New Jersey’s 3% Opportunity: Growth Must Reach Every Business Community

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New Jersey stands at an economic crossroads.

For state legislators, corporate executives and chamber leaders, the question is no longer simply how we grow the state's economy. The more important question is whether we are creating an environment in which businesses choose to **start here, scale here, hire here, invest here and remain here**.

The U.S. Chamber of Commerce's 3% growth strategy offers an important framework. Sustained economic growth creates higher incomes, greater investment, more innovation and expanded opportunity. One additional percentage point of annual growth, compounded over time, can fundamentally change the economic prospects of families and communities.

But New Jersey should take the proposition one step further.

Growth must be broad enough to reach the businesses and communities that have historically had the least access to it.

This is particularly important for Black-owned businesses.

New Jersey's own statewide Disparity Study should be a wake-up call. The study found statistically significant disparities affecting minority-owned businesses across multiple areas of state contracting. In construction, for example, Black-owned businesses represented 9.19% of the available businesses but received only 0.14% of prime-contract dollars.

The state also found that 32.41% of the prime contracts examined went to businesses located outside the relevant New Jersey market area. That represented 6,593 contracts and approximately $2.64 billion in contract value.

These are not simply procurement statistics. They represent missed opportunities to create businesses, jobs, wealth and tax revenue inside New Jersey.

For legislators, the implication is clear: **a growth strategy should include a measurable strategy for expanding the number and capacity of New Jersey businesses competing successfully for public and private contracts.**

For corporate CEOs, the question is equally important: How much of your company's procurement spending is building the supplier base in the communities where your company operates?

And for chambers of commerce, our responsibility should extend beyond advocating for a better business climate. We should help build a business ecosystem capable of taking advantage of that climate.

This conversation is especially urgent because New Jersey is competing every day with Pennsylvania and New York for investment, headquarters, jobs and talent.

Corporate tax policy is part of that competition. New Jersey's corporate tax burden remains higher than those of neighboring Pennsylvania and New York, while Pennsylvania is continuing its scheduled reduction in its corporate net income tax rate.

Recent corporate moves illustrate the stakes. Burlington Stores announced plans to move its headquarters from New Jersey to Philadelphia, accompanied by a significant investment and thousands of anticipated jobs. ExxonMobil completed its redomiciliation from New Jersey to Texas. Mars has consolidated operations that affected its Newark workforce. Anheuser-Busch also closed its Newark brewery.

Each decision has its own business rationale, and it would be simplistic to attribute every corporate move to taxes. But taken together, these developments should compel New Jersey's leadership to ask whether our overall business environment is competitive enough.

We cannot tax our way to 3% growth. We cannot regulate our way to 3% growth. And we cannot contract our way to inclusive prosperity.

We need an integrated strategy.

That strategy should include competitive taxation; predictable regulation; faster permitting; investment in infrastructure; workforce development; expanded access to capital; responsible deployment of artificial intelligence; and a procurement system that gives qualified New Jersey businesses a genuine opportunity to compete.

Most importantly, we need to move from measuring participation to measuring outcomes.

How many Black businesses received contracts?

How many grew their revenues?

How many added employees?

How many moved from small contractors to prime contractors?

How many New Jersey companies became suppliers to New Jersey's largest corporations?

Those are the measurements that tell us whether economic inclusion is actually working.

The opportunity before New Jersey is significant. We possess an extraordinary geographic advantage between New York and Philadelphia, major transportation infrastructure, leading universities, a highly skilled workforce and one of the nation's largest consumer markets.

But advantages do not guarantee competitiveness.

Leadership does.

New Jersey's legislators must create a policy environment in which businesses can compete and grow. Corporate leaders must recognize that supplier diversity can be an economic-development strategy, not simply a corporate responsibility initiative. And chamber leaders must become conveners who connect entrepreneurs to capital, contracts, technology, customers and corporate supply chains.

The U.S. Chamber's 3% growth vision gives us a destination.

New Jersey now needs its own roadmap.

Let us make 3% growth more than a national economic objective. Let us make it a New Jersey commitment to growth, competitiveness and opportunity—and ensure that Black businesses and every other qualified New Jersey enterprise have a meaningful opportunity to participate in the prosperity we create.

Growth will not solve every problem.

But without growth, there will be fewer resources with which to solve them.

New Jersey should choose to grow—and make sure its businesses and communities grow with it.