

“I’ve lost all faith that any kind of help is coming”

American small business owners speak on the devastating impact of the pandemic

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As the death toll in the United States from the coronavirus pandemic passes 300,000, many Americans are living on the brink. Almost one in eight cannot afford enough to eat. Hundreds of thousands file new unemployment claims each week. And, while the daily death toll has climbed to 3,000, neither the Democrats nor the Republicans offer any serious way to stop the pandemic or provide the necessary financial and medical support broad masses require to survive.

Amidst this spiraling crisis, one hard-hit section of the population is small business owners and their employees.

In the United States, there are 30 million operations that the federal government defines as small businesses, that is companies with fewer than 500 employees. Of course, a company of 450 people is radically different than a company of one or two people. Moreover, of those 30 million companies, only 6 million have employees, as most companies are just run by the owner alone. Well-updated statistics on this overly broad category of “small businesses” are hard to come by, but an estimated 58.9 million Americans work at these workplaces, about half of the working population.

The *World Socialist Web Site* spoke to many small business owners across the country this past week on the impact of the pandemic, the absence of serious government help, and what one pizzeria owner described as the “devastation” facing many restaurant owners, gym and fitness studio operators, and other hard-hit small companies.

Claire, the owner of a yoga studio and fitness center in Los Angeles, said she and many of her competitors have been “decimated,” adding that of the dozens of smaller studios that existed, only a handful of brick-and-mortar places were left.

She described her situation as “gripping to the wall, scrapping by.” In March, the studio immediately went online, dropping half of their classes. Many clients left, however, and streamlined Internet-only fitness programs dominate the online market. Claire still has to pay tens of

thousands of dollars in rent in the expensive Los Angeles market to a landlord that, for many months, was only willing to let them defer payment, not decrease their rent.

Earlier this year, she received a notice telling her that she would have to pay everything the studio owed or face eviction come January. “How can I be expected to pay tens of thousands of dollars to my landlord?” She described the moratorium on evictions as “pushing it off.” “What happens when you get to the end of it?... It’s like there are three steps to staying in your brick-and-mortar spot, [the government says] we will help you with step one, but with steps two and three you’re on your own.”

Emphasizing rent, she said “I didn’t see anyone, politicians, media, anyone, talk about this issue.”

The same theme came up again and again in interviews: the crushing burden of rent and the case-by-case basis on which smaller businesses have been able to renegotiate their leases.

Gío, the owner of a Sicilian pizza shop in Las Vegas, pleaded, “Where’s the help for us little people? The answer is, ‘We’re giving you loans.’ But what happens when I have to pay those loans back, and the industry is devastated? Where am I going to get the money to pay you back?”

Shane, the owner of a haircutting business in California, said that he had been “lucky” because his landlord had helped to renegotiate the rent. He contrasted this with “two friends who have lost their barber shops because landlords will say, ‘well you owe us all this back rent,’ but there is no money, they can’t pay it back this year.”

To describe the pandemic, Gío noted that it is often claimed, “We’re all in the same boat.” He replied: “The reality is that we’re not all in the same boat. We’re all in the same *storm*. Some people have yachts, some people have life vests, and there are some people who are drowning.”

The small restaurateur emphasized the “staggering inconsistencies” in the political response to the pandemic, specifically in Las Vegas, where the multibillion-dollar

casinos are open, as well as massive non-essential box stores, while blame is placed on small business for spreading the virus.

“I’m so tired of the vilification. We’ve been so careful, so cautious,” he said, recounting how he had just paid out-of-pocket for all his staff to get testing.

In the interviews, the WSWS raised our demand for a comprehensive lockdown of non-essential services while providing *full* compensation to workers and small businesses in the form of direct relief, not loans.

Shane, the hairdresser, pointed to a recent viral video of a bar owner, who had been operating an outside bar in Los Angeles, getting shut down, while a major studio production in the same parking lot was allowed to continue. “It’s a hard one, when you see that this is okay, but your business is not.”

Shane said that he had applied for all the aid he could but did not receive any government relief. “This has affected me quite a bit. I’ve lost staff, lost clients. The relief wasn’t there.”

He went on to say, “This time around, they’re not even trying to pretend like there’s help. They’re just like ‘there’s no help and you have to close.’”

Claire raised a similar sentiment, “We’re not counting on local help, we’re not counting on county help, nor federal help. I have lost all faith that any kind of help is coming.”

Claire said that it was not just an issue of lack of help for small businesses but for the population more broadly. “If people had extended employment benefits, then they would have been able to keep their memberships and patronage.”

She explained that, while she has now been able to reduce her rent, each month she goes deeper into debt, hoping the virus will be tackled by the spring or summer. “So much hope on the vaccine,” she said, “it’s kind of crazy that that’s what we’re counting on.”

Ned, the fourth business owner we spoke to, runs a small tea-import company in California. To operate his business safely, he has had to let go of several staff members who previously worked the company’s warehouse with him. Now, he and his wife have taken on the extra work. He said that they had not really taken a day off, even a real weekend, for months as they worked overtime to fulfill orders.

Claire said that she and her husband, both on partial unemployment, had begun looking at new jobs themselves, “Are we really all going to start working at Amazon, though? Or, working for these companies that drive packages around 10-hour shifts without a break!?”

“Literally,” she continued, “the only things that are available are jobs subcontracted by Amazon. It’s kind of a nightmare.” She noted that several of her teachers were now struggling to find retail jobs at larger stores.

Ned employed several disabled adults as part of a social program for adults with various long-term disabilities. Though they were able to get unemployment, coming to work was one of their major sources of social interaction, and he expressed concern about their mental health.

Speaking about the lack of support for both workers and small businesses, Ned said, “I have not heard anyone say: ‘let’s reduce the military funds that way,’ which you could do in a heartbeat.” He said that there was a “recoil” from “anything that indicates socialism” in the government.

Many of the owners to whom we spoke discussed the impact that the pandemic will have for years to come.

Claire asked, “We’re a society that runs on brick-and-mortar businesses—are we saying that we don’t want them anymore? Are we saying it is all going to go online now?”

“The last thing I want in my life is to walk down the street and only have these large corporate places. [The politicians] love to talk about small businesses, small businesses, small businesses, but when they are talking about ‘small business’ they really mean companies with 100 to 500 employees, this is not a small business.”

Gíó elaborated, “All the companies that are big have been positioned by the pandemic where they have increased tremendously, all the McDonalds, all the Burger Kings, all the drive-throughs, all of them. And, meanwhile, the small dine-in restaurants are devastated. Absolutely devastated.”

Keith, a young bakery owner in New Mexico, told the WSWS that his small new shop had lost many in-person sales but had made up for them through online sales. Keith mentioned that, of the small businesses he knew, it was most difficult for those with older owners who were at severe risk from the pandemic and less ready or able to switch to an online business. According to a survey by the Center for the New Middle Class, there was a 25 percent drop in the number of “Baby Boomer” generation members who said they were self-employed or owned their own small business in the second quarter of the year.



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