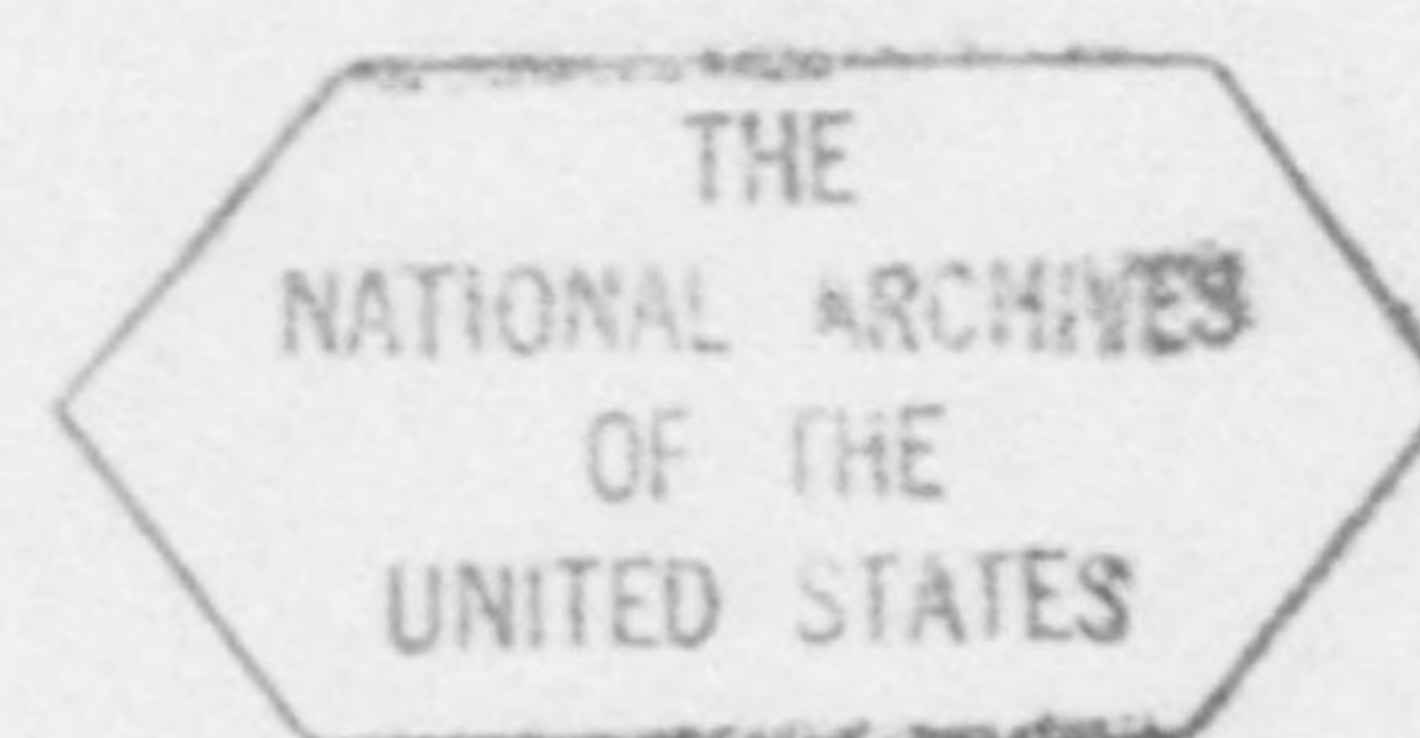


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**ORGANIZING  
THE  
CHAMBER  
OF  
COMMERCE**

★ **Right Here On Main Street**

*A Practical "How To Do It" Manual*

## Preface

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IN 1870 there were only 40 chambers of commerce in the United States and they were located in the major cities. Today there are chambers of commerce in several thousand communities, large and small.

In some instances this type of organization is known as a "Commercial Club," a "Board of Trade," a "Civic Club," a "Civic and Commerce Association," or perhaps by some other name, but all have the same primary objectives—to foster trade and industry and to stimulate civic development.

The widespread growth of the chamber of commerce movement over a long period of years is significant. It clearly shows that they are not merely fair-weather organizations. Splendid *cities have been built* by men working together through their chambers of commerce. During extremely trying periods of war, inflation and depression these voluntary groups have demonstrated the important place they occupy in the business, economic and social lives of their communities. In addition, they have contributed substantially to the strength and progress of the Nation.

It is essential in these times that men should recognize the value of group effort in dealing with community affairs. Current and historical facts record that desirable objectives can be reached most effectively through the medium of a chamber of commerce.

## ORGANIZING THE CHAMBER OF COMMERCE



Right Here On Main Street

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MANY smaller towns are without a chamber of commerce or other community organization. The need for such organizations is clearly felt and expressed; their lack is manifest in the failure to get done many things that are of interest and benefit. Yet hesitation is often expressed about attempting to organize because it is believed such a procedure will necessitate the raising of considerable money, and the setting up of organization machinery that will be costly to maintain.

The purpose of this bulletin is to indicate how a community of the smaller class can organize an effective chamber of commerce on a simple scale and without undue expense; to set forth in outline form a suggested program of activities suitable to the average small town; to furnish specimen budgets; to supply a set of by-laws—in short, to indicate briefly and concisely the steps necessary to create an effective organization with a minimum of expense and trouble.

Obviously, success will depend upon the utility of the program undertaken and the willingness on the part of leading citizens to give their time in the public interest; but granting those factors, we believe the suggestions that follow can be utilized to advantage by any group of men interested in seeing their community keep pace with others through organization in the common interest.

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### General Principles

A CHAMBER of commerce is a non-profit-making institution, set up for the purpose of advancing the commercial, financial, industrial and civic interests of a community. The field from which to select activities is as wide as the community itself, including the immediate trade territory. The essential elements that govern the success of a chamber of commerce in a small community are:

- (1) A simple organization structure
- (2) Definite objectives
- (3) An official personnel that provides leadership
- (4) An income sufficient for expenses
- (5) As many committees as there are suggested activities to be investigated, or approved activities to be carried out.

### Initial Steps for Organizing

A FEW MEN feel that the town should have a chamber of commerce. A small group gets together to discuss the matter. As individuals these discuss it with others. Presently a mass meeting is called and the proposition is laid before the meeting and discussed. If approved, a committee is appointed to draft by-laws, and at a later meeting the by-laws are adopted by the members.

Considerable effort must be put forth by those inaugurating the movement to see that there is a good attendance at the initial mass meeting. The size and character of attendance and interest aroused at the meeting will largely determine whether or not the movement will succeed. When the purpose of the meeting has been explained, a temporary chairman should be chosen who is interested in the proposal and who will not let the meeting lag. Leaders should be definite in presenting the needs of the community, in pointing out what may be achieved through cooperative action, and in making proposals for organization. The tone should be positive, the proposals concrete.

### Members

IN such an organization, all those present at the initial meeting or certainly all those present at the meeting that ratifies the by-laws should be enrolled as members and their dues should be collected at once. In addition, there will be others who should belong; and a membership committee should be appointed to enlist their interest and secure them as members. Following this initial membership effort, the committee should be retained to do continual membership work.

### Dues

WHILE the standard rate for membership dues is \$25.00 per year in chambers which employ secretaries and maintain quarters, in smaller towns the rate is often lower. The determining factors in establishing the dues rate are of course the amount to be raised and the number of men who can be depended upon to pay.

Suppose that your budget calls for an income of \$250.00. There are in the city about 25 firms and individuals who can be depended upon to support the chamber. Raising \$250.00 would require them to pay \$10.00 each in dues, if all were admitted on the same basis. But in large and small organizations there are firms and individuals who should pay more than others. The department store should pay more than the two-chair barber shop; the power company more than the coffee shop. Based on their ability to pay and their stake in the community, you may find that 15 firms and individuals should pay \$5.00 per year in dues, five firms should pay \$10.00 (two memberships at \$5.00 each), and five firms \$25.00 each (five memberships), making the total of \$250.00.

In larger towns with more substantial budgets it will of course be advisable to increase the dues rate, or the minimum amount which each member is to pay.

### Budgets

IT would be foolish for us to attempt to set up a budget for any one town. Chamber budgets, while they are naturally influenced by the size and importance of the community, will be determined by the nature of the program undertaken, and by the disposition of the citizens. Certain projects may be needed and undertaken that will require more money than others. Thus the amount to be raised must be determined by those most concerned.

However, the budget experience of other cities of about the same size will be helpful to the budget committee. It will help the committee to determine at least the approximate amount that its chamber can and should raise.

Taking into consideration the experience of chambers throughout the entire country we set down the following table as a general guide for cities of 10,000 and under. It is not presumed that the number of members or amounts of money indicated here for cities in any population group are either the maximum or minimum which may be depended upon in your community. It may be that your city can raise more money and secure more members—or less—than are indicated opposite the population figure under which it falls. But if your chamber maintains over a period of years the number of members and the amount of income that is here given; you may feel it is getting somewhere near average support.

<i>Population</i>	<i>Number of Members</i>	<i>Budget</i>
1,000	25	\$ 250.00
2,000	50	1,000.00
3,000	75	1,500.00
4,000	90	2,250.00
5,000	100	2,500.00
6,000	120	3,000.00
8,000	160	4,000.00
10,000	200	5,000.00

**Expenditures**

WHAT are normal expenditures for a chamber of commerce? How much should it spend for rent, committee expense, salaries and so on? Again it is natural to turn to the experiences of other cities to help establish a reasonable standard for your own. And again the answer is that local needs and circumstances will govern.

Nevertheless we are submitting three budgets of expenditures which may be considered average in their make-up. Certain items enumerated in them may be eliminated from the budget you adopt, while others not mentioned here may be included. The amounts allocated in your budget for items listed here may be larger or smaller than those mentioned. But generally speaking, budgets of the amounts stipulated are expended about as indicated in the following:

**Budget A**

This includes no salaries or rental for quarters and is the type that would be used in communities where the secretary acts on a purely voluntary basis.

Telephone and Telegraph.....	\$ 25
Office Supplies and Printing.....	50
Postage.....	20
Travel.....	30
Dues and Subscriptions.....	20
Committee Expense.....	80
Miscellaneous.....	25
	<hr/>
	\$250

**Budget B**

This provides for a secretary on a part time basis, at \$25 per month, and a small amount for



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Postage.....	20
Travel.....	30
Dues and Subscriptions.....	20
Committee Expense.....	80
Miscellaneous.....	25
	<hr/>
	\$250

**Budget B**

This provides for a secretary on a part time basis, at \$25 per month, and a small amount for

clerical services. No rental for quarters is included.

Salaries.....	\$ 420
Telephone and Telegraph.....	70
Office Supplies and Printing.....	100
Postage.....	50
Travel.....	60
Dues and Subscriptions.....	50
Committee Expense.....	150
Miscellaneous.....	50
Emergency and Reserve.....	50
	<hr/>
	\$1,000

**Budget C**

This contemplates employment of a full time secretary and a stenographer, as well as \$25.00 per month for rental of quarters.

Salaries.....	\$3,000
Rent.....	300
Telegraph and Telephone.....	150
Office Supplies, Printing and Postage.....	350
Travel.....	150
Community Advertising Booklet.....	300
Dues and Subscriptions.....	100
Committee Expense.....	300
Miscellaneous.....	150
Emergency and Reserve.....	200
	<hr/>
	\$5,000

**Committees**

THE work of the small town chamber is accomplished almost entirely through committee action. Committees are of two kinds: (a) committees of investigation, and (b) committees of accomplishment. A committee should never be created just to look well on paper or to give members an assignment. On the other hand there should be as many committees as there are suggestions worthy of investigation, or approved activities to be worked on.

Committees should be appointed to do a definite job, either of investigation or accomplishment; and when the work is finished the committee should be dismissed with thanks.

### Program of Work

A CHAMBER must be governed by the outstanding and definite needs of its own community. It is a mistake to set up a program of work merely because the same program is being undertaken in another community of the same size.

A committee should be appointed to make careful study of local conditions and pick out a few things that should be done—things upon which most people are agreed, and that are quite evidently needed. If the chamber will concentrate its energies for the first year on accomplishing three or four such outstanding things, it will have done a good year's work and can then move forward to a larger program with the full confidence of the community behind it.

In surveying the community committee will find it advantageous to consider questions such as those in the following list:

#### Retail Trade

- Do local stores have uniform closing hours?
- Is there adequate parking space for shoppers?
- Can merchants combine to stage spring and fall openings, as well as special sales events?
- Are stores attractive? Would improved fronts and better lighting add to drawing power of retail district?
- Does the city have proper ordinance governing peddlers?
- Are proper steps being taken to protect merchants and others from fake advertising schemes?

#### Industry

- What industries are there in the city?
- What can be done to make them more prosperous—enable them to employ more people?
- What raw materials are in the community?
- What prospects are there for new industries to utilize them?

**Attractions for Tourists**

- What lakes, rivers, mountains or other attractions are found in your locality?
- Are there summer or winter resorts which cater to tourists?
- Do you have scenery that is attractive to the tourist?
- Is your climate desirable for summer or winter sojourns of travelers?
- Is there fishing and hunting?
- Are there suitable facilities for tourists in Blankville—hotels, tourist camp, cafes and so on?
- Are highways leading into town properly marked so travelers may find their way to the places you want them to reach?
- What can you do to attract more tourists to travel your way?

**Recreational Facilities**

- Are there enough acres in parks to meet the needs—present and future?
- Do the parks have desirable playground and picnic equipment?
- Is there at least one soft ball diamond?
- Do you have swimming facilities, either in lake, river or artificial pool?

**Transportation**

- Is railway service adequate?
- Do you have truck and bus service of sufficient frequency to meet your needs?
- If you do not have air mail, is there a possibility of your getting it?
- Are your main highways paved? What about farm-to-market roads—do you have enough improved miles of such highway?

**Education**

- Is your school system adequate?
- Are the school buildings of modern construction?
- Are they safe and sanitary?
- Is your school district well governed?

**Social and Welfare Agencies**

Do you have the proper relief, welfare and character building facilities—either public or private—to meet local needs?  
Are you giving encouragement to Boy and Girl Scout Troops, 4-H Clubs and other character building agencies?

**Public Affairs**

In what shape are the finances of your city and county governments?  
Is there some definite assistance you could give your public officials to reduce taxes, or to make the public dollar go farther?  
Are your city streets properly lighted—particularly your business streets?  
Do your streets have name plates, and are your homes and business houses properly numbered?  
Is your firefighting equipment adequate?  
Are fire insurance rates as low as they should be?  
What about your streets—do they need surfacing?  
Are you voicing the opinions of your business men on state and national affairs through your state and national chambers of commerce?  
Do you have adequate municipal health protection service?

**Public Utilities**

What about your municipal water system?  
Is it large enough to care for emergencies?  
Is the water supply safeguarded as to purity?  
Do you have sanitary sewage disposal?  
Is your power supply adequate and your rates reasonable?  
Do you have a gas plant?  
Is there need for local bus transportation within the city, or to nearby manufacturing plants or communities?

**Professional and Business Services**

Can farmers and others who come to shop find the professional and business services

they have a right to expect in your city, or must they go to "the big town" for all except "staple merchandise"?

Do you have the medical and hospital service that the size of your city warrants?

Are standard auto parts on sale, and good auto mechanics available?

If services of this nature are not available, can you do anything to make them so?

**Advertising and Publicity**

Is there an opportunity to secure more publicity and advertising for your city, and particularly for those features which are of special interest to tourists and prospective business and industrial enterprises?

Could you issue a community booklet setting forth its attractions and assets in story and pictures?

**Agriculture**

What are the principal crops and kinds of livestock produced?

Are there satisfactory markets in your town for farm products?

Is there a friendly relationship between farmers and business men?

Do farmers feel "at home" in Blankville—do they like to trade there?

**Conventions**

If you have facilities for conventions, are you doing all you can to get your share of them?

**Community Events**

Do you stage any kind of event each year to entertain the folks who trade with you?

SPECIMEN BY-LAWS

ARTICLE I - NAME AND OBJECT

SECTION 1. The name of this organization shall be the \_\_\_\_\_ Chamber of Commerce.

SECTION 2. The \_\_\_\_\_ Chamber of Commerce is organized for the purpose of advancing the commercial, industrial, and civic interests of \_\_\_\_\_ and its trade area.

SECTION 3. The Chamber shall be non-partisan, nonsectional, nonsectarian and shall take no part in, or lend its support to, the election or appointment of any candidate for public office.

ARTICLE II - MEMBERSHIP

SECTION 1. Any reputable person, association, corporation, partnership or estate shall be eligible for membership in the \_\_\_\_\_ Chamber of Commerce.

SECTION 2. Each member shall pay membership dues of \_\_\_\_\_ dollars per annum. Election to membership shall require the affirmative vote of the Board of Directors.

SECTION 3. Any person, firm, association or corporation eligible to membership may acquire more than one membership by undertaking to pay the annual dues of each such membership, and may designate an individual to represent each such membership, subject to the approval of the Board of Directors.

SECTION 4. Any person, firm, association or corporation holding more than one membership shall be entitled to cast only one vote; except that individuals who have been designated to represent said ad-

ditional memberships shall vote as members.

SECTION 5. Any person, firm, association or corporation holding one or more memberships shall have the right at any time to change any or all of its representatives upon written notice to the Chamber.

SECTION 6. Distinction in public affairs shall confer eligibility to honorary membership. Honorary membership shall include all the privileges of active membership, except that of holding office, with exemption from the payment of dues. Election to honorary membership shall require the affirmative vote of the Board of Directors.

#### ARTICLE III - BOARD OF DIRECTORS

SECTION 1. The government of the Chamber and the direction of its work shall be vested in a Board of Directors consisting of \_\_\_\_\_ members, one-third of whom shall be elected annually for a term of three years, as hereinafter provided. No member of the Board of Directors who has completed a three year term shall be eligible for reelection until after the lapse of one year after the completion of his term. The Directors shall have power to fill all vacancies on the Board. They may adopt rules for conducting the business of the Chamber. They shall meet not less frequently than once a month, at such time and place as will be determined by them.

SECTION 2. The Board of Directors shall be elected at the annual meeting of the Chamber, or at a special meeting called for that purpose.

SECTION 3. A nominating committee of not less than five members shall be appointed by the President thirty days prior to the election, whose duty it shall be to nominate from the membership of the Chamber



twice as many members to be voted on for members of the Board of Directors as there are vacancies on the Board to be filled. The nominating committee shall file a list of the nominees recommended with the Secretary not later than fifteen days before the election. Other nominations than the ones recommended by the committee may be made by any member from the floor, or by filing the name of the nominee with the Secretary.

SECTION 4. The Secretary shall mail to all members of the Chamber, ten days prior to the election, a list of the nominees recommended by the nominating committee and any other nominees filed with him.

SECTION 5. All voting shall be by ballot. A number of nominees corresponding with the number of directors to be elected who receive the highest number of votes shall be declared elected.

SECTION 6. The President shall appoint a committee of five judges who are not members of the Board of Directors or candidates for election which shall have supervision of the election until the results are ascertained.

#### ARTICLE IV - OFFICERS

SECTION 1. Within ten days after the annual election, the Directors shall meet and elect officers for the ensuing year, a president, a vice president, a secretary, and a treasurer. The president and the vice president shall be elected from the members of the Board of Directors. The secretary and the treasurer may be elected from the members of the Board of Directors or from the membership of the Chamber.

SECTION 2. The President shall preside at all meetings of the Chamber and of the Board of Directors, and perform all duties incident to this office. He shall, subject

to the approval of the Board of Directors, appoint all committees and he shall be an ex officio member of all committees.

SECTION 3. The Vice President shall act in the absence of the President. In the absence of both the President and the Vice President, a member of the Board of Directors shall be chosen to act temporarily.

SECTION 4. The Secretary shall conduct the official correspondence, preserve all books, documents and communications, keep books of account, and maintain an accurate record of the proceedings of the Chamber and of the Board of Director's meetings.

SECTION 5. The Treasurer shall receive and disburse the funds of the Chamber. No disbursements shall be made unless they shall have been authorized and ordered by the Board of Directors. All disbursements shall be made by checks, which shall be signed by the Secretary and countersigned by the Treasurer. At frequent intervals the Treasurer shall make reports to the Board of Directors, which may at its discretion require him to give acceptable bond, in such sum as the Board may determine, for the faithful performance of his duties.

#### ARTICLE V - COMMITTEES

SECTION 1. The Board of Directors shall authorize and define the powers and duties of all committees.

SECTION 2. The President shall appoint all committees, subject to confirmation by the Board of Directors.

#### ARTICLE VI - MEETINGS

SECTION 1. The Board of Directors may provide for holding membership meetings whenever it may be considered necessary or

desirable.

SECTION 2. The Board of Directors shall call a membership meeting upon petition signed by not less than ten percent of the members.

SECTION 3. The annual meeting of the Chamber shall be held as soon as practicable after the close of the fiscal year, at a time and place to be determined by the Board of Directors.

SECTION 4. Five percent of the members in good standing shall constitute a quorum at all membership meetings.

#### ARTICLE VII - FISCAL YEAR

SECTION 1. The fiscal year shall end the \_\_\_\_\_ day of \_\_\_\_\_.

#### ARTICLE VIII - PARLIAMENTARY PROCEDURE

SECTION 1. All questions of parliamentary procedure shall be determined according to the latest edition of Roberts' "Rules of Order."

#### ARTICLE IX - AMENDMENTS

SECTION 1. These by-laws may be amended by a two-thirds vote of those present at any regular or special meeting of the Chamber of Commerce, provided notice of the proposed change shall have been given all members not less than ten days prior to such meeting.



Prepared and Distributed by the  
**Commercial Organization Department**  
Chamber of Commerce of the United States  
WASHINGTON 6, D. C.

**LOCAL  
Chambers of Commerce**

**THEIR ORIGIN AND PURPOSE**



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*The story of how an old World institution, transplanted to the free competitive enterprise system of America, has developed into a vitalizing force that is a significant part of America's efforts to achieve a high level of production, employment and individual well-being.*

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What is a Chamber of Commerce

Most of the progressive communities in America have a chamber of commerce, and the number is steadily increasing. Although there is some variation in the structure, methods and activities of these thousands of community-level organizations, the general pattern is sufficiently uniform to be worthy of analysis as a significant part of post-war America's free enterprise system.

To describe its functional place in present day community life, a local chamber of commerce might be broadly defined as

"Men, working together, to make their community a better place in which to live and make a living."

Expanding the three elements of that simple definition gives an action picture of chambers of commerce at work:

Men - merchants, bankers, lawyers, manufacturers, doctors, advertisers, clergymen, teachers, salesmen - men who have a common interest and pride in their 'home town', in what it is, and especially in what it is to be.

Working Together - holding meetings, presenting ideas, appointing committees, finding facts, discussing, voting, agreeing on plans of action, selecting men to tackle specific jobs - making mistakes sometimes, but constantly striving to build for a better future.

To Make Their Community A Better Place In Which To Live And Make A Living - putting on expositions of the products of local industries - conducting industrial safety schools - providing facts for new industrial prospects - making housing surveys - arranging conferences of businessmen and educators, get-together dinners for businessmen and farmers, good-will tours of neighboring cities - inviting tourists, meetings, and conventions - stimulating efforts to provide more parking space, a new city auditorium, a better airport, modern store fronts, wider streets -- doing the scores of things that add up to better living in a better community.



### An Analysis of Chamber of Commerce Fundamentals

The present-day chamber of commerce is a highly skilled organization. The same competitive forces that fostered the development of the world-famed 'know-how' of American business and industry, have contributed to the development of unique skills in community building. Indeed, an examination of the operating machinery of a typical chamber of commerce shows that it utilizes many of the techniques of successful business enterprise..

Some principles of organization and operation are common to so many chambers of commerce that they may be described as 'fundamentals.'

#### Membership

A chamber of commerce is a voluntary association of businessmen and civic-minded citizens engaged in collective efforts to promote the welfare of their community. Much of its strength is derived from the fact that each organization is composed of members who contribute their personal and financial support because they want to do so, and not because a law requires their contribution. The vitality and effectiveness of present-day chambers of commerce in America is due, in a great measure, to the fact that they have not sought to become tax-supported organizations.

The membership of local chambers of commerce is broad. It includes representatives of practically every type of community activity and endeavor. Coordinating the efforts of men who have varied interests and points of view is a challenging job, but the community building achievements of chambers of commerce prove that it can be done. They have demonstrated that effective teamwork in attaining sound, continuous community development requires that the 'whole team' be in the game.

Present-day chambers secure the highest quality of community leadership. It is significant that a high percentage of successful businessmen are active chamber of commerce members. Civic leaders in every phase of community life are drawn into the broad chamber of commerce program. These business and civic leaders provide the sound judgment, the foresight, and the aggressiveness that keeps each chamber moving steadily in the right direction and assures maximum accomplishment.

The chamber of commerce makes use of community 'workers' as well as leaders. The able citizen who prefers to contribute to the betterment of his community as a committee worker, rather than as an officer, a director, or a committee chairman, is given the opportunity he seeks. The 'unsung heroes' on the membership rolls of many organizations deserve the major credit for

many community-building achievements.

#### Organization

Today's chambers of commerce are democratic organizations. Their by-laws provide for complete membership control. And it has been the constant application of the 'spirit' of democratic procedure, as well as the formal provisions for it, that has made the chamber of commerce a potent force in community life.

The administrative machinery is simple. Most chambers are patterned after modern business corporations with primary administrative responsibilities vested in a board of directors elected by the entire membership. Committees are created to function in specific areas of activity determined according to the specific needs of each community. Manpower is conserved by abolishing committees when their specific job has been done - there is no bureaucratic hangover of committee structure when established goals are attained. The simplicity and flexibility of chamber of commerce committee machinery are time-tested tools of successful community engineering.

#### Work Program

A chamber of commerce designs its program of work to fit community needs. Its yearly activity program represents the combined judgment of its members as to the

specific projects that will contribute most to community welfare. Concentrating the efforts of the organization on such carefully selected projects results in maximum accomplishment.

The program of work of a chamber of commerce is a practical one.

The number of projects are kept within the limits of the manpower and financial resources of the organization. Activities undertaken are based on sound and thorough analysis of their value and importance. Making comprehensive surveys of community needs is one of the most worthwhile services that present-day chambers perform. Based on the findings of such surveys, both the current and long-range plans of chambers of commerce represent the most practical approach to community development.

A well-balanced program of work insures sound community development.

Present-day chambers of commerce are concerned with the needs of the entire community. Just as a new industrial payroll contributes to a community's welfare, so do activities designed to promote industrial safety, improve public health, raise the educational standards of its schools, create better understanding between farmers and businessmen, and develop better recreational facilities.

The committee structure of a typical chamber of commerce is indicative of the broad scope of cham-

ber activity. In a city of 50,000 population, for example, the committees of the local chamber of commerce might include:

- Agriculture
- Advertising and Publicity
- Aviation
- Convention Promotion
- Education
- Fire Prevention
- Health
- Housing
- Industrial Development
- Legislative
- National Affairs
- Recreation
- Safety
- Taxation
- Tourist Promotion
- Transportation

History of the Chamber of  
Commerce Movement

The medieval fairs of the twelfth century, and the merchants guilds which were developed during feudal times, were the first organizations designed to protect and foster the trade interests of their members. In 1599 the town council of Marseilles, France, formed the first organization to be known by the name 'chamber of commerce.'

Other French cities set up similar organizations, and their success in dealing with the problems of trade and commercial duties prompted Louis XIV, in 1700, to order that every French trading center establish a chamber of commerce.

In 1789 Louis XVI became fearful of the power these organizations were acquiring, and ordered all chambers of commerce and trade guilds suppressed. A few years later, Napoleon approved their reestablishment in his efforts to stimulate trade and industrial growth.

Meanwhile cities in England and Ireland had also established chambers of commerce. In 1768 a chamber was organized on the island of Jersey in the English Channel; in Dublin in 1783; in Leeds in 1785; in Manchester in 1794; and in Belfast in 1796.

### Early American Chambers of Commerce

In New York City a small group of colonial merchants who had found collective action effective in helping to secure the repeal of the Stamp Act imposed by England in 1765, decided to form a permanent trade organization. Such an organization would be of value, they said, because "mercantile societies have been found very useful in trading centers for promoting and encouraging commerce, supporting industry, adjusting disputes relative to trade and navigation, and procuring such laws and regulations as may be found necessary for the benefit of trade in general"

Through their efforts the Chamber of Commerce of the State of New York was organized in New York City in 1768. Five years later, in 1773, the Charleston, South Carolina, Chamber of Commerce was formed. By 1801 chambers had been organized in New Haven, Connecticut, and in Philadelphia, Pennsylvania. In 1870 there were chambers of commerce in 40 major American cities.

### The Evolution of the Modern Chamber of Commerce

The early chambers of commerce in America, like those in England and Europe, were strictly business organizations concerned only with trade and commerce. During the latter part of the nineteenth century the number of chambers of commerce increased rapidly, and the activi-

ties of both the new and established organizations reflected the changing trends in American economy.

With the spread of population to the West, the growth of towns and cities, and the rapid expansion of trade and industry, chambers became more aggressive promotional organizations. While their principal activities were concerned with industrial and trade expansion, problems of general community development were also included in work programs. By law objectives were broadened to include the advancement of civic welfare as one of the basic chamber of commerce functions.

The Cleveland, Ohio, Chamber of Commerce, organized in 1848, is generally recognized as one of the first modern chambers in the sense that it was both a commercial and a civic organization. In addition to its industrial and commercial activities, this organization took an early interest in housing, playgrounds, city government, and other phases of community life that affected the welfare of the entire community.



### An Experiment in Democracy

In developing broadened programs designed to promote the growth and welfare of the entire community, chambers of commerce have made mistakes, like most growing institutions. Civic enthusiasts in some communities converted their chambers into organizations whose primary object seemed to be the achievement of spectacular growth rather than one based on sound economic principles.

Instances of such misplaced emphasis were inevitable, but they probably have occurred with no greater frequency in the history of the chamber of commerce movement than in other rapidly developing fields of organization work. They were inevitable in an organization wherein membership, financial support and active participation are on a voluntary basis.

The trial and error experiences of many chambers of commerce over a period of many years have contributed much to the development of sound organization and operating principles employed by chambers of commerce today. The day-by-day achievements in thousands of American communities is proof that a chamber of commerce is a practical means of coordinating the efforts of men of many vocations and interests in the advancement of community welfare.

The fact that the number of chambers is steadily increasing indicates the widespread recognition of the value of community organizations through which forward-looking citizens effectively promote the industrial, commercial and civic interests of their community. A survey of the post-war trends in the membership and income of established organizations shows that both the personal and financial support of local chambers of commerce is steadily increasing.

There is no question that in the world-watched test of America's free competitive enterprise system, chambers of commerce will continue to make a significant contribution. In the final analysis, their effectiveness depends upon the willingness and ability of men to work together.

# ASSOCIATION ACTIVITIES

A CLASSIFICATION AND  
STATISTICAL SURVEY OF THE  
ACTIVITIES AND SERVICES  
OF 330 ASSOCIATIONS



TRADE ASSOCIATION DEPARTMENT  
CHAMBER OF COMMERCE OF THE UNITED STATES  
WASHINGTON, D. C.

### FOREWORD

THIS report, based on replies received from 330 trade associations, is similar in character to the report of the 1931 activities of trade associations.

This survey covers activities of trade associations representing different fields of business and different geographical sections, such as national, state, and local. Few, if any, individual associations would find it advisable to carry on all of those listed.

Activities and the methods by which they are conducted should be approved and reviewed from time to time by association counsel, particularly with respect to regulatory and tax laws

This report may suggest activities to recently organized associations and extend the constructive work of all trade associations.

The classification was developed in cooperation with executives of leading trade associations, including the directors of the American Trade Association Executives.

This report is made possible through the cooperation of the executives of 330 trade associations. To all who have assisted we express our appreciation.

PHILIP P. GOTT, *Manager*  
*Trade Association Department*

### Association Activities

THE activities carried on by trade associations are many and varied. A single activity may involve many special projects.

In order to answer the question "What association activities may be properly carried on by trade associations?" this survey has been made. As indicated, it involves a detailed classification of activities. Other steps have been taken to describe the activities, to indicate "methods" and to identify their value to business and to the public.

The present report indicates "what" the association activities are and the "frequency" with which they are conducted.

#### Frequency and Relative Importance of Activities

THE fifteen activities carried on by the largest number of associations in order of frequency are: Conventions and meetings; cooperation with other organizations; government relations; information service; trade practices; statistics; public relations; employer-employee relations; trade promotion; standards, standardization—product; field service; marketing; taxation; accounting; and commercial arbitration.

The ten most common activities\* of *Manufacture and Extractive Associations*, in the order of their frequency, are: Government relations; statistics; information service; trade practices; standards, standardization—product; employer-employee relations; public relations; trade promotion; tariff and trade agreements; and marketing.

The ten most common activities\* of *Wholesale Associations*, in the order of their frequency, are: Government relations; trade practices; information service; commercial arbitration; public relations; statistics; employer-employee relations; marketing; legal service; and trade promotion.

The ten most common activities\* of *Retail Associations*, in the order of their frequency, are: Government relations; trade practices; information service; trade promotion; public relations; taxation; commercial arbitration; employer-employee relations; field service; and marketing.

An analysis of the ten most common activities indicates that they were also considered major, that is, the most outstanding and important activities by a large number of associations.

Trade practices activities were designated as ranking first among the major activities; in fact, sixty-eight per cent of the associations which reported activity in this field designated it as a major activity. The order of importance, based on those associations reporting these activities as major, is as follows: Trade practices, government relations, statistics, trade promotion, information service, field service, standards, employer-employee relations, marketing, and public relations.

\* In addition to conventions and meetings, and cooperation with other associations.

**Trends in Association Activity**

THE schedule on which this report is based includes thirty general headings in contrast to sixty-eight listed in the survey made in 1931. This reduction represents a regrouping of activities under broader classifications and not a diminution in actual number.

A comparative analysis of the returns with respect to a few activities seems especially significant, although these can be made only within certain limitations.

Trade associations are working with other organizations more generally than in 1931. Returns also indicate that more associations are devoting attention to government and public relations. One half of the associations were actively interested in taxation in 1937 as contrasted with one quarter in 1931. Educational work, both by industry and public, is being carried on by a larger percentage of the associations. A marked increase in the number of associations which carry on statistical and trade promotion work is also noted. Seventy-two per cent of the associations carried on statistical work in 1937 as compared with fifty-nine per cent in 1931. Only thirty-six per cent of the associations rendered field service in 1931, whereas fifty-two per cent were so engaged in 1937.

The previous survey showed a comparatively small percentage engaged in employer-employee relations activities; the present survey indicates that sixty-one per cent of those reporting were engaged in this activity.

**Nature of Association Reporting**

THE relatively heavy growth of the trade association movement during the past quarter of a century is suggested by an analysis of the dates of organization of 290 associations as follows:

1820-80.....	7	1916-20.....	46
1881-90.....	14	1921-25.....	24
1891-00.....	27	1926-30.....	32
1901-05.....	19	1931-35.....	62
1906-10.....	26	1936-38.....	13
1911-15.....	20		

Of the 330 associations reporting, 218 are national and international; 40 regional; 37 state; and 35 local.

Furthermore, of the total 207 are manufacture and extractive associations; 21 wholesale; 32 retail; 20 vertical, that is, more than one type of essential membership; and 50 financial, contractor, service, etc.

**Membership**

THE 330 associations reporting have a combined membership of well over 200,000. Almost two-thirds of these belong to the large national retail organizations.

### Association Activities

THE figure shown in brackets at the left of each activity included in the classification indicates the number of associations, out of 330 replying, engaging in the individual activity. The figure shown in boldface is the number assigned to the activity for reference purposes only.

#### [157] 1. Accounting

Developing and promoting uniform accounting methods, principles and procedures as an aid to management.

##### A. Accounting and budgeting.

- [35] i. Administrative (general ledger) accounting.
- [27] ii. Budgeting.
- [66] iii. Cost accounting for production (factory accounting).
- [40] iv. Cost accounting for distribution.

##### B. Methods.

Providing members with materials and services.

- [50] i. Classification of accounts.
  - [64] ii. Manuals of procedure.
  - [52] iii. Standard accounting forms and records.
  - [36] iv. Staff accountant (advice and installation).
- [52] c. Cost estimating.  
Developing procedures for use in the preparation of cost estimates for bids or otherwise.
- [47] d. Financial reports.  
Disseminating comparative statements, ratios, etc. (See 13A—Finance; 25—Statistics.)

#### [155] 2. Arbitration, Commercial

Hearing and determining controversies in which the industry, members of the industry or trade are concerned.

- [114] A. Between members.
- [68] B. Between members and customers.
- [72] C. Cooperation with other associations.

#### [39] 3. Awards and Contests

Giving awards for service in industry, contests to bring out ideas, methods, designs, etc., and awards in connection therewith. (See 9—Employer—Employee Relations; 29A—Trade Promotion.)

#### [30] 4. Buying, Cooperative

Buying collectively goods, materials, supplies, printing, machinery, etc.

#### [40] 5. Conservation

Promoting measures, efforts, to conserve raw materials, particularly natural resources.

[317] **6. Conventions and Meetings**

Holding meetings, conferences, for discussion of problems of the industry, trade and association.

- [275] A. General: for the industry.
- [143] B. Special group: for commodity, personnel or similar groups within the industry.
- [136] C. Geographical group: for regional or local groups within the industry.
- [66] D. Inter-industry or joint conventions with other associations.

[285] **7. Cooperation with Other Organizations**

Establishing cooperation with other organizations on any subject or activity.

- [82] A. With local chambers of commerce or boards of trade.
- [167] B. With non-affiliated associations in same general industry.
- [178] C. With trade associations in other industries.
- [117] D. With educational institutions.
- [181] E. With government agencies.
- [21] F. Other.

[94] **8. Copyrights, Trade-Marks, Designs, Patents, Trade Names**

Rendering service for the industry or trade, or members thereof, such as registration, protection, or expert service.

- [30] A. Registration of.
- [6] B. Cross licensing or pooling.
- [36] C. Assistance to protect industry.
- [57] D. Giving members special information service.  
(See 14B—Foreign Trade.)

[202] **9. Employer-Employee Relations**

Rendering advice or assistance to aid members of the industry to improve working conditions, and to promote better relations between employer and employee.

- A. Personnel practices.
  - [127] i. Employment surveys. Collecting and disseminating information re rates of pay, working schedules, vacations, hiring and termination procedures, promotional procedures, etc.
  - [67] ii. Formulating and promoting industry policies re rates of pay, working schedules, vacations, hiring and termination procedures, promotional procedures, etc.
- B. Employee training and education.
  - [56] i. Systematized training courses, manuals and any other systematized efforts to instruct those closely related to or who may be engaged in an industry in methods of production, distribution, management, etc.



[28] ii. Instruction whether specific or general, *not* given in systematic courses or classes.

[7] iii. Other.

c. Employee welfare service.

[35] i. Collecting and disseminating information re character or promotion of such activities as accident prevention, health programs, group insurance, employees' thrift and benefit plans, etc.

[35] ii. Formulating and promoting industry policies re accident prevention, health programs, group insurance, employees' thrift and benefit plans, etc.

d. Agreements with employee organizations.

i. Collecting and disseminating agreements between:

[63] a. Individual members and labor organizations.

[36] b. Local trade associations and unions.

[70] ii. Rendering informational and advisory service.

[47] iii. Formulating and promoting industry policies.

[38] iv. Acting as collective-bargaining agent for members.

e. Placement service.

[49] i. Maintaining employment agency or offering a placement service.

[19] ii. Cooperating with public or private employment agencies.

[10] f. Other employer-relations problems considered by the association.

[56] 10. Exchange Service

Providing facilities for the exchange or resale of excess or no longer needed items. (NOTE: Not a commodity exchange.)

[131] 11. Expert Service

Rendering scientific, technical engineering, or management consulting services through specialists.

[108] A. Available to members.

[42] B. Available to members' customers, or users of products or services of the industry. (See 1—Accounting; 19—Marketing; 21B—Research; 24—Standards, Standardization—Product; 30—Traffic and Transportation.)

[170] 12. Field Service

Providing for contact and service in the field.

[30] A. Branch offices.

[48] B. Washington representative.

c. Field staff, or regular service rendered in the field:

[109] i. Working among members.

[44] ii. Working among consumers of the industry's products.

[75] iii. Working with local groups or branch associations.

[7] d. Other. (See 11—Expert Service; 24—Standards, Standardization—Product.)

[113] **13. Finance**

- [36] A. Conducting studies and rendering services in connection with the financial practices of the industry. (See 1D—Accounting; 25—Statistics.)
- [28] B. Collection service.
- C. Credit service.
  - [53] i. Systematic reporting and exchange.
  - [27] ii. Publication of credit list or directory.
  - [38] iii. Special investigation and report.
  - [3] iv. Foreign credit service.
  - [20] v. In cooperation with other associations.
  - [18] vi. In cooperation with or through commercial agencies. (See 25—Statistics.)

[90] **14. Foreign Trade**

- [37] A. Import (see also 26—Tariff and Trade Agreements).
- B. Export (see also 13C—Finance).
  - [6] i. Advertising in foreign countries.
  - [7] ii. Educational activities.
  - [3] iii. Export association (Webb-Pomerene).
  - [34] iv. Information on rulings, restrictions, legislation.
  - [7] v. Technical problems—terms of sale, crating methods, consular invoices, translations, etc.
  - [35] vi. Market reports, surveys, statistics on foreign trade.
  - [12] vii. Cooperation with trade associations, cartels, etc., in foreign countries.
  - [5] viii. Service re patents, trade marks, designs, copyrights.
- [50] C. Cooperation with government agencies dealing with foreign trade.

[267] **15. Government Relations**

- Promoting and protecting the interests of the industry in governmental matters.
- [217] A. Reporting governmental activities.
  - [206] B. Representing industry or trade before legislative and administrative bodies.
  - [101] C. Drafting and promoting model ordinances or laws of direct concern to the industry. (See 20—Public Relations; also specific activities.)
  - [86] D. Conducting activities to prevent or cause discontinuance of government competition.

[257] **16. Information Service**

- Supplying, as an organized service, factual material other than statistics, gathered largely from *outside the industry*, but relating to and of interest to members of the industry.
- [66] A. Library service.
 

Preparing bibliographies and abstracts and maintaining files of trade catalogs, directories and other information of direct concern to the industry.

## B. Publications for industry.

- [219] i. Bulletins and reports of the association (see also 20—Public Relations).
- [104] ii. Periodicals (magazines, house organs, trade journals, etc.).
- [106] iii. Technical handbooks, pamphlets or manuals.
- [15] iv. Standard catalogs, or inserts for.
- [54] v. Directories of trade, suppliers, or customers (see also 13C—Finance).
- [7] vi. Other.
- [7] c. Other. (See also 8—Copyrights, etc.; 19—Marketing.)

## [93] 17. Insurance

Assisting members of the industry in their insurance problems, or in improving their insurance position or service.

- [59] A. Efforts re equitable rates (including, through reduction of hazards).
- [34] B. Efforts re adequate coverage (protection).
- [33] C. Arranging for or supplying insurance protection to members. (See 9—Employer-Employee Relations.)

## [132] 18. Legal Service

Retaining counsel for questions of law as a service to members. (See 2—Arbitration, Commercial; 15—Government Relations.)

## [168] 19. Marketing

## A. Inquiries, trade.

Providing systematically for:

- [64] i. Collection and distribution of inquiries for products or services of members, advising members of opportunities to bid or quote on contracts, proposed construction, goods wanted, etc.
- [22] ii. Placement with interested members of "not-in-our-line" inquiries received by other members.

## B. Market research.

Studying and investigating to ascertain facts and methods which influence the buying and/or selling of commodities or services.

- [54] i. Among the *consumers* of products.
- [42] ii. Among outlets for products (e.g., retailers, jobbers, wholesalers).
- [41] iii. Sales forecasting (estimating future demand, trends, etc.).
- [3] iv. Other.
- [12] c. Marketing, cooperative.

Actually selling commodities or services of the industry or trade through joint action.

## [81] D. Merchandising.

Assisting to promote better merchandising through improved sales methods, store layout, etc. (See 11—Expert Service; 12—Field Service.)

## [12] E. Shipping, cooperative.

Promoting joint shipping efforts, arranging for pooled cars, etc. (See also 30—Traffic and Transportation.)

## [31] F. Shipping and packing.

Making studies, investigations, experiments, rendering assistance to members of the industry, on packing and shipping methods and procedure. (Not to be confused with 30—Traffic and Transportation; see 11—Expert Service.)

## [2] G. Warehousing, cooperative.

Maintaining, promoting, or assisting in cooperative warehousing by members of the industry. (See 11—Expert Service; 30—Traffic and Transportation.)

## [217] 20. Public Relations

## [47] A. Accident prevention, public.

Directing efforts, activity, publicity, etc., toward the public in promoting public safety and public accident prevention (e.g., campaign regarding crossing accidents).

## [136] B. Education, public or consumer.

Attempting to safeguard industry from acts resulting from uninformed or misinformed public attitude, attempting to build up sympathetic and helpful attitude of the public toward the industry.

## [145] C. Information service.

Supplying public with information re industry and its products (not to be confused with trade inquiries, for which see 19—Marketing).

## D. Publicity.

Making available, free to newspapers, magazines, and other media, items, including articles, of interest concerning the news, services, products and standards of the industry or trade, as well as of the association.

## [129] i. Re industry.

## [105] ii. Re products of the industry.

## [88] iii. Re trade association.

## [6] iv. Other.

## [32] E. Sanitation and health, public.

Developing and/or promoting improved sanitary and health standards or regulations (see also 15C—Government Relations).

## [2] F. Other.

## [150] 21. Research

## [54] A. Research, coordinated.

Coordinating members' research activities and/or research facilities, such as reducing duplication of effort or equipment and providing for individual contributions to the general fund of available knowledge. (See 19B—Marketing.)

## [12] E. Shipping, cooperative.

Promoting joint shipping efforts, arranging for pooled cars, etc. (See also 30—Traffic and Transportation.)

## [31] F. Shipping and packing.

Making studies, investigations, experiments, rendering assistance to members of the industry, on packing and shipping methods and procedure. (Not to be confused with 30—Traffic and Transportation; see 11—Expert Service.)

## [2] G. Warehousing, cooperative.

Maintaining, promoting, or assisting in cooperative warehousing by members of the industry. (See 11—Expert Service; 30—Traffic and Transportation.)

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## [32] E. Sanitation and health, public.

Developing and/or promoting improved sanitary and health standards or regulations (see also 15C—Government Relations).

## [2] F. Other.

## [150] 21. Research

## [54] A. Research, coordinated.

Coordinating members' research activities and/or research facilities, such as reducing duplication of effort or equipment and providing for individual contributions to the general fund of available knowledge. (See 19B—Marketing.)

B. Research, technical.

Making studies, investigations and experiments scientifically to alter or improve the products or services of the industry, to discover new products or new qualities or uses of existing products.

- [90] i. Re materials used (or possibly new), including testing of, utilization of.
- [84] ii. Re new products or improved products.
- [66] iii. Re new uses for present products.
- [54] iv. Re production, manufacturing methods, equipment used for, etc.
- [28] v. Re waste or by-product utilization and development.
- [21] vi. Fellowships at technical schools, etc.
- [13] vii. Research associate, Bureau of Standards. (See 11—Expert Service.)
- [24] viii. Private agencies.

[15] 22. Scrapping of Used Equipment

Maintaining organized plans or procedure for scrapping or destroying uneconomic or obsolete machinery, equipment, etc.

[106] 23. Stabilization of Business

Formulating suggestive procedures with reference to the stabilization of business within the industry or the reduction of fluctuations and the adverse effects resulting therefrom.

*Note:* Component parts of such efforts may be activities that are listed individually in this classification. The distinction, however, is that under this heading such activities are definitely coordinated into and made an integral part of a broad, general, continuous effort looking toward (1) the determination of all economic factors affecting the industry; and (2) the formulation in the public interest of a suggestive course of action for the individual units of each industry.

[179] 24. Standards, Standardization—Product, etc.

[94] A. Quality standards.

Establishing criteria of properties and performance, as the basis for grading, approving, certifying, etc. Distinguished from "B" in that emphasis is on *quality* rather than *uniformity*.

[123] B. Standardization.

Securing uniformity of sizes and dimensions; interchangeability and interworking of parts; establishing nomenclature, etc. Distinguished from "A" in that emphasis is on *uniformity*, especially of dimensions, sizes, etc., rather than on *quality* of material, workmanship, and/or production processes.

c. Certification.

Guaranteeing or affirming that products or services are of a certain recognized standard, identifying the products of the firm producing or distributing products as conforming to standard.

- i. Of products or services of own industry:
  - [47] a. By emblems, quality labels, seals of approval, etc.
  - [14] b. By written guarantees.

- [3] ii. Of products or services of other industries.
- [15] iii. Enforcement or protection of certification.
- iv. Inspection and grading service:
  - [30] a. As applied to products of industry.
  - [8] b. As applied to purchases of members.
  - [1] c. Other.
- [80] D. Simplification.

Reducing the variety in sizes, dimensions, types, models, patterns or "line numbers," etc., of commodities.

[236] **25. Statistics**

Compiling and disseminating statistics of interest to the industry.

A. Current trend.

- [124] i. Production (e.g., rate of capacity, output).
- [144] ii. Sales (e.g., orders, shipments, cancellations, exports).
- [65] iii. Inventories.
- [111] iv. Labor (e.g., employment, wage rates, hours).
- [12] v. Other.

B. Special studies.

- [38] i. Administration (e. g., taxes, insurance).
- [21] ii. Production (e. g., man hours per unit of product, spoiled work).
- [26] iii. Distribution (e. g., turnover, inventory analysis, freight).
- [71] iv. Comprehensive statistical surveys of the trade or industry as a whole, not to be confused with *current* statistics.

C. Compilation agencies.

Collecting and compiling statistics directly or in cooperation with others acting as agents of the association or under its sponsorship.

- [94] i. Initial collection and compilation by the association.
- [38] ii. By government agencies (excluding biennial or other established censuses).
- [7] iii. By business schools, colleges, etc.
- [6] iv. By private statistical agency.
- [55] v. Republication and analysis of government and other statistics.

[135] **26. Tariff and Trade Agreements**

Studying activities pertaining to tariff legislation, rates, rulings, regulations. (See 14—Foreign Trade.)

- [102] A. Information service to members of the industry.
- [100] B. Safeguarding the interests of members of the industry.
- [10] c. Other.

[164] **27. Taxation**

Studying activities pertaining to taxation matters.

- [128] A. Services to members in their tax problems.
- [88] B. Representing the industry in tax matters, establishing policies, etc.
- [9] c. Other. (See 13A—Finance; 15—Government Relations; 25B—Statistics.)

## [245] 28. Trade Practices

Seeking to eliminate or remove unfair, unsound or destructive trade practices in competition.

## A. Business standards.

- [161] i. Codes of ethics.
- [130] ii. Trade customs, trade rules, terminology, etc.
- [76] iii. Standard business forms and contracts.
- [80] iv. Trade practice conferences.

Holding conferences for the formal establishment and approval of rules of conduct under government auspices.

- [79] v. Agreements, conferences, etc., among manufacturers re trade practices, ethics, etc.
  - [37] vi. Agreements, conferences, etc., among distributors re trade practices, ethics, etc.
  - [35] vii. Agreements, conferences, etc., among manufacturers and distributors in the same field (vertical).
  - [73] viii. Through development of other legal ways of taking concerted action to lessen or eliminate destructive competitive practices.
- [85] B. Advertising, combating unfair.

Rendering ethical or factual supervision of advertising of members, or combating unfair, unethical or misleading advertising (whether by members or not).  
(See also 8—Copyrights, etc.)

## [189] 29. Trade Promotion

Promoting activities to increase sales by broadening markets, creating goodwill and better understanding of the industry's products or services.

## A. Advertising, cooperative.

The common effort of competitors to increase their sales, improve market conditions, project the interest of the industry in which they are mutually concerned by a well-defined and thought-out paid association advertising program conveying the message desired through publications, radio, films, etc. (see also 14—Foreign Trade).

- [56] i. Advertising to the trade (i. e., to other links in the chain of distribution of the industry's products).
- [50] ii. Advertising to those who *recommend* purchases, such as architects, engineers, etc.
  - iii. Advertising to the consumer:
    - [69] a. To "general public" (re consumption goods).
    - [27] b. To manufacturers, etc. (re industrial goods, such as machinery, materials, supplies).
- [20] iv. Awards and contests to promote interest in product or service of industry.

## B. Advertising, coordinated.

Coordinating the individual advertising activities of members or groups with those of other members or groups, for mutual advantage.

- [46] i. Coordinating the advertising of members or groups within the industry, such as securing advantage to the group or industry through having *advertise-*



*ments of individual members* reinforce each other by being built around same general idea (e. g., one attribute of common products, association "mark of quality"), also guiding, and timing individual advertisements with better coverage for the industry in mind. (Do not confuse with "ii.")

[32] ii. Coordinating member's advertising with association cooperative advertising (tie-ins of individual advertising with association advertising).

[25] iii. Coordinating advertising through joint efforts by association or groups with those in other industries (e. g., joint efforts of soap, gas, and plumbing industries to promote greater use of hot water).

[57] c. Advertising service.

Supplying members with material, suggestions, guidance or other aids for their *own individual* advertising (e.g., layouts, newspaper mats, direct-mail letters or circulars).

d. Exhibits, shows.

Promoting displays, shows, staged or managed by the association for educational or trade promotion purposes.

[55] i. Directed to members of own industry.

[43] ii. Directed to the trade (other steps in distribution, not including consumer).

[57] iii. Directed to the consumer.

[4] iv. Other.

[29] v. Joint shows, exhibits, with other associations.

[25] vi. Exhibiting in shows of other associations.  
(See 20D—Public Relations.)

[115] **30. Traffic and Transportation**

Studying the problems affecting, or rendering service in connection with, the transportation of commodities or products of the industry (see also 19—Marketing).

[21] A. Service for loss and damage claims.

[21] B. Auditing service of freight bills.

[77] c. Rates and classifications (see 11—Expert Service; 15—Government Relations).

[32] D. Delivery problems, methods, including routing.

[8] E. Other.

Appendix

Relative Importance of Trade Association Activities as Measured by the Number of Associations Engaging Therein

Activity and Classification Number	Associations engaged in each activity		Percentage of associations engaged in each activity									
	Number	Per cent of total	By type of association					By area covered				
			Manufacture and extractive	Wholesale	Retail	Vertical	Other	National and International	Regional	State	Local	
<i>Number of associations by group</i>	330	100	207	21	32	20	50	218	40	37	35	
		%	%	%	%	%	%	%	%	%	%	
1. Accounting.....	157	48	46	29	50	55	56	50	38	46	46	
2. Arbitration, Commercial.....	155	47	40	67	63	55	56	40	68	43	71	
3. Awards and Contests.....	39	12	10	24	13	20	12	12	20	14	0	
4. Buying, Cooperative.....	30	9	8	5	16	5	14	8	8	8	17	
5. Conservation.....	40	12	14	19	9	5	8	11	20	14	6	
6. Conventions and Meetings.....	317	96	97	95	94	80	100	96	95	100	94	
7. Cooperation with other Organizations.....	285	86	87	86	84	85	86	83	93	95	89	
8. Copyrights, Trade-Marks, Designs, Patents, Trade Names.....	94	28	35	19	22	25	12	33	23	19	17	
9. Employer-Employee Relations.....	202	61	60	57	63	65	62	53	63	76	94	
10. Exchange Service.....	56	17	16	19	19	30	12	16	18	24	14	
11. Expert Service.....	131	40	40	19	44	35	46	40	48	43	26	
12. Field Service.....	170	52	48	38	63	55	64	49	68	70	31	
13. Finance.....	113	34	32	38	34	60	32	33	23	32	54	
14. Foreign Trade.....	90	27	37	19	9	15	8	34	23	11	9	
15. Government Relations.....	267	81	78	86	91	75	88	78	88	86	83	
16. Information Service.....	257	78	74	76	81	90	88	76	88	89	66	
17. Insurance.....	93	28	20	33	41	35	50	19	35	59	43	
18. Legal Service.....	132	40	40	48	44	20	44	35	48	57	46	
19. Marketing.....	168	51	50	52	56	75	40	51	53	54	43	
20. Public Relations.....	217	66	60	67	69	70	84	62	65	92	60	
21. Research.....	150	45	49	24	31	40	50	50	45	41	26	
22. Scrapping of Used Equipment.....	15	5	5	10	3	10	0	6	5	0	0	
23. Stabilization of Business.....	106	32	30	48	31	30	34	31	30	38	37	
24. Standards, Standardization—Product, etc.....	179	54	63	38	38	50	38	61	45	46	31	
25. Statistics.....	236	72	77	62	47	70	70	75	70	65	57	
26. Tariff and Trade Agreements.....	135	41	53	29	16	30	16	49	38	19	20	
27. Taxation.....	164	50	43	38	66	65	64	41	58	76	69	
28. Trade Practices.....	245	74	71	81	88	75	76	71	80	86	74	
29. Trade Promotion.....	189	57	57	48	72	60	50	56	70	49	80	
30. Traffic and Transportation.....	115	35	38	29	53	20	20	33	55	35	23	

**Classification of Trade Association Activities  
By Related Groups**

	Schedule Reference
<b>I. Employer-Employee Relations</b>	
A. Personnel practices (surveys and policies).....	9A
B. Employee training and education.....	9B
C. Employee welfare service.....	9C
D. Agreements with employee organizations.....	9D
E. Placement service.....	9E
<b>II. Government Relations</b>	
A. Reporting governmental activities.....	15A
B. Representing trade before governmental bodies.....	15B
C. Drafting and promoting model laws, etc.....	15C
D. Government competition.....	15D
E. Tariff and trade agreements.....	26
F. Taxation.....	27
<b>III. Marketing and Trade Promotion</b>	
A. Accounting.....	1
B. Advertising (cooperative, coordinated, service).....	29A,B,C
C. Education, public or consumer (re product and industry).....	20B
D. Exhibits and shows.....	29D
E. Foreign trade.....	14
F. Information for public or consumer (re product and industry).....	20C
G. Marketing, cooperative.....	19C
H. Merchandising (methods, layouts).....	19D
I. Publicity.....	20D
J. Research, market.....	19B
K. Shipping, cooperative.....	19E
L. Shipping and packing.....	19F
M. Statistics.....	25
N. Trade inquiries (for use by members).....	19A
O. Traffic and transportation.....	30
P. Warehousing, cooperative.....	19G
<b>IV. Production and Purchasing</b>	
A. Accounting.....	1
B. Buying, cooperative.....	4
C. Exchange service.....	10
D. Research, technical.....	21
E. Scrapping of used equipment.....	22
F. Standards—Product, certification, simplification.....	24
G. Statistics.....	25
<b>V. Trade Practices</b>	
A. Business standards (codes, conferences).....	28A
B. Advertising, combating unfair.....	28B
C. Trade names (registration and protection).....	8

VI. Special Activities	Schedule Reference
A. Accident prevention, public.....	20A
B. Accounting (systems, estimating, comparative statements).....	1
C. Arbitration, commercial.....	2
D. Awards and contests (within the industry).....	3
E. Conservation.....	5
F. Conventions and meetings.....	6
G. Cooperation with other organizations.....	7
H. Copyrights and trade-marks (protection and service).....	8
I. Designs (protection and service).....	8
J. Expert service (for members or customers).....	11
K. Field service (branch office, field staff).....	12
L. Financial service (practices, collections, credits).....	13
M. Information service.....	16
N. Insurance.....	17
O. Legal service.....	18
P. Patents (protection and service).....	8
Q. Sanitation and health, public.....	20E
R. Stabilization of business.....	23
S. Statistics (surveys, compilation).....	25

**Cross Reference**

To

**Activities Listed Under General Headings**

- ABSTRACTS—see 16—Information Service
- ACCIDENT PREVENTION, INDUSTRIAL—see 9C—Employer-Employee Relations
- ACCIDENT PREVENTION, PUBLIC—see 20A—Public Relations
- ADVERTISING, COOPERATIVE—see 29A—Trade Promotion
- ADVERTISING, COORDINATED—see 29B—Trade Promotion
- ADVERTISING SERVICE—see 29C—Trade Promotion
- ADVERTISING, COMBATING UNFAIR—see 28B—Trade Practices
- ARBITRATION, INDUSTRIAL—see 9D—Employer-Employee Relations
- BIBLIOGRAPHY—see 16A—Information Service
- BRANCH OFFICES—see 12—Field Service
- BULLETINS—see 16B—Information Service
- BUSINESS STANDARDS—see 28A—Trade Practices
- CERTIFICATION—see 24C—Standards, Standardization—Product
- COLLECTION SERVICE—see 13B—Finance
- COMPETITION—see 15D—Government Relations; 28—Trade Practices
- CONTESTS—see 3—Awards and Contests
- COST STUDIES—see 1—Accounting
- CREDIT SERVICE—see 13—Finance
- DELIVERY PROBLEMS—see 30D—Traffic and Transportation
- DEPRECIATION—see 1—Accounting
- DESIGNS—see 8—Copyrights, etc.
- DIRECTORIES—see 16B—Information Service
- DISTRIBUTION—see 11—Expert Service; 19—Marketing; 30—Traffic and Transportation
- EDUCATION—see 9B—Employer-Employee Relations; 20B—Public Relations
- EMPLOYMENT SERVICE—see 9E—Employer-Employee Relations
- ESTIMATING—see 1—Accounting
- ETHICS—see 28A—Trade Practices
- EXHIBITS, SHOWS—see 29D—Trade Promotion
- FIRE PREVENTION—see 9C—Employer-Employee Relations; 17—Insurance;  
20A—Public Relations

GRADING—see 24-Standards, Standardization—Product  
 GUARANTEES—see 24-Standards, Standardization—Product  
 HANDBOOKS, MANUALS—see 1-Accounting; 9B-Employer-Employee Relations;  
 16B-Information Service  
 IMPORTS and EXPORTS—see 14-Foreign Trade  
 INDUSTRIAL STANDARDS—see 24-Standards, Standardization—Product  
 INQUIRIES, TRADE—see 19A-Marketing  
 INSPECTION SERVICE—see 12-Field Service;  
 24C-Standards, Standardization—Product  
 INTER-ASSOCIATION ACTIVITIES—see 7-Cooperation with Other Organizations  
 INVENTORY—see 1-Accounting; 25-Statistics  
 LABOR PROBLEMS—see 9-Employer-Employee Relations  
 LEGISLATION—see 15-Government Relations  
 LIBRARY—see 16-Information Service  
 MARKETING, COOPERATIVE—see 19C-Marketing  
 MERCHANDISING—see 19D-Marketing  
 PATENT SERVICE—see 8-Copyrights, etc.  
 PLANNING, INDUSTRY—see 23-Stabilization of Business;  
 also specific activities  
 PRODUCTION PROBLEMS—see 1-Accounting; 11-Expert Service; 21-Research;  
 24-Standards, Standardization—Product;  
 25-Statistics  
 PUBLICATIONS—see 16-Information Service  
 PUBLICITY—see 20D-Public Relations  
 PURCHASING—see 4-Buying, Cooperative  
 QUALITY LABELS—see 24-Standards, Standardization—Product  
 SANITATION AND PUBLIC HEALTH—see 20E-Public Relations  
 SALES AND SALES ANALYSES—see 19-Marketing; 25-Statistics  
 SELLING, COOPERATIVE—see 19C-Marketing  
 SERVICE—see 11-Expert Service;  
 12-Field Service; also specific activities  
 SHIPPING—see 19-Marketing;  
 30-Traffic and Transportation  
 SIMPLIFICATION—see 24-Standards, Standardization—Product  
 STANDARD CONTRACT FORMS—see 28-Trade Practices  
 SURVEYS—see specific activities  
 TESTING—see 21-Research;  
 24-Standards, Standardization—Product  
 TRADE CUSTOMS—see 28-Trade Practices  
 TRADE-MARKS—see 8-Copyrights, Trade-Marks  
 TRADE NAMES—see 8-Copyrights, Trade-Marks  
 TRAINING COURSES—see 9B-Employer-Employee Relations  
 UNIFORM ACCOUNTING—see 1-Accounting  
 USED EQUIPMENT—see 22-Scrapping of Used Equipment  
 WAGES, WAGE SCALES—see 9A-Employer-Employee Relations;  
 25-Statistics  
 WAREHOUSING, COOPERATIVE—see 19G-Marketing  
 WASHINGTON REPRESENTATIVE—see 12B-Field Service  
 WEBB-POMERENE ASSOCIATION—see 14-Foreign Trade  
 WELFARE—see 9C-Employer-Employee Relations; 20-Public Relations

POLICY  
Declarations

*of the  
Chamber of Commerce  
of the United States*



WASHINGTON ★ OCTOBER 1946

## **FOREWORD**

ACTION by the Chamber of Commerce of the United States is based upon policy.

But what is a policy? A policy is simply the Chamber's solution for some problem; it is the position taken on a public question; it is a statement of principle.

Policy is determined by action of the organization members—chambers of commerce and trade associations—at annual meetings of the Chamber or through referenda.

In order to keep the policies of the Chamber current and alive, all policies automatically lapse three years from the date of adoption, unless reaffirmed in the meantime.

Therefore, the policies set forth in this pamphlet represent decisions upon public questions reached by the membership since the 1943 Annual Meeting.

A comprehensive index of the policies will be found beginning on Page 117.

**RALPH BRADFORD**

*General Manager*

# Code of Chamber POLICIES

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## Administrative Agencies

**Curbing of Powers.** Congressional investigation has shown its worth as a restraining influence on improper exercise of executive and administrative powers. Such scrutiny is a potent factor in making the law in its actual operation properly reflect the intent which Congress had in its enactment. It reinforces judicial review and improved administrative procedure as effective means for the protection of individual and state rights. (1946)

To assure greater economy and efficiency in federal expenditures, consideration should be given to more effective congressional control over the creation and operation of government agencies and corporations. (1944)

**Improved Organization and Procedure.** Grants of authority to federal agencies should be clearly defined and should be subject to organizational and procedural safeguards adequate to keep the public fully informed as to the structure and workings of such agencies, and to protect individuals against arbitrary administrative action. Persons adversely affected by the action of such agencies should be permitted the widest practicable court review. We wholeheartedly endorse the principles of the McCarran-Sumners-Walter Bills (S. 7, 79th Congress). (1946)



**Propaganda from.** Federal agencies should not use public funds for propaganda respecting their activities and with consequent unfairness to private enterprise, but should confine themselves to faithful execution of their duties as fixed by Congress and to addressing themselves solely to Congress with respect to policies they recommend. (1946)

**Questionnaires and Reports.** Demands for questionnaires and reports should be reduced, should be more simplified, and further coordinated. (1946)

### Advertising

Advertising is the most effective means of mass communication available to industry, business and the public. It plays an indispensable part in selling and in educating the American people about goods and services, and about actions to be taken for the public good. (1946)

By creating increased demand for better goods, it helps the producers of those goods to obtain the economies of mass production, with resultant lowered prices, improved quality and a constantly rising standard of living. Only with effective advertising working hand in hand with effective personal selling, merchandising and sales promotion can there be mass distribution capable of keeping pace with our greatly increased facilities for mass production. (1946)

The future of advertising rests upon constant improvements in its techniques and personnel, upon increasing use of factual information, upon the recognition of the great harm that a small amount of inferior advertising can do, and upon a better understanding of advertising by government, by business and by the public. (1946)

It is essential, therefore, that the commercial and economic value of advertising be acknowledged and its key role in the future economy of this nation recognized.

It must be alert to detect activities within or without its field which would reduce its value to business and the public. By constant self-improvement it can prepare for still greater achievements and contributions to the national welfare. (1946)

### Agriculture

**In General.** We believe in as great a volume of production of farm products as is consistent with domestic and foreign demand, in the encouragement of free and open markets, in the elimination of restrictions which narrow the field of buying and selling, in increased efficiency of production, in improvements in quality, in the conservation of soil resources, in the retirement of submarginal areas from production, in stability of tenure, and in research to find new uses for farm products as a means of improving the economic position of farmers and contributing to a sound national economy. In general, programs designed to improve conditions in the agricultural industry should be directed toward the correction of the underlying causes of these conditions. Any measure authorized by Congress for this purpose should clearly define the nature and scope of the methods to be employed. (1945)

Because of the interrelation between agriculture, other industries, and labor, an economic balance between these groups and equitable relations between annual income, between commodity prices, and between wages and prices are recognized as essential for the economic welfare of agriculture, of other industries, and of labor. (1945)

Management and labor in other industries can aid in the solution of the problems of agriculture through the maintenance of conditions which tend toward sustained maximum consumption of the products of all industries.

Because of their possible effects on agriculture, governmental policies affecting other industries, particularly in the fields of foreign trade, labor relations, and taxation, should be carefully appraised. (1945)

**Agricultural Adjustment Act.** If any governmental financial aid is given to producers in adjustment of agricultural production, it should be limited to that portion of the crop which is domestically consumed. In finding means for any such financial aid, resort should not be had to any form of processing taxes, the inequities of which have been amply demonstrated. (1945)

**Credit.** There should be adherence to the original policy of farmer control of federal land banks, with active management by representatives of the stockholders, subject to supervision by a federal agency. Changes in existing law should be directed to returning the supervisory agency to an independent status and limiting its authority and functions to examinations and reports, general regulations that will promote uniformity in procedures for protection of the interests of borrowers, investors and the government, marketing and redemption of bonds in order that the twelve banks may have the benefits of volume transactions and skilled services. There should be no change in the law increasing the government's obligations on account of the land banks. (1946)

Loans by government on crops should be made only at values substantially below the market range and on a basis that will not interfere with the free movement of grain to the feed lot or of food supplies and fibers to the open markets. (1945)

The Federal Land Banks, in transferring lands, should not be permitted to reserve any mineral or royalty rights. (1946)

The Farm Credit Administration should be separated from the Department of Agriculture and returned to its

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The Farm Credit Administration should be separated from the Department of Agriculture and returned to its

former independent status. The endeavors of emergency agencies in the field of agricultural credit to compete on a permanent basis with the normal sources of credit should be discontinued. (1945)

All farm credit operations of the federal government should be concentrated under the control of one agency. (1946)

Our private financial and economic system should be left free to develop its full strength. (1945)

**Distribution of Products—Marketing Systems.** The production of vast quantities of food products and fibers must be accompanied by sound marketing systems. Free and open markets with many buyers in both the domestic and export trade channels result in the highest prices for farm products and the highest aggregate annual income for agriculture. Freedom to organize and to seek sound solutions to the problems of production and marketing through democratic processes is the right of all American farmers, and this liberty should not be abridged under any program. (1945)

**Distribution of Products—Commodity Exchanges.** Properly regulated buying and selling of future contracts in adequate volume on commodity exchanges is necessary for the economic distribution of agricultural products and should be supported. The exchanges should maintain regulations of their own that promote the interests of producers, merchants, and manufacturers of agricultural commodities as well as the general welfare of the public. (1946)

**Cooperative Marketing.** Cooperative marketing based upon the right of producers of farm commodities to act together with respect to their own products is supported, but neither this form of business enterprise nor any other should be favored by government action or influence. (1946)

**Government Controls.** There should be no further extension of arbitrary governmental authority over the freedom of action of producers, processors, or distributors of basic agricultural products. The government should not, by law, by loans, or by subsidy, attempt to exercise control over any producer, processor, or distributor by license, quota, or otherwise, in the lawful and independent operation of his own enterprise. (1945)

Curtailment of production to meet emergency conditions should be initiated only by the voluntary decision of the farm peoples themselves, and solely on a temporary basis. (1945)

**Utilization of Private Facilities by Government.** If the government undertakes handling or marketing surplus agricultural products—operations which are still open to serious question—it should utilize existing facilities of experienced private enterprises, both for reasons of economy and in order that these facilities may be maintained in full vigor. The use now being made of normal distribution channels for disposition of surpluses in the domestic retail market should be extended to use of bulk and wholesale facilities. (1945)

**New Uses for Products.** We commend the new provisions made for research by the Department of Agriculture. In order to increase the wealth produced upon farms, with additions to farm income and benefits to consumers, efforts should be continued to assist all agencies, public and private, in seeking new uses for farm products. (1946)

**Subsidies.** Payment of subsidies for the production and distribution of farm products should be ended as rapidly as possible, consistent with the existing temporary artificial regulation of our price control policy brought about by war conditions. (1945)

**Tariffs—Protection for Agriculture.** The principle of reasonable protection for forms of agriculture of concern to any section of the country, and subject to destructive competition from abroad, has been repeatedly advocated by the Chamber and is again emphasized. (1946)

### Aliens

**Admission of.** The Chamber of Commerce reiterates its earlier position in support of the quota principles of the United States immigration laws. (1945)

**Deportation of.** The Chamber of Commerce repeats its declaration of the 1941 Annual Meeting in favor of a strengthening of the law for the deportation of alien criminals. (1945)

### Animal Experimentation

In view of the great progress that has been made in preventive and curative medicine and surgery through animal research and the prospect of even greater progress in the future, the National Chamber is unalterably opposed to the prohibition of this scientific procedure. Such a prohibition would seriously hamper all medical progress. (1946)

### Antitrust Laws

**Clayton Act.** Extension of the Clayton Act so as to give the Federal Trade Commission added authority over the acquisition of corporate stock, or of assets, is opposed as placing undue burdens upon corporate transactions and as unnecessary in view of the scope of remedies already on the statute books. (1946)

**Consent Decrees.** The former practice of the Department of Justice of including in consent decrees a right



for the Department to exercise supervisory control over industries should not be revived. This practice amounts to an unlawful coercion of business and an unjustified federal control. (1946)

### Automobile Title Registration

The principle of certification and registration of automobile titles, now adopted by a majority of states, should be put into force by all states, in order that the federal statute against interstate transportation of stolen automobiles may have its greatest effect. (1946)

### Aviation

#### A. Generally

**Surplus Planes and Equipment.** The disposal of surplus war-built passenger and cargo transport planes and equipment for active flying should follow a plan generally similar to that recommended for the disposal of war-built ocean ships. An interdepartmental board should be set up to handle such disposal. Any disposal plan should provide as much incentive as possible for the design and manufacture of new types and the maintenance of production capacity necessary for defense and commercial competitive purposes. (1943)

#### B. Airports

**Administration of.** Administrative and financial responsibility for airport work should be concentrated in a single agency in each jurisdiction—federal, state and local. (1944)

To replace the recent trend toward financing of airport construction mainly by the federal government and

direct appropriations for particular airport projects, a federal-aid airport system should be established. (1944)

Federal funds for airports should be matched by at least equal amounts of state or local funds for the same uses. (1944)

Federal funds should be restricted to grading, drainage, construction of runways, lighting and other safety features. (1944)

Federal funds should be apportioned by an equitable formula taking account of the needs of the various states and localities from the viewpoint of a nationwide airport system, with due consideration to the provision already made of airports from defense and war expenditures. (1944)

State or local jurisdictions should be required to provide land, buildings and maintenance. (1944)

**Construction of.** A major part of the construction program for a federal-aid airport system should be reserved for periods of low business activity. (1944)

**Planning.** There should be airport planning surveys in each state to be conducted in cooperation with the federal agency on the one hand and local airport authorities on the other. (1944)

Plans for airport systems should recognize that privately owned and operated airports constitute approximately one-half of the total number of existing airports, although a much smaller fraction of the total expenditures thereon, and that these private airports represent investments of great importance to future development of aviation. (1944)

**Self-Sustaining Basis.** Publicly owned airports should as soon as practicable be put on a self-sustaining basis. (1944)

### *C. Civil Aviation*

Regulation of primary airlines under the Civil Aeronautics Act is generally adequate and there is no present need for state regulation. Regulation of contract air carriers, which will doubtless become necessary, should be such as will not hamper development. Scheduled feeder and local services which meet the test of public convenience and necessity and do not require government support should be authorized. Such services requiring support should be authorized on an experimental basis in a few localities and for limited periods. Fixed-base operators providing interstate service to the public should be required to obtain a simple federal permit, available with a minimum of formalities and without territorial restrictions except as necessary for safe use of the airspace. There appears to be no present need for state regulation of this type of service. Those engaged in passenger services should be subject to higher standards for plane inspection and qualification of pilots, and should be required to establish financial responsibility for personal injury and property damage liability. (1945)

Private flying should be encouraged through the development of an adequate system of airfields, encouragement of widespread aviation education and simplification of regulatory requirements. Expanded peacetime aviation training should be developed, including increased attention to aviation in regular school and vocational courses, specialized ground training and actual flight training. A continuing program of aviation research adequate for the national needs should be provided for by the government to supplement such work by the aviation industry, educational institutions and other private research agencies. The work should be mainly allocated to private agencies under supervision and coordination by an overall national research body. (1945)

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The airways system should be promptly modernized in accordance with the new technical developments resulting from the war. Development of airports and other landing facilities to meet postwar needs should be worked out through a federal-aid system on a basis commensurate with reasonable needs, the initiation and planning of projects to be the primary responsibility of the states in cooperation with federal and local authorities. (1945)

The federal aviation authority with substantially its present responsibilities and powers should be reestablished as an independent agency reporting directly to Congress but with provision for separate investigation of air accidents. In the present condition of aviation development states should concentrate efforts on airport matters and other aviation promotional work and should limit regulating activities to the minimum necessary to meet definitely established needs. (1945)

#### *D. International Aviation*

**Chamber Policies—Realistic View of.** With respect to international air transport: The trend of international affairs has caused the United States to assume extensive foreign obligations which previously it had been unwilling voluntarily to undertake. These commitments, the probable requirements of peace conditions and our self-interest in a vigorous airplane manufacturing and international aviation transportation industry make it highly desirable that all of our policies be looked at realistically in view of these larger responsibilities and commercial objectives. (1943)

**Commercial Transit—Right of.** We favor the establishment by treaty of the right for commercial planes of all countries to fly over the territory of other countries and to land for fuel, repairs or emergencies. This right, called the right of commercial transit, does not include

right to discharge or take on passengers or cargo, which right, if granted, should be on a basis of agreement with the governments concerned or procedure established by them. It is understood that governments may wish to restrict flying over certain limited areas for reasons of military security. (1943)

**Competition Favored.** Monopolistic control of United States international air services is not favorable to prompt and progressive aviation development or in the public interest. Monopolies tend to be followed by government ownership and operation, which we believe is repugnant to the most effective development of aviation. In order to prevent monopoly and its inevitable after-effects and in order to obtain for our foreign commerce the most efficient service, able to compete successfully against foreign air lines, competition should be controlled and maintained by reasonable government regulation as provided by existing law. (1943)

There should be a continuation of government control by certificates of convenience and necessity in order to avoid destructive competition. (1943)

**Development of.** International air transport had begun to play an important part in our overseas commercial life before the war. This natural economic development has been greatly accelerated by the war experience and no obstacles should be placed in the way of a continued rapid expansion of our aviation industry. (1943)

The reasonable economic development of our international air transport over a wide network of international airlines will require the intensive cultivation of both passenger and cargo possibilities over each route. (1943) (See also INTERNATIONAL TRANSPORT.)

**Importance of.** Just as ocean shipping services to all regions of the world with which we have prospective

trade and travel will be needed, in the same way, our air transport communications with such regions will be necessary in the interest of national defense and foreign commerce. It is noted with gratification that the Civil Aeronautics Board has initiated studies of desirable and required international air routes. (1943)

**Peace Conference—Representation at.** Steps should be taken to insure an adequate representation of American international sea and air transport interests in an advisory capacity at any peace conferences. (1943)

**Private Operation—Speedy Return to.** To facilitate the change from a war to a peacetime basis and to provide international services during the transition period, which will be so critical for our foreign trade, transport planes should, as rapidly as possible without impeding the war effort, be made available for operation on the most desirable international air routes. (1943)

**Steamship Ownership and Operation of.** Since ownership and operation of airplanes in international commerce by steamship lines may be found desirable, depending upon circumstances in particular cases, and since competing foreign steamship lines will probably render such air services, American steamship companies should not be precluded by law or general administrative ruling from doing the same. (1943) (See also TRANSPORTATION—Control of One Form by Another.)

**Subsidies.** If necessary to insure the desired development, subsidies should be granted to our international air lines by mail payments on the basis of existing law or otherwise. (1943)

### Business Statistics

The Chamber of Commerce recommends that there be objective review and appraisal of the extent to which

trade and travel will be needed, in the same way, our air transport communications with such regions will be necessary in the interest of national defense and foreign commerce. It is noted with gratification that the Civil Aeronautics Board has initiated studies of desirable and required international air routes. (1943)

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The overriding objective of community concern throughout the country with housing is to get houses built both for sale and for rent—for veterans' families and other families whose needs are urgent. To meet this objective, the construction industry must be free of all unnecessary restrictive government regulation. There should be no legislation at this time which will add new demands for housing of questionable economic soundness to the already large unsatisfied backlog. Government subsidies, guaranty of markets and similar artificial and costly devices must be abandoned because they will not produce more houses. It is impossible to administer such measures equitably in a complex competitive market. Price adjustments on building materials should be made at once and other encouragement given for the release of the country's productive capacity which is ample to take care of the housing demand, needed industrial, commercial and farm building, and modernization and repairs. The general restriction order on building construction and repairs is ill-advised in a peacetime economy. It is already causing unemployment and other unnecessary distress. It is interfering with forward planning on which future construction work and employment in industry and trade depend. Unless discontinued at once, it will create widespread and serious disturbances throughout the whole economy. (1946)

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Urban redevelopment laws should be enacted by states to empower cities to take the necessary steps to clear slum and blighted areas and to encourage their rebuilding by private initiative and private investment. (1945)

Demolition ordinances should be enforced. There should be vigorous enforcement of state and local sanitary, safety, and other requirements. (1945)

**Housing—Subsidized and War.** Private ownership of housing, whether for rental or for owner occupancy, is a basic principle in our economy. Every effort should be made to maintain this principle after the war. (1945)

There should be no further federal appropriations or participation in the financing of public subsidized or welfare housing. (1945)

Shelter requirements, like requirements for food, clothing, and medical care, of needy families should be taken care of by local welfare agencies. Existing housing, including such older properties as can be made livable and comfortable at moderate expense, should be used rather than new public subsidized rental housing. (1945)

Existing government-owned subsidized rental housing should be administered as part of the welfare activities of the communities in which it is located. (1945)

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POLICY  
Declarations

*of the  
Chamber of Commerce  
of the United States*



WASHINGTON \* OCTOBER 1946

## **FOREWORD**

ACTION by the Chamber of Commerce of the United States is based upon policy.

But what is a policy? A policy is simply the Chamber's solution for some problem; it is the position taken on a public question; it is a statement of principle.

Policy is determined by action of the organization members—chambers of commerce and trade associations—at annual meetings of the Chamber or through referenda.

In order to keep the policies of the Chamber current and alive, all policies automatically lapse three years from the date of adoption, unless reaffirmed in the meantime.

Therefore, the policies set forth in this pamphlet represent decisions upon public questions reached by the membership since the 1943 Annual Meeting.

A comprehensive index of the policies will be found beginning on Page 117.

**RALPH BRADFORD**

*General Manager*



# Code of Chamber POLICIES

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## Administrative Agencies

**Curbing of Powers.** Congressional investigation has shown its worth as a restraining influence on improper exercise of executive and administrative powers. Such scrutiny is a potent factor in making the law in its actual operation properly reflect the intent which Congress had in its enactment. It reinforces judicial review and improved administrative procedure as effective means for the protection of individual and state rights. (1946)

To assure greater economy and efficiency in federal expenditures, consideration should be given to more effective congressional control over the creation and operation of government agencies and corporations. (1944)

**Improved Organization and Procedure.** Grants of authority to federal agencies should be clearly defined and should be subject to organizational and procedural safeguards adequate to keep the public fully informed as to the structure and workings of such agencies, and to protect individuals against arbitrary administrative action. Persons adversely affected by the action of such agencies should be permitted the widest practicable court review. We wholeheartedly endorse the principles of the McCarran-Sumners-Walter Bills (S. 7, 79th Congress). (1946)

**Propaganda from.** Federal agencies should not use public funds for propaganda respecting their activities and with consequent unfairness to private enterprise, but should confine themselves to faithful execution of their duties as fixed by Congress and to addressing themselves solely to Congress with respect to policies they recommend. (1946)

**Questionnaires and Reports.** Demands for questionnaires and reports should be reduced, should be more simplified, and further coordinated. (1946)

### Advertising

Advertising is the most effective means of mass communication available to industry, business and the public. It plays an indispensable part in selling and in educating the American people about goods and services, and about actions to be taken for the public good. (1946)

By creating increased demand for better goods, it helps the producers of those goods to obtain the economies of mass production, with resultant lowered prices, improved quality and a constantly rising standard of living. Only with effective advertising working hand in hand with effective personal selling, merchandising and sales promotion can there be mass distribution capable of keeping pace with our greatly increased facilities for mass production. (1946)

The future of advertising rests upon constant improvements in its techniques and personnel, upon increasing use of factual information, upon the recognition of the great harm that a small amount of inferior advertising can do, and upon a better understanding of advertising by government, by business and by the public. (1946)

It is essential, therefore, that the commercial and economic value of advertising be acknowledged and its key role in the future economy of this nation recognized.

It must be alert to detect activities within or without its field which would reduce its value to business and the public. By constant self-improvement it can prepare for still greater achievements and contributions to the national welfare. (1946)

### Agriculture

**In General.** We believe in as great a volume of production of farm products as is consistent with domestic and foreign demand, in the encouragement of free and open markets, in the elimination of restrictions which narrow the field of buying and selling, in increased efficiency of production, in improvements in quality, in the conservation of soil resources, in the retirement of submarginal areas from production, in stability of tenure, and in research to find new uses for farm products as a means of improving the economic position of farmers and contributing to a sound national economy. In general, programs designed to improve conditions in the agricultural industry should be directed toward the correction of the underlying causes of these conditions. Any measure authorized by Congress for this purpose should clearly define the nature and scope of the methods to be employed. (1945)

Because of the interrelation between agriculture, other industries, and labor, an economic balance between these groups and equitable relations between annual income, between commodity prices, and between wages and prices are recognized as essential for the economic welfare of agriculture, of other industries, and of labor. (1945)

Management and labor in other industries can aid in the solution of the problems of agriculture through the maintenance of conditions which tend toward sustained maximum consumption of the products of all industries.

Because of their possible effects on agriculture, governmental policies affecting other industries, particularly in the fields of foreign trade, labor relations, and taxation, should be carefully appraised. (1945)

**Agricultural Adjustment Act.** If any governmental financial aid is given to producers in adjustment of agricultural production, it should be limited to that portion of the crop which is domestically consumed. In finding means for any such financial aid, resort should not be had to any form of processing taxes, the inequities of which have been amply demonstrated. (1945)

**Credit.** There should be adherence to the original policy of farmer control of federal land banks, with active management by representatives of the stockholders, subject to supervision by a federal agency. Changes in existing law should be directed to returning the supervisory agency to an independent status and limiting its authority and functions to examinations and reports, general regulations that will promote uniformity in procedures for protection of the interests of borrowers, investors and the government, marketing and redemption of bonds in order that the twelve banks may have the benefits of volume transactions and skilled services. There should be no change in the law increasing the government's obligations on account of the land banks. (1946)

Loans by government on crops should be made only at values substantially below the market range and on a basis that will not interfere with the free movement of grain to the feed lot or of food supplies and fibers to the open markets. (1945)

The Federal Land Banks, in transferring lands, should not be permitted to reserve any mineral or royalty rights. (1946)

The Farm Credit Administration should be separated from the Department of Agriculture and returned to its

former independent status. The endeavors of emergency agencies in the field of agricultural credit to compete on a permanent basis with the normal sources of credit should be discontinued. (1945)

All farm credit operations of the federal government should be concentrated under the control of one agency. (1946)

Our private financial and economic system should be left free to develop its full strength. (1945)

**Distribution of Products—Marketing Systems.** The production of vast quantities of food products and fibers must be accompanied by sound marketing systems. Free and open markets with many buyers in both the domestic and export trade channels result in the highest prices for farm products and the highest aggregate annual income for agriculture. Freedom to organize and to seek sound solutions to the problems of production and marketing through democratic processes is the right of all American farmers, and this liberty should not be abridged under any program. (1945)

**Distribution of Products—Commodity Exchanges.** Properly regulated buying and selling of future contracts in adequate volume on commodity exchanges is necessary for the economic distribution of agricultural products and should be supported. The exchanges should maintain regulations of their own that promote the interests of producers, merchants, and manufacturers of agricultural commodities as well as the general welfare of the public. (1946)

**Cooperative Marketing.** Cooperative marketing based upon the right of producers of farm commodities to act together with respect to their own products is supported, but neither this form of business enterprise nor any other should be favored by government action or influence. (1946)

**Government Controls.** There should be no further extension of arbitrary governmental authority over the freedom of action of producers, processors, or distributors of basic agricultural products. The government should not, by law, by loans, or by subsidy, attempt to exercise control over any producer, processor, or distributor by license, quota, or otherwise, in the lawful and independent operation of his own enterprise. (1945)

Curtailement of production to meet emergency conditions should be initiated only by the voluntary decision of the farm peoples themselves, and solely on a temporary basis. (1945)

**Utilization of Private Facilities by Government.** If the government undertakes handling or marketing surplus agricultural products—operations which are still open to serious question—it should utilize existing facilities of experienced private enterprises, both for reasons of economy and in order that these facilities may be maintained in full vigor. The use now being made of normal distribution channels for disposition of surpluses in the domestic retail market should be extended to use of bulk and wholesale facilities. (1945)

**New Uses for Products.** We commend the new provisions made for research by the Department of Agriculture. In order to increase the wealth produced upon farms, with additions to farm income and benefits to consumers, efforts should be continued to assist all agencies, public and private, in seeking new uses for farm products. (1946)

**Subsidies.** Payment of subsidies for the production and distribution of farm products should be ended as rapidly as possible, consistent with the existing temporary artificial regulation of our price control policy brought about by war conditions. (1945)

**Tariffs—Protection for Agriculture.** The principle of reasonable protection for forms of agriculture of concern to any section of the country, and subject to destructive competition from abroad, has been repeatedly advocated by the Chamber and is again emphasized. (1946)

### Aliens

**Admission of.** The Chamber of Commerce reiterates its earlier position in support of the quota principles of the United States immigration laws. (1945)

**Deportation of.** The Chamber of Commerce repeats its declaration of the 1941 Annual Meeting in favor of a strengthening of the law for the deportation of alien criminals. (1945)

### Animal Experimentation

In view of the great progress that has been made in preventive and curative medicine and surgery through animal research and the prospect of even greater progress in the future, the National Chamber is unalterably opposed to the prohibition of this scientific procedure. Such a prohibition would seriously hamper all medical progress. (1946)

### Antitrust Laws

**Clayton Act.** Extension of the Clayton Act so as to give the Federal Trade Commission added authority over the acquisition of corporate stock, or of assets, is opposed as placing undue burdens upon corporate transactions and as unnecessary in view of the scope of remedies already on the statute books. (1946)

**Consent Decrees.** The former practice of the Department of Justice of including in consent decrees a right

for the Department to exercise supervisory control over industries should not be revived. This practice amounts to an unlawful coercion of business and an unjustified federal control. (1946)

### Automobile Title Registration

The principle of certification and registration of automobile titles, now adopted by a majority of states, should be put into force by all states, in order that the federal statute against interstate transportation of stolen automobiles may have its greatest effect. (1946)

### Aviation

#### A. Generally

**Surplus Planes and Equipment.** The disposal of surplus war-built passenger and cargo transport planes and equipment for active flying should follow a plan generally similar to that recommended for the disposal of war-built ocean ships. An interdepartmental board should be set up to handle such disposal. Any disposal plan should provide as much incentive as possible for the design and manufacture of new types and the maintenance of production capacity necessary for defense and commercial competitive purposes. (1943)

#### B. Airports

**Administration of.** Administrative and financial responsibility for airport work should be concentrated in a single agency in each jurisdiction—federal, state and local. (1944)

To replace the recent trend toward financing of airport construction mainly by the federal government and



direct appropriations for particular airport projects, a federal-aid airport system should be established. (1944)

Federal funds for airports should be matched by at least equal amounts of state or local funds for the same uses. (1944)

Federal funds should be restricted to grading, drainage, construction of runways, lighting and other safety features. (1944)

Federal funds should be apportioned by an equitable formula taking account of the needs of the various states and localities from the viewpoint of a nationwide airport system, with due consideration to the provision already made of airports from defense and war expenditures. (1944)

State or local jurisdictions should be required to provide land, buildings and maintenance. (1944)

**Construction of.** A major part of the construction program for a federal-aid airport system should be reserved for periods of low business activity. (1944)

**Planning.** There should be airport planning surveys in each state to be conducted in cooperation with the federal agency on the one hand and local airport authorities on the other. (1944)

Plans for airport systems should recognize that privately owned and operated airports constitute approximately one-half of the total number of existing airports, although a much smaller fraction of the total expenditures thereon, and that these private airports represent investments of great importance to future development of aviation. (1944)

**Self-Sustaining Basis.** Publicly owned airports should as soon as practicable be put on a self-sustaining basis. (1944)

### *C. Civil Aviation*

Regulation of primary airlines under the Civil Aeronautics Act is generally adequate and there is no present need for state regulation. Regulation of contract air carriers, which will doubtless become necessary, should be such as will not hamper development. Scheduled feeder and local services which meet the test of public convenience and necessity and do not require government support should be authorized. Such services requiring support should be authorized on an experimental basis in a few localities and for limited periods. Fixed-base operators providing interstate service to the public should be required to obtain a simple federal permit, available with a minimum of formalities and without territorial restrictions except as necessary for safe use of the air-space. There appears to be no present need for state regulation of this type of service. Those engaged in passenger services should be subject to higher standards for plane inspection and qualification of pilots, and should be required to establish financial responsibility for personal injury and property damage liability. (1945)

Private flying should be encouraged through the development of an adequate system of airfields, encouragement of widespread aviation education and simplification of regulatory requirements. Expanded peacetime aviation training should be developed, including increased attention to aviation in regular school and vocational courses, specialized ground training and actual flight training. A continuing program of aviation research adequate for the national needs should be provided for by the government to supplement such work by the aviation industry, educational institutions and other private research agencies. The work should be mainly allocated to private agencies under supervision and coordination by an overall national research body. (1945)

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The airways system should be promptly modernized in accordance with the new technical developments resulting from the war. Development of airports and other landing facilities to meet postwar needs should be worked out through a federal-aid system on a basis commensurate with reasonable needs, the initiation and planning of projects to be the primary responsibility of the states in cooperation with federal and local authorities. (1945)

The federal aviation authority with substantially its present responsibilities and powers should be reestablished as an independent agency reporting directly to Congress but with provision for separate investigation of air accidents. In the present condition of aviation development states should concentrate efforts on airport matters and other aviation promotional work and should limit regulating activities to the minimum necessary to meet definitely established needs. (1945)

#### *D. International Aviation*

**Chamber Policies—Realistic View of.** With respect to international air transport: The trend of international affairs has caused the United States to assume extensive foreign obligations which previously it had been unwilling voluntarily to undertake. These commitments, the probable requirements of peace conditions and our self-interest in a vigorous airplane manufacturing and international aviation transportation industry make it highly desirable that all of our policies be looked at realistically in view of these larger responsibilities and commercial objectives. (1943)

**Commercial Transit—Right of.** We favor the establishment by treaty of the right for commercial planes of all countries to fly over the territory of other countries and to land for fuel, repairs or emergencies. This right, called the right of commercial transit, does not include

right to discharge or take on passengers or cargo, which right, if granted, should be on a basis of agreement with the governments concerned or procedure established by them. It is understood that governments may wish to restrict flying over certain limited areas for reasons of military security. (1943)

**Competition Favored.** Monopolistic control of United States international air services is not favorable to prompt and progressive aviation development or in the public interest. Monopolies tend to be followed by government ownership and operation, which we believe is repugnant to the most effective development of aviation. In order to prevent monopoly and its inevitable after-effects and in order to obtain for our foreign commerce the most efficient service, able to compete successfully against foreign air lines, competition should be controlled and maintained by reasonable government regulation as provided by existing law. (1943)

There should be a continuation of government control by certificates of convenience and necessity in order to avoid destructive competition. (1943)

**Development of.** International air transport had begun to play an important part in our overseas commercial life before the war. This natural economic development has been greatly accelerated by the war experience and no obstacles should be placed in the way of a continued rapid expansion of our aviation industry. (1943)

The reasonable economic development of our international air transport over a wide network of international airlines will require the intensive cultivation of both passenger and cargo possibilities over each route. (1943) (See also INTERNATIONAL TRANSPORT.)

**Importance of.** Just as ocean shipping services to all regions of the world with which we have prospective

trade and travel will be needed, in the same way, our air transport communications with such regions will be necessary in the interest of national defense and foreign commerce. It is noted with gratification that the Civil Aeronautics Board has initiated studies of desirable and required international air routes. (1943)

**Peace Conference—Representation at.** Steps should be taken to insure an adequate representation of American international sea and air transport interests in an advisory capacity at any peace conferences. (1943)

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**Planning and Research.** Each state should assemble data from its various local governmental agencies and take leadership in encouraging the advance blueprinting and financing of needed public works. The federal government in turn should clear information with the 48 states and urge forehandedness in this field of public works administration. Expenditures for these needed improvements should be scheduled over a period of years and, except for construction essential to public health and safety, should be made at times when the volume of private construction work is slackening. (1945)

The federal government should assemble in one place currently available basic data regarding construction activity, both private and public, without duplicating the functions now performed by other government agencies or seeking to monopolize the gathering of information now reported by private agencies and by trade associations. (1945)

Congress should also make suitable provision for existing federal research agencies, in cooperation with educational and research institutions and the construction industry, to correlate and to further encourage research on construction materials and methods. (1945)

**Public Works.** Congressional scrutiny of separate proposals for federal expenditures for public works, including maintenance and upkeep, should be broadened to include careful consideration of the over-all relations between proposed federal expenditures for public works and total expenditures and revenues. (1945)

There should be increasing insistence upon state and community responsibility for their public works. Congress should take steps now to adopt such fiscal policies as will not unduly hamper the ability of the states and local governments to carry out their responsibilities in this and in other fields which are properly within their jurisdiction. (1945)

Competitive contracts should continue as the accepted basic procedure for securing economy in public construction. (1945)

**Taxation—Principles for.** Because of the difficulties involved in the transition period, provisions for the carry-forward of losses and other suitable recognition of the principle of averaging incomes over a period of not less than six years forward can make an important practical contribution to effecting more reasonable stability in construction activity. (1945)

Adequate deductions for deferred maintenance and for reserves needed for the postwar period should be permitted. (1945)

To encourage investment in new structures, owners should be permitted for tax purposes to depreciate at an increased rate a substantial part of the cost of the structure in the early years of its useful life. (1945)

Engineering and other costs necessarily connected with the pre-development of postwar construction should be permitted as current operating expense. (1945)

**Wartime Controls—Termination of.** The various wartime controls of the federal government restricting private and public civilian construction should be relaxed as soon as practicable and then eliminated. This should be done in cooperation with the construction industry and with the states and communities. (1945)

## Education

Adequate education is essential to the maintenance of our democratic institutions and for the expansion of our economy. Wherever inadequate educational processes exist, proper expenditures should be made to improve them. Business can well afford to share in this expense in consideration of the gains that inevitably result from