

## Small City and Town Economic Policy.

**POWER.** Local governments may not realize they have the power and obligation to have an economic policy for their town. Economic development and public finance programs managed with purpose and creativity can create local jobs and family incomes while also generating taxes and fees for the public coffers.

**PURPOSE.** The reduction in the unemployment rate is great. However, the point is for people to have jobs. Total employment, the number of Americans with recorded jobs, declined by some 9 million during 2020. Local government jobs have declined from 6.6 million to 6.3 million.

Economic development in small cities and towns fostering the preservation and growth of small businesses is critical. Methods and means to preserve jobs in local governments require creative finance to utilize available grants, to economize on non-salary expenses and to utilize special districts to create new flows of revenue.

**ACTIONS.** While efficiency is a standard expectation, efficiency based on job reduction for the sole purpose of improving the “bottom line” misses the point of society; it’s a pyrrhic victory...the creation of sustainable well-paying jobs and the economic wellbeing of citizens is the prize. Cities have the opportunity to:

1. Support small businesses with tax and rent payment extensions when necessary.
2. Buy local products and services.
3. Seek grants that create jobs through infrastructure and construction projects.
4. Provide and partner with others to secure the “safety network” needed by low income and unemployed citizens.
5. Work with banks, hospitals and others to speed the distribution of federal and state financial and health care resources.

<b>Employment, U.S.</b>		
<b>[thousands]</b>		
<b>INDUSTRY</b>	<b>Dec. 2019</b>	<b>Dec. 2020</b>
Total	151,998	142,624
Private	129,319	121,233
Government	22,679	21,401
Federal	2,847	2,908
State	5,184	2,846
Local	14,648	13,667
Education	8,039	7,363
All Other	6,609	6,304

**Source:** U.S. Bureau of Labor Statistics, <https://www.bls.gov/web/empsit/ceseeb1a.htm>