

There is no way to know exactly how many billions of dollars in federal contracts American small businesses lost during the eight years of the Bush Administration. During President Bush's tenure, administration officials went to extreme lengths to make it difficult, if not impossible to obtain the government's records on small business contracting.

Under Bush, the United States Department of Justice went to federal court on several occasions to fight Freedom of Information Act (FOIA) requests for the specific names of firms that had received federal small business contracts.

Since 2003, 15 federal investigations have found that Bush Administration officials have diverted billions of dollars in federal small business contracts to Fortune 500 firms and thousands of other large businesses in the U.S. and Europe. (<http://www.asbl.com/documentlibrary.html>)

In 2005, the Small Business Administration (SBA) Office of Inspector General released Report 5-15, which stated, "One of the most important challenges facing the Small Business Administration and the entire Federal government today is that large businesses are receiving small business procurement awards and agencies are receiving credit for these awards." (<http://www.sba.gov/IG/05-15.pdf>)

Based on an evaluation of all available federal contracting data, the American Small Business League (ASBL) estimates that the Bush Administration diverted over \$100 billion a year in federal small business contracts to large businesses.

In addition to diverting more than \$800 billion in federal small business contracts to corporate giants, President Bush has attempted to systematically dismantle every federal program designed to assist small businesses including those firms owned by women, minorities and veterans.

For eight years, Bush Administration officials refused to implement a federal law establishing a 5 percent federal contracting goal for woman-owned firms. Bush officials at the SBA closed the office to assist veteran-owned firms and laid off the vast majority of staff designated to assist minority-owned firms.

Additionally, Bush cut the SBA's budget and staffing to the point that the agency could barely function. During the eight years of the Bush Administration, hundreds of the SBA's most experienced staff were laid off.

Considering the volume of federal small business contracts that have been diverted to large businesses, and the lost contracting opportunities for small businesses and firms owned by women, minorities and veterans, small businesses may have lost over \$1 trillion in federal contracts during the Bush Administration.

Small businesses may not fair much better under President Obama. To date, President Obama has not proposed a single policy to stop the flow of federal small business contracts to corporate giants. Even worse, President Obama appears to favor a change in federal law that will divert federal small business contracts to firms controlled by some of the nation's wealthiest venture capitalists.

If President Obama does follow in George Bush's footsteps and enact legislation and policies that will divert even more government small business contracts to large businesses and wealthy investors, he will most likely do just what President Bush did and talk about what a valuable resource small businesses are to our nation's economy while he is doing it.

Source: American Small Business League