

Written by [Ralph R. Reiland](#) on March 6, 2013

Government Hostility Towards Job Creation

The vast majority of America's small business owners, the key job creators in the economy, say that Washington's policies are hostile to job creation and antagonistic toward free enterprise, and that federal policies have become even more hostile in recent years.

That judgment comes at a time when the public's top priority is jobs and, as reported by the Commerce Department's Bureau of Economic Analysis, the "real gross domestic product — the nation's output of goods and services produced by labor and property located in the United States — decreased at an annual rate of 0.1 percent in the fourth quarter of 2012."

This indictment by small business owners of the federal government's anti-business biases and anti-jobs policies comes at a time when some 23 million Americans are out of work, counting those who are officially counted as unemployed, plus the ex-workers who've prematurely dropped out of the labor force, plus those who've been involuntarily cut from full-time to part-time.

From January 2009, the month President Obama entered the Oval Office, to June 2012, real (adjusted for inflation) median household income in the U.S. dropped by \$4,019, according to income data from the Census Bureau.

That decline in income was largely the result of slow economic growth and the subsequent weak demand for labor, a growth deficit that's likely to be only further weakened by recent tax hikes on investment incomes and small business earnings.

In January, a Job Creators Alliance poll of 600 small businesses in the U.S. with 100 employees or less showed 70 percent of small business owners saying that Washington's policies are hostile to free enterprise and job creation, and that the barriers created by the federal government to job expansion have become only more burdensome in recent years.

The most significant job killers, as reported by small business owners, in order of importance, were taxes, health care, and regulations.

More specifically, 60 percent of small business owners stated that ObamaCare would negatively impact their businesses this year.

Only 19 percent of small business owners said that Washington's policies have become less hostile to small businesses.

Similarly, the majority of owners of minority-owned businesses and female-owned businesses said they viewed the federal government as an adversary.

Small business owners also stated that the inability of Washington's politicians to restrain government





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spending would negatively impact their business.

What's important here is that the people who innovate, invest, risk and work, creating most of the new jobs in America, now view the federal government as an adversary, an impediment to individual success and business survival, an antagonist that's getting worse.

Documenting the vital role of the small business sector, a 2010 study by the federal government's Small Business Administration reported that independent businesses in America with from 1 to 500 employees generated 65 percent of all net new jobs in the private sector of the U.S. economy over the previous 15 years.

Calvin Coolidge (1872-1933), the son of a village storekeeper and the thirtieth President of the United States, had it right.

"After all, the chief business of the American people is business," he stated. "They are profoundly concerned with producing, buying, selling, investing and prospering in the world."

Coolidge's political genius was "active inactivity," wrote Walter Lippmann in 1926, an inactivity that "suits all of the business interests which want to be left alone" and "suits all those who have become convinced that the government in this country has become dangerously complicated and top-heavy."

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