

Want job creation: small business, the road to recovery

[Business](#)



The paper " Want Job Creation: Small Business, the Road to Recovery by R. Corona " is a good example of an article on business.

The United States has been in turmoil in terms of job creation since the recession of 2008-2009 hit America and the rest of the world. The article " Want Job Creation" Small Business, the Road to Recovery discusses the current situation unemployment dilemma in the United States and how small businesses can contribute to spur job creation in America. The author of the article critically examines the governmental figures in terms of unemployment. His claim is that the official government data in terms of employment is skewed because the figures that claim that another 80, 000 new jobs were added into the United States economy does not take into consideration the new entrants into the job market. Each year thousands of new college graduates enter the job market in America. During the summer of 2012, the U. S. economy lost 8. 8 million jobs and only added 3. 8 million which results in a net job loss of 5 million jobs (Corona, 2012). It is estimated that if the U. S wants to cut down the unemployment rate to 6%, which would be near the natural unemployment rate of 5%, for it to happen the U. S would have to create 361, 000 jobs a month for the next three years (Corona, 2012). One of the reasons that the official economic unemployment rate the government promotes is not accurate is because it does not account for the 88 million Americans that have given up on finding a job due to the poor job marketplace in America. The unemployment dilemma in our country is about to get worse because as reputable sources such as The Wall Street Journal predict a slowdown in the second half of the year and high unemployment for years to come (Corona, 2012). The current

employment crisis in America is the government fault. The current economic policies the government is implementing are not creating sufficient jobs to reduce unemployment in America. President Obama has been heavily criticized for maintaining Bush tax cuts for the middle class for another year. The policy Obama implement has been viewed as a strategy to earn votes during the upcoming elections. These fiscal policies are outdated since they are aligned with the strategies that the government has used during the last ten years. There is some speculation that the current government is going to impose tax hikes if the Democratic government is reelected.

The United States economy has a great effect on the economies of many countries around the world. “ There is some truth that our problems are a reflection of troubles in the European Union and a softening of the Chinese economy” (Corona, 2012). The United States is the largest trading partner with China and it is not in the best interest of China for the U. S economy to be suffering. Most economists agree that when the U. S economy is booming it has a ripple effect that positively impacts the global economy. The TARP legislation has been viewed as a negative variable that has not served its purpose of helping the economic system. These governmental policies were focused on saving the banking industry rather than the general business community.

A major reason for the bad state of the U. S economy is the lack of trust of American in what the government is doing. People are getting frustrated at the slow reaction of the governmental official at tacking the issues and problems in the economy. A major drawback of the new governmental policies is that they are increasing the taxes for business entities. This is

causing a lot of multinational companies to move their operations overseas where they can obtain cheaper labor costs and preferential tax treatments. A lot of companies in the U. S are riding tough economic times and the government is not doing anything to gain their confidence that they can continue to operate in America in a profitable manner.

When businesses face tough economic times the inevitable result is a lack of job creation and a movement of multinational operations to downsizing their operations in America in search of cost savings by moving operations overseas. It is said that in the United States small companies that have 50 employees or more are subject to a hike in cost for hiring more people on their payroll. The United States has to take serious steps towards fixing its economy. An economy growth in America is directly correlated with job creation in the country. The government has to lower taxes and provide better incentives to ensure those corporations keep their operation here in America. The government has to prioritize the well being of its population by implementing policies that are in favor of corporate America.