

10-5-2011

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Free enterprise: Death of the lemonade stand

Few things are more important to the American entrepreneurship psyche than the lemonade stand.



Luke Pittaway

Kids across the country learn their first lessons

in entrepreneurial behavior and capitalism when running one. Some of America's most successful entrepreneurs gained their 'spirit of enterprise' from their first greenback gained from one.

And yet, if you have spotted recent stories, the lemonade stand is under threat. There can be no

greater metaphor than this for what might be going wrong with American capitalism and economic governance.

It started in Montgomery County where a county inspector ordered the Marriott and Augustine kids to shut down their stand after they had ignored a couple of warnings and then fined

their parents \$500 because the kids didn't have a vendor's license.

The kids in this instance were raising money for pediatric charity. Later, after much negative press, the county permits director allowed the children to move the stand to another location and waived the fine.

Then, in Midway, police shut down a lemonade stand run by three girls trying to make money for a trip to a water park in Savannah because the girls didn't have the license and permit required for their enterprise.

"They told us to shut it down," 10-year-old Skylar Roberts reported.

"It's kind of crazy that we couldn't sell lemonade," said Casity Dixon, 14. "It was fun, but we had to listen to the cops and shut it down."

Then Forbes reported a nationwide 'inexplicable war on the lemonade stand,' citing examples from Iowa and Wisconsin as well as the two from Georgia. Then Forbes announced Aug. 20 its

unofficial National Lemonade Freedom day.

Most of the reports of this phenomenon came over as 'perplexed' or 'mildly amused,' but the truth is these examples should worry us all and are perhaps a metaphor for what might be going wrong with the American spirit of free enterprise.

It eventually happens to all successful nations. There are great periods of endeavour, a sense of purpose and a desire for freedom that drive new nations and their economic intensity. People create, they build and they hope for a better future for their children.

As nations become more mature, though, they create ever increasing bureaucracy. Laws that all nations need to govern get increasingly complex until they suck the life-blood from that spirit of innovation, creativity and enterprise that the nation needs to succeed.

The ability to create new jobs dies as the weight of compliance becomes too heavy and

the spirit of enterprise buckles under the complexity of the law.

We might be perplexed or even amused by these reports, but we should be worried about the future of entrepreneurship in this country if a few young kids, who are harming nobody, get their lemonade stands closed. It is a symbol that the bureaucracy governing enterprise has become too heavy and too inflexible.

Not only does such enforcement damage the 'fun' that these kids are gaining from their enterprise, it damages the aspirations they may have gained for entrepreneurial endeavour. If this is how we are treating our kids' lemonade stands, how are we treating our entrepreneurs? And where do we think the new jobs will come from?

Luke Pittaway is the William A. Freeman Distinguished Chair in Free Enterprise and a professor of management at Georgia Southern University. He can be contacted at lukepittaway@georgiasouthern.edu.

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The Savannah Area Chapter of SHRM awarded Best in Georgia: 2011 Chapter of the Year

BUSINESS IN SAVANNAH

The Savannah Area Chapter of the Society of Human Resource Management was awarded Best in Georgia: 2011 Chapter of the Year for their Lowcountry community initiative "Preserving Human Capital: The Tactical Guide to Workplace Violence and Minimizing Loss of Life."

The initiative was a collaborative effort between the Savannah Area Chapter of SHRM, the Effingham County Sheriff's Office and the Effingham County Board of Commissioner's Human Resources Department to assist community organizations in assessing crisis response plans and policies, aligning preparation to correspond efficiently with first responders and law enforcement and training staff members or volunteers to respond effectively with life saving techniques. The program consists of

four educational presentation options and a train the trainer presentation created by Sgt. Ed Myrick, training officer Effingham County Sheriff's office, and Rushe Hudzinski, the Savannah Area Chapter of SHRM president and Effingham County human resources director. The Savannah Area Chapter of SHRM chapter members have conducted 18 community presentations, reached 170 organizations including the American Red Cross, Bryan County Chamber of Commerce, DIRT, Dixie-Ply, Effingham Rotary, Georgia Ports Authority, Georgia Pacific, IKEA, Target, TICO and United Way, certified 40 trainers statewide, and offered access into a law enforcement Active Shooter Training Simulation at no cost for the participants.

The "Preserving Human Capital" program offers recertification hours through Human Resource



Photo courtesy of Rushe Hudzinski

Sergeant Ed Myrick, training officer Effingham County Sheriff's office, and Rushe Hudzinski, Savannah Area Chapter of SHRM president and Effingham County human resources director.

Certification Institute and the Georgia Firefighter Standards and Training for levels 1-5.

As the Georgia state award winner, The Savannah Area Chapter of SHRM is eligible to submit the program for national review.