

COMMENTARY

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Page 47

Some good can come from the August doldrums

Typically, August is the month of escapism in this country, when many Americans take some much-needed time off from their busy schedules.



Guest Comment

NYDIA M. VELÁZQUEZ

But many hard-working families will not be so care-free this month, given the struggling state of the U.S. economy.

Since President Bush took office, more than 3.2 million private sector jobs have been lost. Last month, the unemployment rate hit a nine-year high, and there are approximately 9.1 million Americans out of work. The economy showed a slight gain in the second quarter, but as one expert put it, overall economic recovery has been "molasses-like."

This month, President Bush will meet with advisers at his Crawford ranch to discuss the overall economic situation facing our nation. There is irony in this. Right in Bush's own backyard, McLennan County, which includes Waco and Crawford, the number of people unable to find work jumped from 4,000 in June 2000 to 6,000 in June 2003.

Yet the Bush crew will talk tax cuts, interest rates, and monetary policy, disconnected from the reality facing millions of American workers and small business owners. In fact, what they really should be discussing at this summit is why their policies haven't done more to help the nation's economic driver — small businesses.

As the lifeblood of the American economy, small business is the one sector that can help get us back on track. Small businesses create 75 percent of all new jobs, make up 99 percent of all

employers and are responsible for half of our GDP.

President Bush and members of his administration certainly recognize the power of small business. Recently, Bush's economic team — Secretary of the Treasury John Snow, Secretary of Commerce Donald Evans and Secretary of Labor Elaine Chao — visited parts of the Midwest to talk about the economy and tout the tax cut. If they had been listening, they would have learned that the tax incentives are providing little benefit to small business owners and working families in middle America.

Even the president — from the campaign trail to the White House — has sympathized with small business owners, relating to them by saying he used to be one. In March 2002, President Bush showed his dedication to small businesses by unveiling an agenda aimed at helping them in an effort to jumpstart the economy.

But in the year and a half since President Bush released his agenda, the progress made is more about rhetoric than real action. The president's tax cut — the centerpiece of his administration's economic strategy — is a perfect example of the empty promises made to small business. The fact is that the tax relief targeted to small businesses made up less than 3 percent of the final \$350 billion package and the two specific provisions aimed to help them the most will expire in 2004 and 2005.

In addition, the other items on the agenda — from health care to federal contracting — are far from being checked off. The president talked about breaking up large contracts so that small businesses can win them, but has taken no steps to make this happen. Health care remains the top concern for small businesses in this country, yet no legislative remedy has been passed into law to help them afford coverage.

We all know that when the president's party

sets out to get something done, it happens. History has proven this. In 1994, former Speaker of the House Newt Gingrich introduced his Contract with America, setting the new legislative priorities for the Republican-controlled Congress. In the first 100 days of the new Congress, as promised, all provisions of the contract were brought to a vote on the House floor.

If small businesses were really the priority of this administration, the five items on the president's small business agenda would be completed by now. After all, it's been 500 days since the agenda was unveiled. And as Republicans have shown in their Contract with America, even without control of the White House, they have done a lot more in a lot less time.

It is about time President Bush lived up to the promises he made to the small business community. It is about time that small businesses, which give much more than they take, are treated fairly. It is about time the Bush administration is held accountable for failing to complete a single item on an agenda that now seems more like window dressing than a vehicle for change.

So when President Bush meets in Crawford this month, he needs to face the American people and explain why his vision for the economy lacks any commitment to small business.

If the president and his economic advisers fail to replace the talk with initiative, the long hot summer will give way to a cold, hard winter marked by rising unemployment, continued slow economic growth and no real rebound. And then the millions of Americans trying to get away in August will realize there is no break or relief coming their way anytime soon.

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