



SHUTTING DOWN THE BORDER, SHUTS DOWN OUR SMALL BUSINESS ECONOMY

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A border shutdown, as proposed by the Trump administration, is an ill-conceived approach to address immigration policy. Whether it is a complete or partial shutdown, taking this unnecessary step would severely impact our national and small business economies. Below are quick facts on what is at stake for our small businesses and entrepreneurs if we take this unprecedented step.

Impedes the growth of small businesses and the national economy

1. Closing the southern border would cause a widespread economic disaster for American exports, putting at stake a daily estimated [\\$1.7 billion](#) in bilateral commerce with Mexico.
2. As one of our [largest](#) markets for small business exports, shutting off trade exports with Mexico would be catastrophic for our small business economy. In [2016](#), U.S. businesses with fewer than 500 employees registered export sales to Mexico totaling over \$76 billion. Most companies are exporting to a single market.
3. Closures along the border would alter and impede existing supply chain structures, particularly in the [manufacturing](#) sector that [relies](#) on American workers and small firms.
4. Small employers located near the border face [declining revenues](#) just with the threat of a border shutdown.

Punishes America's small farmers

1. Mexico is a [top](#) destination for many goods, including those sold by small businesses. For instance, small firms represent about 60 percent of agricultural exports abroad.
2. Small family farms, which comprise approximately [90 percent](#) of all farms in the U.S., would feel the additional burden of closures. Already, farmers are disproportionately feeling the cost of retaliatory tariffs in place by Mexico
3. American dairy farmers and pork producers would be especially harmed. [Sixty-nine](#) percent of agricultural products, like pork and dairy, travel through the southern border via ground transportation.
4. Shutting off the border would immediately [increase prices](#) on food at the consumer and wholesale level, dealing a crippling blow to small restaurants operating on thin margins

Dims the nation's entrepreneurial dream

1. American entrepreneurship and innovation will suffer, as the small business economy relies on immigration's entrepreneurial spirit. At a time of declining firm creation, immigrants are starting businesses at [higher rates](#) than non-immigrants
2. Hispanic immigrant businesses that traditionally have [higher](#) levels of exports would be impeded in their ability to help their local communities thrive.
3. First-generation immigrants create approximately [25 percent](#) of all new firms in the U.S., but in some states like California and New York that figure exceeds 40 percent. Closing the border removes them from our economy and results in fewer jobs and innovative ideas.
4. Shutting the border punishes American innovation, particularly among high-growth small firms. Immigrant-owned businesses are [more likely to file for patents](#), providing a competitive advance on the world stage.