

Chamber of Errors

Why is the Missouri Chamber of Commerce trashing Missouri?

By Sen. MAIDA
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The irony was hard to escape: Daniel P. Mehan, the president of the Missouri Chamber of Commerce, an organization which normally puffs up all that's good about Missouri, launched a campaign last month to point out all that was bad about Missouri.

The chamber lamented the "staggering job loss" of 77,700 in the state last year. Missouri "led the nation in job loss," Mehan said at a

press conference, and estimated "\$2.26 billion in lost wages and \$126 million in lost tax revenues."

And the chamber's purpose in drawing attention to the sad state of affairs?

"This is a crisis and we are here today to urge lawmakers and the administration to use the precious weeks left in the session to address this all-too-real emergency," Mehan said. He went so far as to suggest that too much time had been spent on "the state's sagging revenues" and not enough on saving jobs.



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But there's a dirty little secret to this drumbeating: First, Missouri's economy is not in the dire straits the chamber says it is, as numbers from the Missouri Department of Economic Development clearly show. Second, the chamber's not-so-hidden agenda here is to push for radical changes in the state's tort laws to benefit big corporations and to decimate the state's worker's compensation laws to aid large companies at the expense of injured workers.

Here's what our Department of Economic Development says about the state's economy: "Our business climate is strong. New businesses are starting. Jobs are being created. Economic growth is occurring." More specifically, it says the chamber "incorrectly implied that 77,700 Missourians were out of work last year. This is a reduction in the size of the workforce, which is a statistical measure." In other words, it is not a real indicator of economic health, but a snapshot comparing numbers between January 2002 and January 2003. If you look at February figures from the two years, the "job loss" is 58,000.

state's unemployment rate, which dropped from 5.4 percent in February 2002 to 4.7 percent this February — its lowest level since July 2001 and the sixth best unemployment decline in the nation! And contrary to the chamber's assertion, the state's economy is bouncing back, with 2,000 new businesses formed in Missouri in February, the highest level in several years.

Which brings us to the chamber's real motivation in spreading a gloom-and-doom scenario: It speaks for the state's large corporations, not small businesses. And high on the corporate agenda are two legislative actions: The undoing of the Worker's Compensation laws and the so-called "tort reform" bill. But there is absolutely no evidence that those issues

cause job losses.

If the chamber wants to truly protect the state's economy, then it ought to get behind Gov. Bob Holden's proposed budget which addresses the state's real crisis — a \$1 billion budget shortfall — while protecting schools, colleges and the state's most vulnerable citizens from drastic cuts.

If the Chamber wants to help small businesses, it should urge its Republican friends in the legislature to support closing corporate tax loopholes so small businesses — which create far more jobs than large corporations — could actually see a tax cut.

And if the chamber wants to improve Missouri's economy, it ought to stop badmouthing it.