"Carrollton has always been an aggressive community with strong traditions of community service and a few outstanding leaders," Major M. C. Wiley, Executive Director of the town’s Chamber of Commerce and a former teacher of several of

\(^1\) "Carrollton, Georgia - The Redevelopment of a Southern Agricultural Town," *Appalachia*, October 1968.
Carrollton's present leaders, observes. "But the cooperation we have had throughout the community in the last few years is unprecedented. Those fellows on the City Council stay a jump ahead of you all the time."

THE LONG OVERHAUL BEGINS

The realization of what the town had to do and the discovery of how to do it was not an immediate occurrence; it took many years.

After World War II, as the Nation's economy shifted from agriculture to industry, Carrollton began to lose its income as an agricultural trading center. Fortunately for the town, a few small manufacturing enterprises developed—a producer of copper and aluminum rod, wire and cable and an auto parts producer, along with meat and poultry processing plants and textile concerns; only the first two of these had a large number of employees. But Carrollton was fortunate in that as people continued to leave the farms throughout the surrounding country and move into town, this small industrial base was able to expand, absorb the town's growing labor force, and sustain the economy.

But with the influx of people and the changing character of the economy in the years that followed, Carrollton's leaders began to recognize the need for a major overhaul.

PLANNING COMMISSION APPOINTED

In 1957 the City Council and the County Commissioner appointed a Carrollton-Carroll County nine-man Planning Commission under authority of a then-new amendment to Georgia's General Planning and Zoning Enabling Act. The new law permitted municipalities and counties to establish commissions, which would prepare plans for orderly growth, including the regulation of land use. The Act provided operating funds through Georgia's Department of Commerce. Carrollton was the
first town in Georgia to apply and receive financial aid.

The City Council authorized the Planning Commission to function as an advisory body in coordinating the activities of public and semi-public agencies in the community, in making technical studies and formulating steps for the whole community to take in updating and improving services. The Planning Commission also had the responsibility of launching a program of public education to gain the participation of as many citizens as possible.

INITIAL PLANNING SURVEY

The hard-working Planning Commission soon discovered that an urban planning grant could be obtained from the Housing and Home Finance Agency, which provided the additional money needed for an initial planning survey. This grant, approved in 1958, also permitted the Council to hire a professional city planning firm to help the Planning Commission prepare a survey.

The survey, completed in April 1959, and entitled, "Carrollton Looking Ahead: A Plan for Carrollton's Future" became an overall guide for the city's development and contained the basic elements of a comprehensive plan for Carrollton. It also made the city eligible for participation in several State and Federal aid programs that required towns to formulate long-range development plans.

The conclusions of the report reaffirmed what many people in Carrollton had been observing: "For the future, we foresee that Atlanta's growth and the new interstate highways will affect our own growth much more than inherently local factors," the report stated. "Therefore, our immediate problem is to strengthen the local economy and services in anticipation of this impact." The report predicted that the steady but slow population growth of the city would continue until about 1970, at which time Carrollton would mushroom from the influence of Atlanta and the construction of interstate highways. Interstate 20, extending
from Atlanta to Birmingham, is being constructed to the north of Carrollton, and Interstate 80, stretching from Atlanta to Montgomery, will run to the south.

To prepare for this eventuality, the report recommended encouragement of the economic adjustment from agriculture to urbanization, which had been occurring in Carrollton. Already agricultural production had shifted from corn and cotton to livestock, poultry, and truck gardening; the reforestation of land not suitable for cultivation had also been occurring. The report suggested major improvements in the central business district, where a town monument at the intersection of the two major streets clogged traffic. Improvements, such as the coordinated remodeling of buildings and planned parking areas, achieved by close cooperation of individual businessmen, were also recommended. These and other improvements would make Carrollton more competitive with newly planned shopping centers being built within and around metropolitan Atlanta.

The report recognized that service businesses should be greatly expanded and new ones developed; while many goods would continue to be purchased in metropolitan Atlanta, they should be repaired and serviced in Carrollton. In addition, the report recommended that the city develop an attractive professional center to offer medical, legal, engineering, business, managerial and other professional services to the area.

To encourage industry associated with Atlanta's economy to locate in the Carrollton urban area, the report recommended that highway connections with the interstate system and a major thoroughfare system within the city be developed. It also recommended that the city zone and develop industrial sites, complete with adequate streets and utilities.

A major asset of Carrollton had long been its role as an educational center in the region west of Atlanta. West Georgia College, located within Carrollton's
limits, became a four-year institution in 1957. The report judged that this institution offered an excellent framework upon which to provide for further educational needs. It recommended close liaison between the city and the college, as well as expansion of the city's public schools.

Other public services, such as water and sewerage systems, needed to be expanded, the report pointed out. Recreation facilities needed to be developed, further land use determined throughout the entire city, a street naming and numbering system adopted, subdivision codes and standards enforced and urban renewal undertaken. Finally a capital expenditures budget needed to be prepared, along with a comprehensive plan.

SOME ACTION AND FURTHER STUDIES

While the final report was being prepared, the City Council had been working with the Planning Commission in developing and adopting some of the more immediate and easily expedited needs of the city, such as decisions on planning areas, building codes and zoning regulations. A Housing Authority was organized, and low-cost housing was built to take care of people, moved from the northeast section of the city in an urban renewal effort. This was financed jointly by the city and a Federal grant.

After the initial survey was completed, further studies, leading to a comprehensive plan, were begun by the Industrial Development Division, Engineering Experiment Station, Georgia Institute of Technology under the auspices of the Area Redevelopment Administration of the U. S. Department of Commerce. These studies, published in 1962 and 1963, included an industrial site survey; an audit and evaluation of retail and wholesale activities in Carrollton and Carroll County, and of manufacturing operations; an evaluation of agriculturally oriented and wood-based manufacturing opportunities in Carroll County; and a study of the need for vocational-technical training in Carroll County.
"At times it seems like we have been studied to death," says Dudley Crosson, Carrollton's City Manager. "One health survey even let us know that we had among our sanitation deficiencies one pig and five rabbits."

CHANGE IN ADMINISTRATION

The men who served on the City Council during this early period of planning soon saw that the redevelopment effort needed to be both a comprehensive and a long-range undertaking. They also recognized their own limitations in carrying out the program in its entirety, due to age or agriculturally oriented backgrounds.

In 1962 the problem suddenly came to a head; the city faced an acute water shortage. Four major companies in town were using water in the production of products--in cloth dyeing, chicken processing and cooling metal in chromium plating and wire and cable-making. Increased production had brought water use by the entire town up to 1.8 million gallons of water a day, but the city's water plant produced only 2 million gallons a day, leaving little reserve capacity. The businessmen expressed their concern to the City Council. Clearly the city faced a crisis, and certainly it was in no position to supply new industry.

As a result, one night in 1962 the Mayor called a meeting of the City Council. After some deliberation, the entire five-man council, which had served the town for many years, decided to resign in favor of younger men who could dedicate many future years of service to the intricacies of carrying out the projects found necessary in planning Carrollton's future.

The new City Council, heading by Mayor C. H. Lumkin, began at once to outline priorities among needed projects and to plan financing. The list of 25 items was divided into three parts.

Those projects of immediate need were listed in priority order among a group to be completed in the first five years. This list included water facilities and
a sewage treatment plant to be financed through water revenue bonds and a Federal grant; street and thoroughfare improvements to be financed jointly by the city, the State Highway Department and the Federal Bureau of Public Roads; several further urban renewal projects to be financed by city and Federal grants; the construction of a vocational education school through local School Board funds, the State Department of Education and a Federal grant. In addition, a library, a public park, recreational facilities and the renovation and expansion of the crowded city cemetery were planned.

A second five-year program included construction of additional public school facilities, expansion of the hospital, further urban renewal and street and thoroughfare improvements. In addition, power, telephone and gas systems were to be expanded by private industry.

A third group of nine projects was compiled for the subsequent ten years. This list included the construction of a new West Georgia Regional Library Headquarters Building, improved airport facilities and more improvements in the water supply, sewage treatment, urban renewal, schools, roads, parking areas, recreation and electric power.

This ambitious program was then included in a document, which was submitted in 1964, to State and Federal agencies showing that Carrollton had formulated a public improvement program that could work. The new City Council included zoning requirements in the document and initiated the preparation of a comprehensive plan for Carrollton so that the town would be eligible and certified to receive all types of available State and Federal funds.

To carry out the day-to-day administration of the city and its entire development efforts, the City Council for the first time hired a city manager in 1963, and a number of projects, including street improvement, lighting and recreation, were begun.
PROJECTS FUNDED

But real progress in initiating projects did not take place until 1965 due to lack of funds. "We have been watching the papers for new Federal programs," Mayor John Robinson, who had served on the City Council beginning in 1962 and who has been mayor since 1965, says. "We had also been learning all we could about the procedures of obtaining funds from Federal or State officials every time we got a chance. With the passage of the Appalachian Regional Development Act we suddenly found that many of the projects we had on our list for 10-15 years away were immediately in reason."

But to raise matching local funds the City Council recognized that it was necessary to raise business taxes, along with sewer, garbage and property taxes. In addition, the City Council reevaluated property and planned bond issues for public facilities. "There was wonderful cooperation from the community," Mayor Robinson says. "No bond issue has failed, in fact, in the past ten years." Carrollton has passed bond issues since 1961 in the amounts of $1,600,000 for school and recreation and $1,400,000 for water and sewage.

Water was the first problem the city tackled, using Appalachian assistance. With the aid of the State Appalachian Office and experts from the U. S. Department of Agriculture's Soil Conservation Service the city decided to join other communities in the county and adopt a plan for the construction of a watershed, including flood retarding and water channel structures in the Little Talla-poosa River, north of Carrollton. These structures created a 308-acre lake that now stores 650 million gallons of water. The lake not only provided water needed for industrial use but also gave the city a nearby recreational attraction.

With a water impoundment and an enlarged pumping station, which the city had built to meet emergency requirements, Carrollton was now assured of up to six million gallons of water a day. To take care of the town's pressing water
pollution problems, a sewage treatment facility was later funded with Appalachian assistance.

A NEW LIBRARY

The City Council and Planning Commission next turned their attention to educational problems. The West Georgia Regional Library had long operated its public education program out of a cramped, wood-framed house. In looking for a source of local money so that the town could initiate Appalachian funding of a new building, Mayor Robinson decided to approach William K. Lomason, president and general manager of Douglas and Lomason Company.

"I saw him at an annual Chamber of Commerce meeting," Mayor Robinson says, "and remembered how interested his wife had been before her death in the library's programs. I thought the family might want to make a contribution as a memorial to her." The family gave not only a contribution but the entire amount needed to obtain Appalachian Act assistance and a grant under the Library Construction Act.

The new library, which was completed in 1967, is a regional facility, serving Haralson, Douglas, Heard and Paulding counties, in addition to Carroll County. Its bookmobile reaches outlying areas, and its full schedule of programs attracts people to the building. An Armchair Travel program at which speakers lecture on distant lands, accompanied by color films or slides, attracts elderly residents; a ten o'clock in the morning scholars' series, at which great books are discussed, attract young adults; a collection of books and literature, especially prepared for young adults who cannot read or write, are being obtained; and a "book talk for teens" series is being planned.
Its modern electronic system provides piped operas and symphonies for an auditorium audience, and language instruction or lectures can be heard over earphones in an audio room.

"We picked a Library Planning Board that looked 20 years into the future," says Miss Edith Foster, the library's director. "You know," she adds, "what you accomplish is no better than your leadership."

A VOCATIONAL-TECHNICAL SCHOOL

For a long time industry had urged construction of a vocational-technical school; and city officials were concerned that the town's population in the post-high school age group had dropped 34 percent in the past ten years, due to the fact that there was no way to gain advanced skills for jobs.

With the prospect of Appalachian assistance the Carroll County School Board took over the responsibility of funding the school. County land and funds were obtained and a bond issue passed to make up the local share of funds for the project.

The school, which opened this fall, is designed to offer training that will duplicate actual conditions of industry, as closely as possible. It provides day, evening and extension courses in business, mechanical and electrical skills, the building trades, as well as drafting and practical nursing to a maximum of 300 people. It is estimated that due to this new facility students will increase their earning power by 20-40 percent.

HARMONY OF TOWN AND GOWN

So that West Georgia College could provide the facilities needed to educate a mushrooming student body, city officials cooperated with the college in obtaining Appalachian assistance to build a new classroom for instruction in the humanities.
This act was only one of many cooperative projects undertaken by the community and the college. The largest industry in town, Southwire Corporation, endowed a chair for computer sciences at the college, and other businesses or individuals have been responsible for scholarships provided to more than one-third of the student body.

The rapid growth of the college and its importance to the community has inspired one local businessman to retire from his company and devote full time to college and community development. "Unless people take an active part in city government, they simply will not get a good one," says Ted Hirsch, now Chief Business Officer of the College and President of the Chamber of Commerce. "We have to build faith in the future of our community. We have to provide a well-balanced community picture, which means providing good schools, good churches, and good recreational facilities."

RECREATIONAL FACILITIES

Providing the recreational facilities became the special project of the town's civic organizations. The Lions Club built one baseball field, the Junior Chamber of Commerce two more, and the Rotary Club, a track. The city increased the budget for recreation, planned a building for indoor sports, funded through a bond issue; and with the cooperation of church groups is providing year-around programs in sports, ceramics and crafts.

DEVELOPMENT TO ATTRACT INDUSTRY

The major thrust for initiating projects more directly geared to attracting industry came from industry itself and Chamber of Commerce members in cooperation with City Council officials. A Carrollton Development Corporation was formed by these groups, which was responsible for the development of an industrial park.
The Corporation also obtained local funds and Appalachian assistance to build an access road to the site.

A NEW AIRPORT

Local industry leaders and the Chamber of Commerce also urged the construction of a new airport that could accommodate jet planes. The old Carrollton airport, located within the city limits, could not be expanded, and since other communities in the surrounding counties needed a facility, the town decided to abandon the old airport and join in a regional project to build an entirely new one.

The West Georgia Airport Authority, composed of three members from each cooperating county (Carroll and Haralson), was organized to plan and carry out the project. Working with the Federal Aviation Administration, it selected a site, located 15 minutes away from the largest town in each county.

Situated north of Carrollton, the airport will make possible the rapid access of goods and people to the new industrial sites being developed by the city. The local share of funds to obtain Appalachian assistance was provided by industry in the two counties.

Planning assistance for the industrial site, access road and airport came from the Chattahoochee-Flint Area Planning and Development Commission, organized by the State to promote economic development in a nine-county area encompassing Carroll County.

"Now we have the basic facilities needed to attract industry," says Mayor Robinson, "but we don't want just any company. We want companies that can come in and stand on their own two feet. We want them to be good and independent citizens." "We don't expect a large, major manufacturer to locate here either," he adds. "We will do better to expect small companies that we can help grow--healthy babies," he adds.
To attract industry, the local Chamber of Commerce invited the first group of industrial development representatives from Atlanta to tour the community in June.

CONCLUSION

As to the future, everyone agrees they hope the community spirit of cooperative development will continue.

"We have lots more to do," says Mayor Robinson. "Our most serious financial difficulty stems from the fact that we do not have a municipal-owned electrical system. Last year the city paid electrical bills of $39,000 and received only $25,000 in franchise taxes, while our neighboring towns, owning their own systems, had larger sums available for development."

"We still have more water and pollution problems to face," adds City Manager Crosson. "With further expansion, by 1978 we may have to tap the Chattahoochee River, 12 miles away for more water; and we're going to need even more sewage facilities."

Others are concerned with the quality of life in Carrollton. "We have to think about our education and our mental and physical health standards," says Major Wiley. "These should go hand-in-hand with developing the facilities."

But an unusual perspective somehow settles over the town's leaders. "Our problems are closely related to current national problems," Mayor Robinson recognizes. "You can see the other end of Newark's or New York's problems in Carrollton," he adds, "but the extent of the inner-city problems depends on what we do. If we don't educate kids properly, they go to Atlanta and look for a job they are not suited for. It is the obligation of a community to provide education and economic opportunity. If a man graduates from a school in Carrollton, he
ought to have a job here. The better job we do, the less problems Atlanta will have. So, you see, Federal money spent in an area like Carrollton is part of the solution to the Nation's problems."
# LESSON PLAN

## Essential Data

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<tr>
<th><strong>TITLE:</strong></th>
<th><strong>SUBREGIONAL ANALYSIS: A CASE STUDY</strong></th>
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<tr>
<td><strong>PURPOSE:</strong></td>
<td>To analyze a typical economic development district, identifying those factors which affect or create a cohesive economic sub-region</td>
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<td><strong>DATE PREPARED:</strong></td>
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<td><strong>INSTRUCTOR REFERENCES:</strong></td>
<td>1. Handbook on Community Development</td>
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<td>4. Ibid., Part 2, &quot;Income Patterns and Trends,&quot; 1966</td>
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<td>6. Office of Economic Opportunity Information Center, Community Profile -- Oglethorpe County, Georgia</td>
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<td>7. Lamar White and Mary Riddle, Highlights of the Economy of the Northeast Georgia Area, Industrial Development Division, Georgia Institute of Technology, 1963</td>
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<td><strong>TRAINING AIDS:</strong></td>
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INTRODUCTION

1. **Gain Attention.** -- You have now experienced a brief exposure to some of the general concepts of regional or subregional economic development, as contrasted with local or community development activities. While your primary goal in this program is to study the community development function, it is through an understanding of these subregional concepts that you will better understand the total environmental influences and relationships in which the community development process must be conducted.

2. **Motivate.** -- It was necessary for purposes of study and analysis to move from the specific to the conceptual in describing subregional development functions, in order to develop principles of application rather than program descriptions. Now that we have reviewed the concepts of subregional development, let us reverse the procedure, and, bearing these hypothetical concepts in mind, let us cross the bridge from concept to practicality in comparing these concepts to a functional nonhypothetical situation.

3. **State Purpose and Main Ideas.** -- To accomplish this, we shall perform an analysis of an existing subregional area, that of the Northeast Georgia Area Planning and Development Commission, whose offices are located at Athens. The commission area is a designated multicounty economic development district. To develop some understanding of the factors related to its economic growth, we shall look at several aspects of its origin and operation, including:
a. A description of its geographical characteristics and its environmental aspects.

b. A brief review of its economic and historical development.

c. Profiles of its subregional characteristics, such as:
   (1) Natural resources
   (2) Human resources
   (3) Economic review
   (4) Infrastructure characteristics

d. Problems and deficiencies.

e. Area goals.

TRANSITION. -- Bear in mind, as we make this cursory examination of an economic development district, that it is the subregional development concept which provides a major portion of the total environment in which the culture of local development functions must be spawned and grown. Also bear in mind that local development programs cannot reach their maximum levels of achievement if they are carried out independently under an "island concept" -- these programs must be organized and conducted within the total spectrum of the subregional economy, history, geography, and culture of which the community is but a part.

BODY

1. Geography. -- (On TRANSPARENCY #1) The Northeast Georgia Area Planning and Development Commission represents nine counties lying generally between Augusta, Atlanta, and Gainesville, and covering an area of approximately 2,600 square miles. The area's largest population center is Athens, the county seat of
Clarke County, approximately 70 miles from Atlanta, 100 miles from Augusta, and 40 miles from Gainesville. (Off TRANSPARENCY #1)

This area lies above the Fall Line in what is known as the Piedmont province. This province is characterized by both narrow and broad ridges separated by relatively narrow valleys, creating a rolling and hilly topography. Nearly all of the towns, highways, railroads, and farmlands are on the ridges. Elevations range from 200 to 1,500 feet above mean sea level.

In the Northeast Georgia Commission area, there are several large creeks and rivers with potential for several large hydroelectric projects. The development of these hydro projects is anticipated to be completed by the late 1970's. The Chattahoochee River flows southwesterly across the northern third of the area, while the southerly flowing headwaters of the Flint, Ocmulgee, Oconee, Ogeechee, and Savannah rivers drain the remainder. Within the area, these streams generally have moderate slopes interrupted by occasional rapids and waterfalls, and they flow in well-defined channels within valleys of varying widths. The rivers and small streams are the principal sources of water supply for the larger cities and industries, but wells are used by many of the small towns.

The climate of this area is classified as humid-subtropical. The growing season lasts approximately 225 days a year, with an average rainfall over the area of 48.5 inches annually. The steep hillsides and most river valleys are heavily wooded, although some of the larger rivers have cultivated bottom lands.

2. Economic History. -- Until about 48 years ago, the economy of Northeast Georgia, like most of the South, was oriented toward agriculture, with cotton
as its base, and its socioeconomic life was considerably influenced by the plant-
tation system. Because of the preponderance of cotton over other agricultural
products, staple food items often had to be imported into the area. Approxi-
mately half of the area developed the plantation system of farming, which
created the use of large numbers of slaves and placed the wealth produced into
the hands of a small proportion of the population. This, together with the crop
specialization, made the economy of the area very vulnerable to change.

The ravages of the Civil War, with its physical and economic draining of
the South, together with the hardships of the Reconstruction period, led the
area into an era of decline. Business, personal, and institutional fortunes
were lost. Many of the freed slaves had no trade and were ignorant of effective
farming methods. Thus, they fell into a system of sharecropping, often working
for their previous owners.

In the 1880's, northern capital began to flow into the South, and the tex-
tile industry began to take form, attracted by the availability of cotton and
an abundant labor supply, available at wage levels substantially below the na-
tional average. However, cotton remained the principal base of the economy and
source of employment on into the 1920's, which saw the collapse of the cotton
market and the scourge of the boll weevil. During this period, the importance
of the rural areas began to decline and the great exodus of farm workers to the
cities started. For the Northeast Georgia area, this meant a significant re-
duction in population, resulting in a net out-migration of 130,000 during the
1920-1960 interval. Most of this shifting occurred during the 1920's, of course,
with the population size reducing at a declining rate for almost another 30 years.
Most of the area's emigrants particularly the Negroes, were males in the prime working age group, and they left behind working age females and people in the young and old categories. In 1960, over 50% of the Negro population was under 20 years of age (the national average was 45%). Twenty-seven percent of the Negroes were in the prime working age bracket (20-44) as compared with a national average of 32%. The percentage of Negroes beyond retirement age was slightly higher than the national average.

Although the white population in Northeast Georgia has an age distribution close to that of the nation, the white male population has increased more slowly than has the white female population. This is one of the primary reasons why manufacturing firms in the area have employed so many women.

During the period from 1940 to 1960, agricultural employment in the area declined by 74%, or 18,000 jobs, with manufacturing employment gaining 20,400 jobs. Commensurately, there occurred a shift of importance in manufacturing employment from textile products to garment manufacturing, which employs mostly women.

Forest industries have become important in the area, providing approximately 1,500 jobs, as forestry is the dominant area land use. Over 75% of the land areas in two counties are in commercial forests.

3. Subregional Characteristics

a. Natural Resources

(1) Water. Northeast Georgia has a good supply of both ground and surface water. Its abundant water supply has been an important factor in the location of manufacturing industries in the area which require water for processing products, as well as increasing recreation activities.
The long-run average rainfall is substantial (about 48.5 inches), and there are many springs in the area feeding a large number of lakes and thousands of farm ponds, which are used for irrigation and/or recreational purposes. (INSTRUCTOR REFERENCE #3) (On TRANSPARENCY #2)

Future development of the Southeast River Basins will have an enormous impact on the area. According to the United States Study Commission reports in 1963, five projects, to be constructed at an estimated cost of nearly $210 million, will generate approximately 295 million kilowatt hours of power in addition to providing fishing and recreational areas and increasing the water supply. These projects are the Laurens Shoals Dam, to be constructed by 1975 at a cost of $72.2 million; Tallow Hill Project, with a projected cost of $78.8 million; Anthony Shoals Project, $42.3 million; Curry Creek Project, $9.9 million; and Big Flat Creek Project, $6.6 million. (Off TRANSPARENCY #2)

The area's economy will be boosted not only by the initial impact of the nearly $210 million coming into the area, but also by several millions of dollars in maintenance and operations annually; control of water runoff; expansion of water resources for irrigation; expansion of outdoor recreation, increasing flow of money both into and inside the area; and increasing potential for further industrialization. (INSTRUCTOR REFERENCE #3)

(2) Minerals. Twenty-six minerals of economic value have been identified in the area, and none of them are mined. Indications are that workable deposits of amethyst, asbestos, beryl, corundum, copper, feldspar, gold, magnetite, muscovite, pyrolusite, quartz, talc, and xenotime may be found, but additional research is needed.
Eight industrial rocks have been found, including granite, sand and gravel, clay, and stone. These have been mined. (INSTRUCTOR REFERENCE #3)

(3) **Forests.** In 1961, 63% of the land acreage of Northeast Georgia was commercial forest land, up from 55% in 1953.

Under the Soil Bank Program, many Northeast Georgia fields were retired from row crops and planted with pine seedlings, which require a minimum of ten years for harvesting. Between 1956 and 1960, about 40,000 acres were thus retired by area farmers. During the 1961-1965 planting season, an equivalent of 10,000 acres of forest base was added to the area from seedlings planted.

About 97% of all the area's forest land is privately held, indicating that pulpwood and timber are more readily available in the nine counties than in other areas.

The demand for lumber and wood products is rising nationally. By 1990, the supply of sawtimber is projected as approximately equal to the projected cut, and in the year 2000, the projected supplies are estimated to fall about 10% short of the projected cut. Inasmuch as Georgia has become one of the nation's leading timber suppliers, the area's forest resources will become more and more important nationally. (INSTRUCTOR REFERENCE #3)

b. **Human Resources**

(1) **Population.** As we have previously noted, a significant decline in the Northeast Georgia area's population occurred following the collapse of its cotton-based economy. It is estimated that approximately 130,000 persons have out-migrated from the area since 1920. The 1920 area population of 178,000 was reduced to 143,000 by 1930, and the reduction continued, but at a declining
rate, until it eventually stabilized for the area as a whole. Some agricultural counties are still losing people to urban areas, however.

In brief, this population shifting between 1920 and 1960 resulted in:

(a) A net decline in area population of 32,000; a total decline in the rural counties of Greene, Madison, Morgan, Oconee, and Oglethorpe of 42,000.

(b) A decline in rural population from 87% to 64% of total population.

(c) A decline in the area Negro population from 44% to 28% of total population.

(d) A decline in the percentage of males, particularly in the 20 to 44 age group.

In reviewing more current and future trends, we see that the area population started increasing in about 1957, and this trend is expected to continue. In 1960 there were, including University students, 146,000 persons in the area. All counties can expect some growth during the 1970's. By 1980, it is estimated that the 1920 level of 178,000 will be surpassed. Of the forecasted increase of around 36,000 over 1960, about two-thirds will be accounted for by the University of Georgia -- more students, faculty, and research personnel and their families. Non-University gains in Clarke, plus steady growth in Barrow, Jackson, and Walton counties, will account for most of the remainder, typifying the continuing trend to urbanization. (On TRANSPARENCY #3)

Clarke County, of course, is the most urban of the nine; it is largely occupied by the city of Athens, which had an estimated population of about 45,000 in 1966. The county's population is estimated to increase to 80,000 by 1980.
All of the area's cities of 2,500 or more, of which there were only six in 1960, have experienced population growth since 1940, with Athens and Monroe showing the greatest percentage increases during the period. (Off TRANSPARENCY #3)

In 1920, only 13% of the area's population was considered urban. By 1960, 36% was so classified. Essentially the same forces as those leading to extensive out-migration have precipitated a rural-urban change, with employment perhaps being the prime motivation. As farm jobs declined and new industry located in or near the area's urban centers, people left the farm for the security of an urban job.

The impact of urbanization can be seen in smaller urban families, less emphasis on family ties, more emphasis on education, more group decisions, different social and political views, factory jobs, and a generally faster tempo than is true of rural life.

You will recall from your earlier session the concept of an economic development center and the need to concentrate activity in those areas which can reach a sufficient critical mass to achieve self-sustaining growth. We have in Clarke County and Athens, its county seat, an excellent example of such a development center. As they continue to expand their economic activity, the surrounding counties should, of course, develop to some extent as "bedroom" communities for the center. (INSTRUCTOR REFERENCE #5)

(2) Labor Force. The labor force consists of employed and unemployed persons 14 years old and over, excluding members of the armed services. The employed are those persons who are engaged in any work for pay or profit, work on a family farm or in a family business, or who hold a job from which they are temporarily absent.
In the Northeast Georgia area, the civilian labor force increased from 52,820 to 62,540 (a 21% gain) between 1960 and 1967. The total area population increased only 6%, from 144,670 to 153,200 persons during that period. Manufacturing employment increased from 16,420 up to 20,010, or 22%, between 1960 and 1967. The greatest increase of any segment of the civilian work force was in the nonmanufacturing category, which saw a 46% increase from 19,340 in 1960 to 28,190 in 1967. This increase in the nonmanufacturing category occurred primarily in the transportation, communications, electric, gas, and sanitary services areas, as well as in the general service sector. Farm employment between 1960 and 1967 dropped 30%.

As might be expected, the county with the greatest civilian work force increase was Clarke County, gaining over 9,000 during the seven-year period. Within the manufacturing category, apparel and other textile products accounted for most of the manufacturing employment.

The area's employment pattern has been shifting toward the higher skill level occupations since 1940, but it does not yet conform to the national pattern. More of the area employment is concentrated in "blue collar" and farm occupations than is true of the United States in general and less in "white collar" work. This is not true of Clarke County, however, where "white collar" employment is the leading category and the percentage is above the national average.

The greatest growth occurred in the operatives and kindred group (such as sewers and stitchers in manufacturing and textile knitting) between 1940 and 1960. This group accounted for almost a third of total area employment in 1960.

The move to higher skill level occupations, of course, has been helped along by out-migration of the primarily unskilled, but has been influenced also by
educational attainment and technological change. Inherent in higher skill level occupations are changed desires, habits, attitudes, incomes, spending patterns, and overall goals of the community.

Unemployment at the present time averages less than 4% over the entire Northeast Georgia area. Based on established trends and barring deviation from normal, the area's average unemployment rate will be about 3% in 1970 and 1980 -- with the white unemployment level slightly lower than in 1960, and the Negro level higher.

While the low level of unemployment is encouraging, there are indications that the rate of underemployment is probably high. (In national data, the underemployed are defined as persons who work less than 35 hours per week because of economic reasons.) Specifically, the incomes prevailing in several of the area counties were critically low in 1959, and the area has a comparatively large percentage of farmers, females, and nonwhites in the labor force -- groups in which national experience suggests the most underemployment is found. (Area demand for female apparel workers probably makes this particular group an exception to the national pattern.)

A high degree of underemployment implies lack of both job opportunities and of education and training among the underemployed. (INSTRUCTOR REFERENCES #2 and #6)

c. Economic Review

(1) General Summary. Viewed as a whole, the nine-county area is a comparatively low-income section of Georgia. It is thinly populated and has not been maintaining its prewar shares of Georgia's people and jobs. According to data from the 1960 Census of Population and other recent censuses, the area's shares
of Georgia's total land area, land in farms, and mining establishments are
greater than its shares of the state's population, housing units, factories,
and other types of business and industrial establishments. Moreover, its share
of Georgia's residents exceeds its shares of high school enrollment, personal
income, bank deposits, and retail sales. Although its shares of the state's
civilian labor force, total jobs, and manufacturing jobs are higher than its
share of population, the area has disproportionately low numbers of sound housing
units and high-income families and a relatively large share of families in the
lowest income bracket. (INSTRUCTOR REFERENCE #7)

And now, let us briefly review a few of the significant components and eco-
nomic indices of the area economy.

(2) Agriculture. Moving with the national trend, the number of farms
in Northeast Georgia declined from about 13,300 in 1949 to 5,100 in 1961, and
the proportion of land area in farms dropped from 82% to 53% (partly due to a
change in the Census of Agriculture definition of a "farm"). In addition, farm
employment declined from 19,000 to about 7,500.

Yet, agriculture remains quite important in the Northeast Georgia area.
Sales of farm products almost doubled from 1954 to 1964, rising from $29 million
to $56 million. The farm population in 1964 was 16% of the total population
(22% if Clarke County is excluded). This compares with a state proportion of
about 9% and a national percentage of about 7%. Farm production provides sub-
stantial employment opportunities in expanding agribusiness activity, such as
apparel plants and poultry processors. Net farm income per farm family was
greater than the average for the U. S. in 1964. Farm income per person working
or living on farms was $1,073 in Northeast Georgia compared with $982 for the
U. S.
Drastic changes have occurred in other aspects of agriculture in the area in recent years. During the 1949-1964 period, some of the more important changes were as follows:

(a) The proportion of white farm operators increased from 74% to 85%.

(b) Tenant-operated farms declined from 47% of all farms to 17%.

(c) Livestock and poultry accounted for only 39% of farm income in 1949, but 83% in 1964.

(d) Forty-one percent of all farm operators worked off farms 100 days or more in 1964 as compared with 20% in 1949; surprisingly, in 1964, non-farm income of farm families was nearly equal to net farm income.

(e) The average farm size increased from 107 to 172 acres as farms below 260 acres declined markedly, the number of farms in the 260 to 499 acres range dropped slightly, and farms of 500 acres or more remained the same.

The decline in tenant-operated farms is attributable to farm mechanization and the shift in the area from row crops to cattle and poultry. From 1959 to 1964, the percentage of full owners leaving farms was less than 7% and total farm employment decreased by only one-eighth as much as it did from 1949 to 1959. These factors suggest that future declines in the number of farms and in farm population in the area will be moderate.

Area firms which use agricultural products as a major input provided employment for about 13,500 persons in 1965 (this does not include almost 1,500 in wood-using industries). Apparel and textile mill firms employed more than 11,000 (about 75% females); the poultry industry -- mostly poultry processing plants -- was using about 1,800 persons.
The following changes are expected to occur in Northeast Georgia agriculture by 1980:

(a) Total income from farm activities will double (to $28,000), despite a decrease in the number of farms from 5,100 to 4,000.

(b) There will be a net loss of 400 jobs in agricultural employment.

(c) Total farm income increases will result from growth in the poultry industry. The value of farm crops will decrease from $7.3 million to about $5.0 million, reflecting the continued decline in the volume of cotton production. (INSTRUCTOR REFERENCE #3)

(3) Industry. The development and expansion of manufacturing activities in Northeast Georgia have contributed greatly to the area's growth and stability in recent years, halting to some extent the degree of out-migration as employment opportunities emerged. The impact of continued industrial development can be seen in higher income levels, increased urbanization, and an increase in the flow of money from national markets.

The impressive growth in manufacturing is evidenced by the relatively large employment gains throughout the area -- by county of residence -- and the recent location of new firms and expansion of old ones. Between 1940 and 1960, manufacturing employment rose 8,600 to a total of 17,700, which was one-third of the area's total employment. From 1960 to 1966, the area's manufacturing employment increased by about 2,300. Most of the increase occurred in Clarke County, which provided almost 40% of area manufacturing employment in 1966.

Manufacturing in the area has concentrated primarily in four groups, three of which are producers of nondurable goods: textile mill products, apparel,
lumber and wood products, and food and kindred products (mostly poultry processing). Apparel manufacturing has advanced markedly to displace textiles as head of the group in terms of number employed.

Value added by manufacture reflects the types of products manufactured, the skill level of the employees, the degree of automation utilized, and so on. In 1963, the area level of value added per employee was two-thirds of the state level and only 54% of the national level.

The concentration of area employment in the traditionally slow-growth, heavy labor-using sections -- apparel, textiles, lumber, and poultry processing -- accounts in large part for the low value-added-per-employee figure. As long as value added is low, wages likewise tend to be low. (In terms of insured wages, the area manufacturing level in 1964 was 79% of the state level and only 59% of the national level.)

In addition to holding income levels down, low wages may lead to poor performance and instability on the part of the worker, continued out-migration of potential workers, and failure to attract in-migrants, all of which restrict development potential. (INSTRUCTOR REFERENCE #3)

Present development of manufacturing in the "durable goods other than wood products" category will reduce the area's dependence on the four major groups, which, although usually less affected by economic recessions, are typically lower-paying than most durable goods industries. The growth of metal goods manufacturing is, therefore, a healthy start toward raising the area's income level and adding job opportunities for men.

The heavy utilization of female labor is perhaps the most outstanding characteristic of the Northeast Georgia manufacturing industry. A plentiful supply of female labor has been an important inducement for the location of many firms.
in the area. Between 1940 and 1960, female employment in manufacturing rose 104%. In 1966, 57% of the people employed in area manufacturing firms were female.

The rapid rise of the apparel industry, where women hold between 85% and 90% of the jobs, accounts in large measure for this high degree of female employment.

While the extensive use of female labor in manufacturing has no doubt helped in raising individual family incomes and living standards, overall area income growth probably has been restricted because of the lower wages typically paid to women. It may also have had a negative effect on the area's total labor supply, both male and female. Males, when faced with lack of job opportunity, are forced to move elsewhere -- a movement which often involves a potential female worker as well.

A survey of area manufacturers revealed that major considerations in choosing this Northeast Georgia location were owner's home city, labor supply, favorable tax climate, availability of a suitable site or building, transportation facilities, and proximity to markets or customers.

Area manufacturers are presently somewhat concerned about the shortage of qualified labor, female labor in particular, and the lack of skills and training in the available labor force.

A shortage of qualified labor is a prime handicap to realizing expansion potential. Lack of skills and training further impedes development and expansion, for as automation is introduced, advanced technical skills are necessary to fulfill job requirements.
(4) **Trade.** Clarke County is the hub of Northeast Georgia's wholesale trade activity; more than half of all wholesale establishments in the area are located there. It accounted for more than two-thirds of all area wholesale sales in 1963.

Excepting Clarke County, however, wholesale trade has not been especially significant in the area. Actually, the area is not conducive to large-scale development of wholesaling because of its rural nature and the nearby Atlanta wholesale trade complex. Clarke and the counties on the western side of the area are the most likely to experience slow, sustained growth in wholesale trade.

In the mid-1950's, the area experienced a sharp upward turn in retail sales activity (with impressive growth in Clarke County), responding to population growth and rising income levels. Between 1948 and 1963, the number of establishments and employees and payroll in retail trade rose more rapidly in the area than in the state. Since 1954, the area's retail sales volume has increased by a larger percentage than that of the state. (INSTRUCTOR REFERENCE #3)

(5) **Services.** As Northeast Georgia's population grows and becomes more affluent, personal, business, recreational, and professional services are expanded to meet the demands of the population. Services have grown most rapidly in the counties with high income levels or where incomes are rising. Growth in this sector is evidenced by increases in percentage of total employment from 1940 to 1960. In 1960, 23% of all the employed were engaged in services, and employment in services was exceeded only by manufacturing. Females constituted 60% of all services employment, due mainly to the heavy concentration of private household workers in the area.
The service industry is especially important to Clarke County's economy. In addition to the base network of educational and research services, the county is the principal center for area medical, legal, and other professional services. It leads the area in its considerable activity in finance, insurance, and real estate, as in all other service activity. Services are concentrated in Athens because of its population density. Increased enrollment at the University of Georgia and the new government personnel have been and will be for some time a major impetus for the county's expanding service industry.

Outside Athens, most service enterprises are limited and serve only the immediate population, but the development potential of the service industry also is promising. Interstate highways and proposed water resources projects will open up new opportunities in services, providing additional business and employment opportunities as the development is realized. (INSTRUCTOR REFERENCE #3)

(6) Income. From 1954 to 1960, the nine-county area achieved an increase of 44% in income per person. This gain compares favorably with a 33% increase for the state of Georgia and a 25% increase for the U. S. over the same period of time. Despite this significant growth in income, the 1960 area figure of $1,345 per person was considerably below the figures for the state and nation. Furthermore, Oglethorpe and Greene counties still had in 1960 a per-person income of less than $1,000.

The family income figures tell much the same story of improvement, but disclose some additional deficiencies. Median family income increased about 13% from 1949 to 1959 as compared with a state increase of 122% and a national increase of 71%. However, while the rate of increase was higher, the actual dollar
figures for all counties but Clarke were still below the state average.

The distribution of income among Northeast Georgia families also changed dramatically over the 1949-1959 decade. The percentage of families with incomes less than $5,000 fell from 94% to 67%. The proportion of families with incomes less than $2,000 declined from 62% to 27%. The area's share of families with incomes greater than $10,000 rose from less than 1% to 6%.

The percentage of Negro families in the area having annual incomes in 1959 less than the widely used "poverty level" of $3,000 ranged from a low of 73% in Clarke and Walton counties to a high of 83% in Greene and Morgan.

Although there has been a considerable increase in the potential well-being of the Northeast Georgia area as a whole, a large percentage of the people still live at or below a subsistence level. The shift of families out of the low-income range in the 1950's can be attributed primarily to out-migration of unskilled workers and to a decline of agriculture and a rise in manufacturing jobs. The income improvement noted might have been even greater had it not been for the fact that much of the employment growth was relatively low-paid female employment. High-quality jobs using male labor are needed if the improvement in income for the area is to continue and approach the state income level.

Now let us look at sources of income. In 1950, Northeast Georgia had 31% of its employment in agriculture -- a much larger percentage than for any other industry group. By 1960, only 12% of the area's employment was in agriculture. Approximately 69% of the area's employment in that year was concentrated in manufacturing, personal and business services, and retailing, in that order of importance. This ranking is identical with that of the state and nation, but the area's percentages in manufacturing and services are greater than the state and national percentages, and in retailing, smaller.
The service areas, such as the finance and transportation groups, are far enough below that of the state level to indicate a relatively lower level of economic development in Northeast Georgia. Enough of the manufacturing employment is attributable to manufacturing income earned in DeKalb, Fulton, and Hall counties as to overstate appreciably the importance of manufacturing in the area. Furthermore, if Clarke County figures are not included, the eight-county percentage employed in agriculture is far above and in personal and business services far below the state and national percentages.

In summary, the employment distribution patterns and trends of the Northeast Georgia area indicate a significant improvement in the overall economic environment but an equally significant pocket of relatively low levels of economic development. (INSTRUCTOR REFERENCE #4)

d. Infrastructure Characteristics

(1) Government. Governmental functions and structures in the Northeast Georgia area are reasonably typical of those found in most rural and small urban areas.

County governments are administered through elected commissioners, ranging from three to six in number, and county officers, which usually include the ordinary, clerk, sheriff, tax collector, coroner, school superintendent, and attorney.

For the most part, the county bodies are nonlegislative in function and their administrative operations are conducted without benefit of professional management assistance. There would seem to be some justification for the merging of some county units to reduce costs and place a lesser burden on an already unsatisfactory level of tax support.
The cities in the area are generally operated under a mayor-council type government, and, as in most areas of the nation, are having difficulty in maintaining an adequate level of support services on their present tax base. (On TRANSPARENCY #4)

Several cities operate planning commissions, as do several counties, and, in some instances, there are joint city-county commissions. (Off TRANSPARENCY #4)

(2) Schools. Within the area, there are twelve public school districts, including nine county school systems and three independent city systems, providing 73 schools with approximately 36,000 students in September, 1959. Enrollment increased between September 1959 and September 1963 to about 38,000, including over 10,000 in Clarke County alone. Oconee County enrolled the fewest students, approximately 1,700, and enrollment has steadily decreased in Oglethorpe County.

Between 1950 and 1960, the percentage of persons 25 and over who had never had any schooling declined significantly, and the number of persons 25 and over who had not completed high school declined from 83% to 73%. Data on dropouts reveal a pattern of students leaving school as early as age 13, with the highest percentage quitting school at age 16 in the ninth grade. The estimated rates of student loss in the area high schools are as follows: 36% for white girls; 44% for white boys; 44% for Negro girls; and 50% for Negro boys.

Educational expenditures ranged from a low of $54 to $78 per capita. This compares somewhat unfavorably with the national average of $100 per capita. Even though the area has made educational gains since 1950, these statistics indicate that the area's educational system cannot function effectively unless it achieves some major improvements. (INSTRUCTOR REFERENCE #5)
(3) Transportation. (On TRANSPARENCY #1)

(a) Highways. The nine-county Northeast Georgia area is served by an extensive network of roads, including unpaved roads, paved state and Federal highways, and existing and proposed interstate highways. Athens, the hub of the commission area, has a good system of paved roads radiating outward.

Interstate Highway 85 cuts across the northwest corner of the development district in a generally northeasterly direction. I-85 passes through Atlanta, through the Northeast Georgia area, through Charlotte, North Carolina, and into Virginia. Interstate Highway 20 cuts across the southern part of the development district in a generally east-west direction. I-20 passes through Atlanta, through the Northeast Georgia area, and up through Columbia, South Carolina. There will be approximately 11 interchanges with both of these interstate highways within the Northeast Georgia area. (Off TRANSPARENCY #1)

As of July 1, 1967, the area contained 2,145 miles of paved roads. Since the area covers 2,622 square miles, this would give a road density figure of approximately eight-tenths of a mile of paved road per square mile of area.

A comparison of the state total of 36,760 miles of paved roads with its 58,876 square miles of area yields a road density per square mile of only six-tenths of a mile.

(b) Rail. The area is served by five railroads converging in Athens and providing direct connections with Atlanta, Macon, Augusta, and other major southeastern cities. As of 1966, there were approximately 257 miles of railroad tracks within the area.

(c) Air. The only commercial airport located within the area is in Athens; however, five noncommercial airports are situated throughout the district.
(d) **Truck.** The city of Athens is the center of common-carrier trucking activity for the area, having six truck terminals. Serving Athens and the area are 38 common carriers, operating on both a regular and irregular basis. Shipping times to New York, Chicago, and Detroit by truck from Athens are two to three days for full truckloads.

(e) **Bus.** The Northeast Georgia area is served by an intercity bus service. Each of the counties in the district is served by regular bus schedules, ranging from Oconee with two buses daily to Clarke County with 36 buses daily. (INSTRUCTOR REFERENCE #2)

(4) **Housing.** Housing generally improved during the years between 1950 and 1960, showing a net increase of 2,600 units, or a 6.6% increase, compared to the state's 21% growth.

The area compares unfavorably with the U. S. in the percentage of sound housing, which by census definition is housing that has no major structural defects and is in good upkeep and repair. Dilapidated housing by the same definition is that in need of major repair and which is presently or shortly will be unsuited for habitation. In the nine-county area, the percentage of sound housing units in 1960 ranged from a low of 24.2%, in Oglethorpe County, to a high of 66.6%, in Clarke County. Even Clarke County, which had the highest ratio in the area, compared unfavorably with the U. S. average of 74% sound housing in 1960.

Eight counties ranked lower than the state in units equipped with indoor hot and cold piped water and bathing and toilet facilities. Overall, however, the statistics for the 1950-1960 span indicate that housing in the nine-county
area still compares unfavorably to the state as a whole but is improving at a faster rate than the state average. (INSTRUCTOR REFERENCE #5)

The occupancy per housing unit remained nearly constant during the decade between 1950 and 1960. In 1950, the trend was generally around three persons per unit, compared to about four persons per unit in 1960.

The average value of housing in the area also increased during the 1950-1960 decade. In 1950, the average value of housing in the area's counties ranged from a low of $2,700 to a high of $5,200 per housing unit. This had changed by 1960 to a range of $5,200 to $11,300 per housing unit.

4. Problems and Deficiencies. -- Now that we have reviewed some of the major characteristics of the Northeast Georgia area, and please bear in mind that much detail has been omitted in this brief overview, let us look at some of the area's identified overall problems and deficiencies.

a. Employment. In most counties, a lack of good physical facilities, trained personnel, and money for education and vocational training has caused problems relating to employment and upgrading of the labor force. In retail trade, personal and business services, forestry, minerals, agribusiness and manufacturing, full potential has not been realized. Increased utilization of these activities would reduce unemployment and underemployment.

b. Financial Administration. A lack of tax equalization programs has unfairly burdened some of the population and has prevented the collection of much potential tax money. Equal assessments would help improve the economic condition of the area.

c. Community Facilities. Water and sewer systems, refuse disposal methods,
school sites, recreation facilities, and libraries need to be bolstered. These improvements are needed in all counties in the area.

d. **Land Development.** In most of the counties, industrial park sites are completely lacking or are inadequate because of the absence of water and/or sewer facilities. Residential subdivisions are generally poor because of the lack of planning and effective regulations. Commercial development has progressed in a generally uncontrolled manner. Soil erosion is a common problem which could in large measure be alleviated by implementation of watershed work plans. Also, agricultural potential is not being met in many instances.

e. **Transportation and Parking.** A lack of good road and related facilities is common in many urban areas. Sidewalks, gutters, and storm sewers are often lacking where they are needed most. Parking in the urban centers is a severe problem. Highway connections between Athens and Atlanta and Athens and Macon are inadequate.

f. **Civic Design.** The visual environment of the cities in Northeast Georgia is deficient. A cluttered, unkept appearance is commonplace; garish flashing signs, a lack of landscaping, and poor site planning are the rule rather than the exception. (INSTRUCTOR REFERENCE #2)

5. **Area Goals.** -- In addition to identifying the area's problems and deficiencies, previous studies have also outlined some programs and policies of an economic nature intended to improve the standard of living in Northeast Georgia. Since one of the most important of these is the attraction of new industry, and since industry is vitally concerned with community facilities and services, as well as economic factors, the following programs and policies have been suggested to enhance the attraction of new industry.
a. Encourage each county in the area to set up a comprehensive, sustained program for industrial development with centralized direction and broad community support. Clarke County is the only area county currently having such a program. The program should be founded on basic planning studies (such as land, transportation, and resources). It would have several essential specific elements, among them:

(1) Deciding for which types of industries the county has the most to offer.
(2) Identifying and purchasing -- or at least zoning -- good industrial sites.
(3) Furnishing the necessary utilities and access to the sites.
(4) Promoting locations by having available and being able to present the data required by industrial prospects.
(5) Arranging financing, employment, and other types of aid for companies desiring help.

b. Upgrade the educational level of the population.

(1) Expand high school curricula, consolidate small high schools, and conduct "stay-in-school" campaigns.
(2) Encourage high school graduates not planning to attend a regular college to attend a business college or a trade school.
(3) Offer counseling and training opportunities to high school dropouts.
(4) Expand opportunities for adults to continue their education.

c. Further expansion of the Athens Area Vocational-Technical School is needed to permit more programs to be conducted and more flexibility in the
programs to meet Northeast Georgia's skill needs. A year-to-year inventory of area training needs could serve as a basis for tailoring the school's programs to area requirements.

d. Improve publicly provided services.

(1) In many areas, public schools, fire and police protection, parks and recreation areas, housekeeping services, etc., are not adequate. More city-county and intercounty cooperation could result in more efficient, economical services.

(2) Improvements in planning, zoning, and budgeting are needed in all counties. Planning and zoning in the vicinity of interstate highways and water recreational facilities to be constructed are of crucial importance. Master plans should be prepared for subdivision and fringe area development. Long-range capital improvement programs for the larger cities in the area would provide a means of assuring that projects are carried out in accordance with both predetermined priority of need and the communities' ability to finance such projects.

(3) Traffic congestion in Athens is an impediment to the rapid transaction of economic activity there. The feasibility of reducing the congestion by improving traffic flow and by providing a convenient public transportation system should be explored. An interstate-quality highway from Athens to Atlanta should be constructed and the quality of highway connections south to Macon should be improved.

e. Improve retail trade practices to keep more dollars at home. Retailers might attack these problems by cooperative buying, storage, and exchange of
merchandise; new retailing methods; more promotional merchandising; more communicative store display techniques; and the training of personnel. Athens, it would appear, must make improvements if it is to hold or to increase its out-of-town trade. With Interstate 85 and the completion of Interstate 20, no other city in the area of over 1,000 population will be more than 20 or 30 minutes farther away from Atlanta than Athens.

f. Expedite the development of area water resources. This will benefit the area economy by providing additional facilities for recreation, agriculture, and industry.

g. Attempt to reduce the welfare rolls by such programs as those available under the Economic Opportunity Act and, at the same time, increase per-person welfare payments to a level closer to the national average.

h. Foster improved forest management practices and better utilization of forest resources.

i. Initiate a "cleanup and beautification" effort. A community spirit and pride for beautification can be promoted and instilled. Urban renewal programs offer an opportunity for city beautification as well as providing better housing and other benefits. (INSTRUCTOR REFERENCE #2)

OPPORTUNITY FOR QUESTIONS

SUMMARY. -- We have reviewed a number of the significant factors related to the composition of a reasonably typical regional economic development area. We have reviewed the geography, history, economics, resources, and infrastructure characteristics of a nine-county area. We have reviewed some of the area's identified problems and deficiencies, and we have seen some of the specific goals
which have been set for the area. It is hoped that this brief presentation of
an existing subregional area will better enable you to understand the environ-
mental circumstances in which community development must take place.
LIST OF SUPPORTING PAPERS

1. Training Aids

   TRANSPARENCY #1: State map, showing location of Northeast Georgia Area Planning and Development Commission
   TRANSPARENCY #2: Water Resources
   TRANSPARENCY #3: Cities over 2,500 in Population
   TRANSPARENCY #4: Planning Commissions

2. Other Documentation

   None
COMMUNITY DEVELOPMENT TRAINING PROGRAM

SUBCOURSE CD(SBA)2
COMMUNITY ANALYSIS AND EVALUATION

Prepared for
THE SMALL BUSINESS ADMINISTRATION
by
THE INDUSTRIAL DEVELOPMENT DIVISION

LESSON PLANS

Engineering Experiment Station
GEORGIA INSTITUTE OF TECHNOLOGY
Atlanta, Georgia
COMMUNITY DEVELOPMENT TRAINING PROGRAM

SUBCOURSE CD(SBA)2
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LESSON PLANS

Prepared for
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By
Industrial Development Division
Engineering Experiment Station
GEORGIA INSTITUTE OF TECHNOLOGY
March 25, 1969
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LESSON PLAN

Essential Data

TITLE: COMMUNITY DEVELOPMENT: CONCEPTS, PRINCIPLES, INTERRELATIONSHIPS

PURPOSE: To understand the community development process and to explain the basic elements involved

DATE PREPARED: March 25, 1969

METHOD OF INSTRUCTION: Lecture

HOURS: Two hours

STUDY ASSIGNMENT: None

ESTIMATED TIME TO COMPLETE STUDY ASSIGNMENT: None

INSTRUCTOR REFERENCES:
1. Chapter I, Handbook on Community Development
2. Chapter VI, Handbook on Community Development
3. Ernest E. Melvin, Area Planning and Development: Concepts and Guidelines, University of Georgia, 1964

TRAINING AIDS: See LIST OF SUPPORTING PAPERS

ADDITIONAL DETAILS: None
INTRODUCTION

1. Gain Attention. -- Community development is a process, sometimes not too orderly to the casual observer, that takes place continually. When we find communities that seem static or backward, we are prone to explain the situation as due to "lack of development." This is probably true. But where communities are active and vital and progressive, do we attribute this "to considerable development"?

2. Motivate. -- SBA's involvement in community development will depend upon you and how well you can translate into reality some of the theory you will be learning here. Every community has the opportunity to determine its own strategy for economic and social development and plan a course of action. How well it seizes that opportunity may depend upon the staff personnel of this agency who can point out those opportunities.

3. State Purpose and Main Ideas. -- During this lecture period, we shall explore thoughts in Chapters I and VI of the Handbook on Community Development. In them several ideas are suggested that relate to effecting a balanced community growth. Thus, SBA lending programs can be implemented in relation to phases of downtown development, industrial and commercial development, expansion of medical facilities, and support of new projects in the field of tourism and recreational activities.

In order to understand what community development is all about, we shall have to:
1. Define community development,
2. Try to conceptualize what we mean by a community,
3. Examine the elements of local development programs,
4. Study the objectives of local development programs,
5. Look at economic factors bearing on the community, and
6. Recognize community momentum or "critical mass" potential along with individual regional trends.

TRANSITION. -- Since the subject of community development is fraught with confusion, due in part to inability to isolate and identify processes and procedures, let's proceed in a somewhat academic fashion with definitions.

BODY

1. Definition of Community Development. -- Essentially, community development is a continuing process leading to social action by a group which is organized, which makes plans, and which takes action. Now, let's examine some of the key -- or code -- words. This is a process and a continuing one. It involves social action by a group. But first the group defines needs and problems. Then it makes plans and takes action.

These solutions generally rely upon community resources; in many cases, where needed, services and materials from both governmental and nongovernmental agencies that are outside the community may be called on for assistance. The process of community development involves three basic steps.

   a. First, all the facts bearing upon the problems must be collected.
   b. Second, public discussion of these facts and their implications must be achieved.
c. Third, courses of action have to be developed and procedures outlined for their implementation.

TRANSITION. -- It is desirable that we SBA community development specialists consider the community as an essential building block in area and regional development. Area and regional growth patterns will greatly influence the rate and character of economic growth within their respective constituent communities. In some cases, such growth is retarded because of the general characteristics of the area; in areas of expanding economic activity, on the other hand, most communities will share in this growth. But, just what is a community?

2. Components of a Community. -- The well-developed community is one in which the people can achieve personal and social satisfaction and where industry and business can function and prosper. At least two views can be graphically presented of the constituent parts of a community. (On TRANSPARENCY #1)

   a. Horizontal View. When viewed horizontally, the typical community appears to comprise a separate, distinct central business district; a series of neighborhoods, some served by their own commercial centers; and probably other distinct industrial and commercial concentrations. Physically, it is held together by a transportation network of highways and railroads. Its economic life consists of a series of activities embracing service and production for the community itself, as well as a segment which exports products and services to the region and perhaps to the nation. (Off TRANSPARENCY #1)

   b. Vertical View. (On TRANSPARENCY #2) When viewed vertically, the community may have a series of governmental layers: county, city, district, etc. Within it there will exist numerous social and economic organizations, ranging from garden
clubs, parent-teacher groups, and neighborhood groups all the way to branches of national organizations (unions, political clubs, and the like), as well as truly community-wide betterment organizations.

Most of these forces do not move in concert, nor at the same pace. One of the major considerations in modern community development is to harness all the forces and enthusiasm currently available and channel these into a positive direction by means of programs having a broad base with which a majority of citizens can identify. (OFF TRANSPARENCY #2)

TRANSITION. -- What are the active elements in a local development program? What do we need to be informed about in order to analyze the strength and depth of the community development program and to measure the possibilities of successful achievement?

3. Elements of a Local Development Program.

   a. Human Resources. The major consideration is people, for there would only be a vacuum without people to implement a program as well as to enjoy and profit from the positive accomplishments of such programs. High standards of living are essential for adequate social and economic development.

   As these standards are projected, they will include living conditions, governmental services, health, safety, social order and welfare, and environmental health.

   People, in turn, constitute a manpower resource which is fundamental to operation of a healthy economy. An untrained and uneducated labor force is a real handicap to advancing local development programs; by the same token, a raw labor force also offers a genuine challenge for human resource development.
b. Natural Resources. Other natural resources, including such elements as land, water, minerals, and forest and farm products, are a second ingredient. The amount, character, and present use of each of these resources form one of the basic segments of any program.

In-depth analyses of the potentials of such resources often may point to specific economic opportunities or may stimulate improvement programs for more effective utilization. We will be looking closer later on at various segments of these resources.

Land use has to be evaluated to determine those sectors that may be too intensively exploited as well as to identify areas of underutilization. A properly prepared land-use plan can lead to geographic organization of functions in harmony with other uses. One spin-off can be better transportation systems for serving the respective neighborhood needs.

Communities can also achieve real improvements in physical appearance. Such improvements may well attract new residents and new business, thus contributing to overall economic advancement.

c. Institutional Resources. Although they are generally overlooked, the institutions within the community are basic to its development. For example, the role played by local government which is responsive to the needs, demands, and desires of the community is basic to good development. The successful development of many communities depends upon sound policy formulation by local governmental bodies. In most cases, the elected officials are the persons responsible for establishing policies and carrying them out, once these have been formulated.

Public facilities and public services are generally in the province of local governmental agencies. Educational facilities, recreational areas and
programs, libraries, health facilities, sanitation services, and protective services (fire and police) are normally considered in this category.

Certain nongovernmental institutions also are involved. Civic, cultural, and religious institutions are basic components of local living amenities. These institutions attend to the spiritual, cultural, and physical welfare of the community. Frequently, their contribution to the community is reflected in the variety and depth of their activities.

d. Leadership. Another major element, and one which is basic to utilizing the other three elemental resources, is the extent and capability of local leaders. This is the necessary ingredient for making community programs dynamic. In essence, it involves the relationship between members of the development group or social organization, combining a sense of duty and obligation, as well as cooperation and mutual respect. We shall hear more about this leadership role later, but it is the motor which makes the old development vehicle race down the highway.

TRANSITION. -- Having clinically examined the ingredients that constitute a healthy, viable development program, let's pause to review what are commonly found as objectives or goals in local development programs.

4. Development Program Objectives. -- A well-developed community development program can be a basic tool for the public official, public administrator, and the taxpaying citizen. Each of these individuals needs to achieve perspective, to evaluate systematically and objectively benefits in relation to costs, and to reach more rational decisions than are often possible when certain of the programs are considered separately or piecemeal. The existence of such a program, or the lack of one, is one of the initial determinations that can be made by SBA specialists when considering whether the agency ought to extend financial assistance to the community.
Comprehensive community development plans will establish objectives or goals for several different sectors. These aspects have the common attribute of affecting community economic, social, or political growth, seeking to improve the living conditions of every member of the community.

a. Economic. Let's look at objectives for the community's economy. One measure of a healthy growing economy is to have built-in generators of new jobs. Expansion of employment opportunities in various segments is basic to continued population growth. It also is a source for increased individual income and total spendable income, as well as a stimulant to provide funds for supporting public services.

No local development program can be considered comprehensive if it neglects phases of the economy which offer the possibility for increasing wholesale trade, warehousing and distribution, transportation, finance, insurance, communications, tourist development, processing and manufacturing.

Certain of these economic sectors are growing nationally at substantial rates, while others are declining. Since every community is confronted with problems of both potential employment and unemployment, along with problems of private investment and public expenditure and the effects of technological impact and rapid obsolescence, the economic impact looms large.

For a community to be successful in attracting such business operations, its development group must recognize those values which investors look for in every community and understand how their community may measure up to those investors' standards.

b. Social. In the social sphere, the reason that many local development groups are active is to retain existing business and present residents. This is
accomplished in part by raising the standard of living, offering improved economic opportunities, comfortable living conditions, and good community services.

This encourages the young adults to remain in the community, to sink their roots down and invest both youth and energy in the home town. It also fosters community pride which sparks citizens to assume greater civic responsibilities.

In the social sector, an analysis of community facilities will reveal those segments which are adequate and those which require replacement. Gaps in the social structure can be identified. Any effective development plan must be concerned with the facilities and programs designed to expand and increase the amenities of community living.

Other contemporary social problems are concerned with minority groups, housing conditions, educational opportunities, and recreational facilities. These are certainly getting the main public attention today.

c. Physical. Improvement in physical qualities of communities constitutes a significant segment of development programs. Poor urban planning, or the lack of it, results in crowding and congestion, physical obsolescence, and blight. These conditions are closely related to land use: where people live and where they work, how they get back and forth, and the ever-present desire to "move out" or "move up."

Contemporary society produces all sorts of waste products, both human and industrial. Therefore, many community development programs have to be involved with efforts to control environmental pollution. Air, water, and soil pollution are the most common ones that menace the public health of our communities.

d. Political. The problem of fragmentation of political units and the obvious need to achieve efficiency on the part of local governments are legitimate targets for community development programs. In particular, a concern with the effectiveness
of local governmental services in providing safety and order, adequate health facilities, effective educational services, and other related aspects that were mentioned under "Social" will be found in many programs.

Other urban problems are transportation congestion and the decline in property values caused by urban blight. These are major problems that demand the attention of governmental units. However, sources of new revenues to finance the ever-growing demands upon local government must be considered in the light of existing tax structures and the efficiency with which present revenues are expended.

Typical nonurban problems also will be encountered in the small-size community. These have to do with situations such as holding local retail trade, control of animal nuisances, and retention of rural physical qualities.

TRANSITION. -- Now let us apply some of this discussion to contemporary urban conditions. Once we pause to consider it, we can easily recognize the pattern which modern urban living imposes upon our society.

5. Factors Shaping the Community.

a. Urbanization Trend. A major impact is exerted upon community development by the trend toward urbanization. This sprawls across the landscape with no deterrent from local or state boundary lines. Today, cities merge into each other, compounded with satellite villages and suburban unincorporated residential areas, forming conglomerations of population.

Great confusion exists today in attempts to define the modern city: First, there is the city within its municipal boundaries. Then, there is the greater city with suburbs of commuters. Finally, we visualize the metropolitan complex of city, towns, and villages, perhaps along with some sparsely settled areas, all constituting the market area of the core city.
b. **Historic Background.** The historic reasons for the establishment and growth of the traditional city seem to have disappeared. Some originally were established as trade centers for a thriving agricultural area. Others grew as transfer points for changing modes of transportation. Certain cities developed around mills or related industrial activities. In the main, their locations were dictated by physical geographic features such as navigable rivers, post roads, highways, and railroads.

Since modern metropolitan areas no longer are tied to fixed distribution centers, they are able to spread out into adjacent open territory where the exploding population chooses to reside. The new schools, shopping centers, churches, and the like are located to accommodate the growing population.

c. **New Population Shifts.** By contrast, the population shifts which have occurred since the later 1930's, basically in response to the creation of new job opportunities, have put extreme pressure on our rural-oriented communities. Development of improved farm machinery and more advanced methods of crop production have raised dramatically the amount of food and fiber which the individual farmer can produce. While agricultural production continues to rise, the number of persons involved has declined, and this drop in agricultural employment has accentuated migration to urban areas.

d. **Lagging Regions.** Certain regions have tended to lag behind the national average growth rate, and in general, these constitute principal target areas for many economic programs. Most of these are considered "economically remote" areas, being either relatively inaccessible (such as Appalachian counties) or on the outer edges of the country (the Rio Grande Valley, for example).

Many of these areas are far removed from main transportation routes and industrial centers. Some have been oriented toward economic activities that may be
waning -- mining, for example, where the combination of mechanization and depletion of mineral resources, together with shifts in demand, has led to sharp declines in employment. Others have suffered from actual industry shifts -- the textile villages of New England are a prime example.

TRANSITION. -- Previously, we touched upon some of the basic underlying reasons for the differences in regional growth. In this analysis, we emphasized that the economic growth of various regions of the United States has been closely tied to changing relationships.

These result from national forces that influence supply and demand changes. Therefore, the role of each region in the national picture is broadly dependent upon its natural resources, its geographic position, and the period of settlement and development.

6. Periods of Growth. -- Most regions, and consequently, most of our communities have passed through at least three periods:

a. First, the agricultural period when rich, arable land was almost a free resource. As the country grew and population pushed westward to bring greater areas of land under cultivation, regional development followed transportation routes to market centers. It also set the stage for the next development period by establishing a pattern which emphasized growing population, well-developed transport, and market accessibility.

b. Subsequently, the expansion in mineral demand became paramount, in part sparked by the growth of the railroad industry, a large market for iron and steel products. Rapid growth was experienced by areas where coal, iron ore, and markets were in proximity. Demands for nonferrous metals expanded as the minerals impact
extended into other regions. The development of petroleum and gas resources, as part of this minerals exploitation, extends up into the present.

c. The **rise of manufacturing activities** is the central feature of the recent regional growth period. A major consequence has been the specialization of regions in the national economy, with manufacturing growth trending westward to the Great Lakes area.

d. Today, regional growth features the **rapid expansion of service functions**. Because of the emphasis on "amenity resources" rather than raw materials, those regions providing the largest variety of personal activities for a population with rising income and increased leisure are prospering.

In large part, the growth of various regions has been dependent upon the ability of the respective areas to produce goods and services which they can export at a competitive advantage. The effectiveness with which this is accomplished determines the rate of growth in incomes and number of jobs.

**TRANSITION.** For several reasons, we find that community development efforts are concentrated on the attraction of new industrial enterprises. One reason is that many parts of the country are still in the regional manufacturing development period we just discussed.

Another reason is that the rewards of new industrial jobs can be demonstrated rather easily. More jobs per project or installation can be provided by manufacturing than in most other economic activities. A study by the U. S. Chamber of Commerce indicates the creation of 100 new factory jobs, on the average, can lead to 369 new persons moving into the community. The impact of this development and related activities can be quite substantial in commercial and governmental sectors.

We need to explore some of the negative or "offsetting" aspects of the impact which plain and simple industrial activity may create. But I think this
is an excellent place to take a break and, when we resume, to shift gears, as it were, to another level.

(Dismiss class for 10-minute break.)

TRANSITION. -- Resuming our discussion, you will remember we emphasized that communities are a state of mind. That is, if the individuals so identify themselves and their territory as being or belonging to a certain community, then we tend to accept this identity.

Also, we learned that local programs ought to be concerned with utilizing human resources, natural resources, and institutional resources, using the proper application of leadership forces.

We have an excellent color movie that describes industrial development in the small town -- not in this country, but in an underdeveloped Spanish-speaking land. Let's see that film and then discuss its applicability.

(Show movie, "An Industry for San Miguel.")

TRANSITION. -- Now let's discuss how that film strikes you and its appropriateness to our present discussion.

(For example: universality of hopeful efforts, limited application of resources, necessity of understanding the other party, lack of preparedness, similarity of situations in this country to those in foreign lands.)

7. SBA Program. -- Where is the application to the SBA program?

You, the SBA community developers need to be aware of the stage of development of the region and of the particular characteristics of the selected communities in which you are working. The economic development of these communities thus becomes more understandable.
It should be noted that those major metropolitan centers whose momentum for growth has been generated primarily in earlier decades have tended to continue to thrive and grow. To some extent, then, they now contribute to what have been identified as long-term shifts in resource demands or in emphasis placed upon their utilization. As a result, many metropolitan centers appear to have reached a level of self-sustaining growth.

On the other hand, smaller communities have to scratch and fight for every ounce of success. And, the competition is keen and fierce. Thus, opportunities for application of SBA assistance will derive from the nature of the metropolis or community in which you are working.

If you want to look at the nation's economy in another way, you may wish to refer to a book entitled *Economic Areas of the United States*, by Donald J. Bogue and Calvin L. Beale. This study delimits five Economic Provinces, 13 Economic Regions, and 121 Economic Subregions.

8. **Misconceptions.** -- While economic activity is one of the major generators of local development intent and activity, particularly in the obtaining of new industrial jobs, we must put this in perspective.

Some misconceptions have arisen concerning the impact of industrial activity.

a. **Adding Manufacturing Jobs.** One of these is the belief that so long as a community can gain additional manufacturing jobs, employment in all the other sectors of the economy automatically will adjust upward to provide the services and goods required by the new workers in manufacturing.

b. **Multiplier Theory.** A lack of understanding of the multiplier theory as it applies to urban and regional economies also creates problems. The multiplier theory points out how growth in one sector induces growth in other sectors of a
region. A major premise is that the growth of a region or a community comes entirely from the goods and services which are produced locally and sold outside the community or region.

The producing economic activities or sectors are referred to as basic. The basic activities are supported by the service sectors which do not "export" outside the area.

Many local developers mistakenly believe that all manufacturing activity and no other types of economic activity are basic. In reality, some manufacturing plants are primarily nonbasic or service in nature while certain nonmanufacturing sectors are in fact basic. The nonbasic manufacturers might include milk and soft drink bottlers, ice cream plants, feed mills, bakeries, and ready-mixed concrete plants; some basic nonmanufacturing would include such activities as medical services, state and Federal governmental offices, and wholesale and retail establishments. Because of the mistaken belief that only manufacturing industries are exporters, few economic development programs include any efforts to attract nonmanufacturing activities.

c. Service Industries. Another erroneous belief is that the so-called or nonbasic sectors will automatically adjust upward as the basic sectors grow. In many growing communities, local and outside entrepreneurs either fail to recognize the added potential or do not choose to capitalize on it. Housing, for rent and for purchase, and retailing are the two most common examples of this phenomenon.

The lack of suitable housing will keep people from moving into a community, even if good jobs are available. This problem can become so acute as to prevent the location of new industrial plants in an otherwise suitable area. The same situation may apply to inadequate water, sewerage, or school systems.
cd(sba)2.1-1

d. New Money and Old Money. Sometimes community groups overemphasize the need to bring so-called "new money" into the area via exports, completely overlooking the need to reduce the leakage of "old money" out of the area. (On TRANSPARENCY #3) Here is a greatly simplified flow chart of the economy of a community. The large triangle at the bottom represents the total income received by local residents. Part of that income (roughly 5% to 8% nationally) is put into savings and the rest is spent on various items, as shown by the smallest triangle. The significant portion of the diagram is the third triangle, labeled "propensity to buy locally/outside the area."

Purchases of goods and services originating outside the area by area residents and businesses constitute a leakage of money from the local economy. Unlike the propensity to consume or save, the propensity to buy locally or outside the area can be influenced through the local economic development program. The leakage of money outside the local economy can be reduced by upgrading the existing retail and service enterprises and by establishing additional firms or attracting them from outside the area. Because a sizable portion of retail and service trade comes from persons living outside the local economy, such action will also increase the amount of "new money" entering the economy. (Off TRANSPARENCY #3)

TRANSITION. -- This analysis should assist us in keeping communities on the right track. But, more importantly, it serves to help emphasize those things that need to be accomplished in nearly every community; more housing, more activity in areas other than manufacturing, the need to provide other services and activities that make community living wholesome and desirable.

OPPORTUNITY FOR QUESTIONS
SUMMARY. -- Having determined what we mean by community development, we find that it is a complex subject and involves a multitude of facets. We see that there are many elements in a well-rounded community development program. The process itself involves fact collection, analysis of situations, and action programs. Major elements are human resources, natural resources, institutions, and leadership. Goals are established in economic, social, physical, and political areas. Regional development has a distinct influence on community development. In the economic field, especially, do we find much effort and much misunderstanding.

Our job is to identify those logical procedures in community development and erect warning signs for communities so they may recognize the pitfalls of poor or irrational actions.
LIST OF SUPPORTING PAPERS

1. **Training Aids**
   - TRANSPARENCY #1: Horizontal Diagram of City
   - TRANSPARENCY #2: Vertical Diagram of City
   - TRANSPARENCY #3: Flow Chart of the Economy
   - MOVIE: An Industry for San Miguel (16 mm)
     (Approximately 22 minutes in length)

2. **Other Documentation**
   - None
**LESSON PLAN**

**Essential Data**

<table>
<thead>
<tr>
<th>TITLE:</th>
<th>DEVELOPMENT OF THE COMMUNITY PROFILE</th>
</tr>
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<tbody>
<tr>
<td>PURPOSE:</td>
<td>To provide a general knowledge of the purpose and essential elements of the community profile, techniques for developing essential information, profile formats, and the role SBA personnel may play in the development of community profiles for particular communities</td>
</tr>
</tbody>
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| DATE PREPARED: | March 25, 1969 |
| METHOD OF INSTRUCTION: | Lecture |
| HOURS: | Two hours |
| STUDY ASSIGNMENT: | Chapter V, *Handbook on Community Development* |
| ESTIMATED TIME REQUIRED TO COMPLETE STUDY ASSIGNMENT: | One-half hour |

<table>
<thead>
<tr>
<th>INSTRUCTOR REFERENCES:</th>
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<tbody>
<tr>
<td>1. <em>Handbook on Community Development</em></td>
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<tr>
<td>2. Community Development Presentation: &quot;Measuring Your Community's Potentials&quot;</td>
</tr>
</tbody>
</table>

| TRAINING AIDS: | See "Measuring Your Community's Potentials" |

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<thead>
<tr>
<th>ADDITIONAL DETAILS:</th>
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<tbody>
<tr>
<td>1. The attached ADVANCE SHEET should be reproduced locally and distributed to course participants at least one day in advance of this presentation.</td>
</tr>
<tr>
<td>2. The attached prepared questions should be reproduced locally and distributed during period of instruction.</td>
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DEVELOPMENT OF THE COMMUNITY PROFILE

Lesson Manuscript

INTRODUCTION

1. Gain Attention. -- Gentlemen, this is the situation. For the past several months, we have been in communication with some of the leading citizens of Brownsville. On several occasions, we have pointed out that it seemed to us that Brownsville has untapped potentials that could be brought to bear in such a manner that Brownsville could move forward economically. Recently, we were informed that a citizens' group had been formed in Brownsville to see what could be done to get the community moving. Yesterday, I was asked by the mayor to appear at a meeting of the group to give some pointers on community development. He told me that the top community leaders would be present at the meeting, and that they appeared to be anxious to get things moving.

2. Motivate. -- Presently, we shall be at the meeting. I shall be the SBA representative, you will be the leading citizens of Brownsville. However, before we move to Brownsville by our magic carpet, let me add one other thought. In the near future, you could well be the SBA representative, and the people sitting in front of you won't be SBA personnel. No, they will be people waiting to be convinced that you, a SBA representative, has something positive to contribute -- something that they can use -- something that can be done -- and something that will lead toward the accomplishment of their goals. Now, off to Brownsville.
1. **Measuring Your Community's Potentials.** -- (At this point the instructor will present the Community Development Presentation entitled "Measuring Your Community's Potentials." This presentation should be made in the same manner as if presented to an actual community audience.)

**TRANSITION.** -- For the last hour, we have been in Brownsville assisting the community development process. Now let us return to our real-life situation and take a ten-minute break.

2. **Citizen Question Period.** -- Now let us return to Brownsville and resume our respective roles as SBA representative and citizen. During the break, numbered questions were placed on some of your desks in a random manner. These questions are the ones that citizens typically ask. The person asking the question is the citizen; others are SBA personnel. After we have completed this series of questions, we shall answer any questions that you, as SBA personnel, may have. Will the person who has Question No. 1 state the question. (Note to instructor: After the question has been stated, ask for answers from the floor, augmenting such answers by those contained in this lesson plan.)

**PREPARED QUESTIONS AND ANSWERS**

**Question No. 1:** If our community measures up poorly in these different areas, won't it hurt us to have this type of information compiled?

**Answer:** No, by compiling this information, you bring to light weaknesses which have gone unnoticed because you as local people are so familiar with them. When they are brought to light, then steps can
be taken to correct or alleviate them. Also, when you are compiling this information, you frequently discover hidden strengths as well as weaknesses.

**Question No. 2:** The data you are talking about gathering seem excessively detailed. Do we actually need all this information?

**Answer:** The profile can be tailored to suit the needs of a community. Depending upon various factors, more or less detail can be included in the profile. A community of around 1,000 obviously will not need the detailed data that a community of 15,000 might need.

**Question No. 3:** Is anybody, say a prospective industry, really concerned with this information about a community?

**Answer:** Most definitely. Industrial prospects appreciate having this type of information in a usable form. Not only does the profile give them the information they need, but it also presents it in such a manner that it is comparable with other communities. More important still, the profile gives a prospect something tangible he can hold onto and take back to his home office with him.

**Question No. 4:** I don't feel there is any need for going through all of this. If you ask most people, they can tell you what the big problem with our community is.

**Answer:** The profile documents the problem and sets it down in black and white. Everybody in the community may not agree with you concerning the main problem. But if the problem is what you say it is, the profile will substantiate it.
Question No. 5: All this information is well and good, but if you don't get the really "big movers" in the community to go along with you in this, nothing will come of it. And by the way, those people aren't here today.

Answer: This is true, unfortunately. If the men with the power aren't interested in seeing the community grow and progress, they can make it hard for anybody else to do anything. That's a reason those people should be at this meeting. But if these people can be convinced that they themselves can personally profit from gains made by the community as a whole, they probably can be moved to action.

Again, the Community Economic Profile can educate these people as well as anyone else as to the advantages and disadvantages of the community.

Question No. 6: How will I benefit from the community's going through this exercise of putting an economic profile together and then analyzing it? In other words, what's in it for me?

Answer: Normally, you would think that most citizens have enough pride to want to live in a progressive, growing community. But even if that doesn't appeal to you, if you earn your living in the community, more prosperity in the community means more money in your pocket. If you are, say, a car salesman, increased spending power in the community means that more cars will be bought. If you are a banker, more money in the community means more deposits in your bank. Everybody stands to profit when the community profits.
Question No. 7: Are you sure an outsider could come in the community and compile or help compile this information? He might not understand the circumstances that are involved.

Answer: This is why it is often good that an outsider does help compile these data. He sees things more objectively than do you citizens who live in the community. When he sees an old, dilapidated building taking up a prominent spot in town, that is just what he sees. He does not see it the way you citizens might as the old so-and-so place that relatives won't sell or fix up and so is just part of the landscape. The citizens of a community frequently can't see the forest for the trees. An outsider often can. But it is essential that whoever compiles the information should receive all the local assistance he needs.

Question No. 8: I'm not sure that our community needs to get any bigger or more industrial. I'm satisfied with it pretty much the way it is. Why should we try to change?

Answer: It's almost impossible to stay the same. Basically, a community is either growing or dying. In many cases, when the community apparently is staying the same, the growth or death rate is so slow that it is almost unnoticeable. Today so much of the population is moving to the larger cities that hard work is necessary for a small town to avoid eventual extinction. Measuring the community's potential is a mandatory step for many smaller towns today.

Question No. 9: I admit that the town's appearance isn't so good, but what difference does that made to an industrial prospect? All he needs is a plat of land.
Answer: The appearance of a town gives an industrialist a good indication of how interested in developing and growing the town is. Unsightly highway entrances and poorly kept municipal buildings show that the town does not really care what happens. It also might give the prospect an idea that his potential labor supply might be equally as uninterested.

Question No. 10: Nobody in town has time to sit down and collect this information. Who can do it? SBA?

Answer: No, the responsibility rests with the local citizens; but outside help is available. University centers and state-wide development agencies, such as banks, railroads, and the state industrial department, often can supply some assistance.

Question No. 11: Is the development of a good community profile all there is to this community development business?

Answer: No, sir. The process of community development involves three basic steps. First, all facts bearing upon the problems of the community must be collected. Second, public discussion of these facts and their implications must be achieved. Third, courses have to be developed and procedures outlined for their implementation. We have to know what our condition is now, how we got in this condition, and what we can do to improve ourselves. Frankly, you can't go very far unless you know what your strengths and weaknesses are. The community profile is the starting point.
SUMMARY. -- As we are now aware, the process of community development involves three basic steps. **First**, all the facts bearing upon the problems must be collected. **Second**, public discussion of these facts and their implication must be achieved. **Third**, courses of action have to be developed and procedures outlined for their implementation.

During this period of instruction, we have considered the first step in the development process. We have emphasized that it is vital to the success of a community development program that both strong local interest and reliable local assistance should exist, especially in collecting and reviewing the community data.

The responsibility of compiling a community profile must rest with the local community. But in many cases, we may direct local interest to outside assistance which can perform some or most of the work involved. University centers and state-wide development agencies, such as banks or state industrial department offices, often assist community leaders in developing community profiles.
LIST OF SUPPORTING PAPERS

1. Training Aids

See training aids accompanying the Community Development Presentation: "Measuring Your Community's Potentials."

2. Other Documentation

ADVANCE SHEET
PREPARED QUESTIONS
DEVELOPMENT OF THE COMMUNITY PROFILE

Advance Sheet

PURPOSE: To provide a general knowledge of the purpose and essential elements of the community profile, techniques for developing essential information, profile formats, and the role SBA personnel may play in the development of community profiles for particular communities

STUDY ASSIGNMENT: Chapter V, Handbook on Community Development
PREPARED QUESTIONS

Instructions  The following questions should be reproduced, cut, folded, stapled, and numbered on the outside.

---

QUESTION NO. 1

If our community measures up poorly in these different areas, won't it hurt us to have this type of information compiled?

---

QUESTION NO. 2

The data you are talking about gathering seem excessively detailed. Do we actually need all this information?

---

QUESTION NO. 3

Is anybody, say a prospective industry, really concerned with this information about a community?

---

QUESTION NO. 4

I don't feel there is any need for going through all of this. If you ask most people, they can tell you what the big problem with our community is.

---

QUESTION NO. 5

All this information is well and good, but if you don't get the really "big movers" in the community to go along with you in this, nothing will come of it. And, by the way, those people aren't here today.
QUESTION NO. 6
How will I benefit from the community going through this exercise of putting an economic profile together and then analyzing it? In other words, what's in it for me?

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I admit that the town's appearance isn't so good, but what difference does that make to an industrial prospect? All he needs is a plat of land.

QUESTION NO. 10
Nobody in town has time to sit down and collect this information. Who can do it? SBA?

QUESTION NO. 11
Is the development of a good community profile all there is to this community development business?
TITLE: COMMUNITY ANALYSIS AND EVALUATION

PURPOSE: To present fundamental methodologies useful in analyzing the strengths and weaknesses of a community, in identifying problem areas, and in suggesting corrective measures for these problems.

DATE PREPARED: March 25, 1969

METHOD OF INSTRUCTION: Lecture

HOURS: One hour

STUDY ASSIGNMENT: None

ESTIMATED TIME REQUIRED TO COMPLETE STUDY ASSIGNMENT: None

INSTRUCTOR REFERENCES:

1. Handbook on Community Development
6. Gunnar Alexandersson, The Industrial Structure of American Cities, University of Nebraska Press, Lincoln, Nebraska, 1956
TRAINING AIDS: See LIST OF SUPPORTING PAPERS

ADDITIONAL DETAILS: The appended LESSON OUTLINE may be reproduced locally and furnished students at the beginning of this period of instruction.
COMMUNITY ANALYSIS AND EVALUATION

Lesson Manuscript

INTRODUCTION

1. Gain Attention. -- The art of community analysis is not unlike the art of diagnosis used by a doctor. Unable to open up the body to see what is wrong, the doctor relies on symptoms and outward signs in attempting to determine the possible problem. Then, and only then, can he prescribe a solution or cure for the illness.

2. Motivate. -- Your interest in this subject lies more in your role as a catalyst or an advisor rather than as a doer. I doubt that SBA personnel have or will generally become involved in the nitty-gritty of community analysis. But you do need to be aware of the purposes for which these studies are made and know something about how they are compiled, so that you can advise the local leadership regarding them.

3. Purpose and Main Ideas. -- During this hour we shall cover the fundamentals of community analysis and evaluation. This will include:

   a. A brief discussion of community location factors and the ways in which changing technology can affect the economic life of a community.

   b. A discussion of the use of the economic profile as a way of analyzing a community.

   c. A discussion of the preparation of an in-depth study.
TRANSITION. -- By and large, people choose to live where they can earn a living. A growing community is one which exhibits job opportunities. Communities which have natural advantages -- climate and natural beauty -- will not grow unless in-migrants can find suitable jobs. (The primary exception here is in the case of persons seeking a location for retirement, such as Florida, the Ozark Mountains, etc.)

Each community must perform one or more economic functions if it is to continue to exist. And community growth requires that its people take on new economic functions or expand the existing ones. If the demand for one or more of the economic functions of a community decreases, then that community faces decline unless it is able to substitute some other function or functions for the declining function. Economic function is the driving force of the community. (This is equally true of a county or a region.) Function also has much to do with the way a community looks and the type of people who populate it.

BODY

1. Community Location Factors. -- A town or community comes into being at a geographic location which has certain advantages for performing a particular function or set of functions.

If one glances casually at a map of the world, cities and towns appear to be dotted over it promiscuously. However, a little study will reveal definite and logical reasons for the location of nearly every community. (On TRANSPARENT #1)

a. Suitability of a Site for Purposes of Defense. A strategic location for defense accounts for the formation of many early cities. If the objective
was the defense of city itself, a site difficult to approach and easy to defend might be selected at the top of a hill (Salzburg, Austria) or on an island surrounded by swamps and water (Paris originated on a group of islands in the Seine, and London in the midst of swamps). Some cities were located at strategic points for the purpose of defending an entire region (Constantinople, Turkey). A number of American communities began as military outposts or forts for protection from the Indians (Macon, Georgia; Des Moines, Iowa).

b. Development along Trade Routes. Many cities have developed at points where a break in transportation occurs, as at the meeting of ocean and land routes (New York City) or the crossing of a river (Harrisburg, Pennsylvania, at a ferry crossing of the Susquehanna River) or where plain and mountain meet, requiring adjustments in transportation (Altoona, Pennsylvania). A city is usually found at the intersection of important land routes (Utica, New York). Railroads have created cities at their permanent or temporary terminal points (Worcester, Massachusetts; Cheyenne, Wyoming). A change in rail gauge gave the community located at that point an economic function -- the transfer of freight from the cars of one line to those of the other. Cities are likely to be found along rivers that constitute trade routes. Here they may be found at the point at which a river flows into a lake or ocean (Chicago, Illinois), at the head of navigation (Albany, New York), at a junction of rivers (St. Louis, Missouri), at an obstruction in a river requiring unloading (as formerly at Louisville, Kentucky), or at a marked bend or change in direction of a river (Cincinnati, Ohio).

c. Location at the Source of Important Raw Materials. The development of newly located resources in out-of-the-way places usually creates new communities.
Butte, Montana, is located at the site of extensive copper deposits; Birmingham, Alabama, is near coal, iron, and limestone; and a number of communities in north-eastern Minnesota lie along the Mesabi, Vermilion, and Cuyana iron ranges.

d. Sites where Water Power Was Available. Some of the textile industry towns of New England owe their location to the presence of water power which, at the time of their establishment, could not be transmitted in the form of electricity.

e. Governmental Considerations. Central positions account for the location of many cities (Washington, D. C., located halfway between the North and the South before the West developed, and Columbus, Ohio, and Lincoln, Nebraska, located near the geographical centers of their respective states). Many a town has grown simply because it was chosen as the county seat.

f. Large Construction Projects. Communities which spring up "temporarily" to serve large construction projects sometimes become permanent communities (Boulder, Nevada; Norris, Tennessee).

g. Rural Trade Centers. Many a small city is located at the center of an agricultural district, serving as a collection center for crops and as a marketing center for farm families.

h. Relocation of Some Cities. Sometimes an original location proves unsatisfactory and the city is moved. (Mobile, Alabama, moved in 1710 from 27-Mile Bluff to its present location. Columbus, Kentucky, moved from low-lying land along the Mississippi River to a site on a bluff where it would be safe from floods. Hibbing, Minnesota, was moved from atop what is now the Hull-Rust Iron Mine to allow that large deposit to be worked.)
TRANSITION. -- A community will continue to flourish until the function it performs is no longer required or until another community is better able to perform that function.

2. **Economic Functions**

   a. **Major Functions.** Towns in North America are engaged primarily in non-agricultural occupations or functions. These fall into 11 main categories:

   (1) Manufacturing or processing
   (2) Retail and wholesale trade
   (3) Education
   (4) Finance
   (5) Medicine
   (6) Government
   (7) Insurance
   (8) Recreation and entertainment
   (9) Transportation
   (10) Mining
   (11) Fishing

   Most communities serve more than a single function.

   b. **Technological Change Affects Community Functions.** As technology has advanced, the fortunes of our communities have changed. Some have gained, but
many have lost. By and large, modern technology favors larger and fewer economic units, and that includes communities as well as business firms.

TRANSITION. -- One of the major technological factors in community life has been and continues to be that of transportation.

3. How Changes in Transport Technology Have Affected Communities

a. The Horse. For over 3,000 years, the horse provided the principal means of overland interurban transportation. During that period, the distance which could be traveled in one day's time remained fairly constant. There were some improvements in this mode, but, relatively speaking, the improvements had little affect on city function.

b. Water Transportation. Most of the freight, however, moved by water, causing the earliest important commercial cities to be located along the ocean or where they had good river connections to the ocean.

Many of the earlier communities in the U.S. were located along rivers or streams, because of the available water power, for access to water transportation, or for both reasons. When the railroads developed and replaced water travel as the prime carrier, those communities which were bypassed by the railroads generally either dried up or remained relatively static. (Lumber City, Georgia, is a case in point.)

c. The Railroad. The development of the railroads made many a community. Particularly favored were gateway or terminus communities such as Chicago, Atlanta, St. Louis, and Minneapolis-St. Paul. The location of a division point of a railroad meant a number of office jobs as well as jobs in the shops and
supply operations. Even the community where locomotives were changed benefited, as a number of train crews and maintenance men had to live near the roundhouse.

Three developments -- the motor vehicle, the diesel electric locomotive, and the commercial airliner -- have greatly reduced the importance of the railroads as an employer. The private car and the commercial airplane have seriously reduced the number of passengers carried by the railroads, while the motor truck has greatly reduced the proportion of freight moving by rail. In addition, the replacement of the picturesque steam locomotive by the diesel-electric locomotive has allowed the railroads to eliminate scores of roundhouses, shop buildings, train crews, and coaling and water points.

d. The Motor Vehicle. The motor vehicle, along with the parallel development of our modern highway system, has eliminated the need for many of the smaller trading centers. People can now drive to larger communities which were once well beyond a normal day's travel time, and return the same day. The same technology has eliminated the need for the large number of counties which we find in most of our states.

TRANSITION. -- Many other technological changes also have affected the economies of communities and regions in our nation.

4. Other Examples of Technological Change

a. Agriculture. Another major technological change has been in the mechanization of American agriculture. Although mechanization began in the 1830's with the invention of the reaper, it was in the early twentieth century that power-driven machinery began to be introduced. This trend continues, and
as a result it takes fewer workers today to produce our per-person needs for food and fibers. Many of the surplus workers have had the good sense and the opportunity to leave the rural scene. In 1961, a farm worker in the U. S. produced enough to support 27 persons, seven times the number of persons supplied in 1820. The mechanization of our farms was the cause, and the decline in the number employed has reduced the number of persons living in the rural areas who need, or at least can afford to buy, food, clothing and other items from the local merchants.

b. Synthetic Fibers. The introduction of synthetic fibers has reduced the demand for cotton in the U. S. Imported cotton fibers have further reduced the need for domestic production. In addition, there has been a westward shift in the production of cotton in the U. S., with a reduction in the amount of cotton grown in the southeastern U. S. There is no longer a need for one or more cotton gins in each county within the cotton belt. Consequently, the older gins are being closed down, with a reduction in job opportunities. And the newest gins are highly automated, further reducing local employment. In addition, the motor truck allows the grower to take his cotton farther from the field for ginning, and this favors the larger, automated gin which can better control the moisture content of the fiber.

c. Declining Use of Coal. Both residential and industrial users have switched from coal to other energy forms. Natural gas and electric power have replaced coal as a fuel for heating homes and other buildings. The railroads have scrapped their coal-burning locomotives and replaced them with distillate oil-burning diesel electric locomotives. The effect has been a decline in the
demand for coal miners and related employment. This trend has been accelerated by the mechanization of the coal mining industry.

d. **Iron Mining.** Iron mining was the predominant industry in northern Minnesota until the late 1950's. Then, as the richer ores were running out, the use of foreign ores in the U.S. steel mills became economically feasible as a result of the opening of the St. Lawrence Seaway. However, private industry developed ways of mining and processing the lower-grade ores which are found in northeastern Minnesota in extremely hard rock. Then the state of Minnesota granted lower tax rates to taconite operations than had been available to the conventional iron mining operations. Since that time, northeastern Minnesota has had an economic rebirth. Not all of the original mining communities have benefited, however, because the taconite area lies further east in the state than the richer ore veins which were mined earlier. At least one new community has resulted from the taconite industry.

**TRANSITION.** -- The point of all this is that the fortunes of communities and regions can change as technology advances. The economic or industrial developer needs to be aware of the changes which are affecting or could affect his area in order to capitalize on the favorable ones and to counter the unfavorable ones. This is one of the key reasons for undertaking community analysis. Now let's consider briefly the general nature of community analysis research.

5. **Community Analysis Defined.** Community analysis is the art of systematically examining the assets and liabilities of a community, identifying problems and prescribing corrective action for them, and planning a course of action designed to capitalize on the assets of the community. (On TRANSPARENCY #2)
Community analysis is a type of research. It should be the first step in any economic development research program.

b. Research Is a Means. Research is a means, not an end. It can be used to determine problems which stand in the way of certain goals. It can indicate whether a specific project is economically feasible. It can provide a list of potential industry types for further study. It can point our weaknesses and strengths in the economy, the industrial base, or the infrastructure of an area.

Research which is undertaken without due consideration of the desired end result seldom bears fruit. All too frequently studies are funded without adequate consideration of the use to which they will be put -- these end up as shelf-fillers.

But just as research without action is generally wasteful, there is also the danger that action without adequate research may also be fruitless. A development program must be based on a realistic appraisal of the current situation and the possible alternatives. Does the area already possess sufficient resources to reasonably assure attainment of the desired goal? What resources are necessary for the support of attainment of the goal? What is the minimum-size facility? Can the area support that size of operation?

Community leaders are generally aware of some of the problems facing their areas, but they are generally not aware of all of the problems.

Similarly, they are probably not cognizant of all of the assets of their area. Lacking a total picture of the community, their attempts to strengthen it will likely be less than totally effective. A systematic approach to community analysis is needed to insure that all of the assets and all of the liabilities are considered before an action program is launched.
TRANSITION. -- There are two basic methods of systematically analyzing a community -- the economic profile and the in-depth analysis. Each method has certain advantages, and either may be performed by the community, using either a volunteer or a paid staff, or by a contracting firm or agency.

6. The Economic Profile. -- Preparation of the economic profile has already been covered in a preceding session. Primarily this should be done with the intent of identifying and exploring problem areas. In much the same manner as followed when organizing survey teams, a task force composed of local leaders should be formed to study the total community profile. In many cases, the local citizenry has become so familiar with conditions that it is unable to recognize existing or potential problem areas. Similarly, most citizens probably are not cognizant of all the area's assets. Thus, a major advantage of completing the community profile is that it allows the local people to take an objective look at the community in much the same way as it would appear to an outsider.

Once organized, the task force must evaluate all the details that have been presented in the profile. Some areas are quite important to the economic development of the community, while others can be classed as secondary or tertiary -- having limited impact. All, however, have some influence on the development of the total community and none should be ignored.

a. Look for Strengths and Weaknesses. When analyzing the details of the community profile, the task force should seek to identify both strong and weak situations. Generally, the presence of growth activity in an area indicates a healthy situation and the lack of growth activity indicates an unhealthy one. However, misguided or haphazard growth in itself may create substantial problems.
For example, a large increase in manufacturing employment may not be beneficial in the long run if it is concentrated in a single industry. An industrial community based primarily on one industry is open to disaster if, for technological or other reasons, that dominant industry rapidly becomes obsolete. On balance, however, growth and activity are desirable characteristics, especially if accompanied by sound planning and foresight.

b. Correctable versus Noncorrectable Problems. Some problems, deficiencies, or weaknesses are correctable; others are not. Obviously, such weaknesses as a lack of raw materials, poor geographic location, difficult geologic features, and climatological extremes are not subject to corrective action. These weaknesses must be accepted, and an effort must be made to work around such problems rather than to confront them directly.

Some of the correctables can be rectified only over a rather long period of time -- for example, state tax laws. The lack of water transportation may be impossible to correct, due to the geography of the area, or it may require a long-range program to involve the U. S. Corps of Engineers in dredging an existing stream. A low educational level cannot be raised overnight.

Other weaknesses are more receptive to remedial measures; this type would include a lack of industrial sites or inadequate utilities and services. Problems of this nature can be approached directly. The task force, therefore, should have as a basic aim the initiation of active programs for remediable weaknesses. It is important that the long-term problems and the insolvable ones be identified, in order that sufficient attention can be focused on the short-range ones to provide measurable progress. Interest in a development program can only be held through success.
c. Other Considerations. In its analysis of the community profile, the task force should attempt to assess both the immediate and long-range impact of community trends. In the case of the community heavily dominated by a single type of industry, the obvious solution lies not in discouraging the continued growth of that industry because of the danger of obsolescence, but rather in positive efforts to diversify the industrial base by concentrating on attracting industries of a different nature.

The task force will discover that many of the standards are relative, since it is impossible to set absolute standards to be met by every community. Each situation has to be judged on its own merits within its own circumstances. For instance, a water system with a certain capacity of either raw or treated water may be adequate for one community of a certain population size but inadequate for another community of approximately the same size. The second community might be in a stage of rapid growth and industrial expansion which would cause its present water system to become completely inadequate within a very short time. On the other hand, the first community might be growing slowly or not at all, so that the existing water system would be adequate for quite some time. Expanding the water system should be of vital concern to the second community, while it may be more important for the first community to concentrate its development effort in another area, such as a more intensive use of its recreational resources. Careful analysis of the community profile should reveal information that will assist the task force in making decisions of this sort.

d. Action Needed Following Study. The community profile is a format for the presentation of basic economic and social factors. Compilation of such a
profile is a first step toward recognizing and understanding the strengths and weaknesses of the community. From this point forward, the responsibility rests upon the local leadership. Task forces should be organized to explore and define problem areas, pointing toward the creation of action programs. These programs should be designed to correct areas of weaknesses which have been uncovered or to take advantage of assets that have lain dormant.

e. **Advantages of the Economic Profile.** The main advantage of the economic profile is that it can be prepared and analyzed by members of the local development group. It is an unsophisticated, common-sense approach to the need for a look at the economy of an area.

**TRANSITION.** -- The principal advantage of the economic profile is also its major disadvantage, in that in the larger communities and in some areas which are experiencing major problems the need is for a more intensive study. Such a study preferably should be done by someone experienced in this type of economic research. Thus, many communities and area development groups may find that they will need to hire a consultant to perform an in-depth analysis.

7. **In-depth Analysis.** -- An in-depth analysis is an examination of all the economic activities which produce or earn income for the residents of a community. (On TRANSPARENCY #3) The purpose is to provide a factual explanation of the present situation, how that position has changed over time, and what the future will likely be or could be. Suggestions may be included as to how the economic base could be improved.
a. Avoid Confusing with Economic Base Analysis. In-depth analysis should not be confused with economic base analysis. The latter utilizes the economic base theory in arriving at an estimate of the number of service jobs which are "created" for each basic job. (A basic job results from the export of a good or service outside the area; a service or nonbasic job results from sales of goods or services to customers within the area.) Economic base analysis does not produce the meaningful information which the in-depth analysis is capable of developing. However, because the economic base analysis appears more scientific (i.e., more quantitatively oriented), practitioners who are striving for an air of sophistication persist in using this technique.

b. Weaknesses of Economic Base Analysis. We might compare economic base analysis with an attempt to determine what is wrong with an automobile simply by the octane rating of the gasoline going into it. Economic base analysis ignores a number of pertinent items, just as octane analysis alone would ignore the condition of the ignition system, the carburetor, the cooling system, etc. The principal misconception on which economic base analysis is based is the belief that so long as a community can add additional manufacturing jobs, employment in all the other sectors of the economy automatically will adjust upward to provide the services and goods required by the new workers in manufacturing. But, in many growing communities, both local and outside entrepreneurs either fail to recognize the added potential or do not choose to capitalize on it.

Housing, for rent and for purchase, and retailing are the two most common examples of this phenomenon. The lack of suitable housing will keep people
from moving into a community, even if good jobs are available. This problem
can become so acute as to prevent the location of new industrial plants in
an otherwise suitable area.

c. The Multiplier Theory Often Misunderstood. Furthermore, a lack of
understanding of the multiplier theory as it applies to urban and regional
economies also creates problems. The multiplier theory maintains that growth
in one sector induces growth in other sectors of a region. Its major premise
is that the growth of a region or a community comes entirely from the goods
and services which are produced locally and sold outside the community or
region. The producing economic activities or sectors are referred to as basic.
The basic activities are supported by the service sectors which do not "export"
outside the area.

Many local developers mistakenly believe that all manufacturing activity
and no other types of economic activity are basic. In reality, some manufac-
turing plants are primarily nonbasic or service in nature while certain non-
manufacturing sectors are in fact basic. The nonbasic manufacturers might
include milk and soft drink bottlers, ice cream plants, feed mills, bakeries,
and ready-mixed concrete plants; some basic nonmanufacturing would include such
activities as medical services, state and Federal governmental offices, and
wholesale and retail establishments. Because of the mistaken belief that only
manufacturing industries are exporters, few economic development programs
include any efforts to attract nonmanufacturing activities.

d. "New Money" Versus "Old Money." Sometimes community groups overem-
phasize the need to bring so-called "new money" into the area via exports,
completely overlooking the need to reduce the leakage of "old money" out of the area. Let's look at a greatly simplified flow chart of the economy of a community. (On TRANSPARENCY #4) The large triangle at the bottom represents the total income received by local residents. Part of that income (roughly 5% to 8% nationally) is put into savings and the rest is spent on various items, as shown by the smallest triangle. The significant portion of the diagram is the third triangle, labeled "propensity to buy locally/outside the area."

Purchases of goods and services originating outside the area by area residents and businesses constitute a leakage of money from the local economy. Unlike the propensity to consume or save, the propensity to buy locally or outside the area can be influenced through the local economic development program. The leakage of money outside the local economy can be reduced by upgrading the existing retail and service enterprises and by establishing additional firms or attracting them from outside the area. Because a portion of retail and service trade comes from persons living outside the local economy, such action will also increase the amount of "new money" entering the economy.

e. The Need for Objectivity. The in-depth analysis should be prepared by someone who is cognizant of what aids and what hinders the total economic growth of a community -- someone who can honestly and objectively appraise the community. One of the biggest problems faced by the professional developer is to convince the citizens of Punkin Center, who have lived there all their born days, that the community is deficient in some ways.

f. The Major Economic Sectors. The study should cover all of the economic sectors: (On TRANSPARENCY #5)
(1) Manufacturing  
(2) Retail trade  
(3) Wholesale trade  
(4) Services  
(5) Transportation  
(6) Finance, insurance, and real estate  
(7) Communications and utilities  
(8) Agriculture, forestry, and fishing  
(9) Mining  
(10) Government  

Note that tourism is a pseudo-sector; that is, it actually encompasses some portion of several of these sectors.

A number of questions are raised regarding each sector: (On TRANSPARENCY #6)

What are the weaknesses and strengths of each sector? Why has employment risen in some sectors, and can we expect them to continue to gain? What must we do to enable them to continue to increase? What effect will continued growth in each sector have on other sectors of the local economy?

A series of questions are used in analyzing the static or declining sectors, also. (On TRANSPARENCY #7)

Why has the number of jobs declined or been static in other sectors? Is this a national and regional trend? What can be done to correct this? What might be done to offset the loss?
g. The Effect of Local and National Markets and Internal Linkages.

Consideration should be given to which of the sectors are primarily dependent on markets outside the area and which sectors are primarily dependent on local markets. Those dependent on regional or national markets are vulnerable to outside competition but sheltered from fluctuations in the local economy. Firms dependent on the local market, on the other hand, are fairly well insulated from outside competition but are strongly affected by local economic conditions.

The study must determine whether there are internal linkages between two or more of the sectors or major employers within a sector. For example, a local plant producing earth-moving equipment may be the major customer of a steel supply house, a metal plating operation, a manufacturer of hydraulic control equipment, etc. -- all also located in the community. Thus, a nationwide lull in major construction projects would affect employment not only in the earth-moving equipment plant, but also in the other plants and enterprises which are linked to the equipment plant.

h. Other Factors to Be Studied. The study considers what raw materials are available locally and which ones are shipped through the area that might be processed in-transit. Also important is transportation: the modes which serve the community, their destinations, and the frequency and rapidity of the service.

Are the municipal and county governments doing everything possible toward the expansion of the economic base, or are there inefficiencies, missing services, and a reluctance to use the borrowing power of local government to move the area forward? What about the present capacity of the water and sewerage
systems? Is vocational training available? Is the high school large enough to provide a modern education?

What about the availability of industrial sites? Are they served by utilities, rail, and highway services? In short, is suitable land available, developed, and ready for industry?

i. Some Action Recommendations from Actual Studies. Let's look at some of the recommendations which came out of four in-depth studies done several years ago. For one community the recommendations included:

(1) Promotion of the community as a location for wholesale distribution facilities.

(2) Improvements in retail stores -- in appearance inside and out, selection of goods, and sales personnel.

(3) Improvements in traffic patterns within the community.

(4) Attempts to free land adjacent to the municipal airport from Federal restrictions in order to use it for an industrial park.

For another community:

(1) Improve the city's physical appearance.

(2) Attempt to establish an area vocational-technical school

(3) Establish a planning and zoning program.

(4) Enlarge the water mains and water treatment plant.

(5) Expand the capacity of the disposal plant.
For a third community:

(1) Establish a county planning program.

(2) Promote the area as a location for governmental, recreation, distribution, and service facilities as well as manufacturing.

(3) Identify additional off-rail industrial sites and zone them for industrial use only.

For still another community, the following were suggested:

(1) The coordination or combination of the development and promotional activities of three chambers of commerce. (This community consists of several contiguous incorporated towns, lying in two states.)

(2) The coordination of land-use and street planning of the several adjacent governmental units.

(3) The rerouting of rail lines around the central business districts.

(4) The establishment of a holding point for grain inspection, to allow off-loading of eastbound grain for processing in the area without having to backhaul the grain from the existing holding point.

(5) The cancellation of plans for a second municipal airport and the establishment of a metropolitan airport authority to provide funds for expanding the existing facility.

(6) The compilation and publication of employment data for the entire metropolitan area, rather than for the separate communities in the two states.
(7) The establishment of an area vocational-technical school.

OPPORTUNITY FOR QUESTIONS

SUMMARY

We have said that economic function is the driving force of a community, and shown how technological changes can have a strong effect on the economic well-being of a community. We defined community analysis as the art of systematically examining the assets and liabilities of a community, identifying problems and prescribing corrective action, and planning action designed to capitalize on the assets.

You have heard how an economic profile may be used in analyzing a community, and how a more detailed study might be performed. In the next several hours you will have an opportunity to use an economic profile in analyzing a community here in Georgia.
LIST OF SUPPORTING PAPERS

1. Training Aids

   TRANSPARENCY #1 Community Location Factors
   TRANSPARENCY #2 Community Analysis
   TRANSPARENCY #3 In-depth Analysis
   TRANSPARENCY #4 Simplified Flow Chart of the Economy of a Community
   TRANSPARENCY #5 Major Economic Sectors
   TRANSPARENCY #6 Growing Sectors of the Economy
   TRANSPARENCY #7 Static or Declining Sectors of the Economy

2. Other Documentation

   OUTLINE OF INSTRUCTION to be reproduced locally
COMMUNITY ANALYSIS AND EVALUATION

Outline of Instruction

PURPOSE: To present fundamental methodologies useful in analyzing the strengths and weaknesses of a community, in identifying problem areas, and in suggesting corrective measures for these problems.

STUDY REFERENCES: None

1. Community Location Factors
   a. Suitability of a Site for Purposes of Defense
   b. Development along Trade Routes
   c. Location at the Source of Important Raw Materials
   d. Sites Where Water Power Was Available
   e. Governmental Considerations
   f. Large Construction Projects
   g. Rural Trade Centers
2. Economic Functions

a. Major Functions

b. Technological Change Affects Community Functions

3. How Changes in Transport Technology Have Affected Communities

a. The Horse

b. Water Transportation

c. The Railroad

d. The Motor Vehicle

4. Other Examples of Technological Change

a. Agriculture

b. Synthetic Fibers
c. **Declining Use of Coal**

d. **Iron Mining**

5. **Community Analysis**

a. **Community Analysis Defined**

b. **Research Is a Means**

6. **The Economic Profile**

a. **Look for Strengths and Weaknesses**

b. **Correctable versus Noncorrectable Problems**

c. **Other Considerations**

d. **Action Needed following Study**

e. **Advantages of the Economic Profile**
7. **In-depth Analysis**

a. **Avoid Confusion with Economic Base Analysis**

b. **Weaknesses of Economic Base Analysis**

c. **The Multiplier Theory Often Misunderstood**

d. **"New Money" versus "Old Money"**

e. **The Need for Objectivity**

f. **The Major Economic Sectors**

g. **The Effect of Local and National Markets and Internal Linkages**

h. **Other Factors to Be Studied**

i. **Some Action Recommendations from Actual Studies**
**LESSON PLAN**

### Essential Data

<table>
<thead>
<tr>
<th>TITLE:</th>
<th>EVALUATION OF COMMUNITY RESOURCES</th>
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<td>To conduct an analysis and evaluation of a community, including the identification of strengths and weaknesses, the isolation of problem areas, and the development of goals for the community</td>
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<td>DATE PREPARED:</td>
<td>March 25, 1969</td>
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<td>METHOD OF INSTRUCTION:</td>
<td>Conference</td>
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<td>HOURS:</td>
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<td>STUDY ASSIGNMENT:</td>
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<td>ESTIMATED TIME REQUIRED TO COMPLETE STUDY ASSIGNMENT:</td>
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<tr>
<td>INSTRUCTOR REFERENCES:</td>
<td>1. Handbook on Community Development</td>
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<tr>
<td></td>
<td>6. Gunnar Alexandersson, <em>The Industrial Structure of American Cities</em>, University of Nebraska Press, Lincoln, Nebraska, 1956</td>
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</table>
TRAINING AIDS:

ADDITIONAL DETAILS:

See LIST OF SUPPORTING PAPERS

Reproduce one copy of the CONFERENCE LEADER'S GUIDE for each group leader and one copy of the AGENDA and the SUPPLEMENTARY MATERIAL for each student.
EVALUATION OF COMMUNITY RESOURCES

Conference Outline

INTRODUCTION

1. Instructor Action. -- During the preceding hour, we learned some of the basics of community analysis as they apply to community development. During the next three hours, we are going to apply these basics to an actual community situation. Using a published economic profile for a community, we shall attempt to identify that community's strengths and weaknesses, suggest some areas for potential development, and develop some goals around which action might be aimed at improving the situation.

At this point, let us review our Community Development Plan. As you will recall, the purpose of the Small Business Administration Community Development Plan is to focus all SBA resources on worthy community projects that local development plans and programs identify. This is accomplished by assisting local development groups to organize properly, by helping them to develop a full program, and by making known to them the scope of SBA and other Federal programs.

Thus the SBA Community Development Plan has three essentials:

a. An incorporated organization in each community which SBA can counsel and advise.

b. A commitment by that local organization to develop an analysis of community needs and goals as a basis for an action plan and a justification for projects which are deemed essential to the further development of the community.
c. A commitment by the organization to work with SBA toward achievement of the community goals.

All of these essentials should be present in a community before the Small Business Administration commits extensive time and effort of its personnel in the solution of community problems. Where a viable organization does not exist, one must be developed before the entire SBA Community Development Plan can be activated. The commitment to design an overall plan of development must be made by the community organization. To accomplish the preparation of this plan, we must encourage and advise the local leadership. By going through this exercise, we will better understand how such a plan can be developed.

To accomplish this, we shall discuss the items contained in the agenda you have been furnished. Each of you also has been furnished a list of the conference groups. Will you now please join with your conference leader in the place indicated?

CONFERENCE PROCEDURE

At this point, the class will begin the 80-minute individual group work sessions under the guidance of the conference leaders. These leaders may be other members of the instruction team. A CONFERENCE LEADER'S GUIDE and the AGENDA are appended to this lesson plan.

This conference period is designed to run for approximately three hours, as follows:

- Instructor's Introduction of Exercise: 10 Minutes
- Conference Group Work Sessions: 80 Minutes
- Break: 10 Minutes
Conference Group I Presentation 15 Minutes
Conference Group II Presentation 15 Minutes
Conference Group III Presentation 15 Minutes
General Discussion 35 Minutes

TOTAL 180 Minutes

CONFERENCE CRITIQUE (45 Minutes)

Now, will each group leader briefly describe the results obtained by his group? (Each group should utilize roughly 15 minutes.)

GENERAL DISCUSSION (35 Minutes)
LIST OF SUPPORTING PAPERS

1. Training Aids

None

2. Other Documents

SUPPLEMENTARY MATERIAL #1
"Economic Data on Greensboro (Greene County), Georgia," Industrial Development Division, Georgia Institute of Technology, Atlanta, January 1965

SUPPLEMENTARY MATERIAL #2
Selected Data from "Greene County Manpower Resources Profile," Industrial Development Division, Georgia Institute of Technology, Atlanta, 1968

CONFERENCE LEADER'S GUIDE

AGENDA
EVALUATION OF COMMUNITY RESOURCES

Conference Leader's Guide

General Instructions

BACKGROUND. -- A conference is a group discussion in which the members actively participate, conversing on a given problem or topic under the leadership of an instructor or student. To be most effective, a conference period of instruction must involve participants who have a general knowledge of the subject matter to be discussed. It can be assumed that the participants in this period of instruction have some knowledge of what makes a good community, both as a place to live and as a place in which to do business. In any event, the conference should draw from each participant his views of the community as it appears to him from the profile and develop in each participant an awareness of the problems involved with community development.

BASIC OBJECTIVE

The basic objective of this period of instruction is to provide the participants with an opportunity to analyze a particular community and to develop an action program for it. When practicable, the small group is used as a vehicle for discussion. The objective is not to foster consensus, but rather to encourage thought and discussion, emphasizing those socioeconomic factors of a community with which the participants are acquainted.

PROCEDURE

To achieve the objective of a conference period of instruction, it is
necessary that there be a reasonable balance between relevant and irrelevant subject matter. In other words, it can be expected that participants occasionally will discuss irrelevant matter when seeking to express themselves on the subject at hand. Thus, the discussion leader must use skill and tact in keeping the conference "on the track."

Generally speaking, the following procedure will be followed:

a. Restate reasons for the conference and general procedure to be followed.

b. Give your group 25 minutes in which each person is to read through the material on Greensboro and to list problems, weaknesses, strengths, and potentials.

c. Open the conference to discussion of the community's problems and weaknesses (15 minutes).

d. Open the conference to discussion of the community's strengths and potentials (15 minutes).

e. Open the conference to discussion of the possible goals which might be established for the community (20 minutes).

f. Return to classroom for 15-minute presentation by each conference leader.

g. Conduct general discussion of the problem and the techniques of evaluating community resources.

TIMING

A time schedule has been provided as a general guide. Judgment should be used so that areas in which participants are knowledgeable and interested are emphasized. All agenda items should be covered unless it is obvious
that to do so would make the period less effective. Frequently, it is better to cover all items and return to a particular one for additional discussion later, if time permits.

AGENDA

EVALUATION OF COMMUNITY RESOURCES

Conference Agenda

Agenda Item No. 1  (5 Minutes)

Restatement of Conference Purpose and General Procedures Introduction
a. Introduction
b. Purpose of conference
c. General procedures

Agenda Item No. 2  (25 Minutes)

Individual Study of the Community Data

Agenda Item No. 3  (15 Minutes)

Formulation of List of Weaknesses and Problems

Agenda Item No. 4  (15 Minutes)

Formulation of List of Strengths and Potentials

Agenda Item No. 5  (20 Minutes)

Formulation of General Development Goals
EVALUATION OF COMMUNITY RESOURCES

Conference Agenda

Agenda Item No. 1. (5 Minutes)

Restatement of Conference Purpose and General Procedures Introduction
a. Introduction
b. Purpose of conference
c. General procedures

Agenda Item No. 2 (25 Minutes)

Individual Study of the Community Data

Agenda Item No. 3 (15 Minutes)

Formulation of List of Weaknesses and Problems

Agenda Item No. 4 (15 Minutes)

Formulation of List of Strengths and Potentials

Agenda Item No. 5 (20 Minutes)

Formulation of General Development Goals
SUPPLEMENTARY MATERIAL #1

ECONOMIC DATA

ON

GREENSBORO (GREENE COUNTY), GEORGIA

Prepared under contract with
Northeast Georgia Area Planning and Development Commission

by

Industrial Development Division
Engineering Experiment Station
GEORGIA INSTITUTE OF TECHNOLOGY
January, 1965
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<td>7,8</td>
</tr>
<tr>
<td>Recreation</td>
<td>14</td>
</tr>
<tr>
<td>Rivers and Streams</td>
<td>11</td>
</tr>
<tr>
<td>Sewers</td>
<td>11</td>
</tr>
<tr>
<td>Sites</td>
<td>17</td>
</tr>
<tr>
<td>Taxes</td>
<td>11</td>
</tr>
<tr>
<td>Telephone and Telegraph</td>
<td>16</td>
</tr>
<tr>
<td>Transportation</td>
<td>5,6</td>
</tr>
<tr>
<td>Truck Lines</td>
<td>6</td>
</tr>
<tr>
<td>Unions</td>
<td>4</td>
</tr>
<tr>
<td>Water</td>
<td>10,11</td>
</tr>
<tr>
<td>Wells</td>
<td>11</td>
</tr>
</tbody>
</table>
ECONOMIC DATA
ON
GREENSBORO (GREENE COUNTY), GEORGIA

Greensboro, county seat of Greene County, is located in the east central section of Georgia, 34 miles south of Athens, 78 miles east of Atlanta, 83 miles west of Augusta and 65 miles north of Macon. U. S. Highway 278 (Georgia Highway 12) and Georgia Highways 15 and 44 pass through the city. Interstate Highway 20, when completed, will pass within two miles of Greensboro, with an interchange proposed at Georgia Highway 44. Other incorporated towns in the county include Penfield (1960 population: 105), Siloam (321), Union Point (1,615), White Plains (273) and Woodville (372).

POPULATION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Greensboro</td>
<td>2,688</td>
<td>2,773</td>
<td>749</td>
<td>814</td>
<td>1,120</td>
<td>1,280</td>
</tr>
<tr>
<td>Greene County</td>
<td>12,843</td>
<td>11,193</td>
<td>2,533</td>
<td>2,782</td>
<td>6,545</td>
<td>5,873</td>
</tr>
</tbody>
</table>

Labor Drawing Area

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarke County</td>
<td>45,363</td>
<td>16,955</td>
<td>16,793</td>
<td></td>
<td>11,522</td>
<td></td>
</tr>
<tr>
<td>Greene County</td>
<td>11,193</td>
<td>2,533</td>
<td>2,782</td>
<td></td>
<td>5,873</td>
<td></td>
</tr>
<tr>
<td>Hancock County</td>
<td>9,979</td>
<td>1,191</td>
<td>1,327</td>
<td></td>
<td>7,459</td>
<td></td>
</tr>
<tr>
<td>Morgan County</td>
<td>10,280</td>
<td>2,613</td>
<td>2,747</td>
<td></td>
<td>4,920</td>
<td></td>
</tr>
<tr>
<td>Oconee County</td>
<td>6,304</td>
<td>2,397</td>
<td>2,511</td>
<td></td>
<td>1,393</td>
<td></td>
</tr>
<tr>
<td>Oglethorpe County</td>
<td>7,926</td>
<td>2,160</td>
<td>2,210</td>
<td></td>
<td>3,556</td>
<td></td>
</tr>
<tr>
<td>Putnam County</td>
<td>7,798</td>
<td>1,746</td>
<td>1,838</td>
<td></td>
<td>4,214</td>
<td></td>
</tr>
<tr>
<td>Taliaferro County</td>
<td>3,370</td>
<td>596</td>
<td>677</td>
<td></td>
<td>2,096</td>
<td></td>
</tr>
<tr>
<td>Wilkes County</td>
<td>10,961</td>
<td>2,607</td>
<td>2,735</td>
<td></td>
<td>5,618</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>113,174</td>
<td>32,798</td>
<td>33,620</td>
<td></td>
<td>46,651</td>
<td></td>
</tr>
</tbody>
</table>
EXISTING INDUSTRY

Establishments Employing 25 or More

<table>
<thead>
<tr>
<th>Name</th>
<th>Product</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greensboro Lumber Co.</td>
<td>Lumber</td>
<td>35</td>
<td>33</td>
<td>2</td>
</tr>
<tr>
<td>Greensboro Mfg. Co.</td>
<td>Men's dress pants</td>
<td>100</td>
<td>15</td>
<td>85</td>
</tr>
<tr>
<td>Lena-Hy Garment Co., Inc.</td>
<td>Boys' and men's apparel</td>
<td>43</td>
<td>5</td>
<td>38</td>
</tr>
<tr>
<td>Mary Leila Cotton Mills, Inc.</td>
<td>Cotton sheeting</td>
<td>313</td>
<td>204</td>
<td>109</td>
</tr>
<tr>
<td>Union Mfg. Co. (Union Point)</td>
<td>Yarns and hosiery</td>
<td>350</td>
<td>88</td>
<td>262</td>
</tr>
<tr>
<td>Union Point Lumber Co. (Union Point)</td>
<td>Lumber</td>
<td>30</td>
<td>29</td>
<td>1</td>
</tr>
<tr>
<td>Warren-Featherbone Co., The</td>
<td>Baby wear</td>
<td>43</td>
<td>3</td>
<td>40</td>
</tr>
</tbody>
</table>

Establishments Employing Less than 25

<table>
<thead>
<tr>
<th>Name</th>
<th>Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Herald-Journal, The, newspaper, printing</td>
<td>Woodcraft Furniture Shop, furniture and custom work</td>
</tr>
<tr>
<td>Hodges Ready Mixed Concrete, ready-mixed concrete</td>
<td></td>
</tr>
</tbody>
</table>

New Industries and Expansions in Last 5 Years


Unions

One industrial union, Textile Workers Union of America (AFL-CIO), has representation in Greensboro.
MANUFACTURING EMPLOYMENT

There are about 495 persons employed by manufacturing firms in Greensboro, 260 men and 235 women; of these, 63 per cent are engaged in textile manufacturing and 29 per cent in apparel manufacturing. Manufacturing employment for Greene County amounts to about 920 persons, 380 men and 540 women. Over 92 per cent of these are engaged in the manufacture of textiles and apparel.

LABOR SUPPLY

The Greensboro labor market area (Clarke, Greene, Hancock, Morgan, Oconee, Oglethorpe, Putnam, Taliaferro and Wilkes counties) contains approximately 2,800 available workers, provided attractive job opportunities are offered, according to conservative estimates made by the Georgia Department of Labor in December, 1964. The available pool consists of 900 white men, 900 white women, 500 Negro men and 500 Negro women. Generally, the supply includes farm surplus workers, marginal farm operators, school graduates and dropouts, housewives and the currently unemployed. This pool is largely unskilled but trainable; it contains a few persons with previous experience in textile and garment manufacture.

TRANSPORTATION

Railroads

The Georgia Railroad Co. (component part of the Atlantic Coast Line and Louisville & Nashville Railroad System) operates its main line through Greensboro from Augusta to Atlanta, with interchange points at Atlanta and Augusta. The nearest piggyback ramps are at Athens (34 miles northwest) on the Seaboard Air Line Railroad.

Shipping time for carloads to New York is third-morning delivery; carloads reach Chicago and Detroit on the fourth morning.
Truck Lines


Delivery time to New York or Chicago for truckloads is second morning; truckloads reach Detroit on the third morning. Less-than-truckloads require one additional day to all three points.

Principal routes used are U. S. Highway 278 (Georgia Highway 12) and Georgia Highways 15 and 44. Interstate Highway 20, when completed, will pass within two miles of Greensboro, with an interchange proposed for Georgia Highway 44.

Air Lines

The nearest commercial airport is at Athens (34 miles northwest), where Southern Airways offers five flights daily. Private airport facilities are available in Madison (18 miles west). Greene County has optioned a 40-acre plot of land one mile north of Greensboro for future use as an airport; an existing 1,600-foot paved strip is to be reworked to provide a 2,000-foot paved runway.

Bus Service

Southeastern Stages, Inc. operates 10 buses daily through Greensboro. Parcel freight service is available, with the majority of shipments coming from Atlanta.
RAW MATERIALS

Minerals

Mica, feldspar, copper and iron ore were formerly mined in Greene County in the Union Point area; sand is presently being mined in northwest Greene County by L. C. Curtis and Son, Inc., and granite is being quarried 10 miles south of Greensboro by the Davidson Granite Co.

Forest Resources

Greene County had 81.3 per cent (208,900 acres) of its 258,600 acres classified as commercial forest land in 1961, with a net volume of all timber of 2,599,000 cords.

<table>
<thead>
<tr>
<th>Species</th>
<th>Net Volume of All Timber - Greene County (1961)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pine</td>
<td>1,741,000 cords</td>
</tr>
<tr>
<td>Soft hardwoods</td>
<td>466,000 cords</td>
</tr>
<tr>
<td>Hard hardwoods</td>
<td>392,000 cords</td>
</tr>
</tbody>
</table>


Greensboro Lumber Co. operates a planing and saw mill.

Agricultural Products

Between 1944 and 1959, the number of farms in Greene County decreased from 1,520 to 558, while the average farm size went from 111.5 acres to 232.9 acres. During the same period, the total land in farms dropped from 169,484 acres to 129,951 acres and the harvested cropland decreased from 51,296 acres to 13,125 acres.

Total farm income nearly doubled between 1944 and 1959, rising from $1,109,646 to $2,046,716. This increase was due primarily to increased livestock sales, which rose from $373,350 in 1944 to $1,557,113 in 1959. In 1959, sales of all crops amounted to $489,603, of dairy products to $630,830, of poultry and poultry products to $457,499, of other livestock to $468,784 and of forest products to $277,802. Major agricultural commodities produced in the county are livestock, dairy products and cotton.
Commodity | 1959 Production - Greene County
--- | ---
Cotton | 935 bales
Milk and cream | 12,824,909 pounds
Chickens sold | 286,443 head
Chickens eggs sold | 753,117 dozen
Livestock on farms
   Cattle and calves | 11,496 head
   Hogs and pigs | 1,975 head


POWER AND FUEL

Electric Power

Georgia Power Co. distributes electricity in Greensboro through a 4-kv distribution system. Total substation capacity is 2,500 kva; the peak recorded demand was 1,875 kva. The area is served by one 110-kv line and one 44-kv line. One industry is served with an individual substation directly from the 44-kv line.

Monthly Rates
Schedule C-8
(Small Industrial Consumer)

Demand Charge: $1.10 per kw of maximum demand per month, plus
Energy Charge: First 20,000 kwh per month @ 1.50¢ per kwh
   Next 30,000 kwh per month @ 1.00¢ per kwh
   Over 50,000 kwh per month @ 0.75¢ per kwh
Schedule C-9
(Large Industrial Consumer)

Demand Charge: $0.90 per kva of maximum demand per month, plus
Energy Charge: First 20,000 kwh per month @ $1.50 per kwh

Next 30,000 kwh per month @ $1.00 per kwh

Next 150,000 kwh per month @ $0.75 per kwh

Over 200,000 kwh per month @ $0.58 per kwh

Natural Gas

Natural gas, purchased from Transcontinental Gas Pipe Line Corp., is distributed by the city of Greensboro. The system, completed in the fall of 1964 and tied in with the Union Point system, has a maximum allotment of 1,324,000 cubic feet per day. The Btu content of the gas is 1,050.

Monthly Rates

Industrial

All gas at $0.75 per thousand cubic feet; minimum bill is $100.00 per month or $1,200 per year.

Industrial-Interruptible

All gas at $0.37 per thousand cubic feet.

LP Gas

Sorrow Gas Co. of Union Point serves Greensboro and a 50-mile radius with propane only. The firm has a storage capacity of 48,000 gallons and distributes over 1-million gallons annually.

Fuel Oil

Four oil companies maintain bulk plants in Greene County.

American Oil Co. (Union Point)  Phillips Petroleum Co. (Union Point)
Gulf Oil Corp. (Greensboro)  Standard Oil Co. (Union Point)

The price of No. 2 fuel oil delivered in tank-wagon quantities is 16.6 cents per gallon. Delivered bulk transport loads cost from 10.5 cents to 12.5 cents per gallon.
Coal

Industrial coal (2 x 0 nut and slack) from Tennessee and Kentucky mines may be purchased through Atlanta brokers. Coal rated at 13,100 Btu per pound and 7.0 per cent ash costs $8.73 per ton delivered in carload lots; another coal with a 13,650 Btu content and a 4.5 per cent ash costs $9.09 per ton.

WATER

City System

Water is obtained from Richland Creek (minimum flow 1,296,000 gallons daily). The pumping capacity of the system is 720,000 gallons per day, and filter capacity is 1,000,000 gallons daily. Storage capacity for finished water consists of 370,000 gallons elevated and 300,000 gallons ground, and for raw water, a 16.5-million gallon reservoir. Maximum consumption is estimated at 360,000 gallons per day. There are 1.5 miles of eight-inch or larger water mains in service.

Monthly Rates

<table>
<thead>
<tr>
<th>First</th>
<th>Next 7,000 gallons</th>
<th>Next 40,000 gallons</th>
<th>Next 25,000 gallons</th>
<th>Next 25,000 gallons</th>
<th>Over 100,000 gallons</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,000 gallons</td>
<td>@ 0.70 per thousand gallons</td>
<td>@ 0.60 per thousand gallons</td>
<td>@ 0.40 per thousand gallons</td>
<td>@ 0.30 per thousand gallons</td>
<td>@ 0.20 per thousand gallons</td>
</tr>
<tr>
<td>3,000 gallons</td>
<td>$3.00 minimum</td>
<td>$3.00 minimum</td>
<td>$3.00 minimum</td>
<td>$3.00 minimum</td>
<td>$3.00 minimum</td>
</tr>
</tbody>
</table>

Water Analysis

<table>
<thead>
<tr>
<th>Parts per Million</th>
<th>Parts per Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silica (SiO₂)</td>
<td>14.0</td>
</tr>
<tr>
<td>Iron (Fe)</td>
<td>0.3</td>
</tr>
<tr>
<td>Calcium (Ca)</td>
<td>10.0</td>
</tr>
<tr>
<td>Magnesium (Mg)</td>
<td>3.0</td>
</tr>
<tr>
<td>Sodium (Na)</td>
<td>9.0</td>
</tr>
<tr>
<td>Potassium (K) sodium</td>
<td>Trace</td>
</tr>
<tr>
<td>Bicarbonate (HCO₃)</td>
<td>42.0</td>
</tr>
<tr>
<td>Sulphate (SO₄)</td>
<td>10.0</td>
</tr>
<tr>
<td>Chloride (Cl)</td>
<td>10.0</td>
</tr>
<tr>
<td>Fluoride (F)</td>
<td>Trace</td>
</tr>
<tr>
<td>Nitrate (NO₃)</td>
<td>0.4</td>
</tr>
<tr>
<td>Total alkalinity</td>
<td>34.0</td>
</tr>
<tr>
<td>Total dissolved solids</td>
<td>98</td>
</tr>
<tr>
<td>Total hardness as</td>
<td>37</td>
</tr>
<tr>
<td>CaCO₃</td>
<td></td>
</tr>
<tr>
<td>pH</td>
<td>7.0</td>
</tr>
</tbody>
</table>
Rivers and Streams

The Oconee River, at a point about six miles west of Greensboro, registered a minimum daily flow of 36,176,000 gallons during the drought of 1954.1/

Wells

Mary Leila Cotton Mills operates two industrial wells:

<table>
<thead>
<tr>
<th>No.</th>
<th>Diameter</th>
<th>Depth</th>
<th>Daily Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10 inches</td>
<td>700 ft</td>
<td>129,600 gallons</td>
</tr>
<tr>
<td>2</td>
<td>8 inches</td>
<td>340 ft</td>
<td>86,400 gallons</td>
</tr>
</tbody>
</table>

Sewers

About 95 per cent of the water customers are served by sanitary sewers, and 95 per cent of the paved city streets are served by storm sewers. Sewage is dumped raw into Richland Creek, seven miles below Greensboro. No restrictions are placed on industrial use of the system. A sewerage charge of $16.00 per year is levied.

FINANCES AND TAXES

Taxes

Greensboro's tax rate for 1964 (and the last five years) is $10.00 per $1,000 of assessed value (based on 33 1/3 per cent of actual value). The county tax rate for 1964 is $40.00 per $1,000 of assessed value (based on 20 per cent of actual value); the county tax rate for the last five years has averaged $40.00 per $1,000 assessed value. Industrial property is taxed at the same rate as other property by the county and city, except that the county assesses new industrial property at only 10 per cent of actual value for the first three years.

**Finances**

<table>
<thead>
<tr>
<th></th>
<th>Greensboro</th>
<th>Greene County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonded debt (January 1, 1965)</td>
<td>$60,000</td>
<td>None</td>
</tr>
<tr>
<td>Revenue bonds (January 1, 1965)</td>
<td>261,000(^1/)</td>
<td>None</td>
</tr>
<tr>
<td>Expenditures (1960-64)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General (total)</td>
<td>$221,894.19</td>
<td>$1,048,886.83(^2/)</td>
</tr>
<tr>
<td>Capital</td>
<td>71,941.88(^3/)</td>
<td>66,112.64(^2/)</td>
</tr>
</tbody>
</table>

\(^1/\) Water and sewerage bonds only.

\(^2/\) For four years only, 1960-63.

\(^3/\) Increase in fixed assets for five years, 1960-64.

---

**CITY SERVICES**

**Fire Protection**

Greensboro has one fire station, two fire engines and 18 volunteers. The National Board of Fire Underwriters' rating is Class 8.

**Police Protection**

Greensboro has three uniformed officers and one patrol car and operates regular night patrols. The county has one sheriff, one uniformed police officer and two patrol cars.

**Planning and Zoning**

The city legally has a planning commission but no zoning ordinances or major street plans have been established. Greene County also has a newly organized planning commission which supersedes city planning commissions in the county and is served by the staff of the Northeast Georgia Area Planning and Development Commission.
EDUCATION

The Greene County Board of Education operates all the schools in Greene County. One combination school (grades 1-12), one elementary school and one high school are located in Greensboro.

The total cost per child (based on Average Daily Attendance) for the 1963-64 school year was $280.31, of which $22.94 came from local funds. Teachers' salaries follow the state salary schedule, ranging from $3,824 (with a professional four-year certificate) to $6,296 (with a professional six-year certificate). Local salary supplements ranging from $500 to $1,000 are paid to classroom teachers with special duties (science and commercial), athletic coaches, counselors and principals.

The following data pertain to the 1963-64 school year:

<table>
<thead>
<tr>
<th>Number of Schools</th>
<th>White</th>
<th>Negro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>High</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Combination (1-12)</td>
<td>2</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Average Daily Attendance</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary (grades 1-7)</td>
<td>646</td>
<td>1,109</td>
</tr>
<tr>
<td>High (grades 8-12)</td>
<td>386</td>
<td>545</td>
</tr>
<tr>
<td>Exceptional</td>
<td>-</td>
<td>36</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of High School Graduates</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1964</td>
<td>61</td>
<td>72</td>
</tr>
<tr>
<td>Average last 5 years</td>
<td>63</td>
<td>74</td>
</tr>
<tr>
<td>Teacher-Pupil Ratio</td>
<td>1:22</td>
<td>1:24</td>
</tr>
</tbody>
</table>

Vocational agriculture, home economics, industrial arts and commercial courses are offered in the high schools.

The University of Georgia, with an enrollment of over 11,000, and an Area Vocational-Technical School are located at Athens (34 miles northwest).
HEALTH

Hospital

The Minnie G. Boswell Memorial Hospital, a 52-bed Hill-Burton hospital, is staffed by seven physicians, one surgeon and five registered nurses. Its equipment includes x-ray, general laboratory equipment, incubators and operating equipment. Four other doctors and one dentist are on the courtesy staff. Three physicians and one dentist maintain practices in Greensboro.

Health Department

The Greene County Health Department is staffed by a public health nurse, a clerk and a part-time sanitarian. General health services, including such clinics as x-ray, mother and child health, well-baby and immunization, are provided to residents of the county.

RECREATION

Greensboro does not have a recreation program. The Lions Club and the Methodist Church maintain equipped playgrounds. Business and civic groups sponsor five Little League baseball teams. Facilities include a lighted high school football-baseball field and Lake Side recreation center, a commercial center with swimming pool, fishing and picnic grounds. An indoor theater with about 500 seats is available.

CONSTRUCTION AND REPAIR

Four general contractors -- two in Greensboro -- and one machine shop are available in Greene County. Foundry and tool and die shops are available at Athens (34 miles northwest), plating service is available at Atlanta (78 miles west), and a surveyor is available in Madison (18 miles west).
LIVING CONDITIONS

Climate

The following data are averages recorded over a 25-year period (1931-55) at the U. S. Department of Commerce Weather Station at Greensboro.

Average annual rainfall is 47.17 inches.

Mean temperatures

<table>
<thead>
<tr>
<th>Month</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>June</th>
<th>July</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>46.0°</td>
<td>46.8°</td>
<td>48.0°</td>
<td>78.4°</td>
<td>80.1°</td>
</tr>
<tr>
<td></td>
<td>48.0°</td>
<td>48.0°</td>
<td>48.0°</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average minimum and maximum temperatures

<table>
<thead>
<tr>
<th>Month</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>July</th>
<th>August</th>
<th>October</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temperature</td>
<td>36°</td>
<td>48°</td>
<td>48°</td>
<td>81°</td>
<td>79°</td>
<td>78°</td>
</tr>
<tr>
<td>Temperature</td>
<td>58°</td>
<td>60°</td>
<td>60°</td>
<td>91°</td>
<td>93°</td>
<td>91°</td>
</tr>
</tbody>
</table>

Greensboro has an average elevation of 630 feet above sea level.

Housing

When available, two-bedroom houses rent for $50 to $60 per month in Greensboro and three-bedroom houses for $70 to $90 per month. An average of two or three rentals of medium quality are available for rent and an average of two houses in the $15,000 to $20,000 class are available for purchase. An estimated 20 new houses were built in Greensboro in 1964.

Churches

Baptist, Methodist, Presbyterian and Episcopal denominations hold services in the community. Catholic and Jewish services are held at Athens (34 miles northwest).

Income

A reliable estimate of the 1963 effective buying income in Greene County indicates $3,964 per household and $1,018 per capita.1/

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1/ Sales Management, "Survey of Buying Power," June, 1964 -- further reproduction is prohibited.
ACCOMMODATIONS

Greensboro has one motel with 25 units and three restaurants with a total seating capacity of 317.

Other places available for meetings with facilities for serving meals are the American Legion Hall, V.F.W. Club, high school and the Greensboro Civic Center.

COMMUNICATIONS

Southern Bell Telephone and Telegraph Co. serves Greensboro with a dial system with 1,394 phones and 12 toll circuits. The Western Union Telegraph agency is open weekdays from 8:00 a.m. to 5:30 p.m. and closed on Sunday.

The post office, Class 2, had receipts in 1964 totaling $32,540.36; city deliveries are made in Greensboro.

RADIO AND TELEVISION

Television is received from three Atlanta stations -- WSB-TV (NBC), WAGA-TV (CBS) and WAIL-TV (ABC) -- and from three other stations, including WGTV in Athens (educational station of the University of Georgia), WJBF (NBC) in Augusta and WFBC-TV (NBC) in Greenville (S.C.).

Radio station WYTH in Madison (18 miles west) serves the Greensboro area.

NEWSPAPER

The Herald Journal, a weekly with a circulation of 1,850, serves the community. Newspapers from Atlanta and Augusta are delivered daily.
BANKING

<table>
<thead>
<tr>
<th>Bank</th>
<th>Capital</th>
<th>Surplus</th>
<th>Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Citizens Bank</td>
<td>$ 75,000</td>
<td>$ 87,500</td>
<td>$1,905,925.37</td>
</tr>
<tr>
<td>Bank of Greensboro</td>
<td>100,000</td>
<td>100,000</td>
<td>2,990,683.39</td>
</tr>
</tbody>
</table>

Both banks are members of the Federal Deposit Insurance Corp. and have correspondent affiliations in New York, Atlanta, Chattanooga, Raleigh and Augusta.

INDUSTRIAL FINANCING AND SITES

The Greensboro Industrial Corp. has an authorized capital of $200,000 with $12,000 paid in and is willing to invest up to $50,000 or more for a sound tenant. The corporation financed, on a 25-year lease-purchase plan, a $65,000 building occupied by Greensboro Mfg. Co.

The Greene County Development Authority, a county-wide revenue bond-issuing authority, was created by an amendment to the Georgia State Constitution, but has not been used.

Sites

The Greensboro Industrial Corp. owns a 49-acre industrial site with 35 acres available. The land, located at the southwestern edge of Greensboro, fronts on a paved street and is bounded by the Georgia Railroad. The site is served by an eight-inch water main, 10-inch sewer and a 2.5-inch gas main. Two plants have located in the area to date.

Available Buildings

A 12,000-sq. ft. metal building with concrete floor is available in Greensboro. The building is served by a six-inch water main, 10-inch sewer and two-inch gas main.

A second metal building with concrete floor, having 10,000 square feet of area, is located 0.25 miles east of Greensboro. This building, along the Georgia Railroad, is not served by city utilities but has a well on the property.
SUPPLEMENTARY MATERIAL #2

Selected Data from the

GREENE COUNTY

MANPOWER RESOURCES PROFILE

Existing Information

Collected and Compiled

By

The Manpower Resources Section
Industrial Development Division
GEORGIA INSTITUTE OF TECHNOLOGY

For

THE GEORGIA DEPARTMENT OF INDUSTRY AND TRADE

1968
GREENE COUNTY

COMMUTING PATTERNS

Number of persons commuting into Greene County from nearby counties for employment:

<table>
<thead>
<tr>
<th>Commuting From</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taliaferro County</td>
<td>62</td>
</tr>
<tr>
<td>Hancock County</td>
<td>42</td>
</tr>
<tr>
<td>Oglethorpe County</td>
<td>40</td>
</tr>
<tr>
<td>Morgan County</td>
<td>13</td>
</tr>
<tr>
<td>Wilkes County</td>
<td>12</td>
</tr>
<tr>
<td>Oconee County</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>173</strong></td>
</tr>
</tbody>
</table>

Note: 3,158 workers live and work in Greene County

          b. Georgia Department of Labor.
Number of persons commuting out of Greene County into nearby counties for employment:

<table>
<thead>
<tr>
<th>Commuting Into</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taliaferro County</td>
<td>31</td>
</tr>
<tr>
<td>Hancock County</td>
<td>21</td>
</tr>
<tr>
<td>Oglethorpe County</td>
<td>15</td>
</tr>
<tr>
<td>Morgan County</td>
<td>79</td>
</tr>
<tr>
<td>Oconee County</td>
<td>16</td>
</tr>
<tr>
<td>Wilkes County</td>
<td>9</td>
</tr>
<tr>
<td>Clarke County</td>
<td>53</td>
</tr>
<tr>
<td>Putnam County</td>
<td>15</td>
</tr>
<tr>
<td>Baldwin County</td>
<td>4</td>
</tr>
<tr>
<td>Richmond County</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>247</strong></td>
</tr>
</tbody>
</table>

County of work not designated - 75
Place of work not reported - 116

Source:  
b. Georgia Department of Labor
HIGH SCHOOLS IN GREENE COUNTY

<table>
<thead>
<tr>
<th>Name of School</th>
<th>Graduates</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M  F</td>
<td></td>
<td>M  F</td>
</tr>
<tr>
<td>Greene County High, Greensboro</td>
<td>40 40</td>
<td></td>
<td>42 36</td>
</tr>
<tr>
<td>F. T. Corry High, Greensboro</td>
<td>44 45</td>
<td></td>
<td>30 50</td>
</tr>
</tbody>
</table>

The Georgia State Department of Education estimates that Greene County will graduate the following number of students:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>*Total Students</td>
<td>161</td>
<td>167</td>
<td>160</td>
</tr>
</tbody>
</table>

*Georgia's trend has been 47% male and 53% female.

Source: Georgia Department of Education
SCHOOL NAME AND ADDRESS:
Athens Area Voc-Tech School
Highway 29 North
Athens, Ga.

COUNTIES SERVED BY YOUR SCHOOL:

<table>
<thead>
<tr>
<th>County</th>
<th>County</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarke</td>
<td>Barrow</td>
<td>Walton</td>
</tr>
<tr>
<td>Oconee</td>
<td>Morgan</td>
<td>Elbert</td>
</tr>
<tr>
<td>Madison</td>
<td>Oglethorpe</td>
<td></td>
</tr>
<tr>
<td>Jackson</td>
<td>Greene</td>
<td></td>
</tr>
</tbody>
</table>

CURRENT PROGRAMS OFFERED:

<table>
<thead>
<tr>
<th>Courses</th>
<th>Length (Quarters)</th>
<th>No. Enrolled</th>
<th>Graduation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Business Ed.</td>
<td>3</td>
<td>68</td>
<td>June 1968</td>
</tr>
<tr>
<td>2. Auto Body Repair</td>
<td>6</td>
<td>15</td>
<td>June 1969</td>
</tr>
<tr>
<td>3. Auto Mech.</td>
<td>6</td>
<td>32</td>
<td>June '68 &amp; '69</td>
</tr>
<tr>
<td>4. Data Processing</td>
<td>6</td>
<td>50</td>
<td>June '68 &amp; '69</td>
</tr>
<tr>
<td>5. Drafting &amp; Design</td>
<td>6</td>
<td>28</td>
<td>June '68 &amp; '69</td>
</tr>
<tr>
<td>6. Electronics</td>
<td>6</td>
<td>55</td>
<td>June '68 &amp; '69</td>
</tr>
<tr>
<td>7. Heating &amp; Air Cond.</td>
<td>6</td>
<td>24</td>
<td>June '68 &amp; '69</td>
</tr>
<tr>
<td>8. Mechanical Tech.</td>
<td>6</td>
<td>45</td>
<td>June '68 &amp; '69</td>
</tr>
<tr>
<td>9. Marketing &amp; Sales</td>
<td>6</td>
<td>10</td>
<td>June 1969</td>
</tr>
<tr>
<td>11. Radio-TV Repair</td>
<td>6</td>
<td>15</td>
<td>June 1969</td>
</tr>
<tr>
<td>12. Research Lab Tech.</td>
<td>3</td>
<td>14</td>
<td>June 1968</td>
</tr>
<tr>
<td>13. Welding</td>
<td>3</td>
<td>13</td>
<td>June 1968</td>
</tr>
<tr>
<td>14.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td></td>
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<td></td>
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<tr>
<td>16.</td>
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<td></td>
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<tr>
<td>17.</td>
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<td></td>
<td></td>
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<tr>
<td>18.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>