

CHAMBER OF COMMERCE  
OF THE  
UNITED STATES OF AMERICA

R. BRUCE JOSTEN  
EXECUTIVE VICE PRESIDENT  
GOVERNMENT AFFAIRS

1615 H STREET, N.W.  
WASHINGTON, D.C. 20062-2000  
202/463-5310

June 12, 2009

The Honorable John Thune  
United States Senate  
Washington, DC 20510

Dear Senator Thune:

The U.S. Chamber of Commerce, the world's largest business federation representing more than three million businesses and organizations of every size, sector, and region, supports S. 1242, the "Government Ownership Exit Plan Act," which would ensure that the federal government removes itself from its necessary but unprecedented intervention in the U.S. economy as soon as practicable.

Over the past two years, the American economy has undergone the worst economic crisis since the Great Depression with the loss of more than six million jobs, the implosion of the investment banking sector, the collapse of two of the three major domestic automakers, the complete gridlock of the global capital markets, and the record decline in housing values. The Chamber believes that these extraordinary circumstances warranted extreme government intervention to prevent a complete economic collapse. The Chamber supported the stabilization program to recapitalize the banking system, the fiscal stimulus initiative to increase demand, and the extreme measures taken by the Federal Reserve System to re-liquefy the financial system and the Chamber is very pleased and encouraged by the progress fostered by these measures. Now, it is time to develop a transparent exit strategy to ensure the timely withdrawal of the federal government from these most extreme and unusual forms of intervention.

America's economic recovery will hinge, in large part, on the recovery of the capital markets. Government steps designed to re-ignite lending can only be fully effective if private market participants know the rules of the game. Absent a clear, timely, and predictable exit plan, private capital will not be fully deployed. Moreover, the longer the delay, the risk grows that such extreme forms of intervention will become an acceptable or frequent form of response.

S. 1242 would limit the federal government's intrusiveness into market decision-making and set a reasonable timeframe for withdrawal of its financial support, while still protecting the American taxpayer. The Chamber hopes that subsequent legislation will reform the financial regulatory system and set suitable conditions and restraints on the market system to ensure that such problems do not recur. However, Congress and the Administration must not forget that the free market system works best, with the government playing an oversight role, not an ownership or management role.

The Chamber thanks you for your leadership and looks forward to working with you, your cosponsors, and the entire Senate on S.1242.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten". The signature is fluid and cursive, with the first name "R." being small and the last name "Josten" being larger and more prominent.

R. Bruce Josten

Cc: The Members of the United States Senate