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‘Progressive’ entrepreneurship’s oxymoron

By Colin McNickle

“Confusion worse confounded” is an idiom not heard much these days. But it is most apropos in describing the devolving relationship between the City of Pittsburgh and those doing business in it and with it.

Perhaps the most famous use of the phrase came in John Milton’s epic 1667 poem “Paradise Lost.” Simply put, it means disorder made worse than before. And as the president of the Allegheny Institute for Public Policy shows (*in Policy Brief Vol. 18, No. 9*), the city’s continuing meddling in private business operations, oftentimes to promote specific social outcomes, is a textbook case.

To wit, in an ironic twist the same City Council that previously pushed an effort to require businesses to offer sick leave, supported higher minimum wages for small businesses, mandated safety training for security guards and has pushed all manner of politically correct rules and regulations now is proposing a taxpayer-financed effort to underwrite small business start-ups.

Beyond the irony of council members who heretofore have disrespected free market principles suddenly embracing the private sector, the so-called “Entrepreneurial Support Fund” raises serious questions.

“First,” asks Jake Haulk, president of Pittsburgh think tank,” why would the city set up a fund to make grants to businesses so they could pay the city for permits or licenses? If a start-up cannot afford a couple hundred dollars to pay for a license, how can it afford to buy equipment and supplies, or even contemplate hiring employees?

“Then, too, if the city is eager to help start-ups, why not waive the cost of permits and licenses for them and after a year, if they are successful, then ask them to make the payment?”

Equally troubling is a provision specifying support for “select new businesses,” which means there will be a number of qualifying criteria likely based on efforts to regulate businesses, force certain outcomes and comport with new zoning guidelines not compatible with a competitive free-market economy.

“Businesses that have a hint of not being politically correct will not qualify,” predicts Haulk, a Ph.D. economist. “And it will be interesting to see what repercussions the city will attempt to impose on businesses that make pledges but do not honor them.”

And in the final analysis, that means efforts by the city to require businesses to adhere to its philosophy will not attract the true entrepreneurs who are the most likely to be successful. There is, of course, a better way.

“Make an effort to appreciate the benefits of free markets and real entrepreneurship and the dynamism they create,” the think tank scholar reminds. “After all, they once made Pittsburgh an economic colossus. “Lip-service and grants to cover license costs are not the answer that is needed.”

The most effective prescription for economic renaissance is the most tried and true, thus fundamental. “Cut business taxes and abandon government’s anti-business mindset that tries to impose social goals,” Haulk stresses. “Good jobs are a far superior socially desirable outcome.

“And stop treating industry as if it is not welcome,” he adds. “Manufacturing is enjoying a resurgence nationally. Those are the jobs it would be good to have with their multiplier effects and high wages.”

Sans a reversal of the oxymoronic groupthink of “progressive social justice” that permeates Grant Street’s governance model, John Milton’s “confusion worse confounded” will only grow, devouring its host like an aggressive cancer and relegating true renaissance to a quaint historical footnote.

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