

# Anthony scaramucci wants to have an honest conversation about entrepreneurship

[Sociology](#), [Communication](#)



\n[[toc title="Table of Contents"](#)]\n

\n \t

1. [1. The reality: No entrepreneur is an island.](#) \n \t
2. [2. The reality: There's no financial safety net.](#) \n \t
3. [3. The reality: You can't control your own destiny.](#) \n

\n[/toc]\n \n

Encouraging entrepreneurship is in vogue nowadays, particularly on the campaign trail. We know our economy needs more entrepreneurs, but the way many policymakers frame the debate may not be doing much good.

Related:

Grants? Government-backed loans? Programs to encourage people to start a business (while glossing over the pitfalls and high likelihood of failure)? All play well to voters, but could be hindering success.

At least that's the view of Anthony Scaramucci, the founder and co-managing partner of , the investment firm best known for the annual SALT conference in Las Vegas, which is itself a who's-who of finance, culture and government policy. *Entrepreneur* contributor Scaramucci, who says he was "scared sh-t 90 percent of the time" back when he was building Skybridge, believes that much of the current dialogue about the power of entrepreneurship misses the point.

" We need to have an honest conversation about it," Scaramucci told me.

In fact, while everyone gives lip service to helping support new businesses, “The current environment has almost discouraged entrepreneurship over the last 10 years, thanks to onerous taxes and regulations,” Scaramucci said. We were having lunch recently at his Hunt & Fish Club restaurant in New York. “If we don’t become more self-advocating, it’s going to get worse,” added Scaramucci (who -- full disclosure -- is an old friend).

He then listed three realities about American entrepreneurship that need to be acknowledged . . . and fixed. Here they are:

### **1. The reality: No entrepreneur is an island.**

Scaramucci recalled being a “smug 23-year-old Harvard Law grad thinking, ‘I’m going to own my own business and be my own boss.’” But, then, he said he realized, you’re really never your own boss. You have customers that always come first. You have people that work for you that you need to keep happy. “Your company is a social organism,” he says. “It has its own vital signs.”

The fix, according to Scaramucci: “There’s not enough *Undercover Boss* going on,” he said, referring to the CBS show that follows executives who go undercover to learn about their businesses. “We need to create more small-business councils to promote peer networking, he said. “And, ask entrepreneurs where they need help. Start mentorship programs. Match entrepreneurs from the same field. Let them start a dialogue and learn from each other.”

Related:

<https://assignbuster.com/anthony-scaramucci-wants-to-have-an-honest-conversation-about-entrepreneurship/>

## **2. The reality: There's no financial safety net.**

Tons of ambitious entrepreneurs are so fired up about their new business idea that they just dive in. They put their heads down and work 24/7 to get their product out there. But many don't think through the financials. They have no real savings and no safety net in case of emergencies.

The fix, according to Scaramucci: Start with policies that, on the surface, seem unrelated to entrepreneurship: healthcare and the tax code. Many companies find that a bulk of their profits go toward paying for healthcare, particularly under Obamacare, and complying with an outdated tax structure, he said.

The costs under Obamacare are likely to increase, as more and more large insurers back out of the plans; and that, in turn, will increase the potential tax burden on businesses, Scaramucci said.

So, the fix is that someone should find the political spine to reform the whole tax code, he said, which "hurts small businesses way more than it helps them."

## **3. The reality: You can't control your own destiny.**

The reality is, there are so many other outside influences that are completely out of your control, Scaramucci told me.

"There was very little I could have done to control the global financial crisis," he said, noting that his fund went from \$460 million to \$220 million during that time. (It had \$12.3 billion in assets under management, as of

this past July 31.) “ There were times I had to project confidence, but it was much like I was waist-high in a pool,” he said. “ From my chest up, you couldn’t tell my knees were knocking.”

The fix, according to Scaramucci: Regulations are out of our control these days -- and they shouldn’t be. And while we can’t control the price of oil or the possibility of a terrorist attack, we can help make regulations more reasonable so that entrepreneurs can find a little more stability in their businesses.

Scaramucci referred to a 2012 by the late South Dakota senator (and 1972 Democratic presidential candidate) George McGovern, who wrote: “ Too often . . . public policy does not consider whether we are choking off those opportunities.” Because that’s what burdensome regulations do, Scaramucci said. They cost business owners tons of money and prohibit growth.

Related:

Instead, entrepreneurship should be seen as an journey, Scaramucci said. “ I have learned more about myself and others through the process,” he said, arguing for honesty. Only honesty, he said, will enable us to encourage others to take the entrepreneurial journey and ultimately help our economy flourish.