

# INTRODUCTION



Successful small businesses are critical to maintaining a robust U.S. economy. The numbers almost speak for themselves:

- 99 percent of all American businesses are small;
- small businesses provide approximately 75 percent of the net new jobs added to the U.S. economy every year;
- small businesses represent 99.7 percent of all employers;
- small businesses employ 50.1 percent of the private workforce;
- small businesses provide 40.9 percent of private sales in the country.

It is truly the innovation, resilience, and determination of small-business owners that centers them at the heart of the American economy. Small businesses broaden the base of participation in society, create jobs, decentralize economic power, and give people a stake in the future. Owning a small business is hard work, but it is not without its rewards. Small-business ownership encourages personal freedom and individual empowerment. It builds and perpetuates social and political stability. And it spurs the kind of innovation that creates gains in productivity, thereby increasing local, and even national, prosperity.

But small businesses cannot do it alone. The U.S. government plays a crucial role in creating an environment in which entrepreneurs can flourish. We implement policies to reduce burdensome regulations and remove red tape so as to create a small-business-friendly environment that supports the perpetuation of neighborhood grocery stores

and local tailors. Without careful attention, government policies could crush the small-business sector of any economy.

In order to create an environment in which U.S. small businesses can prosper, President George W. Bush has joined with private-sector, nonprofit, and community and faith-based organizations to focus talent, expertise, and other resources on facilitating economic growth and enterprise all across America, and particularly in otherwise neglected areas. Together these groups are educating interested Americans about entrepreneurship. They are offering classes on how to hire employees, negotiate contracts, and market products.

Government investment in small businesses benefits not only the businesses themselves but also our national economy and our society at large. A healthy small business creates jobs in the community and gives both employer and employees a stake in the success of the neighborhood. When times are tough, it is the corner store that sees us through to the brighter days. It is the government's responsibility to ensure that its policies are helping—not hurting—enterprises, creating the conditions for small business to flourish, and encouraging citizens to give small-business ownership a try.

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