grams receiving additional funding included the Self-Help Homeownership Opportunity Program. The program was designed to help community organizations and faith-based programs that help people with low incomes become homeowners. The American Dream Down Payment Fund presidential initiative was designed to give about 40,000 first-time homebuyers a year to overcome down payment and closing costs that hinder many first-time buyers. Developers of affordable, single-family housing would receive a tax credit. Another important HUD initiative would allow low-income families to put up to a year's worth of Section 8 rental vouchers toward a home down payment. Other initiatives would support affordable housing for the elderly.

The housing market was strong in 2001, experiencing record highs in homeownership. An estimated 70 percent of all Americans own their own homes. However, less than half of African Americans and Hispanic families are homeowners. About 4.8 million low- to moderate-income working families had critical housing needs—meaning they pay more than half of their income for housing and/or live in substandard conditions—up 24 percent from 3.9 million in 1999.

During the presidency of George W. Bush, Mel Martinez was the secretary of HUD. In the wake of the terrorist attacks of September 11, he announced in 2002 that unlike many private companies the FHA would not require insurance coverage against acts of terrorism in connection with its multihousing mortgage insurance. That meant if any act of terrorism destroyed or damaged a FHA-insured multihousing property, HUD would pay the partial or full claim to the lender, which promised to reduce costs and assure continuation of new projects. Additional insurance protecting against terrorist acts could cost a multiunit project owner up to $5,000 per year. In 2001, FHA allocated $1.5 billion toward multihousing programs, increasing to $2.8 billion in 2002.

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SIC 9532

ADMINISTRATION OF URBAN PLANNING AND COMMUNITY AND RURAL DEVELOPMENT

This category covers government establishments primarily engaged in planning, administration, and research for the development of urban and rural areas, including programs for slum clearance, community redevelopment, urban renewal, and land clearance. Also included are zoning boards and commissions. Private establishments primarily engaged in urban planning, rural planning, and community development planning are covered by several SICs in the Engineering, Accounting, Research, Management, and Related Services category.

NAICS CODE(S)

92512 (Administration of Urban Planning and Community and Rural Development)

INDUSTRY SNAPSHOT

In *U.S. Metropolitan Economies: The Engines of America's Growth,* the role that U.S. cities have played in generating national and global economic growth could not have been emphasized more. It is generally understood that the United States is first-named on any list of the world's largest economies. What is less known is that, if an urban equivalent to ''gross domestic product'' (referred to in the study as *gross metropolitan product*) were used as the primary ranking criterion, 46 of the world's top 100 economies would be U.S. metropolitan areas. Thus, the health of America's cities and metropolitan communities remains vital to the health of this country.

Accordingly, each year Congress allocates billions of dollars to ensure the continued well-being and development of urban and rural communities, through economic incentive programs such as block grants, matching funds, and the creation of ''empowerment zones,'' selected areas deemed worthy of special attention, either for renewal or stimulated growth. Another area of focus is the ''enterprise zone.'' An enterprise zone program targets economically distressed areas and cuts the taxes of businesses within those areas to attract investment, raise employment, and foster economic development.

ORGANIZATION AND STRUCTURE

The phrases ''community development'' and ''planning'' refer to the processes by which cities, towns, and rural communities consciously shape the course of their physical and economic growth to improve their economic health and the quality of their residents' lives. Community development is used to describe a wide range of strategies for improving conditions within a community, whereas planning usually describes the process of managing the details of a community's physical environment so that they conform to a comprehensive scheme for the community's future development. The planning and development process involves many different governmental activities, from constructing streets to regulating banks; therefore, it is conducted by a variety of separate, loosely coordinated governing bodies and agencies.

Government administration of planning and development takes place at the federal, state, and local levels. At every level, government agencies must work closely with organizations outside of the government—from private companies and trade organizations to neighborhood associations. In the 1990s there were approximately 3,500 special governmental districts devoted to housing and community development in the United States, the vast majority at the local level.

At the federal level, agencies and cabinet departments in the executive branch put into practice policies mandated by acts of Congress or by the president. While the Department of Housing and Urban Development (HUD) enacts most national community development programs, a wide variety of development activities are conducted by administrative entities outside of HUD. The U.S. Department of Agriculture, for example, runs the Rural Electrification Administration, which provides loans for the creation of power supply systems, telephone services, and job development projects in rural areas. The Appalachian Regional Commission and the Tennessee Valley Authority conduct development programs targeted at specific geographic regions.

Federal agencies can implement planning and development initiatives primarily through either loans and grants, or legislation and regulation. Loans and grants may be given to private individuals (home buyers or real estate developers, for example) or to state or local governments and involve varying degrees of restrictions on the uses of funds. HUD's Rental Rehabilitation program, for example, grants funds to residential property owners specifically for improving the stock of low-income housing. HUD therefore specifies that program funds must be used to rehabilitate housing in neighborhoods whose residents have a median income no higher than 80 percent of the median income for the region surrounding the neighborhood. Community Development Block Grants, in contrast, are provided to state and local governments with few restrictions on use. Some loan programs involve collaboration between government and private financial institutions. Through its coinsurance program, for example, HUD aimed to encourage private lending for development purposes by offering to help private lenders absorb the cost of defaulted loans.

In addition to distributing financial aid, the federal government can shape community development through direct regulation. The Community Reinvestment Act of 1977 (CRA) was designed to penalize banks that drain capital away from economically distressed or minority neighborhoods by refusing to extend credit to the residents of these neighborhoods (a practice known as red-lining). Under CRA, banks are required to serve ''the convenience and needs'' of their communities by providing credit services tailored to suit the needs of low-income community residents. The Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Office of Thrift Supervision enforce the act through regular examinations of financial institutions. These agencies can, if necessary, deny a financial institution permission to open, relocate, merge, or acquire a deposit facility on the basis of that institution's CRA record.

Through the allocation of aid and the creation of regulations, the federal government can try to guide communities toward very general goals, such as universal access to housing and equitable distribution of credit. But the U.S. national government has little power to decide where to locate public housing projects, which slums to demolish and rebuild, whether to devote a given area to industrial uses or to residences, what the direction of a city's growth will be, or any of the more detailed questions involved in a community's development. With the exception of a few experiments in national and regional planning, responsibility for resolving questions such as these falls on local governments' planning process.

In a typical community, the state or local government grants a local planning commission the power to create a master plan that makes proposals concerning the city's growth, the purposes for which its various sections of land will be used, how utilities such as water and electricity will be provided, where to build schools and libraries, how to lay out new streets, and other similar issues. The planning commission then recommends the master plan to the local governing body, which decides whether or not to adopt the plan. Once a plan has been adopted, it becomes a guideline for policy and a blueprint for possible municipal legislation. Parks, roads, and other facilities constructed by the city often must be approved by the planning commission to insure that all municipal construction follows the master plan.

To harmonize private development with the master plan, subdividers are frequently required to gain the approval of the planning commission before dividing their property into streets, lots, and blocks. The master plan also provides guidelines for municipal zoning ordinances, which designate whether or not particular areas of land can be used for residential construction, industrial development, or other specific uses.

Municipal governments are not limited to guiding the course of future development. They may also compel property owners to sell developed land to the local governing body so that existing construction can be demolished and redeveloped—a procedure known as urban redevelopment or urban renewal. It is frequently used to replace substandard or unsightly slum housing, in which case it is called slum clearance.

Municipalities frequently delegate responsibility for redevelopment to limited-dividend corporations—corporations that agree both to limit their investment returns and to abide by the regulations of the agency in charge of the renewal project in exchange for tax breaks and mortgage credits. Once a property has been redeveloped, the limited-dividend corporation can usually then sell it or lease it. Limited-dividend housing corporations have been created and operated by cooperatives, unions, reform groups, and private entrepreneurs.

Background and Development

The first city planners in America were the Puritans, who anticipated zoning restrictions by requiring that all residences be within a mile and a half of the town church. Contemporary methods of urban planning and community development originated in the nineteenth century, however. Planning experiments in private industry preceded any extensive effort on the part of federal or local government to solve the problems posed by urban development. Industrialists such as Francis Cabot Lowell (1775-1817) planned and built factory towns designed to provide a morally uplifting, rural environment for factory workers. Ultimately, however, the fate of the factory town of Lowell, Massachusetts, simply illustrated the difficulty of yoking the public welfare to private interests. As Lowell grew, and as the economic pressures of the 1837-40 depression diverted resources away from the project of moral reform, it became more and more difficult to distinguish the planned factory town from the urban industrial environment it was intended to replace.

Ultimately, urban social problems prompted government intervention in urban development. In 1858 Frederick Law Olmstead and Calvert Vaux pioneered public urban planning by offering their own solution to the problems of urban industrialization: New York City's Central Park. Olmstead believed that the growth of cities should be carefully planned to protect the public interest rather than guided solely by market forces. In the case of Central Park, he hoped that a public park accessible to all of a city's residents would exert a moral influence on the city by providing urbanites with a pastoral escape from the hectic city street. For the first 12 years of its existence, an independent board of commissioners devoted to preserving Olmstead's moral purpose oversaw the park's maintenance. In 1870, however, the political machine of ''Boss'' William M. Tweed replaced the board with the Department of Public Parks, bringing Central Park under the city's system of management through political patronage. This sort of management proved much more characteristic of early municipal urban development efforts than Olmstead's ideal of careful planning for the public good. Informal systems of political influence, bribery, and covert cooperation between businesses and city officials managed to organize a makeshift response to the increasing need for transportation, utilities, and other public services in a time of ballooning urban growth.

Toward the end of the nineteenth century, municipal governments began to develop more systematic approaches to the management of community growth. Reform organizations such as the Tenement House Commission managed to move some cities toward more formal development policies, using fact-finding missions and statistical studies of tenement life to lobby for the municipal regulation of housing standards. These reformers achieved their most significant contributions to planning methods when they joined forces with the business sector. The increasing importance of scientific management techniques in industry gave rise to a distaste among industrialists for the informal planning procedures of political machines and attracted business leaders to the statistical methods of early social workers and sociologists. Some industrialists joined organizations like the League for Social Service to promote social reform through planning in the hope that improved planning and community development would improve the economic health of cities.

While reform-minded business leaders and business-minded reformers rarely advocated direct government intervention in community development, they did create model residential communities that set important patterns for future government planning by pioneering zoning and championing suburbanization. Corporations building company towns could give planners a centralized power unavailable to most city governments, and planners often used that power to experiment with zoning. Many reform groups advocated moderate-cost suburban housing as an escape from the city's ills. The New York City and Suburban Homes Company, a limited-dividend corporation formed for reform purposes, built the prototype suburban development of Homewood, believing that the privacy of a single-family dwelling removed from the urban environment would foster the individualistic values required for a successful capitalist economy. To insure this morally elevating privacy, the company created rudimentary zoning regulations that excluded saloons, factories, and multiple-family residences from the area.

Municipal governments soon began implementing similar plans for separating residential neighborhoods from other types of land use. In 1909 Los Angeles enacted the first zoning legislation, an ordinance that divided land into heavy industrial, light industrial, and residential areas. In the landmark 1926 Supreme Court case *Village of Euclid v. Ambler Realty Company,* an Ohio town successfully defended its right to use zoning ordinances to reserve neighborhoods exclusively for single-family residential housing. By the end of the decade, 981 American communities were using zoning ordinances.

In addition to excluding industrial development from residential neighborhoods, early attempts to shape patterns of residential development frequently involved efforts to exclude racial minorities from designated areas. In 1917 the Supreme Court ruled that municipal governments could not enforce segregation. After this decision, segregationists were forced to rely on contracts between private individuals (such as a home buyer and a seller) that placed racial restrictions on future real estate transactions within particular neighborhoods. These ''restrictive covenants'' were struck down by the Supreme Court in 1948.

During the 1920s the Hoover administration helped promote the suburban ideal, and the use of zoning to enforce it, by creating a system of government agencies designed to help local communities guide and control their own development. The Bureau of Home Economics, the Advisory Committee on Building Codes, the Division of Building and Housing, and other agencies contributed to an increasing federal involvement in community development issues while avoiding direct federal intervention. Rather than regulating or funding development, these agencies served as information sources for municipal governments and private organizations. The Division of Building and Housing, for example, developed hypothetical zoning legislation for state and municipal governments, which these governments could then use as blueprints for their own legislation. By chairing the advisory council of Better Homes in America, Inc., a private organization devoted to improving moderate-income housing standards, President Hoover hoped to realize his ideal of a collaboration between government and the private sector for development purposes. Like many advocates of suburban development, Better Homes in America saw ethnic and racial homogeneity as an important element of the suburban neighborhood and approved of the use of restrictive covenants to shape the demographic profiles of suburban communities.

The New Deal programs of the 1930s gave the U.S. government a much more direct role in community planning and development, setting the stage for future federal aid programs. President Franklin D. Roosevelt created extensive public works programs in an effort to relieve the massive unemployment of the Depression, and many of these programs involved urban redevelopment and the construction of planned communities. New Deal community development policy tended to encourage migration out of urban areas while trying to shore up decaying central cities. Forty out of 99 communities developed under the New Deal were in rural or suburban areas. The Subsistence Homestead Division funded experimental farm communities while moving industrial workers to rural communities planned, constructed, and managed by the U.S. government. The Resettlement Administration, run by Rex Tugwell, constructed planned communities named ''greenbelt'' towns after the band of deliberately undeveloped land that surrounded them. The planners of greenbelt towns like Greenbelt, Greendale, and Greenhills (located in Maryland, Wisconsin, and Ohio, respectively) were influenced by the ideas of pioneering British planner Ebenezer Howard, who saw the ideal community as a combination of urban and rural environments. In 1937 the newly created Farm Security Administration (FSA) absorbed the Resettlement Administration and undertook rural development programs designed to help tenant farmers become land owners. After the 1937 Dust Bowl, the FSA provided housing, health care, cooperative stores, and a variety of community services to migrant farm workers.

Meanwhile, the Public Works Administration (PWA) was conducting urban redevelopment projects. For a time the PWA itself bought and demolished slums in order to replace them with public housing, but a 1935 court ruling eventually prohibited the federal government from condemning private lands. After 1935 the PWA handed over to local housing authorities the task of purchasing slum property for urban redevelopment. The Wagner-Steagall Housing Act of 1937 further continued this trend toward local control of urban redevelopment by replacing federal government ownership of public housing projects with ownership by local government. Under Wagner-Steagall, the federal government restricted its involvement in public housing and urban redevelopment to regulatory guidance and financial assistance administered through the U.S. Housing Authority.

Federally assisted urban redevelopment, renamed ''urban renewal'' by the Housing Act of 1954, remained a widespread development strategy long after the New Deal. While members of the private sector had objected to the public housing projects of the PWA as a step toward socialism, some businessmen saw investment potential in the urban redevelopment initiatives of the Housing Act of 1949 and the Urban Renewal Act of 1954. Developers could take advantage of federal funds to turn ''blighted'' urban neighborhoods into upscale housing, office buildings, or other profitable projects. City governments benefited from this approach to redevelopment, for it turned decayed neighborhoods into sources of tax revenue.

The stock of low-income housing often suffered from this sort of urban renewal, however, and dislocated slum residents faced the difficult task of finding new housing that was as cheap as their previous dwellings. The 425,000 units of low-income housing destroyed for redevelopment from 1949 to 1968 far outweighed the 125,000 new units constructed during the same period. Faced with a shortage of low-income housing and a federal public housing budget depleted by the Korean War, many urban communities in the 1950s opted for large high-rise public housing projects that offered economies of scale.

Relocation of displaced slum-dwellers remained a problem, however. In the late 1960s, the Johnson administration emphasized the need to make low-income housing an integral part of all urban renewal projects, and the Housing Acts of 1968 and 1969 required that one low- or moderate-income housing unit be constructed for every unit that was demolished. In an effort to give a voice to residents of areas affected by urban renewal, HUD made local renewal agencies create and consult Project Area Committees composed of neighborhood representatives.

In the process of trying to create the comprehensive network of social services that he called the ''Great Society,'' President Johnson also increased funding to community development programs and attempted to restructure them. Through umbrella organizations such as the Office of Economic Opportunity and the Model Cities Administration, the Johnson administration tried to coordinate a wide variety of federal development programs. In theory, such a coordinated development strategy would be able to address urban decay as part of a web of interrelated social problems rather than as an isolated crisis, and so would be able to deal with it more effectively. In practice, however, the complexity and politicized nature of the relations between different agencies and levels of government precluded a coordinated effort. The Vietnam War further weakened Great Society programs by draining away funds.

The simplification of the bureaucratic structure of federal social programs became an important element of the Nixon administration's domestic policy. Nixon's primary solution to bureaucratic complexity was to give state and local governments greater control over the allocation of federal funds, a proposal known as revenue sharing. The Community Development Block Grant (CDBG) proved to be the primary vehicle for revenue sharing in community development programs. The CDBG remained an important source of federal community development aid into the 1990s.

The Reagan administration cut back sharply on community development outlays in the early 1980s. The Reagan administration also saw a wave of scandals undermine the credibility of HUD. Ineffective management and accounting procedures allowed HUD employee Marilyn Louise Harrell—dubbed ''Robbin HUD'' by the press—to embezzle $5 million from the agency.

Abuses of HUD loan programs by private financial institutions were perhaps more significant than the highly publicized Robbin HUD scandal. The coinsurance program, for example, allowed irresponsible financial institutions to profit from large high-risk loans while leaving the federal government responsible for the bulk of the losses from defaulted loans. The program was designed to encourage private lending for development purposes by helping lenders absorb the risk while shifting the bureaucratic burden for processing loans off of HUD and onto the private lender. But because the private lenders handled the processing of coinsured loans, HUD had no way of assessing the risk of the loans it was guaranteeing. As a result, lenders like DRG Funding could make huge, obviously dangerous loans, profit from the fees involved, and lose relatively little when the borrower failed to repay the loan. President Bush's Secretary of Housing and Urban Development sought to reform the management methods of the department to prevent such abuses. Supported by the president, he also lobbied for an approach to federal community development assistance, which became the premise for the later development of empowerment zone and enterprise zone legislation.

President Clinton proposed a community development plan that adapted the enterprise zone proposals of the Bush administration. Initially, Clinton advocated both enterprise zones and a network of community development banks designed to foster economic development in distressed neighborhoods. The comprehensive development proposal presented by the Clinton administration on May 4, 1993, however, abandoned the community development bank idea. Instead, it outlined a system of grants and tax incentives to be offered to 10 ''empowerment zones'' and 100 ''enterprise neighborhoods.'' The empowerment zones would receive the most heavily concentrated aid, primarily in the form of wage-tax credits. According to the May 4 proposal, a company within a zone could receive a $5,000 tax credit for the first $20,000 of wages paid to a zone resident employed by the company. Businesses outside of the zone could receive a $2,400 credit for every employee living in the zone. This emphasis on wage credits represented a departure from the Bush administration's enterprise zone proposals, which focused instead on cuts in capital gains taxes for companies in the zones. President Clinton's plan would also try to attract small and medium-sized businesses to the empowerment zones by allowing companies within the zones to deduct as much as $75,000 worth of equipment purchases from their taxes in the first year. Six of the empowerment zones would be in urban areas, three would be in rural areas, and one would be on a Native American reservation.

The winning cities were announced in late 1994, and by early 1997 the Clinton administration was calling its program an unqualified success. In Detroit, for example, more than $2 billion had been pledged by private investors toward redevelopment of that city's 18-square-mile zone. Critics questioned how successful such programs really were; they pointed out that other public and private redevelopment efforts over the years, from urban renewal in the 1950s to downtown pedestrian malls in the 1970s, had failed to eradicate poverty, which indeed was worse by some measures in the 1990s than 20 years earlier. But there was no denying the enthusiasm in designated cities for the empowerment zone policy.

Notwithstanding congressional appropriation of substantial funds for three fiscal years in a row (1998, 1999, 2000), pockets of problem areas remained. In April 1999 HUD released a report, *Now Is the Time: Places Left Behind in the New Economy,* which identified several communities still struggling with poverty, unemployment, and population depletion. The Year 2000 Census will have tremendous impact on future funding of all programs dealing with urban and rural community development, as such funds are tied to census results and other demographic data. (The 1999 budget for the Bureau of the Census was approximately $1.24 billion.) One of the anticipated findings of the Census Report is expected to be the growth of large communities of immigrant populations clustered near major metropolitan areas. For example, in 1999 the city of Lowell, Massachusetts, not far from Boston, was home to the country's second largest population of Cambodian immigrants. Demands on social services and educational needs in cities like these are far different than those needed in communities such as those found in the Plains states. Thus, the interrelationship and interdependency of social and educational programs with urban planning and development initiatives are all too apparent.

In President Clinton's 1999 State of the Union Address, he drew attention to the urban challenges that still remain in many of our historically prosperous regions, such as Boston and New York. While Sun Belt states experienced great increases in population (with commensurate growing pains related to water, sewage, and transportation needs), the Northeast region of the United States was losing its urban populations by an average of more than 5 percent. As population declines, so also does funding, thereby creating a circular problem facing many large metropolises across the country.

Between 1992 and 1998, unemployment in central cities dropped overall from 8.5 to 5.1 percent. During the same time frame, 14.3 million new jobs (comprising 84 percent) were created in major metropolitan areas. Again, the importance of maintaining the health and vitality of urban communities is readily apparent. The Department of Commerce spent approximately $438 million in 1999 on its Economic Development Administration, and another $32 million on its Minority Business Development Agency. HUD's *State of the Cities 1999* report incorporated the Clinton administration's ''21st Century Agenda for Cities and Suburbs,'' which outlined a formula for expanded home ownership, employment stimulus, affordable rental housing, and regional problem solving to ensure an investment return on America's cities.

The National Rural Development Partnership (NDRP) represents a collaborative effort between government and private sector interests working toward improving the quality of life for rural communities. In 1999 NRDP had 36 State Rural Development Councils, a National Council representing over 40 federal agencies in addition to private sector organizations, and the National Partnership Office as its administrative center. Examples of NRDP activities include those of the FORVM for Rural Maryland, which in 1999 worked with state legislators to ensure that rural communities would share in the benefits of the $4.9 billion settlement fund from the tobacco industry's national class action settlement. In Michigan, the Rural Development Council sponsored a five-day tour of 163,000 acres of farmland in Maryland, Pennsylvania, and New Jersey, highlighting successful farming preservation projects and other leading land-use efforts in order to bring back new ideas for their own communities.

Current Conditions

The terrorist attacks of September 11, 2001, destroyed the World Trade Center and many nearby buildings and left New York in a state that required what some insurers were calling a ''Marshall Plan for Manhattan.'' President Bush, along with Congress, began steps to create a $40 billion fund to cover the costs of responding to the attacks and repairing facilities and transit systems, among other things. A measure to provide tax relief for victims was also passed. The insurance industry expected the federal government to take the lead in recovering losses, especially in New York where damage was the greatest. Insured losses were an estimated $20 billion, possibly the largest insured loss in world history.

With the economy still recovering, President Bush announced a growth and jobs plan to boost the U.S. economy. Part of the plan would mean more than $4 billion in tax relief to farm households, benefiting about 85 percent of farmers and ranchers in 2003. That year, Agriculture Secretary Ann M. Veneman announced the selection of 21 loan and grant recipients in 10 states that would received more than $12.8 million in rural economic and community development loan and grant funds. Texas led the group, which would receive about $6.7 billion of the fund designed to create jobs and aid business growth in the rural United States. Another $1.4 billion initiative announced in 2003 would help bring or improve telecommunication technology to farmers and rural residents.

In early 2002, HUD specified 40 areas in the United States as renewal communities and eligible to share in some $17 billion in tax incentives to stimulate jobs, develop affordable housing, and foster economic development. The areas were chosen by poverty rate, unemployment rate, and median income. Of the 40 renewal areas, 12 were required to be in rural areas. Cities named by HUD as renewal communities included Los Angeles; Detroit; San Diego; San Francisco; Chicago; Philadelphia; Newark, New Jersey; Buffalo, New York; and Rochester, New York. Selected communities would be able to apply for an allocation to issue qualified zone academy bonds (QZAB) allowing state and local governments to match no-interest loans with private funding sources for the purpose of financing public school renovations and programs. Buyers of QZABs receive a tax credit from the U.S. government.

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SIC 9611

ADMINISTRATION OF GENERAL ECONOMIC PROGRAMS

This group covers government establishments primarily engaged in promoting and developing economic resources of all kinds, including tourism, business, and industry. Included are establishments responsible for the development of general statistical data and analyses and promotion of general economic well-being.

NAICS CODE(S)

926110 (Administration of General Economic Programs)

At the end of the 1990s, the five largest economies in the world were the United States, China, Japan, Germany, and India. The primary U.S. federal agency supporting general economic programs is the Department of Commerce (DOC). Established in 1931, the DOC encourages and serves the nation's international trade, economic growth, and technological advancement. In 1999, the DOC had a budget of $5.5 billion dollars and 47,200 (full-time equivalent) employees.

Within the context of fostering competitive free enterprise, the DOC administers a wide variety of social and economic programs. For instance, it conducts research for technological advancements, grants patents, encourages growth of minority-owned businesses, works to improve the utilization of natural resources, and promotes travel to the United States by foreigners. The Secretary of Commerce oversees more than 30 offices and bureaus.

In 1997, the DOC published its ''Strategic Plan for 1997-2002,'' addressing its five-year priorities. In that Plan, it identified three basic areas of focus, which it referred to as ''themes.'' Theme 1 of the Plan addressed the nation's economic infrastructure, and DOC's role in developing jobs to support our economy. Theme 2 focused on the promotion of science and technology, and their roles in contributing to a competitive global economy. Finally, Theme 3 outlined the DOC's responsibilities for the management of national resources and assets, such as intellectual property rights, the radio frequency spectrum, and ocean and coastal resources.

To better manage these objectives and responsibilities, the Department of Commerce is charged with the periodic conducting of the national census. In preparation for the 2000 census, an additional 80,000 (mostly temporary) employees were hired for the Bureau of the Census, bringing its total employment to 104,900 for the year. Its budget also jumped from $1.3 million in 1999 to $4.7 million in 2000.

The DOC's Economic Development Administration (EDA) was created to generate new jobs, to protect existing jobs, and to stimulate commercial and industrial growth in economically distressed areas of the United States. It provides loan guarantees, public works grants, land and resource planning grants, and specialized technical assistance and consultation programs. It particularly concentrates on rural and urban areas of high unemploy-