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What Founding Home Depot Taught Me About President Trump's Economic Policies

By: *Bernie Marcus*

The U.S. economy seems to be gaining strength. The Dow Jones Industrial Average boasted an all-time high in recent weeks, the unemployment rate has hit a post 2008 recession low, and stagnant wages are beginning to move.

The economic uptick can be attributable to a number of factors. But there's one theme in particular that I believe has played the predominant role, our country's moves towards a more capitalist system under President Trump—more specifically, his initiatives to reduce government red tape and his strong desire for comprehensive tax reform.

Even though this idea, this economic system of capitalism has changed our country for the better, the word has a negative connotation. A connotation that keeps most people from using the term without backlash. But the word itself isn't important. It's the results that are produced that matter.

While free market—or capitalist—policies may be heralded as enriching the wealthy at the expense of the poor, the reality is much different. The best social safety net for the less fortunate is free enterprise. In fact, just in the past 20 years nearly 1 billion people have been saved from the ravages of poverty because of the free market. Free enterprise is not the cause of the downtrodden population, it's the reason it's disappearing.

Moreover, free enterprise doesn't just create an environment where individuals have the opportunity to prosper, but makes charitable-giving possible in the first place. It's not a random occurrence that Americans are the most charitable people in the world. It's a result of our hard work, entrepreneurship, and free market system. Because in order to give money, you need to make money.

My life is a living testament to that connection.

Founding The Home Depot has given me the means to give back more than I could have possibly imagined. In fact, over the last 15 years, I have donated \$1 billion dollars to charity. I have given to causes that help increase awareness and further treatments for Autism, donated to help heal the mental wounds of our returning heroes from overseas, and have even opened an

aquarium in Atlanta so that everyone in Georgia can experience the wonders of the ocean.

All of this would have been impossible without the opportunity that free enterprise gave me to start The Home Depot—which is why I've become a stark defender of free markets and giving businesses the ability to expand without government intrusion.

Regulations from the previous administration would have made it impossible to start The Home Depot today. The payment structure responsible for The Home Depot—which included company shares that created 20,000 millionaires overnight when we went public—would have been illegal under the Obama Labor Department's overtime rule. It would have barred our hardworking employees in the early days from working long hours to get the company off the ground.

And the current climate of high taxes on businesses would have further crippled The Home Depot in its infancy. The marginal tax rate of 40 percent that is levied onto our nation's small pass-through businesses would have caused our already constrained budget to expand beyond our means.

This is why I am so enthusiastic about the policies President Trump has been pursuing. He understands that if the next generation of young people are subjected to the harsh regulations and taxes of the past decade, the next generation of dreamers and entrepreneurs won't have a chance to build, innovate, and make the world a better place.

So call it whatever you want—capitalism, free enterprise, free market—it doesn't matter. As long as free market ideals prevail in U.S. public policy, the next generation of entrepreneurs will be able to foster job creation, create innovative products, and boast a strong commitment to giving back.

Defending free enterprise is not just a logical responsibility, but a moral obligation. Let's hope President Trump continues the charge and accomplishes meaningful tax reform.

Bernie Marcus is the Co-Founder of The Home Depot and Founder of the Job Creators Network.