9-1-1980

The Small Business Constituency and the Future of the West

Duane Pearsall

Follow this and additional works at: https://digitalcommons.wpi.edu/ms055-03-0017
Part of the Entrepreneurial and Small Business Operations Commons

Recommended Citation
Retrieved from: https://digitalcommons.wpi.edu/ms055-03-0017/5

This Other is brought to you for free and open access by the MS055.03 Small Business Records at Digital WPI. It has been accepted for inclusion in MS055-03-0017 Speeches by Duane Pearsall by an authorized administrator of Digital WPI. For more information, please contact digitalwpi@wpi.edu.
THE SMALL BUSINESS CONSTITUENCY AND THE FUTURE OF THE WEST*

by

DUANE PEARSELL
President, Mountain States Association (MSA)

Thank you, Governor List.

It is more than a privilege, indeed it is an honor, to represent the nearly two million small businesses located in the WESTPO region. When almost 70% of all employed people in these Western states are employed by small business, we are talking about more than just a special interest. The small business sector, especially in our Western states, is the very foundation of our economy. It represents the future stability of our region if we are to persevere in the years ahead through the dramatic and sometimes awesome developments in store for us.

Our Congress is just now beginning to recognize the potential for this slumbering giant called small business. In terms of employment alone, studies show the small business sector is responsible for 87% of all new jobs. Of the remaining 13%, nearly all (actually 12%) of these new jobs come through local, state, and federal governments.

While this giant has been sleeping, almost without its knowledge, government at all levels, but particularly the federal government, has been tying it to the ground with hundreds, yes, thousands of regulations. All of these were designed

*An invited presentation to the governors and directors of the Western Governors' Policy Office (WESTPO) Annual Meeting in Park City, Utah, September 3-5, 1980.
with the best of intentions, but without due consideration for their disproportionate impact on small business. They range from over-reactive social legislation to inequitable tax policies. The net effects have resulted in higher debt loads and, when compounded by the high cost of capital, have forced an estimated 7 to 800,000 small businesses to quit or become bankrupt in 1980 alone!

All is not doom and gloom, however. There is now an awakening of this giant and a growing awareness, both on the part of the Congress and the public, of the value and the need to rebuild our small business community. Historically, small business has been the creative strength of America. If nurtured properly, our small businesses can, and will continue to be, the foundation for economic stability in the WESTPO region.

The Mountain States Association, which I represent, is a new advocacy organization for small business, focusing on the impact of federal legislation in the eight-state Rocky Mountain Region --- including Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming. In addition, the Mountain States Association will analyze regional issues and stimulate communication among our members about those issues. We also work to improve the ability of our members to press their point in various arenas where actions are taken that affect the vitality and climate of small business in the West. Because a healthy small business community is the key to a stable economy in the West, there are sure to be many areas where your purposes will also be our purposes; where your desire to streamline the way federal government operates will be shared by us; where your desire to participate more fully in federal decision-making -- including legislation and rulemaking -- will also be our desire.
Beginning with the small business committees of 60 Chambers of Commerce in these 8 states, we encourage additional memberships from any business-related association whose objectives include a concern for the economic climate for small business. One of our member organizations, for instance, includes all of the state delegations to the White House Conference on Small Business from Federal Region VIII.

On behalf of the small businesses in our Region, I want to express our gratitude for your recognition and concern. I can assure you that we support the objectives of the WESTPO governors as you attempt to strengthen the hand of the West in national affairs. We share with you a desire to ensure an orderly development of our western economy, our western resources, and our western environment; and, we want to work with you as you try to broaden and deepen the coalition that you take to hearing rooms in Congress and those informal rulemaking sessions in federal agency offices. Together we can achieve much more than we could achieve with each going our own way.

We pledge support in implementing the objectives of WESTPO through effective grassroots lobbying. As testimony to this, I repeat the words of the late George Meany when his much desired Labor Reform Bill was defeated; "Those small business guys are a bunch of letter-writing S.O.B.'s."

This western sleeping giant called small business has awakened! And he can be most helpful - to you - and to the West.

Thank you.