

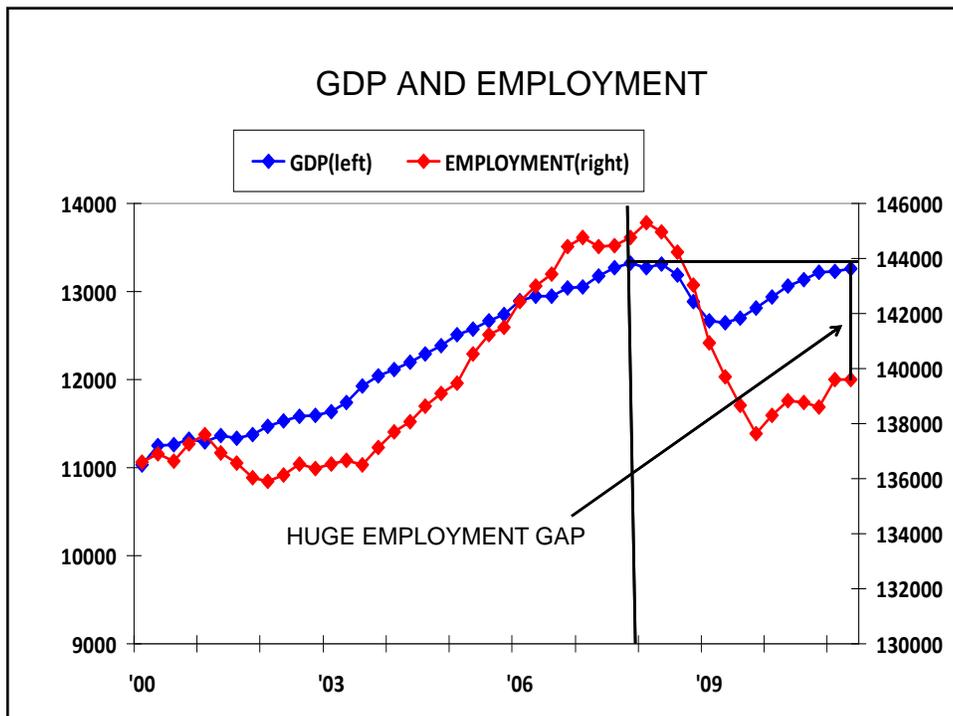
**DR. WILLIAM DUNKELBERG**  
*Chief Economist*  
**NATIONAL FEDERATION  
OF INDEPENDENT BUSINESS**

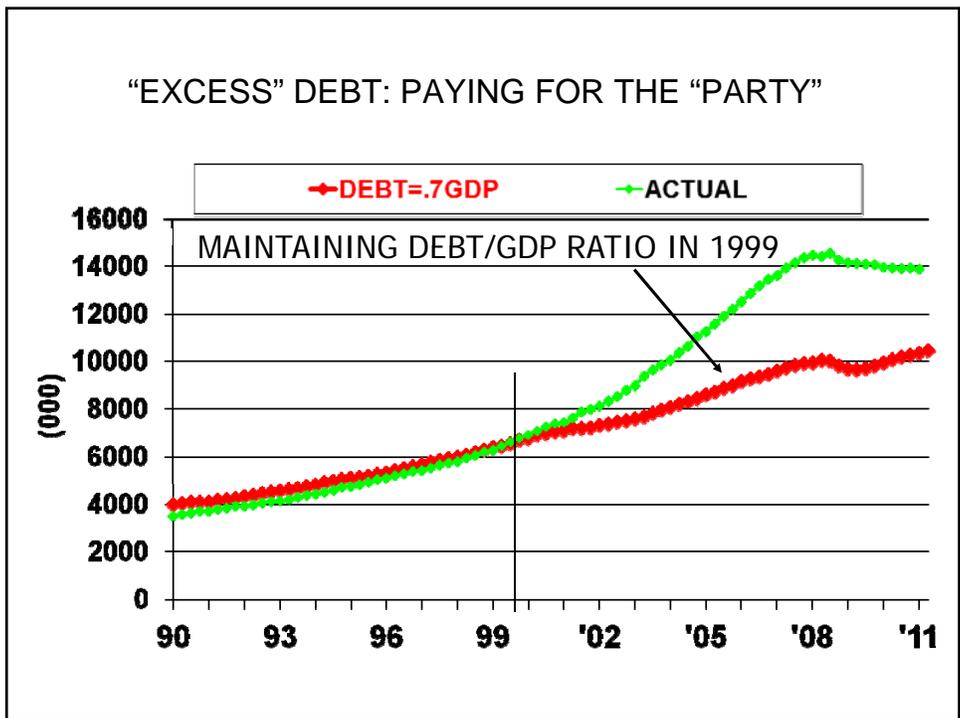
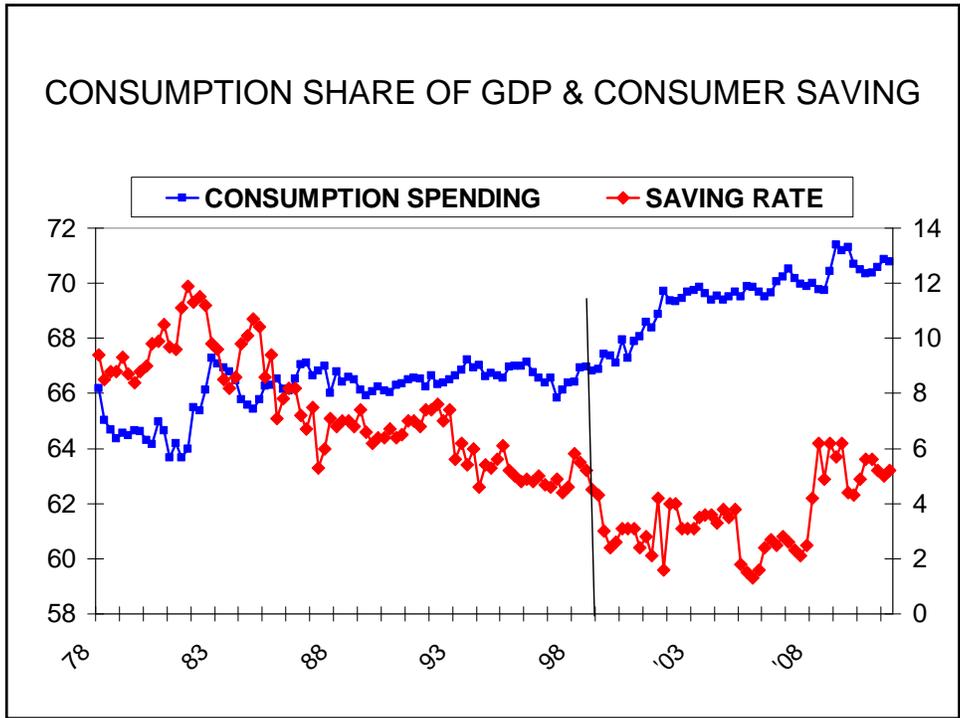
**ECONOMIC STRATEGIST**  
**BOENNING & SCATTERGOOD**  
ESTABLISHED 1914

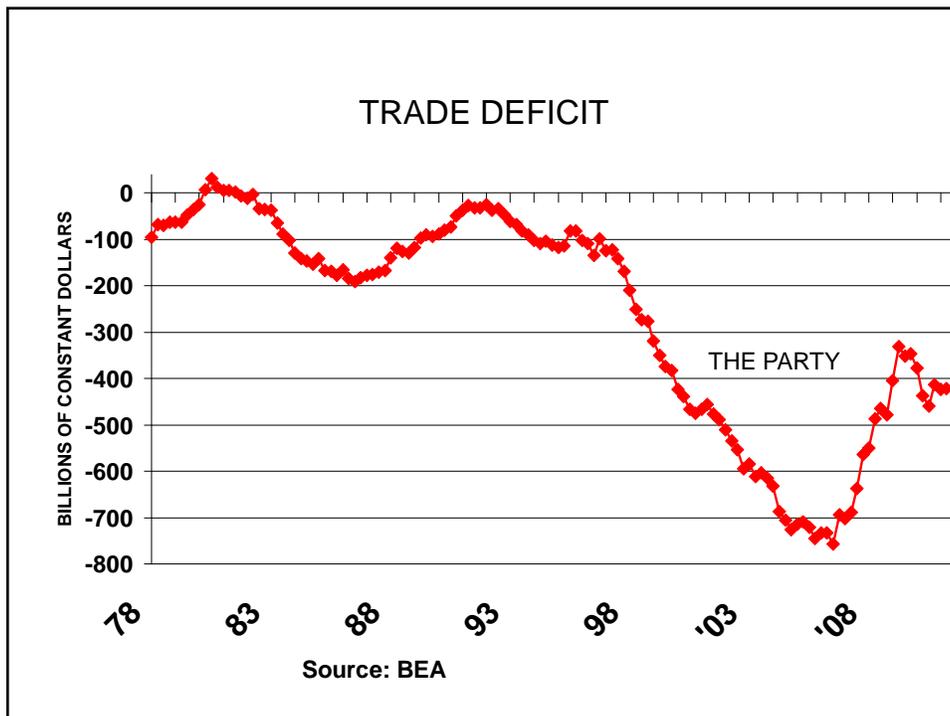
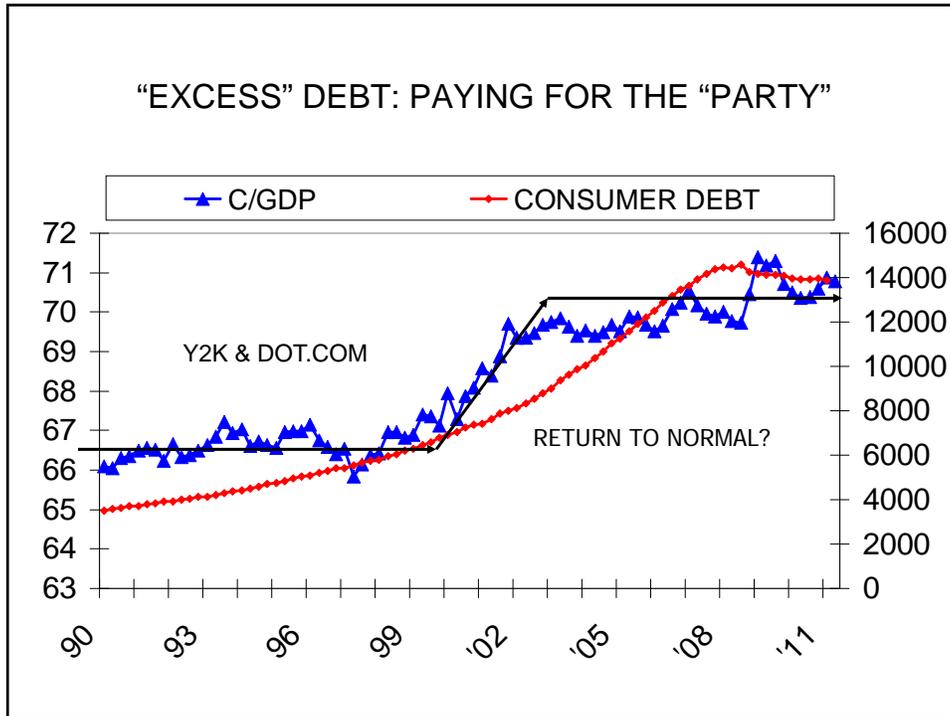
**CHAIRMAN, LIBERTY  
BELL BANK, NEW JERSEY**

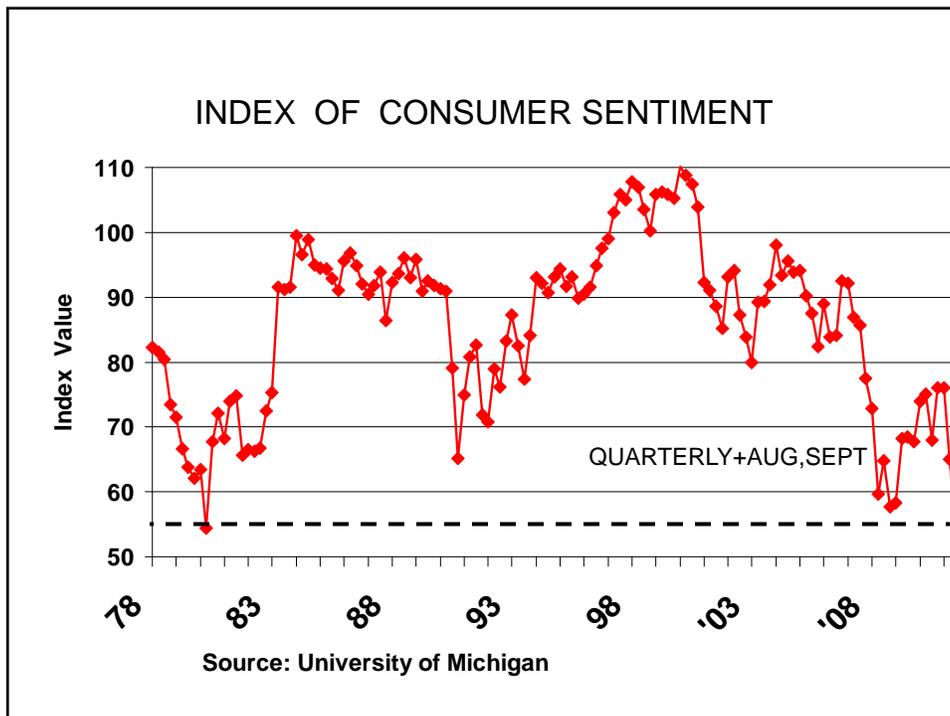
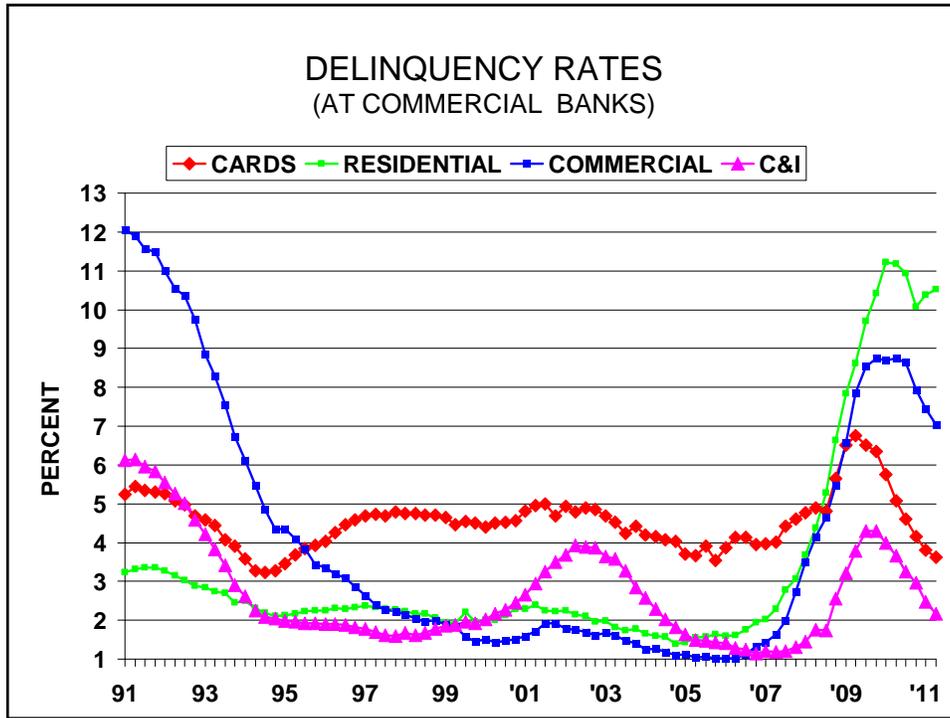
PROFESSOR OF ECONOMICS  
**TEMPLE UNIVERSITY®**

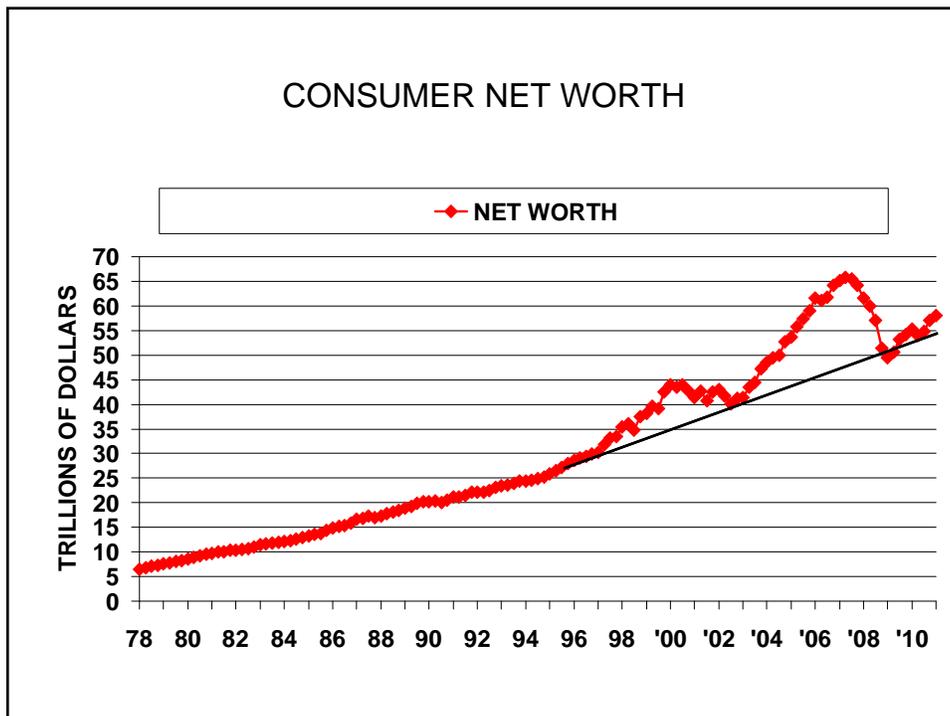
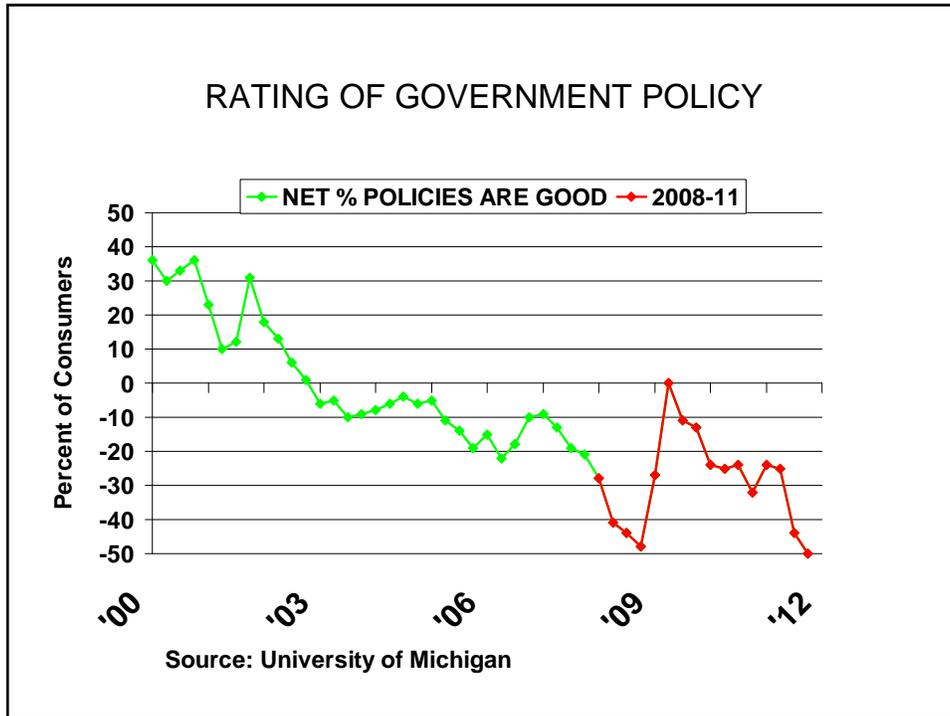
**CHAIR, GLOBAL  
INTERDEPENDENCE CENTER**







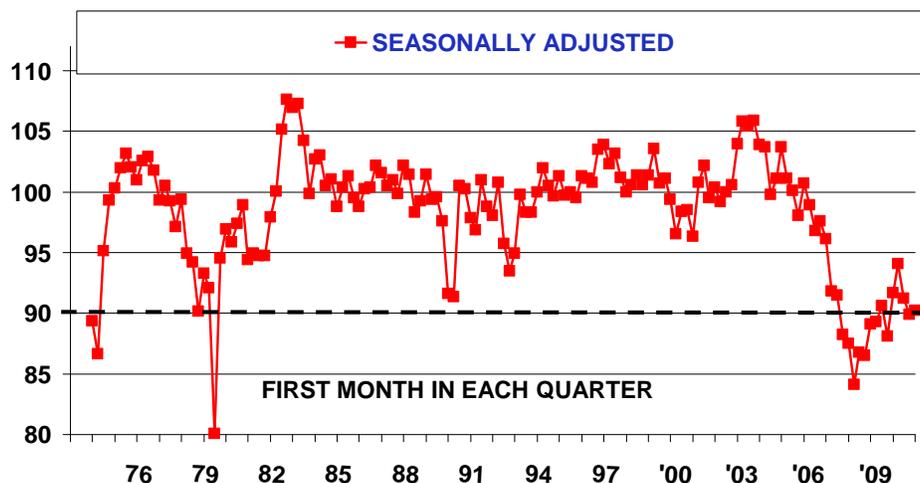


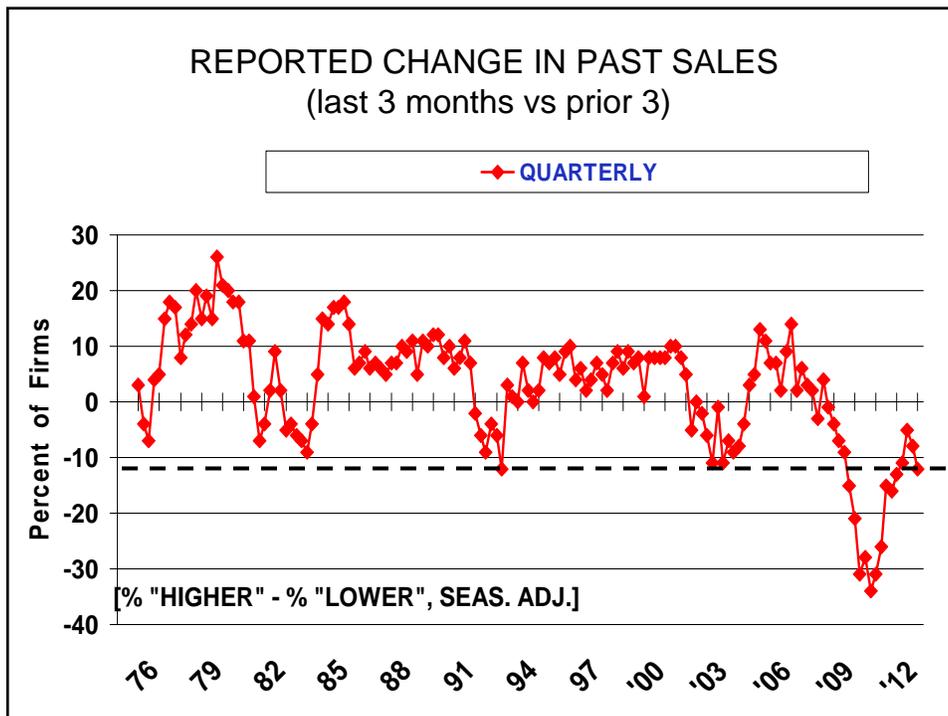
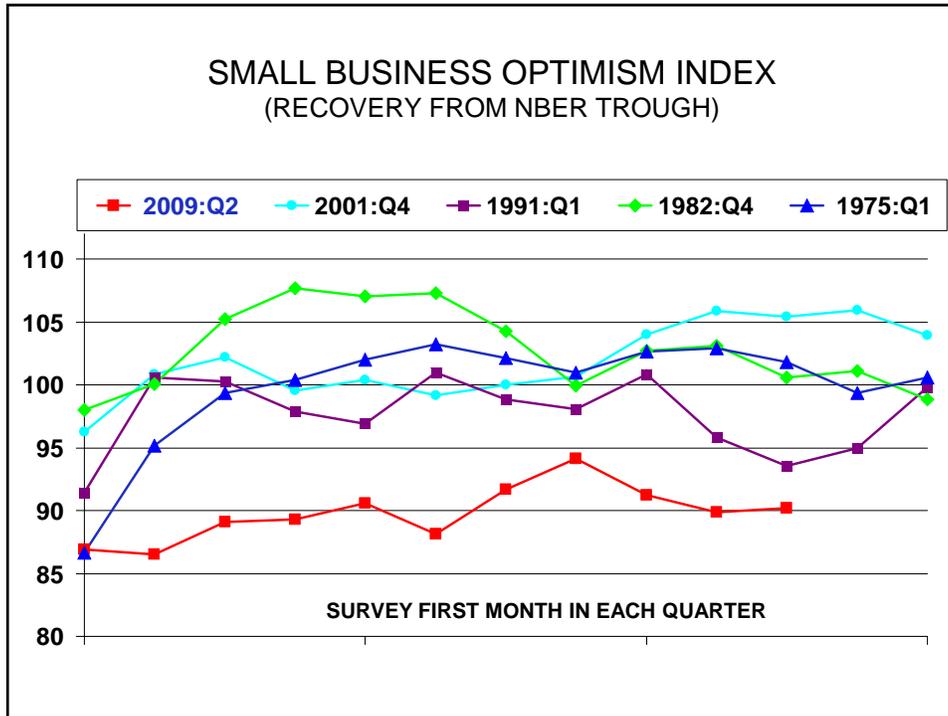


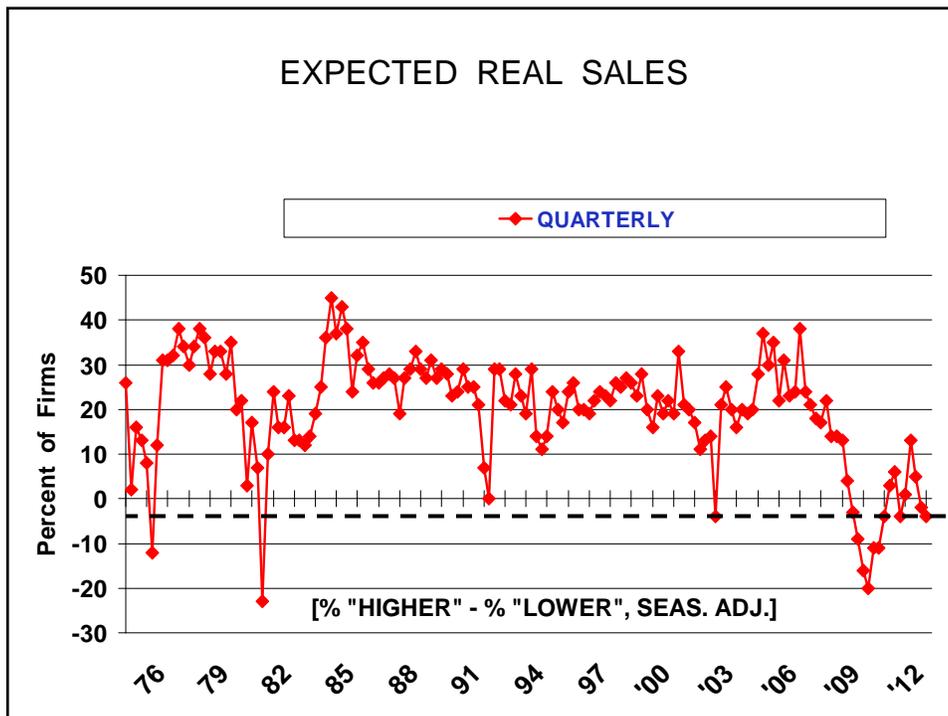
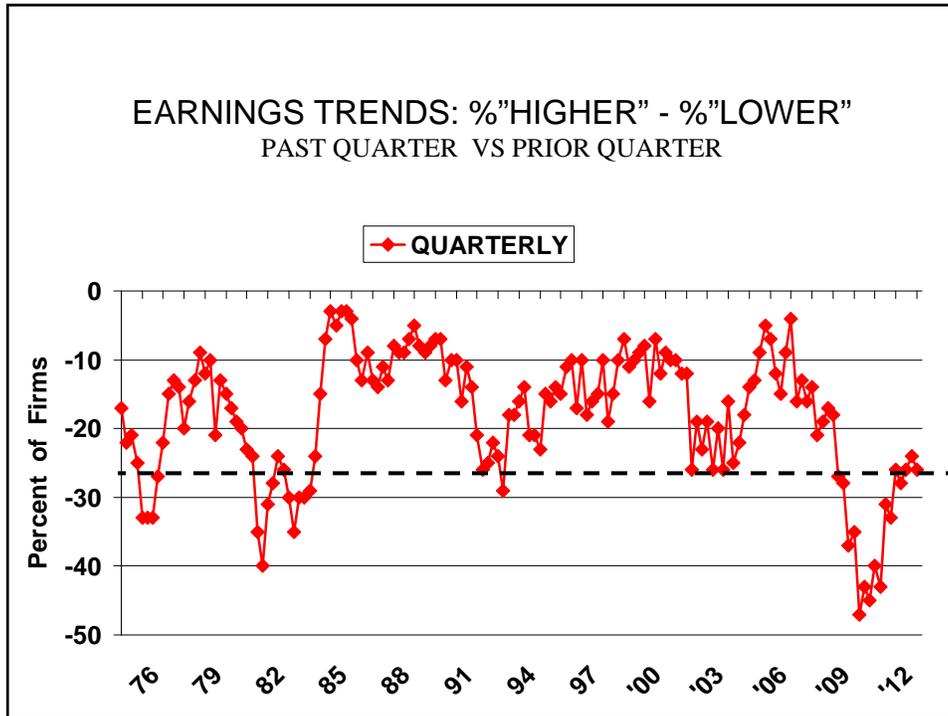
### SMALL BUSINESS FACTS

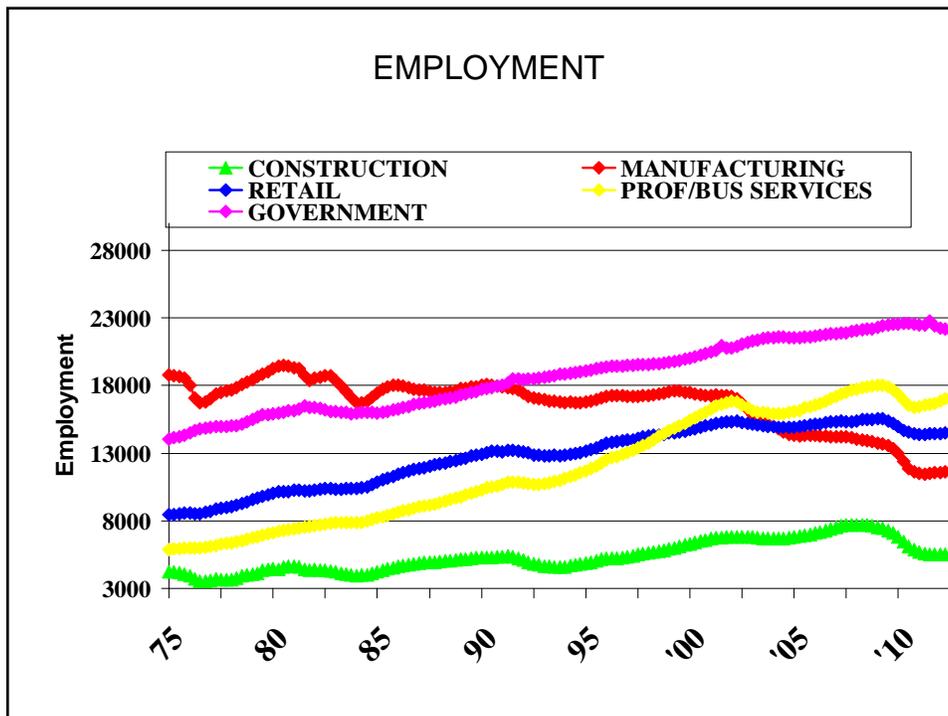
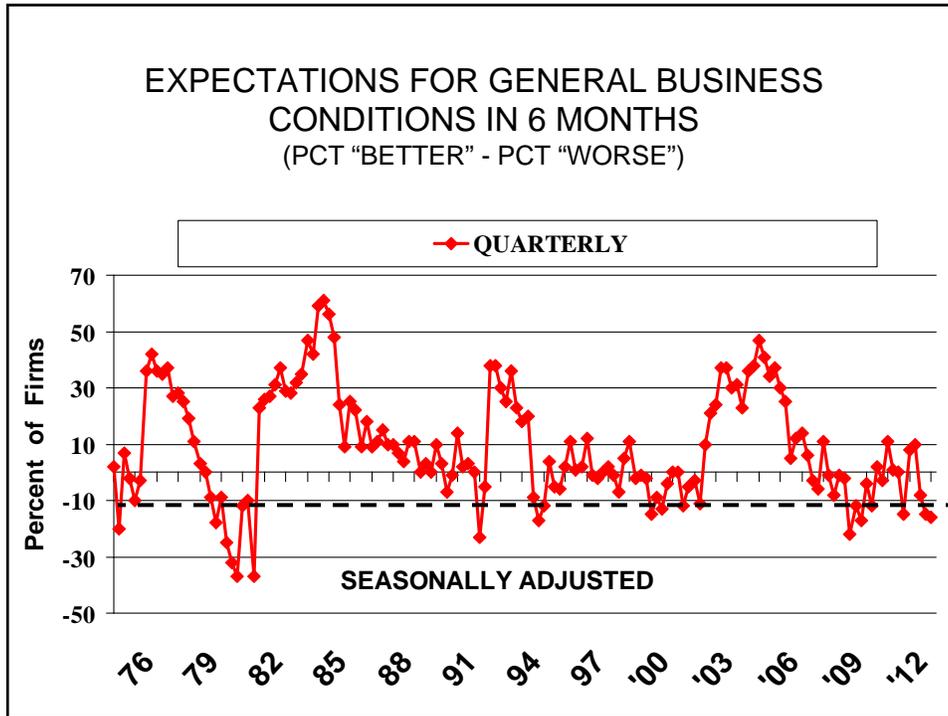
- 90% OF ALL EMPLOYERS HAVE FEWER THAN 20 EMPLOYEES
- 99% HAVE FEWER THAN 500
- PRODUCE HALF OF THE PRIVATE SECTOR GROSS DOMESTIC PRODUCT
- EMPLOY 50%+ OF PRIVATE SECTOR EMPLOYEES
- PRODUCE 2/3RDS OF THE NEW JOBS

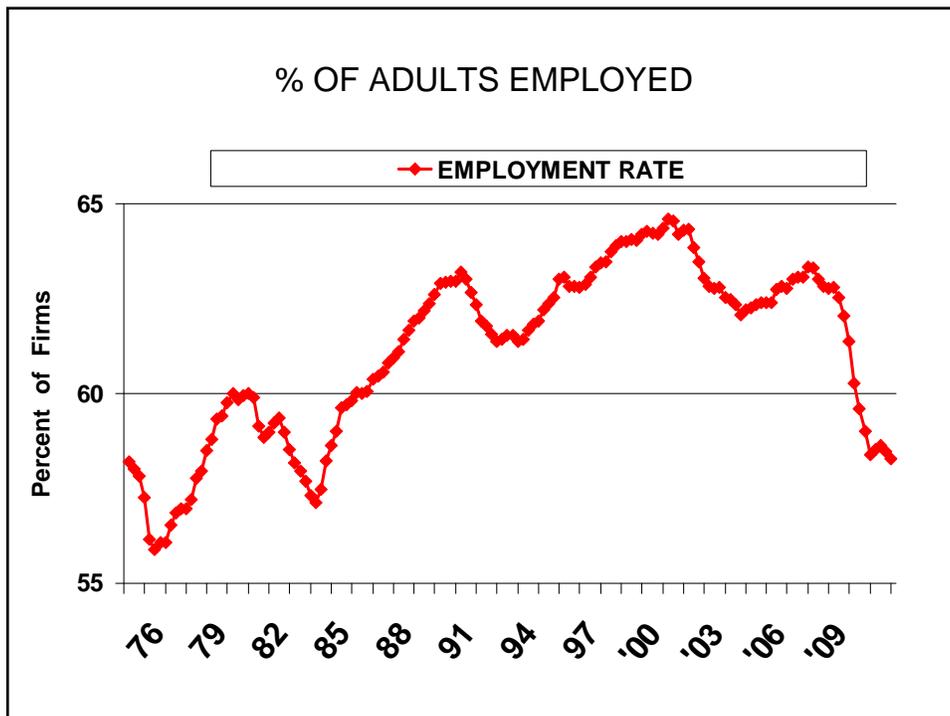
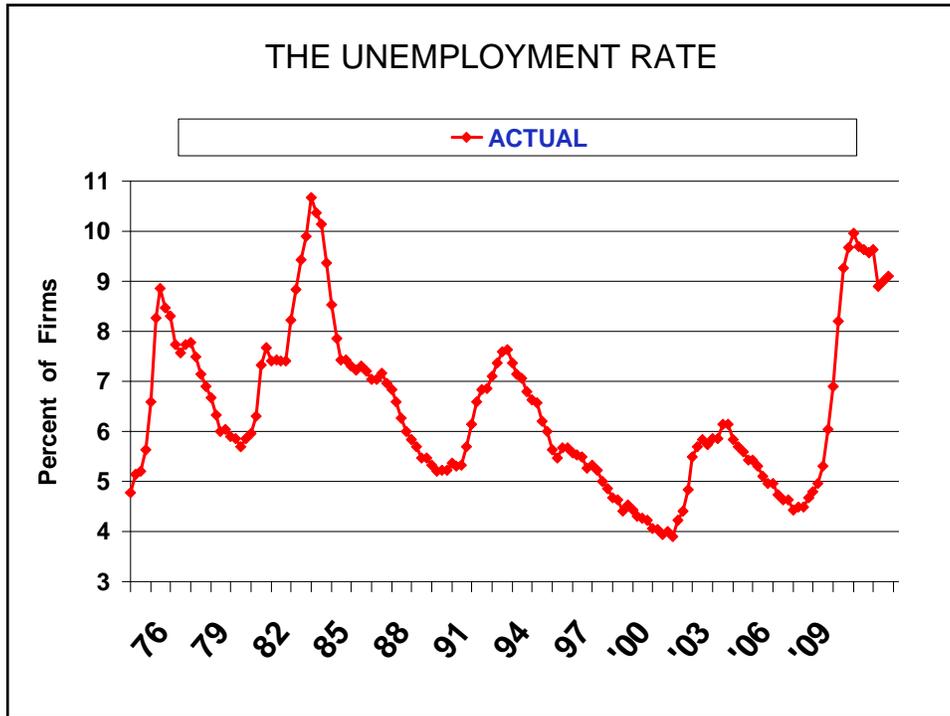
### SMALL BUSINESS OPTIMISM INDEX (QUARTERLY, 1986 = 100)

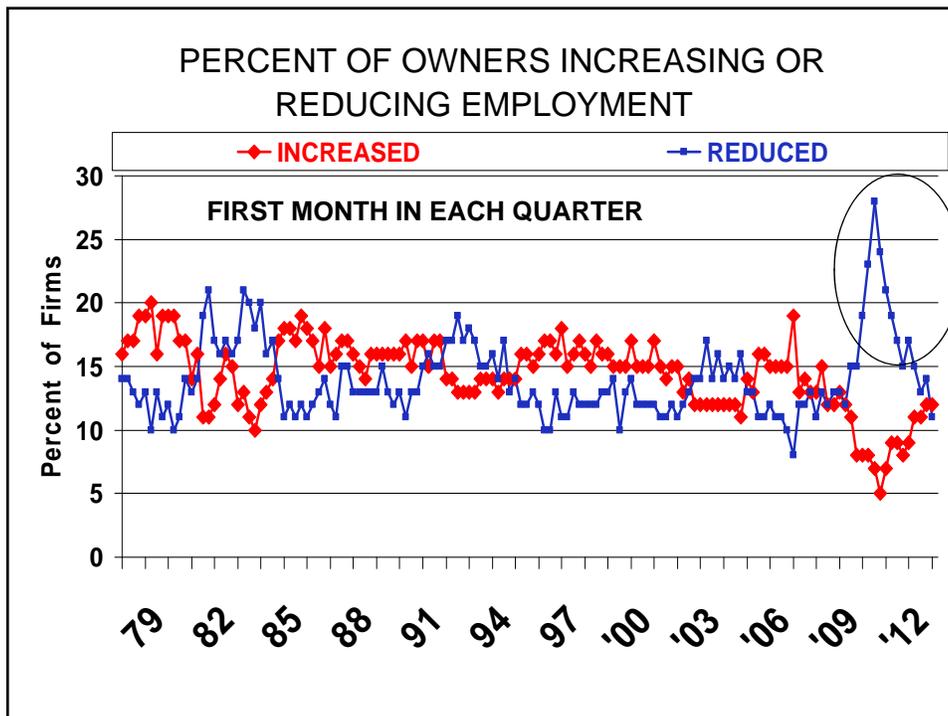
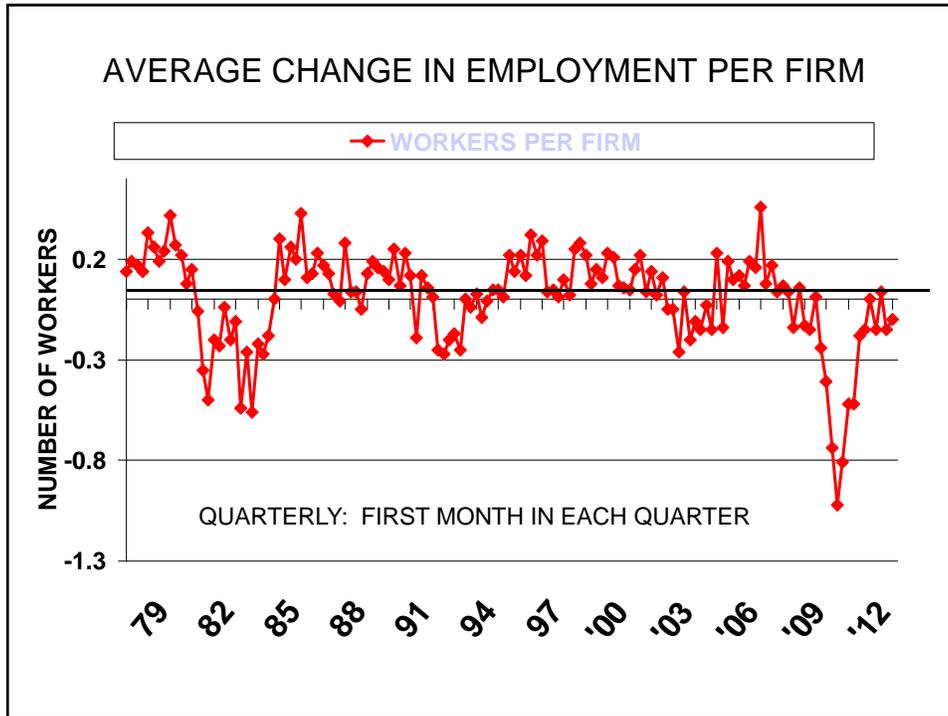


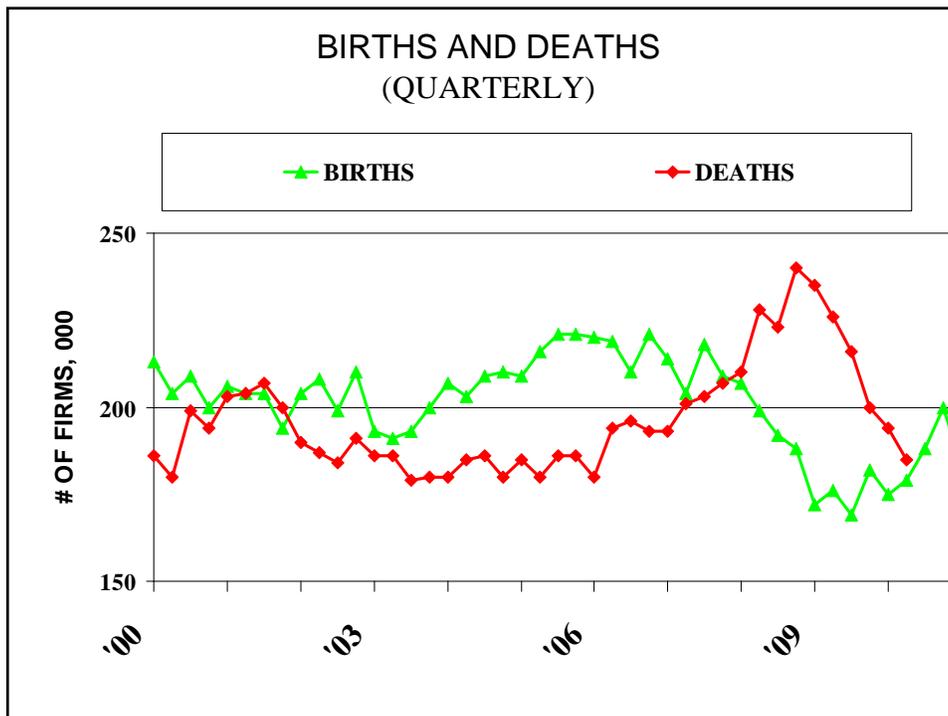
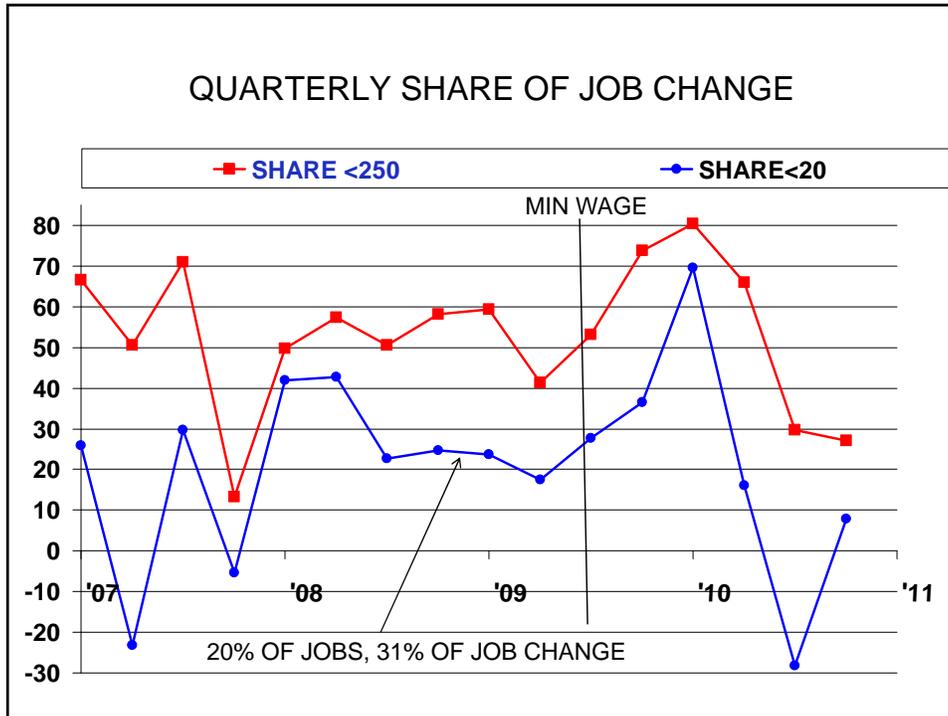


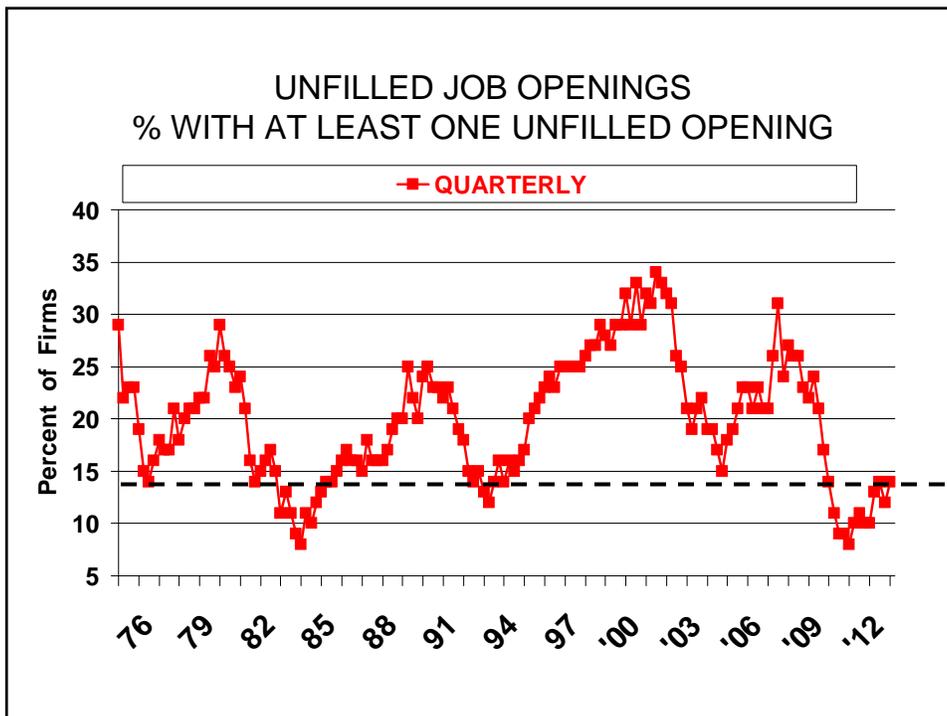
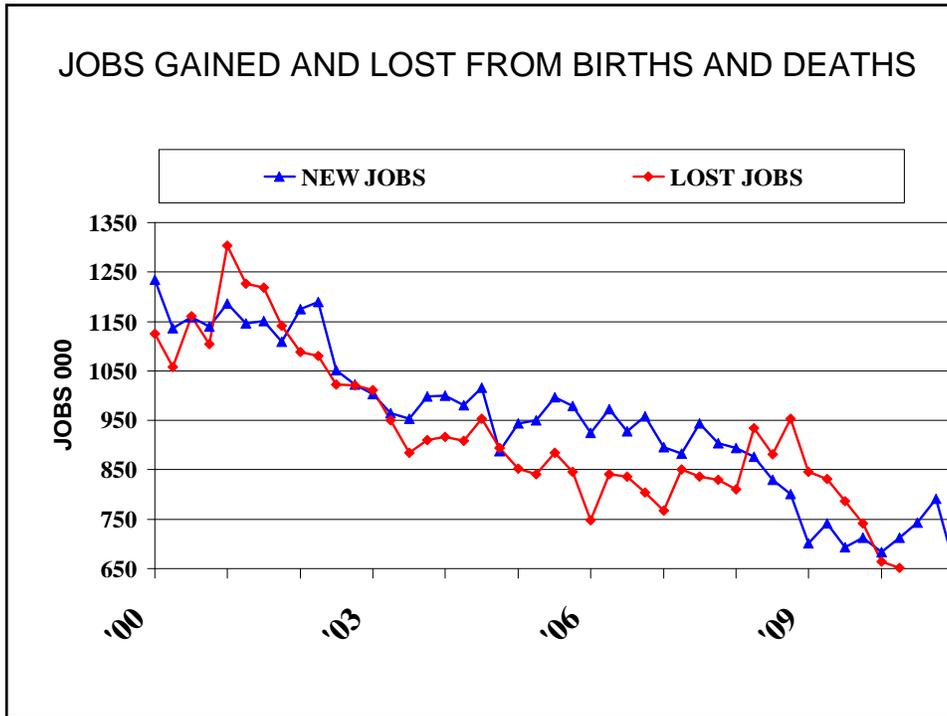


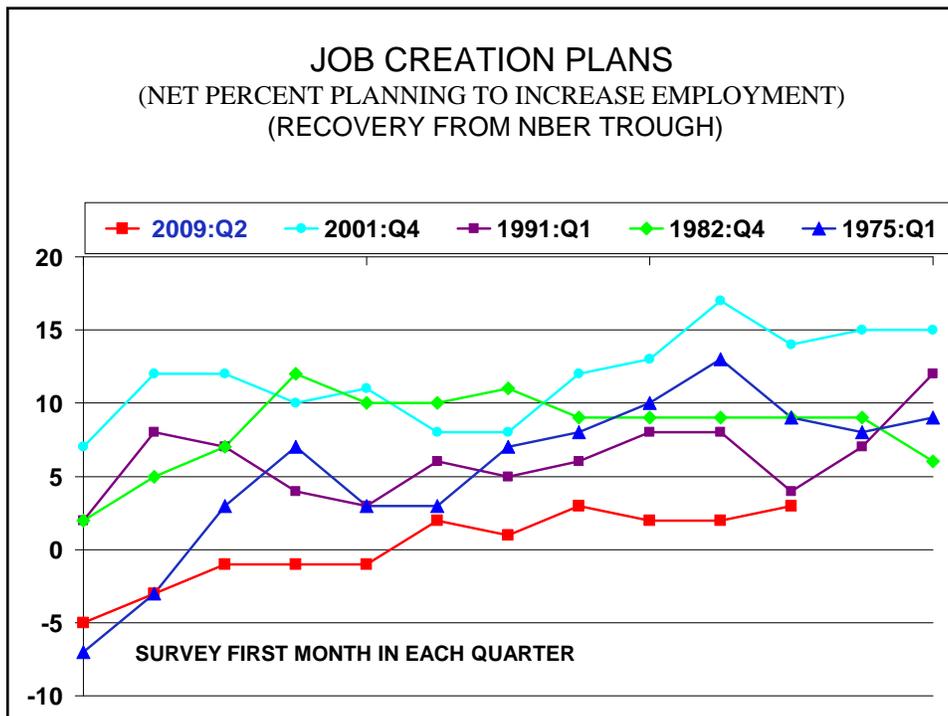
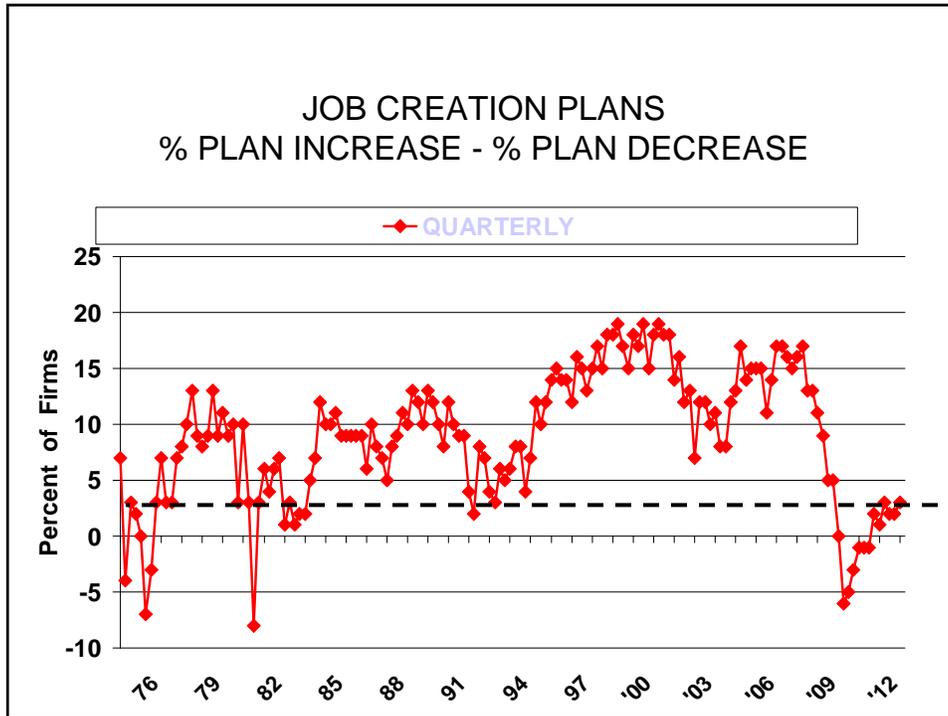


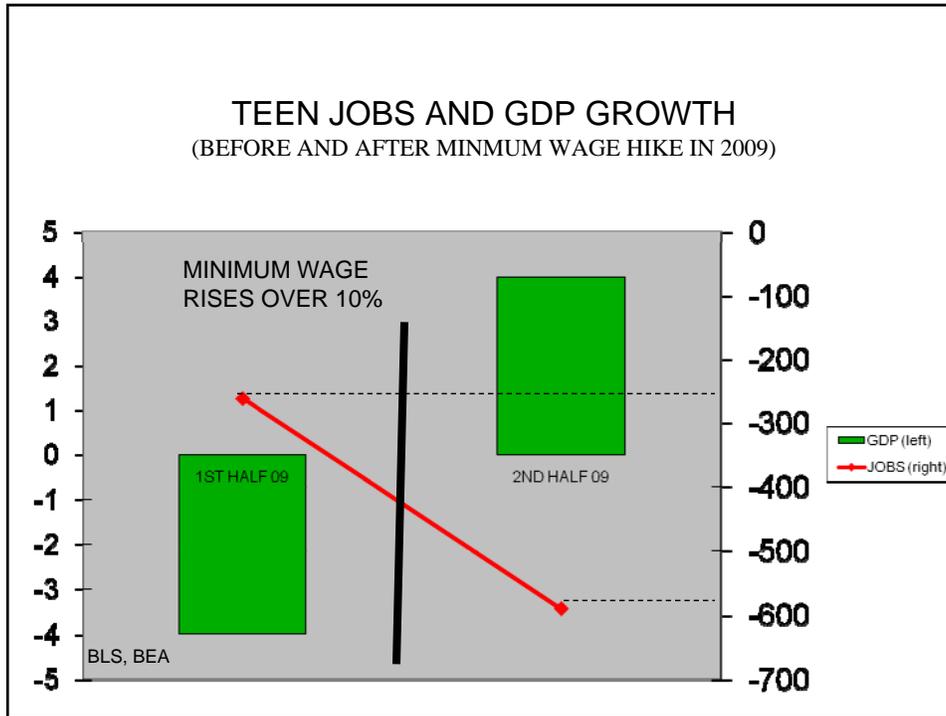






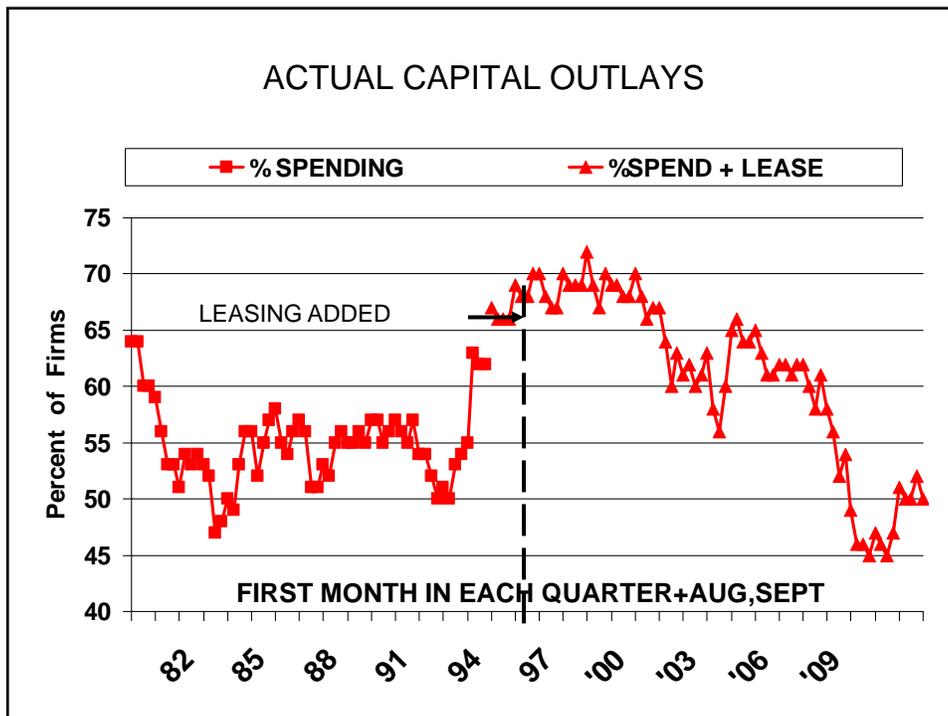
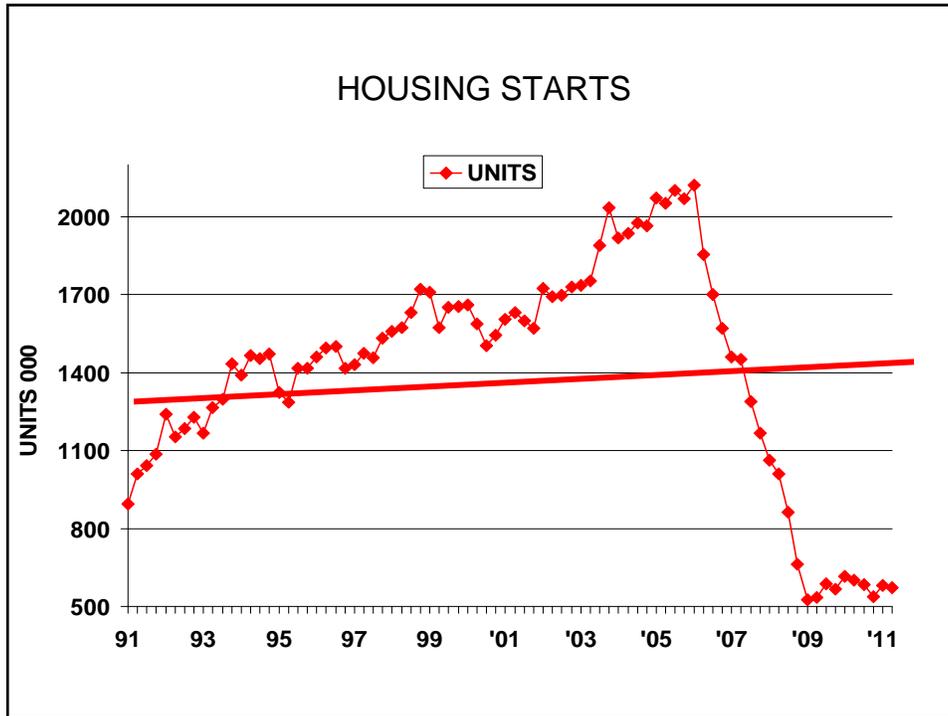


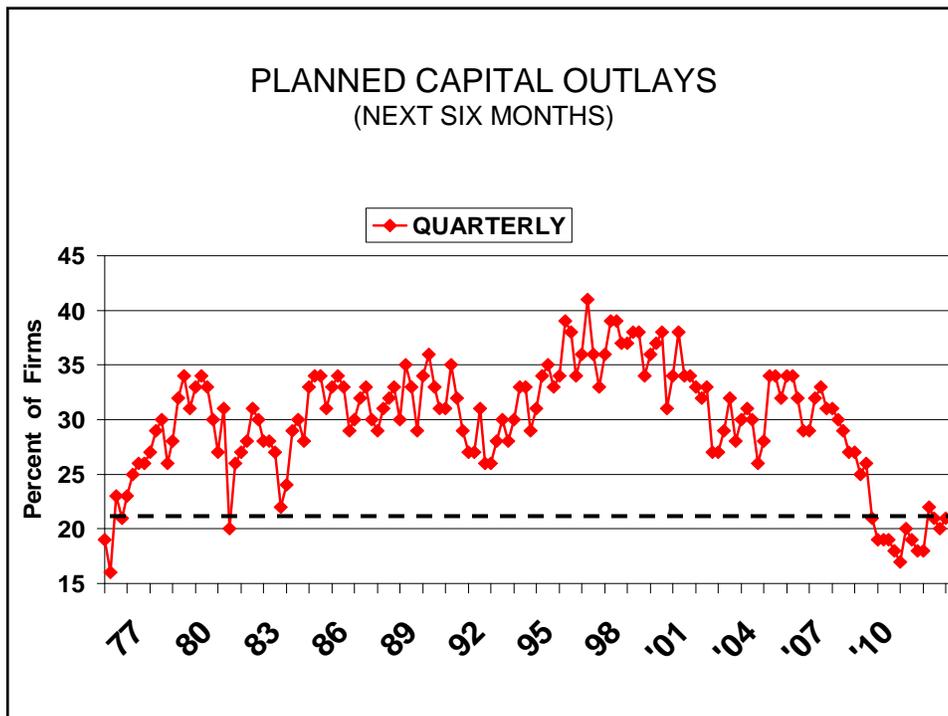
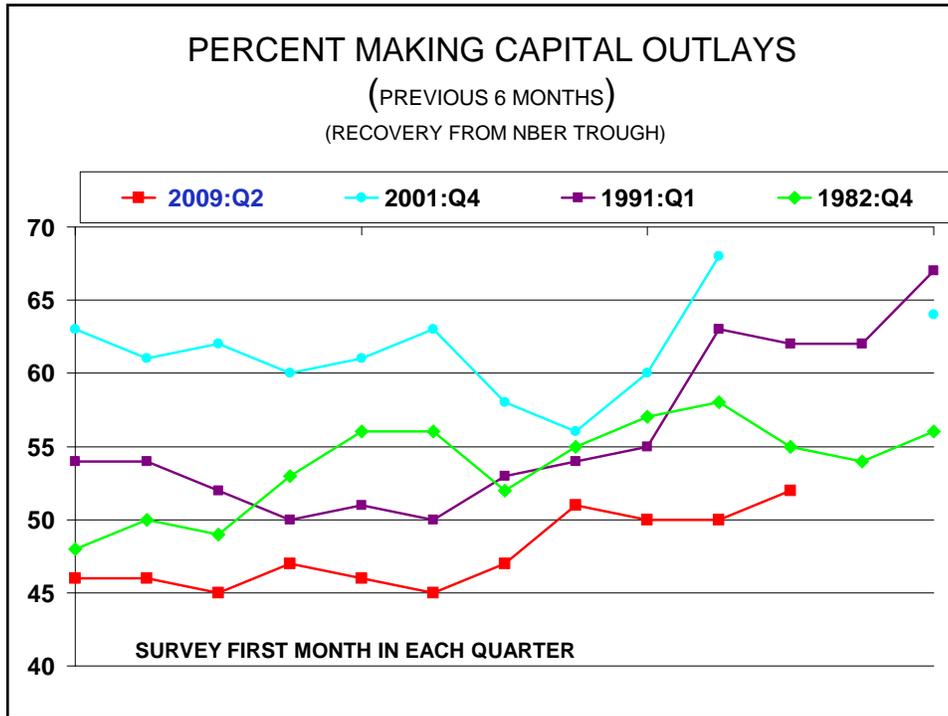


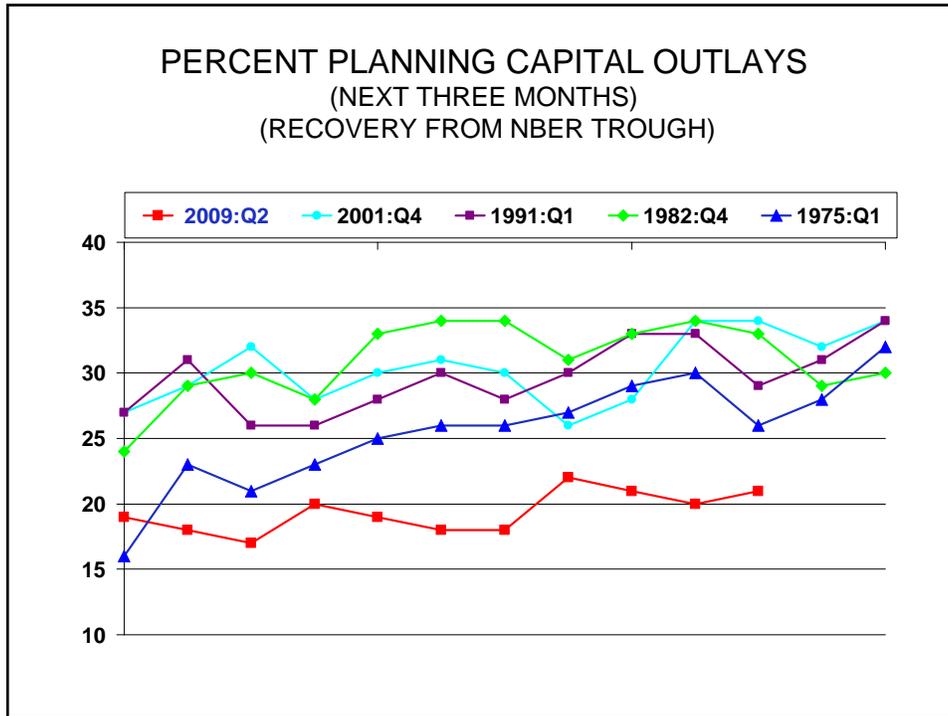


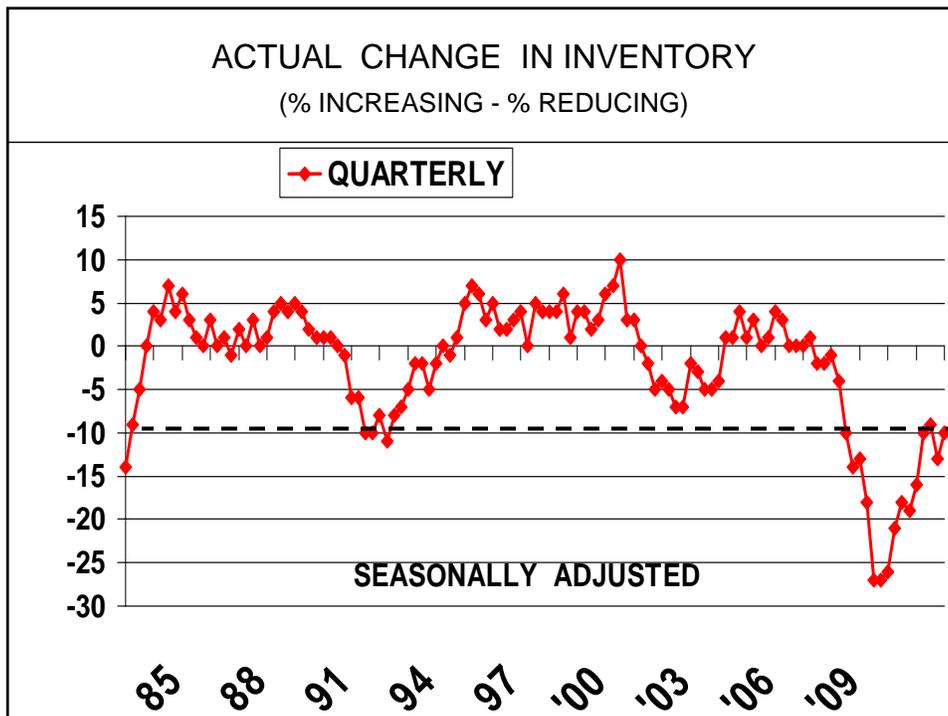
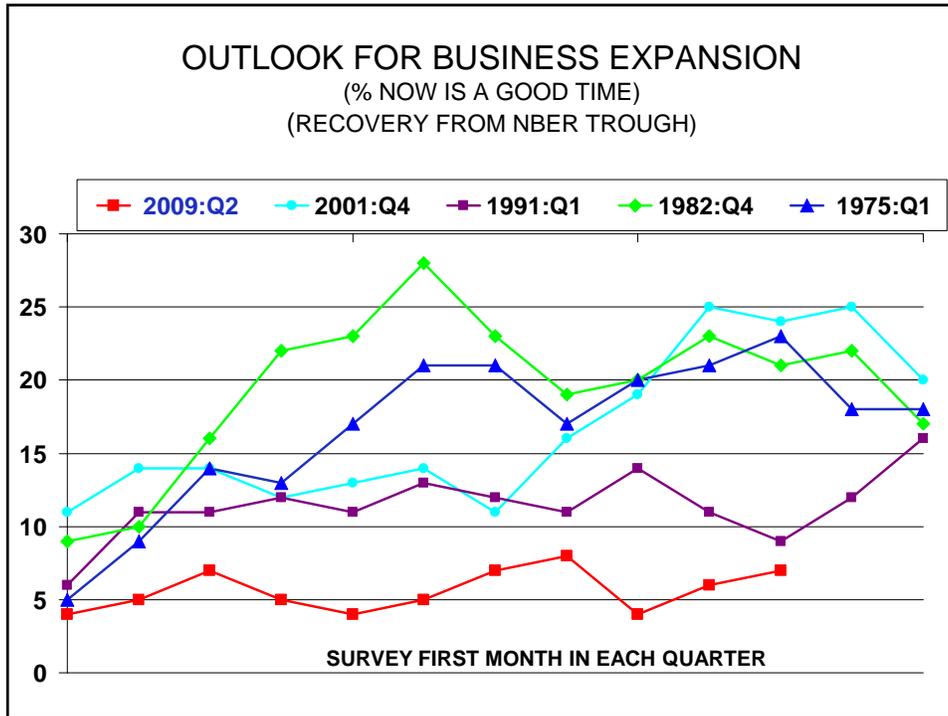
### JOB CREATION

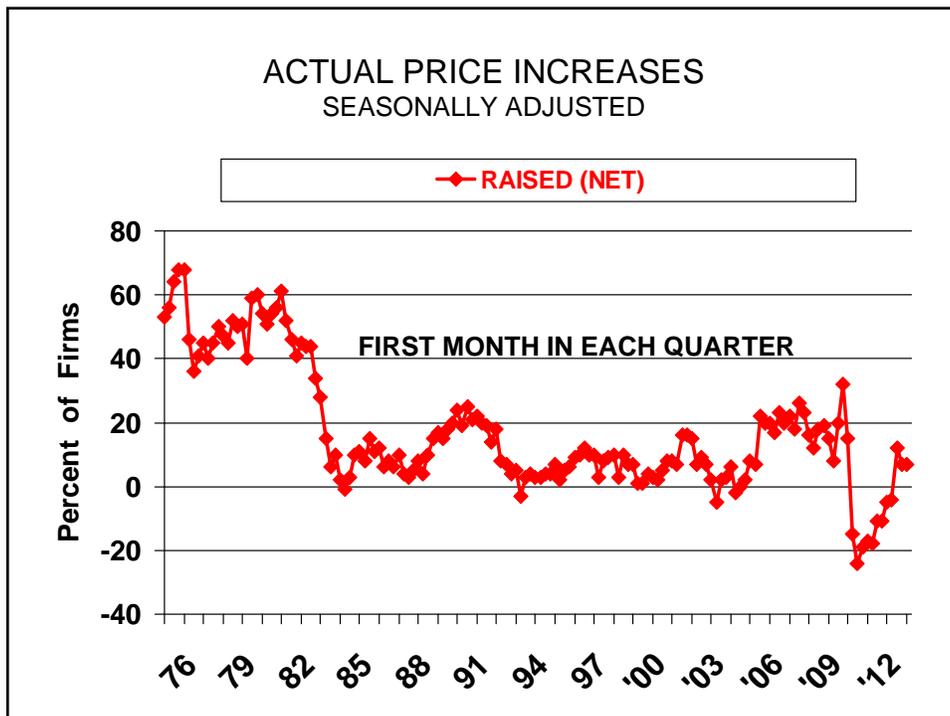
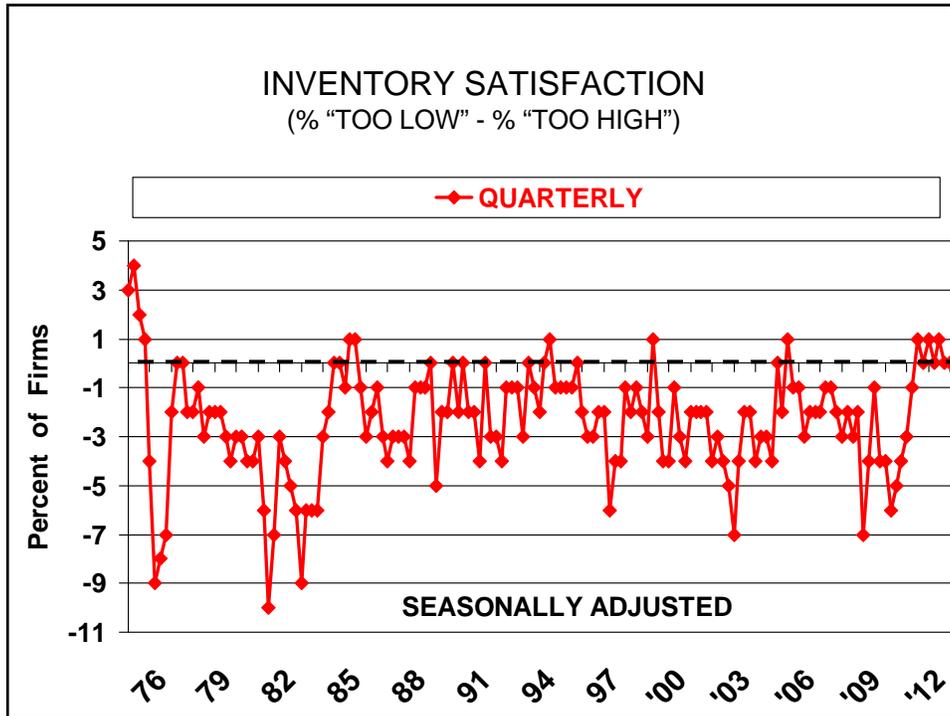
- NO JOB GROWTH WITHOUT POPULATION GROWTH, JUST JOB CHANGE
- JOBS CHANGE WITH TECHNOLOGY
- MOST **NEW** JOBS ARE “SERVICE”, LABOR INTENSIVE, DELIVERED IN LOCAL MARKETS, BEST DELIVERED BY SMALL FIRMS
- PRIMORDIAL STEW FROM WHICH A FEW LARGE FIRMS EMERGE, R&D OF ECONOMY
- HUGE TURNOVER, LOTS OF JOBS, TRAINING, EXPERIMENTATION, “MARKET TEST”
- DISTINGUISH BETWEEN BUSINESS CYCLE JOB LOSS AND NEW JOB CREATION

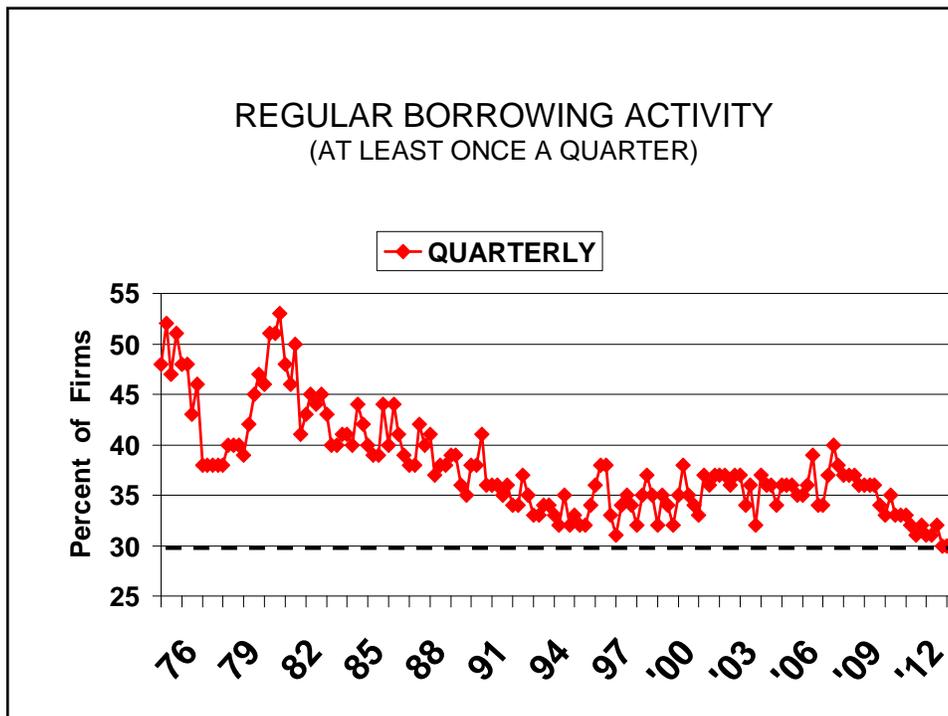
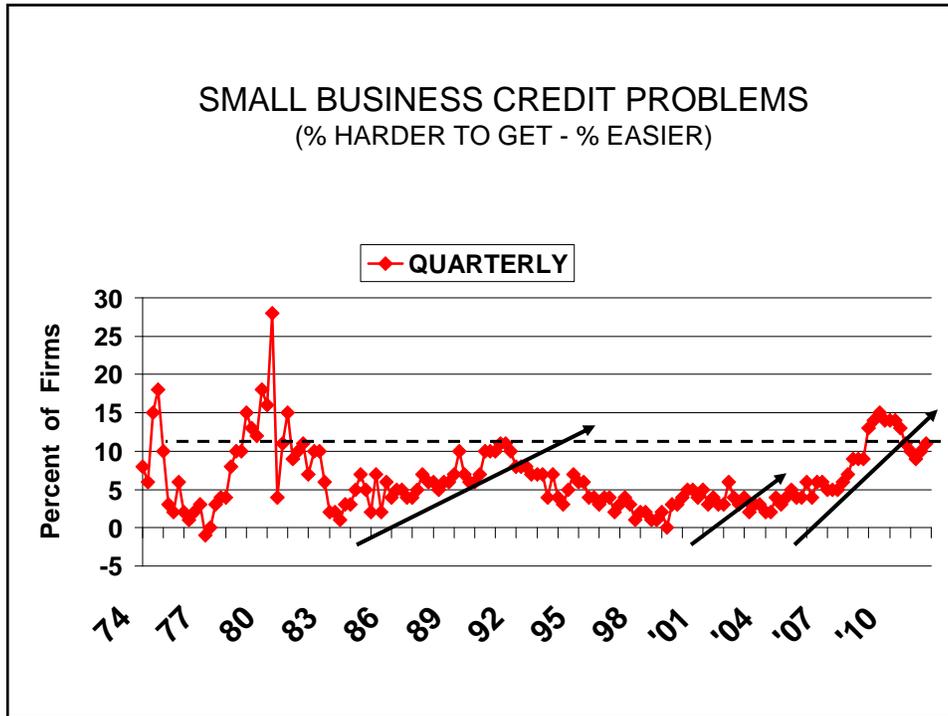


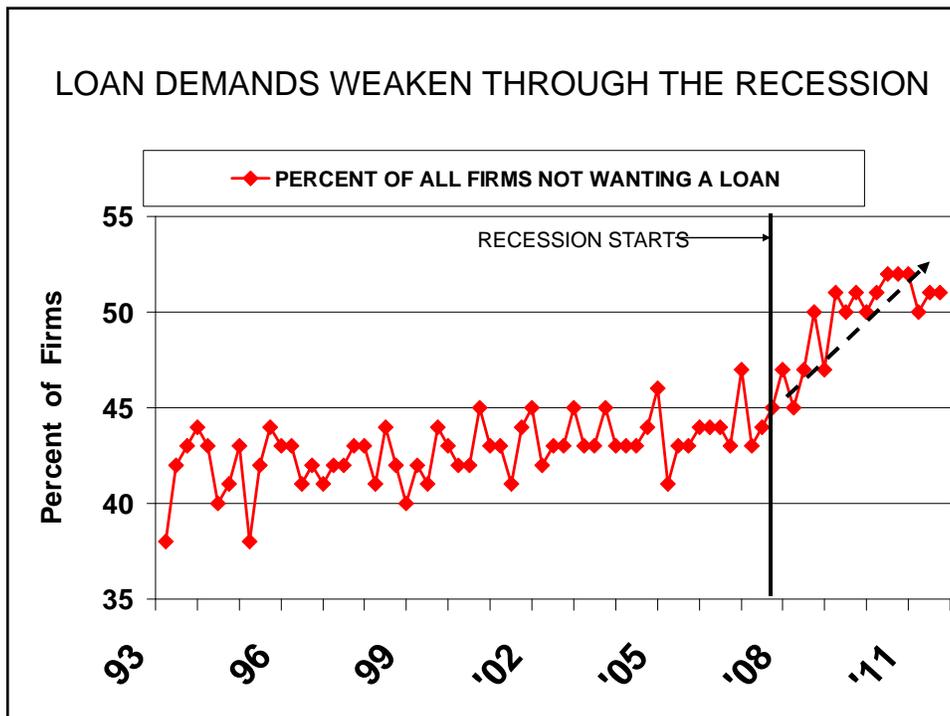
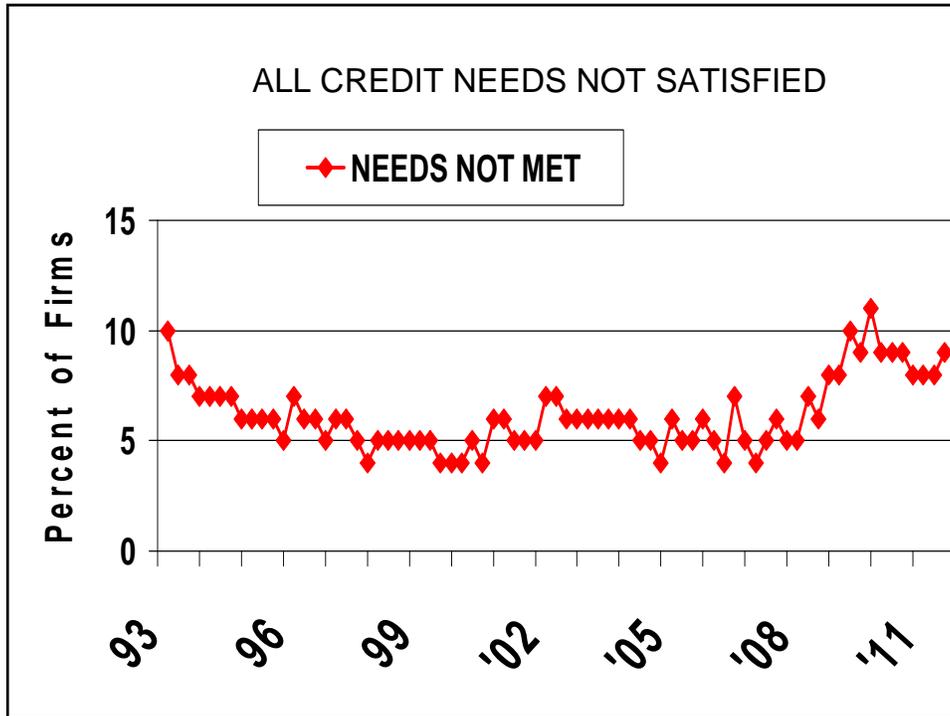


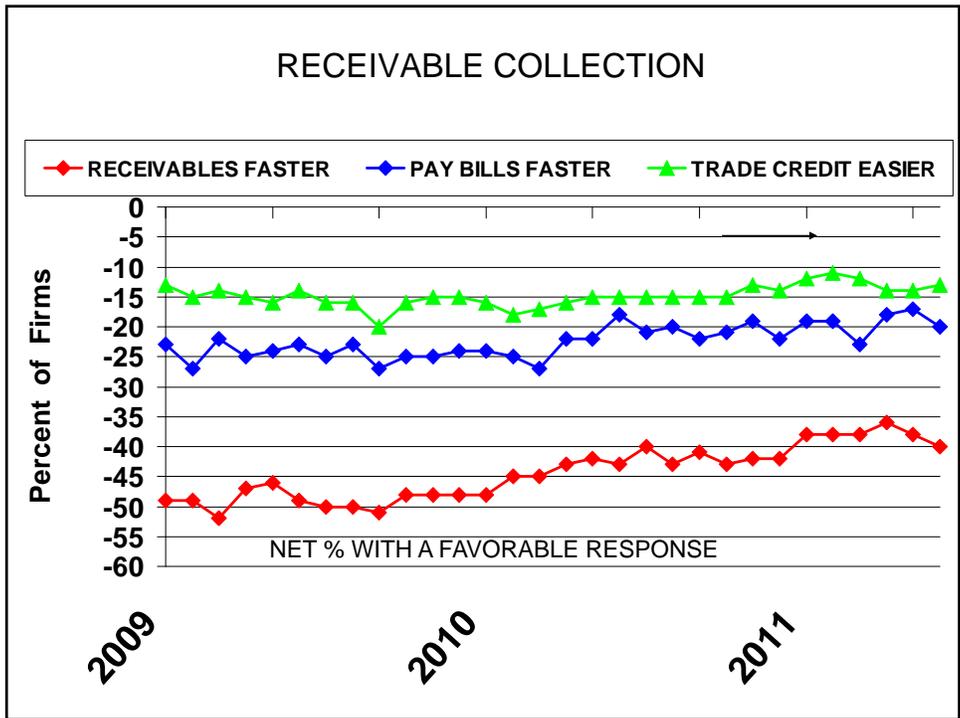
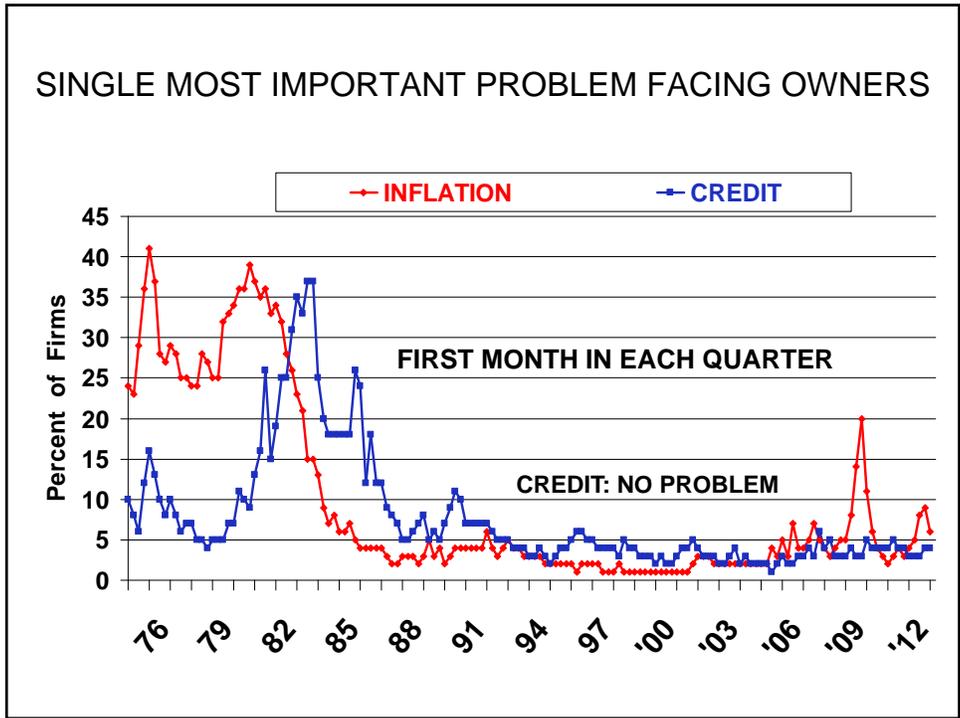


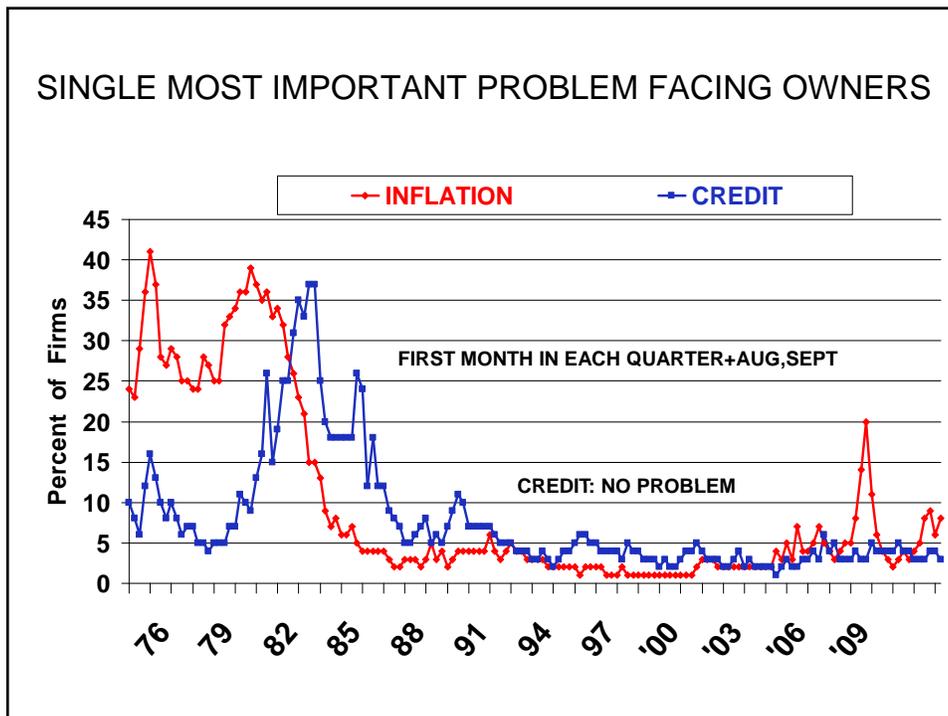
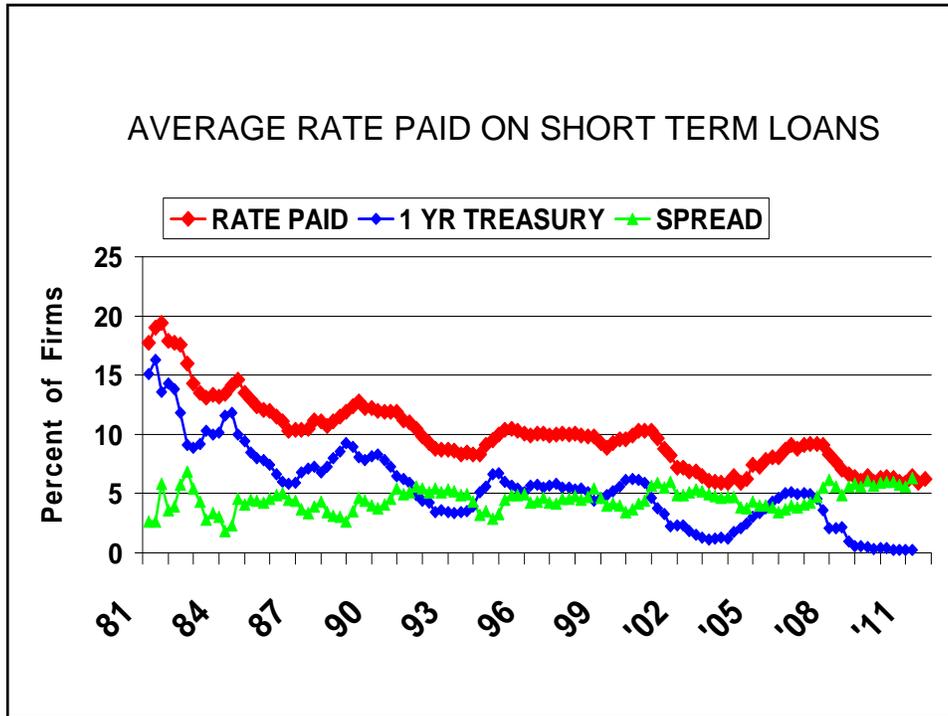


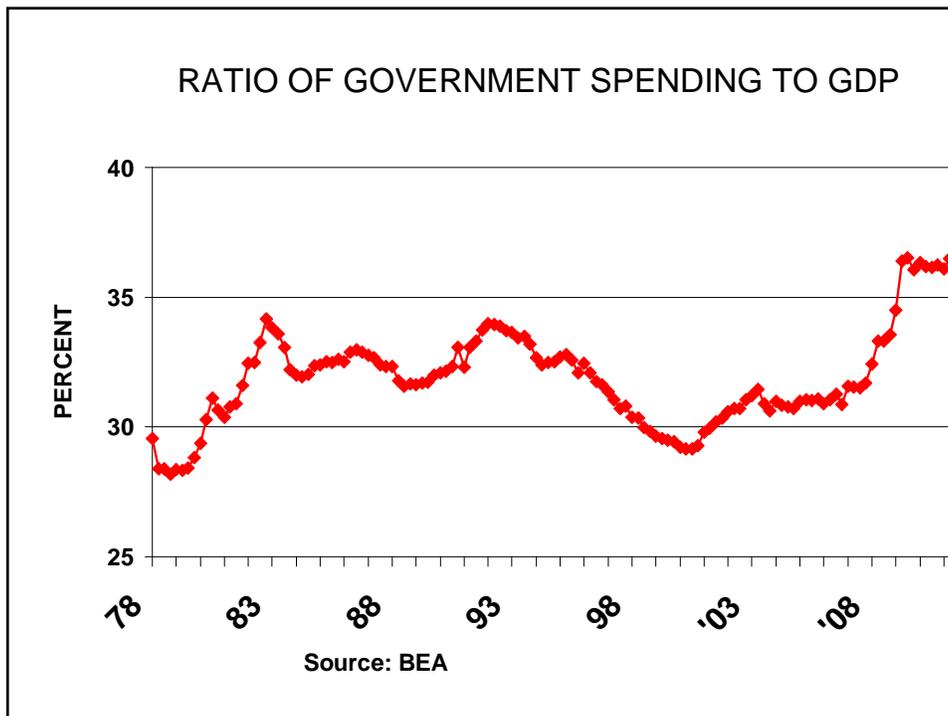
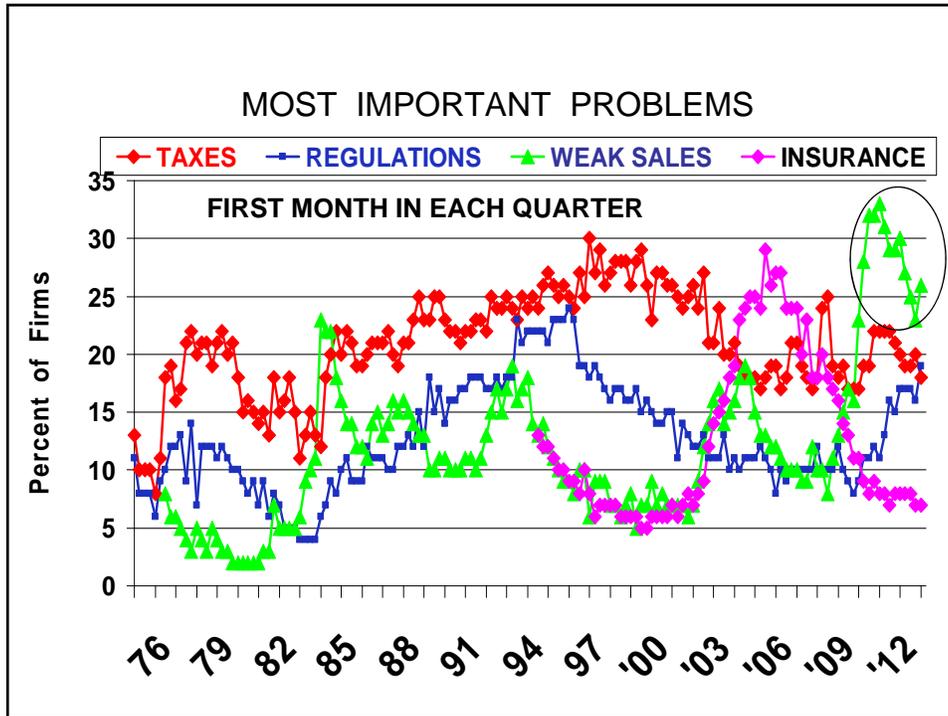


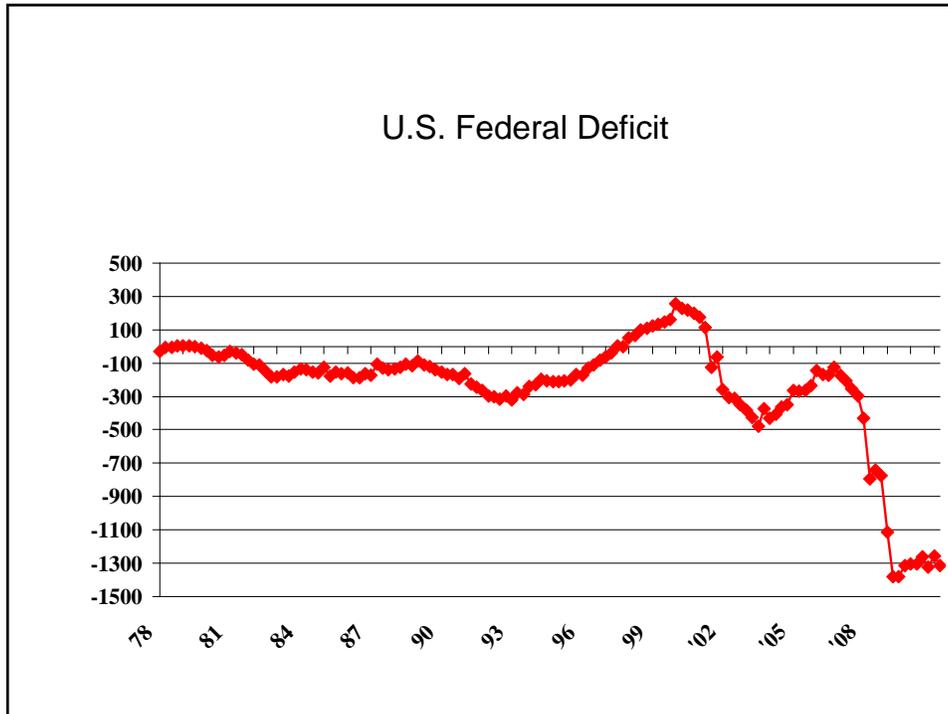












#### CURRENT SITUATION

- GOVERNMENT IS MAJOR SOURCE OF UNCERTAINTY – AT A MAX
- DISSATISFACTION RECORD HIGH - UofM
- MORE CONCERN WITH DEBT THAN UNE.
- FED OUT OF BULLETS FOR THE REAL ECONOMY
- MORE “STIMULUS”= DEBT =FEAR=LESS SPENDING AND LESS INVESTMENT
- LESS IS MORE IF MORE GOVERNMENT IS WHAT WE FEAR

### CURRENT SITUATION

- ALL TRYING TO LIVE BEYOND MEANS
- NEED TO DECLARE WINNERS & LOSERS
  - WHO WINS, GREEKS OR GERMANS?
- HOUSING TAKES TIME
- DELEVERAGING = SAVING
- JOBS BILL
- OPERATION TWIST (IN THE WIND)
- GROW PIE OR REDISTRIBUTE – GETTY
- ANYTHING WE TAX WE GET LESS OF

### THANK YOU!

- [WWW.SMALLBUS.ORG](http://WWW.SMALLBUS.ORG)
- [WWW.NFIB.ORG/RESEARCH](http://WWW.NFIB.ORG/RESEARCH)
- [CNBC.COM](http://CNBC.COM), TYPE “DUNKELBERG” IN THE SEARCH BOX