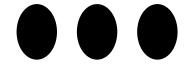




Is U.S. Chamber of Commerce Anti-Business?

Rockwell was reacting to a column in the Washington Examiner that noted in the U.S. Chamber of Commerce's congressional ratings: "Texas libertarian GOPer Rep. Ron Paul — the most steadfast congressional opponent of regulation, taxation, and any sort of government intervention in business — scored lower than 90% of Democrats last year on the Chamber's scorecard."



Indeed, Congressman Ron Paul has top ratings from the American Conservative Union, the National Taxpayer's Union and *The New American*'s own Freedom Index (FI). He earned a perfect 100 percent in 2007-08 for the Freedom Index (FI), but rated only a 47 percent on the Chamber of Commerce's ratings. Meanwhile, Massachusetts liberal Democrat Barney Frank earned a 61 percent rating from the chamber while earning only a 15 percent FI rating.

Ron Paul wasn't the only conservative given the short-shrift from the U.S. Chamber of Commerce. Jeff Flake of Arizona (FI 78) received a 61 from the Chamber, the same as Barney Frank. Over in the Senate, conservative Republican Jim DeMint of South Carolina (FI 79) scored a 57 from the Chamber, lower than uber-liberal Democrats John Kerry of Massachusetts (FI 13, Chamber 63) and Barack Obama (FI 11, Chamber 67).

The reason the U.S. Chamber of Commerce is rating liberal Democrats higher than most conservative Republicans is because the Chamber has bought whole-heartedly into the idea that business needs to be a partner with — and encourage — big government. Rep. Paul and Senator DeMint lost points twice for voting against the wasteful \$700 billion federal bailout that created the wasteful TARP and once for voting against expanded federal educational spending. The Chamber seems to believe that learning should flow from Washington, and that the Chamber would assist "in developing long-term solutions to expand the pool of educated and qualified American workers and improve excellence in education." Paul was also penalized for opposing NASA reauthorization and the FISA reauthorization bill.

According to the Chamber of Commerce, telecommunications companies under FISA that secretly cooperate with the federal government in <u>unconstitutional searches</u> should not be able to be sued by their victims in federal courts: "The Chamber believes it is critical that telecommunications providers are not subject to litigation for assistance they provided to the government in good faith and at the government's request."

The Chamber argued that the federal government needs the power to spy on every Americans' telephone conversations and internet usage without the <u>constitutionally required warrant</u> and this



Written by **Thomas R. Eddlem** on April 8, 2009



would "help preserve the self-sustaining public-private partnership that the government has sought to protect our country in the post-September 11 world."

The Chamber of Commerce wasn't always a stooge for big government, nor was there always a "national" Chamber of Commerce based in Washington. Chambers of commerce sprung up organically across the United States with the idea of promoting free enterprise early in the American republic. The first chamber of commerce was the New York Chamber of Commerce, which was chartered in 1768.

Businessmen formed chambers of commerce early in the American republic as the public need presented itself, including especially after Abraham Lincoln's Civil War. The New York Chamber of Commerce in particular led petition drives to repeal the Civil War income tax. Senator Roscoe Conkling presented the New York Chamber's anti-income tax petitions to the Senate on April 11, 1871, and Representative James Brooks did the same in the House on the same day. By 1870, more than 40 chambers of commerce had been formed across the nation.

The national, or U.S. Chamber of Commerce, wasn't created until after President William Howard Taft suggested combining the chambers into a single voice in an address to Congress at the end of 1911. The next year, the national organization was created, and the chambers' leaderless resistance to big government began to end.

The local chambers of the 1800s didn't follow pure *laissez-faire* doctrine all of the time. But the "sins" of those local, independent chambers of commerce consisted chiefly of petitioning the Congress to construct a local dock, bridge or other "public works" facility in the area. While these projects were generally not constitutionally authorized, they could at least be opposed by chambers from areas outside of the area of the local chamber petitioning Congress.

Once the chambers of commerce were united under a single U.S. chamber, molding the organization to the passing fads in Washington was a far easier task. This happened shortly after Franklin Delano Roosevelt took office and pushed through Congress his "New Deal" of big government, big deficits and high regulation of business. The centerpiece of the early new deal was the National Industrial Recovery Act, which created the National Recovery Administration (NRA) and quickly racked up 10 million pages of rules and regulations that Congress didn't approve.

But the U.S. Chamber of Commerce approved of the NRA program, which had been <u>modeled on Mussolini's "corporatist" economic plan</u> of state control. Chamber of Commerce Chairman Henry I. Harriman <u>complimented</u> the National Industrial Recovery Act for the legislation's "sincere and probably effective efforts to coordinate and rationalize American industry along democratic lines and to assure economic security."

Even as the nation's popular support for the massive NRA regulatory scheme waned and the NRA appeared headed for a constitutional conflict with the U.S. Supreme Court, leftist historian Arthur Schlesinger, Jr. wrote that the Chamber of Commerce continued to back the NRA: "The United States Chamber of Commerce voted for continuance [of the NRA] by nearly four to one."

The fate of the NRA was sealed with the 1935 Supreme Court decision <u>Schechter Poultry Corp. v. US</u>, where the Supreme Court ruled that the NRA didn't have the authority to make laws on its own without consulting Congress. The NRA was abolished after being declared unconstitutional.

Today, the U.S. Chamber of Commerce has once again sold out its old free market principles for Washington, D.C. beltway politics. And local chambers of commerce may want to separate from the beltway-based national organization if they want to avoid promoting more self-destructive Obama and







Barney Frank liberalism that increases regulations and taxes on business.





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