



Written by [Ralph R. Reiland](#) on May 3, 2010

Big Government vs. Small Business

As the owner of a small restaurant, it felt good the other morning to open the newspaper and read this sentence: “Be proud, small-business owners! You’re now the most trusted group in America. Listen up, federal government! You’re neglecting small business — and most people think so.”

That was how Rhonda Abrams summarized the findings of a recent survey by the Pew Research Center in *USA Today*.

“Small business is the most trusted institution in America,” explained Abrams. “More than churches. More than colleges. More than technology companies. And certainly more than labor unions or large corporations.”



Maybe that’s because we operate in a competitive environment and can’t force people to deal with us. The interchanges with our customers are basically voluntary and mutually beneficial, unlike what happens to people when they’re dealing with monopolistic agencies in the public sector and the less competitive sections of the private sector.

We’re also not too big to fail so we aren’t draining billions out of taxpayers’ wallets for any bailouts. And unlike the cushy retirement deals for “public servants” that are bankrupting America’s cities and states, we don’t have cooks and servers who expect to retire at 50 and live off the taxpayers for 35 years.

Small business was at the top of two lists — the most highly regarded institution by the public and, in contrast, the most disregarded and neglected by the politicians.

“When asked about which groups were getting too much or too little attention from the government, Americans felt small business was getting dealt the worst hand,” reported Abrams. “Small business is one of the few groups that Americans want to get more government attention.”

The survey’s respondents might be wrong about that. Being overlooked by the politicians and bureaucrats might well be the best hand to be dealt. As Reagan said, “The nine most terrifying words in the English language — ‘I’m from the government and I’m here to help.’”

In any case, during this era of growing polarization and harsh partisanship, the favorable ratings for small business cuts across party lines, with 72 percent, 70 percent and 73 percent of Republicans, Democrats and Independents, respectively, saying that the small business sector plays a key and positive role in how things are going in the United States.

“What’s really interesting is that large corporations are viewed almost as negatively as Wall Street,” explained Carroll Dougherty, Pew’s Associate Director. “The contrast between large corporations and small business is enormous.”

Banks, the federal government and large corporations ranked at the bottom of the pile in public



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approval, receiving favorable ratings, respectively, from only 22 percent, 25 percent, and 25 percent of respondents.

Also ranking poorly in public approval were federal agencies and the national news media, each receiving positive ratings by only 31 percent of respondents. Also at the bottom in approval, labor unions and the entertainment industry received positive ratings, respectively, by only 32 percent and 33 percent of the public.

Nancy Pelosi, ranked in the cellar of the bottom-ranked Congress, attempted to tie her faltering wagon to the top-ranked small business community by going to the podium in the House chamber shortly after the health reform bill was rammed through and declaring that the unpopular legislation would “unleash tremendous entrepreneurial power” and create millions of new jobs.

I’ve never met an entrepreneur, current or potential, who was keeping his entrepreneurial power on a leash because Congress hadn’t passed a bill.

More specifically, Speaker Pelosi, with no expertise or experience in small business or economic forecasting, proclaimed that the health reform legislation would be a government-granted stimulant to entrepreneurial growth, a special Congressional gift to America’s mom-and-pop enterprises, creating “4 million jobs in the life of the bill” — i.e., 400,000 new jobs per year for a decade.

More in touch with reality, Susan Eckerly, senior vice president at the National Federation of Independent Business, the nation’s leading small business association, issued the following warning in January: “Like a freight train without brakes, Congress is determined to pass health reform, even at the expense of our nation’s chief job creators — small business.”

In March, three days after the health overhaul legislation was passed, Eckerly warned of the job-killing impact of legislation’s mandates for higher taxes: “This isn’t a health care bill. This is a tax bill wrapped in health care paper.”

Eckerly’s right. Incentives and job creation aren’t stimulated by way of higher taxes and increased mandates.

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