



*African American Chamber of Commerce  
Of Greater Milwaukee  
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**REMARKS**  
**MILWAUKEE COMMON COUNCIL**  
**March 2, 2009**

Thank you for the opportunity to speak on this very important issue. On behalf of the African American Chamber of Commerce we appreciate the time and effort that the Council has devoted to this matter.

In 1936 economist John Maynard Keynes coined the phrase "local multiplier effect". This measures how many times dollars recirculate throughout a local economy before leaving it through the purchase of goods or services from outside the region or from a company headquartered outside the region. The higher the multiplier effect, a richer and more vibrant the local community becomes.

Tim Sanders in his book "Saving the World at Work-What companies and individuals can do to go beyond making a profit to making a difference", said "ways to buy local (should) include requiring local alternatives to be considered in all of your proposals or purchasing habits. Be willing to pay a small premium." Local businesses create jobs for local residents.

In the February the 20th issue of the Milwaukee Business Journal there is a report on a study on small business vitality, which includes an analysis of the 100 largest metro areas in the United States. Milwaukee placed 77 out of 100-we are among the lowest places in the country to start a small business. Add to that the drastic state of the national economy, the challenges in the Milwaukee economy, the loss of jobs and layoffs---just staying in business today as a small business is a tremendous effort. Now add to that the situation for African-American and minority businesses, and you have the crisis that we are facing. It is a crisis that our business community cannot solve alone. We need your help, and this proposed

legislation is only a first step but step in the right direction.

The Chamber likes the expansion to the citywide service area. We also understand that the purchase of goods and services and business transactions extend beyond the city limits but we must take care of home first. If preference is given to Milwaukee businesses then African-American and minority companies will also benefit and jobs will be created. While this concept is included in the bill it is but a first step and still more needs to be done.

We also realize that in the development community some African-American development companies have been created and they are viable today. But again, while it is a good thing--much more needs to be done to keep those businesses healthy and profitable in the future.

For too long money has left Milwaukee without a "local multiplier effect"--no recirculation of our tax money locally--no business-to-business purchases locally--some jobs required and some residents placed in city contracts, but not enough.

In Chicago—  
In New York—Rudy

In short, while this bill is a good first step a lot more needs to be done. We know that the Council can only legislate and the Administration must execute and we support the city's efforts to deal with the impending crisis that we all face. We are committed to work with you as we overcome this challenge. We are in this for the long haul.

Thank you.

Wallace White  
Chairman