

Entrepreneurs Develop Local Economies

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With the spirit of the season... the election season that is... this is a good time to pose a real challenge to everyone running for office.

Economic Development is touted by every politician, but most politicians' concept of Economic Development is recruiting expanding companies to get them to put their new facilities in the area. The companies are given tax breaks and incentives to entice them to come here and bring jobs so that we might benefit from their success.

It's not just local either; the state works the same way. The daily headlines tell the story; somebody at the state level is always asking for (sometimes demanding) help or assistance from the federal government, or big oil companies, or foreign corporations, and even foreign governments.

We need to step back and ask ourselves: Did Austin or Silicon Valley, Texas or California, or even India create the hottest, most progressive, economies on earth today by recruiting companies? No they didn't. No robust economy has to ask companies to move in; companies move in anyway to be near the companies that are started there, the ones that are the drivers and backbone of those vigorous economies.

In fact, the U.S. economy, the biggest on earth (at the moment), was not built by asking for help from anyone. It was almost solely built by the Entrepreneurial drive and spirit that has always been America's most significant competitive advantage... again, at least up until now.

Need proof of what Entrepreneurship does? Fact: every year, 60% to 80% of all new jobs in this country are created by small business (www.sba.gov). Up to 80% of the new jobs created in this country are not from companies moving in and setting up shop. Most of the jobs created in this country, especially in places like Austin, are created by small companies being conceived, developed, built, and grown by local Entrepreneurs.

Company recruiting is an essential Economic Development effort; however, if that is the only, or even the primary, effort it actually indicates the thinking that local Entrepreneurs are not capable of creating the kind of companies that create all those new jobs. Not developing Entrepreneurship along with recruiting sends the message that we aren't capable of developing our own economy, that we have to bring in people capable of doing it for us.

In fact, we do have the Entrepreneurial spirit and talent locally to change not only our region, but the world itself. Most of that spirit and talent is just waiting to be tapped, developed, and put into action.

The problem for politicians is there is no immediate political benefit from Entrepreneurial activity. Results... that 60-80% of all new jobs... are very slow in appearing so benefits may not show up for years... long after politicians leave office.

The challenge: If you really want to do some true Economic Development- develop Entrepreneurship. Develop the Ark-La-Tex's inherent but fairly dormant and untapped Entrepreneurial goldmine. Change the mindset that we can't develop our economy ourselves... that we can't help ourselves... we can! Our local Entrepreneurs just need a push and our support.

So, politicians, the Entrepreneurs are listening.