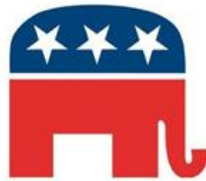


The U.S. Chamber of Commerce: Leading the Charge in Electing a Republican Congress



**A Report by U.S. Chamber Watch
November 2010**

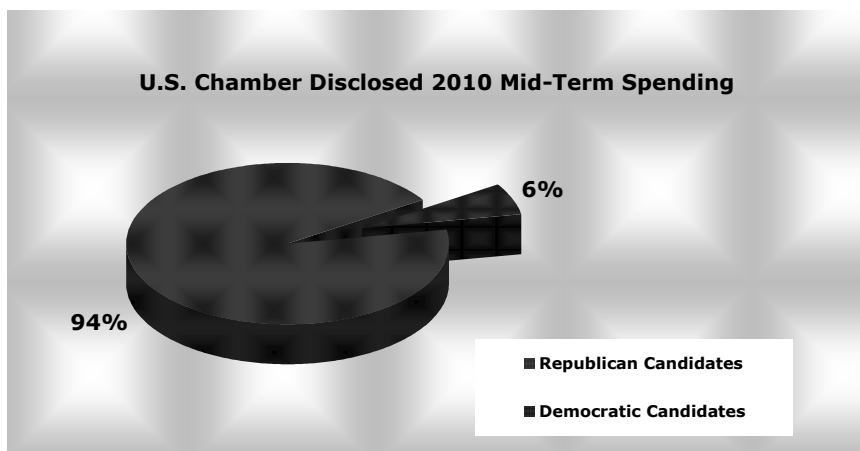
Photo Source: MSN News, [8/16/10](#)

The U.S. Chamber of Commerce: Leading the Charge in Electing a Republican Congress

Introduction: The Marshalling and Coordination of Huge Sums

The story of the 2010 midterm elections is the overwhelming effect of coordinated outside money on the electoral process. The leader in outside spenders – and the primary vehicle through which corporations laundered their political spending – was the United States Chamber of Commerce. The U.S. Chamber occupied a central strategic role in the Republican victories on election night, helping to organize the initial activity of the pro-Republican outside groups in the election, and promising to spend \$75 million – of which only about \$32 million was reported¹ – executing the agreed-upon plan.²

Working alongside thirty conservative groups, including American Crossroads and Crossroads GPS, the U.S. Chamber developed and implemented strategies for gains in the Senate and the House. The Chamber's coordination with right-leaning groups reflects its overall mission to elect a Republican Congress. It worked almost exclusively to elect Republicans in the powerful Senate, giving one lone endorsement to a Democrat, West Virginia's Joe Manchin, on whom it made no expenditures. On the House side, the Chamber created an appearance of bipartisanship by spending on behalf of eleven Democrats. But the Chamber's support for Democratic members was razor-thin, and sometimes, the Chamber withheld support altogether, even where Democratic members worked hard to earn the Chamber's approval. The Chamber spent eighteen percent as much on Democratic candidates as it did on Republican House candidates it supported.³



Republican candidates benefited hugely from the coordinated largesse of the outside spenders. Fifty-eight of seventy-four winners "benefited from more outside spending than their opponents."⁴ Overall, of the \$32 million the U.S. Chamber spent on the 2010 midterms, over 93% was spent to elect Republicans.⁵

In a post-*Citizens United* world, we can expect more outside spending in all races. According to PBS Newshour, spending on Senate races was up eighty-four percent between mid-September and mid-October

than it had been during the same period in the 2008 elections. Simultaneously, spending on House races was up sixty-five percent.⁶

"The stakes will be even higher in 2012 as Republicans seek to gain control of the Senate and keep their newfound House majority. Twenty-one Senate Democrats and two Democratic-leaning independents are up for election, compared

¹ See, e.g., Conservatives Outspent Liberals 2-1 in Elections. [USA Today](#), 11/4/10.

² U.S. Chamber Boosts Election Budget to \$75 Million. [Center for Public Integrity Blog](#), 7/1/10; Federal Election Commission Data, [FEC Website](#).; Despite the Chamber's promises, some have estimated that the U.S. Chamber spent "about \$50 million" instead of \$75 million. See, e.g., Impact of Money Mixed in Midterm. [Wall Street Journal](#), 11/8/10.

³ Federal Election Commission Data, [FEC Website](#).

⁴ Republican groups coordinated financial firepower. [Politico](#), 11/3/10. [See also](#), Karl Rove, U.S. Chamber Amass Winning Record in 2010 Elections. [Bloomberg](#), 11/3/10.

⁵ Top Corporations Aid U.S. Chamber of Commerce Campaign. [New York Times](#), 10/21/10.

⁶ Advertising Spending in House and Senate Races Approaches \$200 Million. [PBS Newshour](#), 10/14/10.

to only ten Republicans....It's a recipe for explosive spending,"⁷ noted the Associated Press, particularly on the part of corporate-backed conservative groups, which will be led by the U.S. Chamber.

The success of the coordinated spending efforts this cycle will ensure that the experience is used as a blueprint by conservative groups going forward. Thus, it is critical to understand the roles played by the biggest players. This report examines the particular role that the biggest player - the U.S. Chamber of Commerce - played in the implementation of a coordinated effort to elect Republicans to the U.S. Congress in the 2010 elections. The U.S. Chamber played two critical roles:

- In the Senate, the U.S. Chamber led the charge in running ads against Democratic candidates, laying the groundwork with expensive ad buys that were then followed by spending from other groups.
- In the House, the U.S. Chamber came in later in the races, piling on in places other groups had already been, and expanding the playing field into races the cash-strapped National Republican Congressional Committee could not reach on its own. From October 13th until Election Day, the Democratic Congressional Campaign Committee spent \$41 million, nearly twice the \$23 million the National Republican Campaign Committee put up in ads. But the GOP-allied groups — including the Crossroads organizations and the U.S. Chamber of Commerce — kept up spending on Republican House candidates and put pressure on Democratic candidates who had once been considered relatively safe.⁸

In both the Senate and House playing fields, the U.S. Chamber worked to create an appearance of bipartisanship, by endorsing one Democratic Senate candidate and spending on behalf of eleven House Democrats. But the U.S. Chamber's win-loss record reflects the relatively weak effort it made on behalf of Democrats, many of whom had broken rank and risked alienating their bases to vote with the Chamber.

The U.S. Chamber's Central Organizing Role

The U.S. Chamber is the nation's largest private interest lobby.⁹ It claims to represent the broad business community, but it is in fact dictated by the multi-million dollar donations of a small handful of corporate funders.¹⁰ Like other trade associations, the U.S. Chamber is not required to disclose the identities of any contributors: the Internal Revenue Service (IRS) requires disclosure of only the dollar amounts, and then only anonymously, while the Federal Election Commission (FEC) requires no disclosures regarding contributors at all. The U.S. Chamber in particular has taken a hard-line stance against any and all disclosure. Head lobbyist Bruce Josten has said in stark terms, "we never disclose funding or what we're going to do."¹¹

Nonetheless, it is clear from a steady shift to the right in its political priorities that the U.S. Chamber speaks on behalf of a particular corporate constituency. This constituency is anti-healthcare reform,¹² opposed to financial regulations¹³ and workplace safety oversight,¹⁴ vehemently opposed to ending the Bush tax cuts,¹⁵ and opposed to meaningful climate change solutions.¹⁶ This November, the U.S. Chamber worked to elect candidates that reflect these policy priorities. By promising to spend \$75 million on elections,¹⁷ the Chamber guaranteed itself a leading role in its mission to "change the

⁷ Too much money in politics? Ain't seen nothing yet. [AP](#), 11/8/10.

⁸ Too much money in politics? Ain't seen nothing yet. [AP](#), 11/8/10.; Federal Election Commission Data, [FEC Website](#).

⁹ About the U.S. Chamber of Commerce. [U.S. Chamber of Commerce Website](#), Accessed 11/8/10.

¹⁰ Tiny Group of Deep-Pocketed Contributors Fueling U.S. Chamber's Advocacy. [New York Times](#), 11/23/09.

¹¹ Health Insurers Funded Chamber Attack Ads. [National Journal](#), 1/12/10.

¹² Ibid.

¹³ EXCLUSIVE: U.S. Chamber of Commerce Coordinating Wall Street's Stealth Lobbying Campaign To Kill Reform. [ThinkProgress](#), 4/24/10.

¹⁴ US Chamber of Commerce Goes Astroturf to Sink Miner Safety Bill. [FireDogLake](#). 7/14/10.

¹⁵ U.S. Chamber to Push for Tax Cuts, Clarity on Labor Rules. [Wall Street Journal](#). 9/2/10.

¹⁶ Storm Over the Chamber. [New York Times](#). 11/9/09.

¹⁷ U.S. Chamber Aims to Spend \$75 Million on Midterm Elections. [Washington Examiner](#), 7/2/10.

composition' of the Congress."¹⁸ In a triumphal blog post the day before the election, the U.S. Chamber said it "ha[d] been a game-changing political force in these midterms. We've engaged in tight, competitive races; and we've altered them."¹⁹

To be sure, on its own, as the primary vehicle for the laundering of anonymous corporate political spending, the U.S. Chamber was a formidable force in this year's elections. But as a central player in developing the nexus of third party groups that spent hundreds of millions of dollars²⁰ in undisclosed corporate money on behalf Republican candidates, it became a game-changer.

The U.S. Chamber first began to coordinate massive Republican resources when its general counsel, Steven Law, met with Ed Gillespie, Republican political strategist and former Counselor to President George W. Bush. According to the Associated Press, Law met with Gillespie in October of 2009, "calculating how to exploit the voter anger they had seen erupt at Democratic town hall meetings that summer." It was at this meeting that they conceived of American Crossroads,²¹ an organization, that according to its website, is dedicated to "renewing America's commitment to individual liberty, limited government, free enterprise and a strong national defense."²² Law left the U.S. Chamber to serve as the group's CEO.

Law served as a strong tie between American Crossroads and the U.S. Chamber, and they began to work on policy issues together. In April, the U.S. Chamber's political director Bill Miller met with Law, top George W. Bush advisor Karl Rove, and other GOP consultants, "to coordinate how to jointly fight Wall Street reform. The very next day, Miller sent out an e-mail directing all Chamber members to fight reform and Rove appeared on Fox News to peddle his theory that the Wall Street reform bill would result in the government snooping into 'everybody's checking account.'"²³

As the election cycle kicked into full gear over the summer of 2010, the U.S. Chamber and American Crossroads, after working to overcome some natural mistrust²⁴ with other groups, persuaded the groups to coordinate on key electoral races. According to ThinkProgress:

"At every turn, from the operatives running the two organizations to their targeted races to their media firms, American Crossroads and the U.S. Chamber of Commerce are bound to one another...the two groups have exhibited uncanny coordination in their election targeting. In a number of Senate races, the Chamber and American Crossroads coordinated their advertisements – one group put up ads in a race as the other group pulled its own down – in order to ensure attack ads were always running against the Democratic candidate."²⁵

The groups were also able to coordinate with the National Republican Congressional Committee (NRCC), when it publicly revealed its own ad buy strategy. With this knowledge, the Chamber and others could "see where the holes are and figure out who is filling what holes," as "it was especially important not to overload districts," according to Bill Miller, the U.S. Chamber's head political strategist. As part of its coordination, the groups reported to Politico that the U.S. Chamber's role was to lay down the groundwork in the House, while American Crossroads and Crossroads GPS worked on the Senate. But it is clear that that, if the Chamber ever planned to take a lead on House races, the plan evolved as a number of groups – some unanticipated, like the anti-abortion rights group Susan B. Anthony Foundation – stepped forward to spend in important House races.²⁶ These groups could contribute sums that made a difference in relatively inexpensive House races.

¹⁸ U.S. Chamber Boosts Election Budget to \$75 Million. [Center for Public Integrity Blog](#), 7/1/10.

¹⁹ On the Verge of a New Beginning for Business. [Chamber Post blog](#), 11/1/10.

²⁰ Republican groups coordinated financial firepower. [Politico](#), 11/3/10; Outside Groups on the Right Flexed Muscles. [New York Times](#), 11/3/10.

²¹ Big money: Outside groups spending for Republicans. [AP](#), 10/26/10.

²² American Crossroads Mission. [American Crossroads Website](#), Accessed 11/8/10.; American Crossroads: New Conservative PAC Seeks To Raise \$52 Million For 2010 Elections. [Huffington Post](#), 4/5/10.

²³ Kissing Cousins: How The U.S. Chamber Of Commerce And American Crossroads Hook Up To Elect Republicans. [ThinkProgress](#), 10/7/10.

²⁴ Republican groups coordinated financial firepower. [Politico](#), 11/3/10

²⁵ Kissing Cousins: How The U.S. Chamber Of Commerce And American Crossroads Hook Up To Elect Republicans. [ThinkProgress](#), 10/7/10.

²⁶ Republican groups coordinated financial firepower. [Politico](#), 11/3/10.

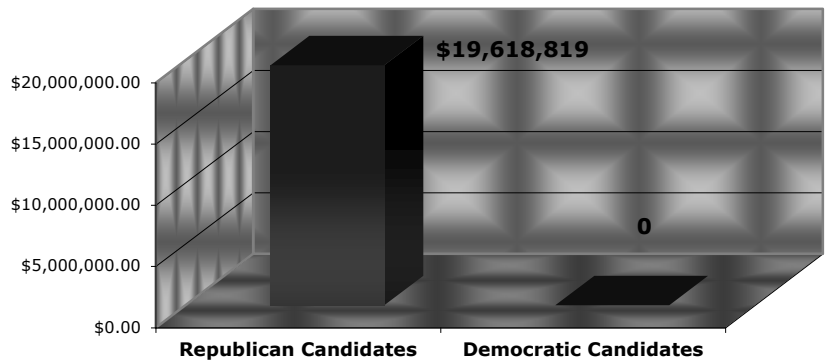
Meanwhile, the U.S. Chamber, with huge coffers anonymously supplied by the largest corporations in the world, could afford to play a path-breaking role in Senate races. The Chamber entered key Senate races early, spent significant sums, and was then followed by other outside groups. The plan worked very well: of the thirteen Senate races on which the U.S. Chamber led the charge, nine broke the Chamber’s way. Those that the Chamber lost, it lost by exceedingly slim margins, such as in Washington State, where Dino Rossi lost to incumbent Senator Patty Murray fifty-one to forty-nine percent.²⁷ That’s not to say the U.S. Chamber left the playing field of House races entirely. It spent massively in the House, but mainly by expanding the playing field into races where the Republican Party lacked the resources to engage.

The U.S. Chamber in the Senate Races

According to spending reports, the U.S. Chamber funneled more than \$19 million in anonymous corporate money into efforts to elect Republicans in thirteen Senate races this year.²⁸ The disclosed amount does not include spending in some states, such as Ohio and Illinois, which occurred outside the window of electioneering communications reporting required by the Federal Elections Commission, which runs starting sixty days before the date of the election.²⁹ The Chamber’s spending helped elect nine of its thirteen candidates.

The U.S. Chamber followed a particular strategic blueprint in trying to win the Senate for the Republicans. First, it locked down open-seat races that favored, at least initially, Republicans: New Hampshire, Indiana, Florida, Ohio. Pennsylvania and Colorado were special cases – though each had Democratically-held seats, neither had a long-term Democratic incumbent to fight. The U.S. Chamber also spent early and heavily in closely contested open seats such as Kentucky, Missouri, Connecticut and Illinois. Finally, it moved to

U.S. Chamber Spending 2010 Senate Mid-Terms



opportunities in Wisconsin, Washington, and California, to take on long-serving Democratic incumbents that it perceived to be vulnerable – a strategy that proved less successful.

State	Chamber Supported Republican	Democrat	Reported Chamber Spending	Result
California	Carly Fiorina	Barbara Boxer	\$4,911,118	L
Colorado	Ken Buck	Michael Bennet	\$2,147,763	L
Connecticut	Linda McMahon	Richard Blumenthal	\$500,000	L
Florida	Marco Rubio	Charlie Crist/Kendrick Meek	\$2,000,000	W
Illinois	Mark Kirk	Alexi Giannoulias	\$1,682,856	W
Indiana	Dan Coats	Brad Ellsworth	\$250,000	W
Kentucky	Rand Paul	Jack Conway	\$1,254,010	W

²⁷ Washington: Democratic Sen. Murray wins 4th term. [USA Today](#), 11/7/10.

²⁸ Federal Election Commission Data, [FEC Website](#).

²⁹ Campaign cash: Who's spending where in 2010. [Washington Post](#), accessed 11/3/10.; Federal Election Commission Data, [FEC Website](#).

State	Chamber Supported Republican	Democrat	Reported Chamber Spending	Result
Missouri	Roy Blunt	Robin Carnahan	\$1,110,461	W
New Hampshire	Kelly Ayotte	Paul Hodes	\$2,324,730	W
Ohio	Rob Portman	Lee Fisher	0 – ran ads before the required reporting period	W
Pennsylvania	Pat Toomey	Joe Sestak	\$1,692,056	W
Washington	Dino Rossi	Patty Murray	\$997,525	L
Wisconsin	Ron Johnson	Russ Feingold	\$748,300	W
U.S. CHAMBER RESULTS			\$19,618,819.00	9 Wins 4 Losses

Republican Leaning Open Seats

The first prong of the U.S. Chamber’s Senate strategy was to put away Republican open seats for the Republican candidate. The U.S. Chamber ran ads on behalf of Ohio Republican Rob Portman even before the window in which it had to report electioneering communications.³⁰ Once its spending had put the race firmly in Portman’s favor, the Chamber left the race and never returned. In August and September, American Crossroads went to Ohio to seal the deal, spending \$820,605, and the NRA spent \$597,266 after American Crossroads left.³¹ Portman won a resounding victory.³²

In New Hampshire, the U.S. Chamber was the largest outside spender, and, as in Ohio, was the first major outside group involved in the race.³³ The U.S. Chamber had run ads against Hodes during the health care debate in March 2010,³⁴ and continued its early and effective barrage into the election cycle, spending heavily against Hodes during the contested Republican primary.³⁵ It spent nearly \$2.5 million in late August and then throughout September against Hodes before leaving at the end of September. American Crossroads followed with a mid-September ad buy, followed by American Action Network, a conservative group that shares office space with American Crossroads³⁶ and also has major leadership involvement by a former U.S. Chamber commission co-chair,³⁷ which placed an October buy of \$875,000. Finally, American Crossroads finished out October with two buys late in the month. The Chamber never returned to the race.³⁸

In Florida, the U.S. Chamber was the first group to launch a major ad buy in the state in early September,³⁹ followed by American Crossroads and others. In Florida’s three-way race in which Independent Charlie Crist and Democrat Kendrick Meek were battling Republican Marco Rubio, the U.S. Chamber weighed in with \$2 million in ad buys against former

³⁰ U.S. Chamber of Commerce Ad Supporting Rob Portman. [YouTube](#), 6/22/10.

³¹ Follow the Unlimited Money, American Crossroads: Filings Mentioning Rob Portman. [Sunlight Foundation](#) 11/2/10.; Follow the Unlimited Monday, American Crossroads: Filings Mentioning Lee Irwin Fisher. [Sunlight Foundation](#), 11/2/10.; Follow the Unlimited Money, National Rifle Association: Filings Mentioning Rob Portman. [Sunlight Foundation](#), 11/2/10; Follow the Unlimited Monday, National Rifle Association: Filings Mentioning Lee Irwin Fisher. [Sunlight Foundation](#), 11/2/10. ,

³² Rob Portman wins Ohio Senate race. [Cincinnati.com](#), 11/3/10.

³³ 2010 Race: New Hampshire Outside Spending. [Center for Responsive Politics](#), Accessed 11/10/10; Follow the Unlimited Money, Outside Spending – New Hampshire Senate (Other). [Sunlight Foundation](#), 11/2/10.

³⁴ Don’t Be A Bully. [The Hotline](#), 3/12/10; See also Going On Offense: Paul Hodes. [My Direct Democracy](#), 3/30/2010.

³⁵ Follow the Unlimited Money, Outside Spending – New Hampshire Senate (Primary). [Sunlight Foundation](#), 11/2/10.

³⁶ The New GOP Money Stampede. [Time](#), 9/16/10. |

³⁷ American Action Network: Who’s Putting Up The Money? [Talking Points Memo](#), 2/8/10; Capital Markets Commission Appoints New Co-Chair Culvahouse to Succeed Steel. [U.S. Chamber of Commerce Press Release](#), 10/12/06.

³⁸ Follow the Unlimited Money, Outside Spending – New Hampshire Senate, [Sunlight Foundation](#), 11/2/10. See: “General”, “Primary” and “Other” tabs for spending throughout the race.

³⁹ Follow the Unlimited Money, Outside Spending – Florida Senate (general), [Sunlight Foundation](#), 11/2/10.

(moderate) Republican Crist.⁴⁰ The U.S. Chamber was the second biggest outside spender in this race, edged out only by American Crossroads.⁴¹

In Indiana, the Chamber's \$500,000 ad buy on behalf of Dan Coats attacking Democrat Brad Ellsworth was the most significant outside expenditure in the race, and the largest on Coats' behalf.⁴²

Pennsylvania and Illinois looked slightly different. In both states, the U.S. Chamber went in early, spent vast sums, and exited the state after the Republican candidates took the lead. Particularly in Pennsylvania, Republican candidate Pat Toomey showed a lead of six points in July.⁴³ But as the election progressed, the races began to close, so the U.S. Chamber, and other groups, went back to both states.⁴⁴ In Pennsylvania, the Chamber and Club for Growth both entered the race early and, spending over \$4.6 million combined, in reported expenditures, helped to defeat Democratic Senate Candidate Joe Sestak.⁴⁵ In Illinois, the Chamber engaged a similar double-pronged strategy. Although the Illinois race was always close, it got tighter as the election progressed, so the U.S. Chamber went back into the state in mid-October after having dropped major ad blitzes in early August and late September.⁴⁶

Failure of Chamber Strategy – Western Democrat Incumbents

The U.S. Chamber suffered some defeats this cycle: its Senate candidates lost in Colorado, Washington and California. In each case, the Chamber girded up against an incumbent it thought was vulnerable. In Colorado, the Chamber initially backed primary-loser Jane Norton,⁴⁷ and was unable to gain traction with Ken Buck after he won the nomination. In Washington, the Chamber entered the race late, making a large TV and radio ad buy about two weeks before the election.⁴⁸ But, though it lost in both Colorado and Washington, the U.S. Chamber's candidates made impressive showings there, losing by margins of one and two percent, respectively.

It was in California that the U.S. Chamber suffered its most spectacular defeat. There, Democratic incumbent Barbara Boxer defeated Republican challenger Carly Fiorina by ten points.⁴⁹ The U.S. Chamber's bid on behalf of Fiorina was part of its larger "Turn California Around" initiative,⁵⁰ in which it spent on behalf of California state candidates, including Republican gubernatorial candidate Meg Whitman,⁵¹ and invested in California ballot measures that would make it harder to increase taxes and fees.⁵² The U.S. Chamber appears to have clearly misread California, assuming it would follow the nation on an anti-Democratic wave. But every Democratic candidate for statewide office won election in California,⁵³ and the ballot measure positions the Chamber supported were defeated.⁵⁴

⁴⁰ Follow the Unlimited Money, Outside Spending – Florida Senate (general). [Sunlight Foundation](#), 11/2/10.

⁴¹ 2010 Race: Florida Senate Outside Spending. [Center for Responsive Politics](#), Accessed 11/10/10.

⁴² 2010 Race: Indiana Senate, Outside Spending. [Center for Responsive Politics](#), Accessed 11/10/10.; Follow the Unlimited Money, Outside Spending – Indiana Senate. [Sunlight Foundation](#), 11/2/10. Note: Center for Responsive Politics reports \$500,000 in spending by the U.S. Chamber in this race while Sunlight Foundation reports \$250,000.

⁴³ 2 television stations to pull ad critical of Sestak. [Pittsburgh Post-Gazette](#), 7/15/10; LEFTOVERS: Chamber hits Sestak, Stupak aids Dahlkemper, labor endorsements. [PA2010.com](#), 7/13/10. Toomey Maintains Lead in Rasmussen Poll. [Hot Air](#), 7/19/2010.

⁴⁴ Two Internal Polls Show PA Senate Tightening. [Philadelphia Inquirer](#), 10/13/10; Follow the Unlimited Money, Club for Growth: Filings Mentioning Joseph A. Sestak Jr. [Sunlight Foundation](#), 11/2/10. Follow the Unlimited Money, U.S. Chamber of Commerce: Filings Mentioning Joseph A. Sestak Jr. [Sunlight Foundation](#), 11/2/10.

⁴⁵ The Chamber spent \$1,488,880.00; Club for Growth spent \$2,677,477.05. Follow the Unlimited Money, U.S. Chamber of Commerce: Filings Mentioning Joseph A. Sestak Jr. [Sunlight Foundation](#), 11/2/10.; Follow the Unlimited Money, Club for Growth: Filings Mentioning Joseph A. Sestak Jr. [Sunlight Foundation](#), 11/2/10.; Toomey wins election to U.S. Senate. [ABC27 News](#), 11/2/10.

⁴⁶ U.S. Chamber Targets Giannoulias. [Chicago Tribune's The Swamp](#), 8/6/10.; Follow the Unlimited Money, U.S. Chamber of Commerce: Filings Mentioning Alexander Giannoulias. [Sunlight Foundation](#), 11/2/10.; Illinois Senate – Giannoulias vs. Kirk. [Real Clear Politics](#), Accessed 10/11/10 (See here for polling data).

⁴⁷ U.S. Chamber Backs Norton. [Denver Post](#), 6/28/10.

⁴⁸ Follow the Unlimited Money, U.S. Chamber of Commerce: Filings Mentioning Dino Rossi. [Sunlight Foundation](#), 11/2/10.

⁴⁹ In California, Boxer Wins Senate Race, and Brown Is Governor. [New York Times](#), 11/3/10.

⁵⁰ Turn California Around. U.S. Chamber of Commerce [subsidiary website](#), Accessed 11/10/10.

⁵¹ U.S. Chamber Endorses Meg Whitman for Governor. [U.S. Chamber of Commerce](#), 10/8/10.

⁵² Prop 26: The Scariest Anti-Environment Bill You've Never Heard Of. [Earth Island Journal](#), 10/26/10.

⁵³ Dems Win Most of California's Statewide Races. [KTUV.com](#), 11/3/10; Kamala Harris Declares Victory in California AG Race. [NewsOne](#), 11/3/10.

U.S. Chamber's Sole Senate Democrat

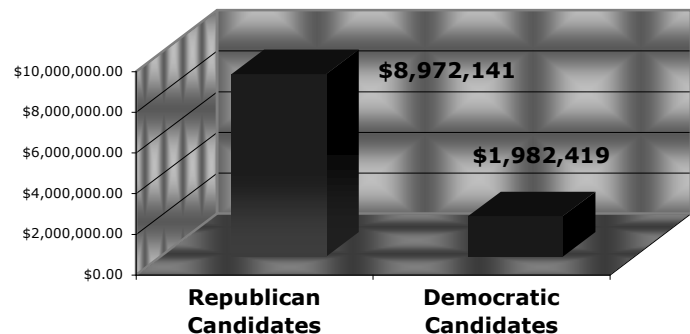
The Chamber supported one lone Democratic candidate for Senate, endorsing West Virginia's Joe Manchin, but the Chamber's support for Manchin was very limited. It made no expenditures on his behalf, choosing instead to run an op-ed in Manchin's favor on October 26th. In the op-ed, Chamber President Donohue made reference to Manchin's campaign promises "to break with his party and administration when necessary to support common sense economic policies that will spur the creation of jobs,"⁵⁵ which read more as a veiled warning to keep to those promises than as a showering of praise. The Chamber's appeal seems to be carrying some weight; shortly after he won his Senate seat, rumors began to circulate that Manchin was considering a switch to the Republican Party.⁵⁶

The U.S. Chamber in House Races

According to a September report on CNN, Tom Donohue, the Chamber's president and CEO, privately expressed skepticism about the likelihood of a Republican takeover of the House.⁵⁷ Although top Republican groups told Politico that the Chamber's role was to spend in the House,⁵⁸ it appears that in reality, possibly as a result of Donohue's skepticism, the U.S. Chamber concentrated its initial spending on key Senate battlegrounds.⁵⁹ While the U.S. Chamber entered Senate races early, it did not begin to spend money on House races until the first week of October.⁶⁰

Despite its late start, the U.S. Chamber played a determinative role in House elections, spending nearly \$11 million – more than eighty percent of which was devoted to Republican candidates.⁶¹ The U.S. Chamber spent in House races in an effort clearly designed to "flip" the House to Republican control.

U.S. Chamber Spending 2010 House Mid-Terms



U.S. Chamber Republicans

The bulk of the U.S. Chamber's House election spending went to change the control of the U.S. House from Democrat to Republican. The Chamber has not been shy about its effort to bring "historic change on Capitol Hill,"⁶² and it spent most of its House budget on behalf of Republican candidates, including thirty-eight running for seats that had been held by Democrats. The U.S. Chamber's candidate won in twenty-six of these races and lost in thirteen. One race was uncalled as of November 10th.

In many of these races, the U.S. Chamber spent significant sums on attack ads against the Democratic incumbent – even where the incumbent enjoyed the support of local chambers of commerce. The ads frequently sought to tie the Democratic candidate to the Democratic leadership by mentioning House Speaker Nancy Pelosi and President Obama.

⁵⁴ California Proposition 25, Majority Vote for Legislature to Pass the Budget. [Ballot Pedia](#), Accessed 11/11/10.

⁵⁵ U.S. Chamber Pens an Op-Ed for Joe Manchin. [Washington Independent](#), 10/26/10.

⁵⁶ Will Sen. Joe Manchin Defect to the GOP? [The Week](#), 11/9/10.

⁵⁷ Sources: Business Lobbyist Not So Sure GOP Takeover a Done Deal. [CNN](#), 9/22/10.

⁵⁸ Republican Groups Coordinated Financial Firepower. [Politico](#), 11/3/10.

⁵⁹ See, e.g., GOP Outside Groups Outline Roadmap To House Majority. [National Journal](#), 10/25/10.; reporting a memo listing American Crossroads, American Action Network, the Center For Individual Freedom, Americans for Tax Reform, and the National Federation of Independent Business, but not the U.S. Chamber, as top factors House races.

⁶⁰ Follow the Unlimited Money, Outside Spending – U.S. Chamber of Commerce. [Sunlight Foundation](#), 11/2/10.

⁶¹ Federal Election Commission Data, [FEC Website](#).

⁶² Top Corporations Aid U.S. Chamber of Commerce Campaign. [New York Times](#), 10/21/10.

District	Chamber Supported Republican	Democrat	Reported Chamber Spending	Result
AZ-07	Ruth McLung	Raul Grijalva	\$161,215	L
AZ-08	Jesse Kelly	Gabrielle Giffords	\$161,907	L
CA-11	David Harmer	Jerry McInerney	\$415,184	Uncalled, U.S. Chamber candidate trailing
CA-47	Van Tran	Loretta Sanchez	\$180,000	L
CO-04	Cory Gardner	Betsy Markey	\$250,000	W
FL-08	Daniel Webster	Alan Grayson	\$250,000	W
FL-24	Sandy Adams	Suzanne Kosmas	\$250,000	W
FL-25	David Rivera	Joe Rivera	\$99,310	W
IA-01	Ben Lange	Bruce Braley	\$248,240	L
IA-03	Brad Zaun	Leonard Boswell	\$348,062	L
IL-10	Bob Dold	Dan Seals	\$100,000	W
IL-11	Adam Kinzinger	Debbie Halvorson	\$300,000	W
IL-14	Randy Hultgren	Bill Foster	\$99,952	W
IN-02	Jackie Walorski	Joe Donnelly	\$38,745	L
KS-03	Kevin Yoder	Stephene Moore	\$172,864	W
MA-10	Jeff Perry	Bill Keating	\$160,064	L
ND-AL	Rick Berg	Earl Pomeroy	\$273,525	W
NH-01	Frank Guinta	Carol Shea-Porter	\$148,640	W
NH-02	Charlie Bass	Anne McLane Kuster	\$149,380	W
NJ -12	Scott Siprelle	Rush Holt	\$150,000	L
NM-01	Jon Barea	Martin Heinrich	\$416,882	L
NM-02	Steve Pearce	Henry Teague	\$239,739	W
NV-03	Joe Heck	Dina Titus	\$449,850	W
NY-19	Nan Hayworth	John Hall	\$192,206	W
NY-23	Matt Doheny	Bill Owens	\$206,572	L
NY-24	Richard Hanna	Mike Arcuri	\$25,712	W
OH-15	Steve Stivers	Mary Jo Kilroy	\$261,735	W
OH-16	Jim Renacci	John Boccieri	\$421,315	W
OH-17	Jim Graham	Tim Ryan	\$195,345	L
OH-18	Bob Gibbs	Zack Space	\$45,415	W
PA-03	Mike Kelly	Kathy Dahlkemper	\$248,500	W
PA-07	Patrick Meehan	Bryan Lentz	\$146,680	W
PA-08	Mike Fitzpatrick	Patrick Murphy	\$170,000	W
PA-10	Tom Marino	Chris Carney	\$398,365	W

District	Chamber Supported Republican	Democrat	Reported Chamber Spending	Result
PA-12	Tim Burns	Mark Critz	\$498,551	L
VA-05	Rob Hurt	Tom Perriello	\$442,765	W
WA-01	James Watkins	Jay Inslee	\$149,870	L
WA-03	Jaime Herrera	Denny Heck	\$149,540	W
WI-07	Sean Duffy	Julie Lassa	\$266,593	W
WI-08	Reid Ribble	Steve Kagen	\$89,418	W
U.S. Chamber Results			\$8,972,141.00	26 Wins 13 Losses 1 Uncalled

The U.S. Chamber spent money in two types of House races. In some cases, such as against Dina Titus in Nevada-3, and against Anne McLane Kuster in New Hampshire-2, the U.S. Chamber ran ads as part of a late cash drive to propel Republican candidates to victory in close races. As the *Los Angeles Times* reported on October 23rd, the late Chamber buys appeared to be an attempt “to infuse much needed cash into races where the money would be especially helpful.”⁶³

In other cases, such New Jersey-12 on behalf of Scott Sippelle, or Washington-1 on behalf of James Watkins, the U.S. Chamber was looking to expand the playing field into races in which other Republican groups – and the Republican Party itself – weren’t engaged because of the NRCC’s cash shortages. The U.S. Chamber’s \$150,000 ad buy on behalf of Sippelle, a millionaire venture capitalist who ran on his business background,⁶⁴ represented nearly seventy-five percent of all outside spending in that race.⁶⁵ The U.S. Chamber was the only significant outside spender in Washington for Watkins.⁶⁶ In New Jersey, Sippelle lost by five points, but gave New Jersey incumbent Holt “the fiercest challenge of his political career.”⁶⁷ In Washington, Democratic incumbent Jay Inslee, who won with sixty-eight percent of the vote in 2008, walked away with fifty-seven percent this year.⁶⁸ As Crossroads President Law explained, “by expanding the playing field we also stretched this defensive perimeter that the Democrats were trying to establish to the breaking point.”⁶⁹ The U.S. Chamber’s foray into untapped territory helped solidify more than sixty victories and the biggest power shift in the Congress in sixty years.⁷⁰

U.S. Chamber Democrats

The U.S. Chamber calls itself “a nonpartisan organization that supports both Republicans *and* Democrats based on their support for economic growth and free enterprise.”⁷¹ Despite such rhetoric, the Chamber’s close ties to conservative groups and work on behalf of Republican candidates shows the Chamber’s deep ties to the Republican party; examining its efforts both on behalf of and against Democrats clearly demonstrates that the U.S. Chamber’s lip-service to non-partisanship lacks any substance.

⁶³ U.S. Chamber of Commerce Launches New Campaign Ads. [Los Angeles Times](#), 10/23/10.

⁶⁴ Most N.J. Democrats Retain U.S. Congressional Seats Despite National Trend. [Star Ledger](#), 11/3/10.

⁶⁵ 2010 Outside Spending by Candidates. [Open Secrets](#), Accessed 11/10/11

⁶⁶ 2010 Outside Spending by Candidates. [Open Secrets](#), Accessed 11/10/11.

⁶⁷ Most N.J. Democrats Retain U.S. Congressional Seats Despite National Trend. [Star Ledger](#), 11/3/10.

⁶⁸ Election Center, U.S. House/Washington. [CNN Politics](#), Accessed 11/10/11.

⁶⁹ Too Much Money? Ain’t Seen Nothing Yet. [AP](#), 11/8/10.

⁷⁰ Analysis: Election Raises Hope for Trade Deals. [Reuters Blog](#), 11/3/10.

⁷¹ U.S. Chamber Pens an Op-Ed for Joe Manchin. [Washington Independent](#), 10/26/10.

U.S. Chamber House “Winners”

While the U.S. Chamber played for keeps when it came to attacking Democratic incumbents on behalf of Republican candidates, when it came to supporting Democrats, the Chamber appears to have acted more for appearances than out of any real support for the candidates. The U.S. Chamber spent on behalf of eleven fiscally conservative Blue Dog Democrats, many of them from the South, including Georgia's Jim Marshall, Virginia's Glenn Nye, Maryland's Frank Kratovil, Mississippi's Travis W. Childers and Alabama's Bobby Bright. On average, the U.S. Chamber Democrats boast a lifetime Chamber scorecard rating of seventy-three percent – meaning they support the Chamber's agenda seventy-three percent of the time.⁷² In 2009, this average support was seventy-five percent. Every Democratic candidate the U.S. Chamber supported voted against the Affordable Health Care for America Act.⁷³

In exchange for this very high degree of loyalty, the U.S. Chamber ran roughly \$2 million in ads on behalf of Democrats beginning the first week of October. That sum seems substantial, but in that same week alone, the Chamber spent nearly \$10 million on its Republican candidates.⁷⁴ In addition to running the ads later for the Democrats than for many of their Chamber-backed Republican counterparts, the ads the U.S. Chamber ran in favor of its Democrats were less candidate-specific – and therefore less-effective – than those they ran on behalf of Republican candidates. In general, where the Chamber supported a Democrat, it ran ads in favor of that candidate (as opposed to attack ads on the candidate's opponent which often have far greater impact). These positive ads were mostly rather cookie-cutter; a string of template ads released on or around the same day, with the same title for several different candidates, replacing the candidate's name, picture and office number for each.

The U.S. Chamber's lukewarm support for its Democratic candidates is reflected in its win rate: of the eleven Democrats on behalf of whom the Chamber ran ads, only four won – and three of those wins were in races that were never seen as particularly competitive – Oklahoma-2,⁷⁵ where Dan Boren won with fifty-seven percent of the vote,⁷⁶ Arkansas-4, where Mike Ross, who said he doesn't plan to vote for Speaker Nancy Pelosi as minority leader, won with fifty-eight percent,⁷⁷ and Utah-2, where Jim Matheson won with fifty-one percent of the vote.⁷⁸

District	Chamber Supported Democrat	Republican	Chamber Spending	Result
AL -02	Bobby Bright	Martha Roby	\$195,140	L
AR-04	Mike Ross	Beth Anne Rankin	\$223,148	W
FL-02	Alan Boyd	Steve Southerland	\$50,000	L
GA-08	Jim Marshall	Austin Scott	\$390,030	L
GA-12	John Barrow	Ray McKinney	\$78,558	W
ID-01	Walt Minnick	Raul Labrador	\$141,234	L
MD-01	Frank Kratovil	Andrew Harris	\$437,524	L
MS-01	Travis Childers	Alan Nunnelee	\$68,604	L
OK-02	Dan Boren	Charles Thompson	\$135,799	W
UT-02	Jim Matheson	Morgan Philpot	\$180,308	W

⁷² How They Voted 2009 – House. [U.S. Chamber of Commerce](#).

⁷³ How They Voted 2009 – House. [U.S. Chamber of Commerce](#).

⁷⁴ U.S. Chamber Spends More Than \$10 Million on Ads. [Associated Press](#), 10/7/10.

⁷⁵ See, e.g., Dan Boren Seeking Fourth Term. [The Republic](#), 10/7/10.

⁷⁶ 112th House of Representatives. [Vote From Abroad.Org](#).

⁷⁷ Ross Holds Aspirations for State Leadership, Too. [Arkansas Online](#), 11/4/10.

⁷⁸ Philpot Congratulates US Rep. Matheson on Race. [Stamford Advocate](#), 11/3/10.

District	Chamber Supported Democrat	Republican	Chamber Spending	Result
VA-02	Glenn Nye	Scott Rigell	\$82,074	L
U.S. Chamber Results			\$1,982,419.00	4 Wins 7 Losses

U.S. Chamber House Losers

In some cases, the U.S. Chamber declined to proffer even moderated support; some Democratic candidates suffered the Chamber's opposition, even after taking pains to abide by the Chamber's policy priorities. The Chamber says that it "endorses candidates that have an average annual percentage voting record with the Chamber of over 70% on key business issues. We score Congress each session and produce a 'How They Voted' report to this effect."⁷⁹ But Freshman Representative Betsey Markey, who took pains to consider the U.S. Chamber's positions⁸⁰ and had a rating of seventy-three percent in favor of the Chamber's interests,⁸¹ faced \$250,000 of Chamber funds in a successful effort to defeat her on November 2nd.⁸²

Conclusion

The U.S. Chamber of Commerce played a central strategic role in a coordinated effort to elect Republicans in this fall's elections. Anonymously funded by the largest corporate special interests in the world, the U.S. Chamber led the charge to increase Republican seats in the Congress by orchestrating the unprecedented amounts of money conservative groups marshaled for that purpose. And, building on the *Citizens United* decision that stripped rules about corporate spending, it could coordinate with other groups to run ads right up until the election.

With its own election coffers reaching \$75 million,⁸³ the U.S. Chamber could afford to play in the expensive Senate races. In House races, which are less expensive than Senate races, and where other groups could contribute significant sums of money, the Chamber played an expansionary role, working on races that the party and other groups weren't planning to enter, and again taking advantage of the ability to drop money by anonymous donors late in the races. Led by the U.S. Chamber, conservative groups this year developed an effective blueprint for organizing, and winning, elections.

A close look at the U.S. Chamber's role in this year's elections also highlights the true partisanship of the U.S. Chamber's electoral agenda. The Chamber claims to endorse any candidate who supports pro-business policies, and points to its token support of certain Democratic candidates as proof of its nonpartisanship. But a look at the U.S. Chamber's spending and practices – from its coordination with exclusively right-wing groups, to its abandonment of some loyal Democrats and its lukewarm support for the Democrats it did endorse – clearly demonstrate that the U.S. Chamber is not the nonpartisan business league it claims to be. Whether for ideological reasons or simply because the largest corporations that fund the U.S. Chamber's agenda have paid it to do so, the 2010 midterms have proven that the U.S. Chamber has bound itself to the Republican Party.

⁷⁹ U.S. Chamber [Small Business Nation Blog Comment](#), posted August 21, 2010. On file with U.S. Chamber Watch.

⁸⁰ Markey indicated she was anxious about the Chamber's position on the DISCLOSE Act, (Campaign Disclosure Bill Running Into Snags. Roll Call, 6/10/10) a bill the Chamber vehemently opposed, and which it threatened to use in scoring members ahead of this election. Key Vote Letter Opposing H.R. 5175, the "Democracy Is Strengthened by Casting Light on Spending in Elections Act (DISCLOSE Act)". [U.S. Chamber of Commerce](#), 6/14/10.

⁸¹ How They Voted 2009. [U.S. Chamber of Commerce](#).

⁸² Markey Loses 4th CD Race To Corey Gardner. [The Denver Channel](#), 11/2/10.

⁸³ The Wall Street Journal reports that the Chamber's actual spending may be closer to \$50 million. Impact of Money Mixed in Midterm. [Wall Street Journal](#), 11/8/10.