

Moderate Republicans in Catbird Seat

Moderate Republican members of Pennsylvania's congressional delegation will be in a unique and powerful position as Congress goes back into session the last week in April. How they vote on tax cuts and spending cuts will impact the future of all Pennsylvanians and many beyond.

As the fiscal position of the federal government worsens and President Bush continues to push his agenda of tax cuts for the wealthy, the leaders of the Republican majority in both the Senate and the House are finding it increasingly difficult to secure a majority for the President's agenda. Often legislation hang on the votes of just a handful of the middle-of-the-road members. Pennsylvania moderates Senator Arlen Specter and Representatives Jim Gerlach, Mike Fitzpatrick and Todd Platts have each on occasion demonstrated the courage to step out of line and evaluate matters independently. On close votes that puts them in the catbird seat, a place of advantage as well as intense pressure.

Specter demonstrated this quality of independence in March when he called the President's budget cutting proposals "scandalous" and then rallied the Senate to commit \$7 billion more than the President had requested to support domestic discretionary spending in the 2007 budget. This would enable the Senate to fund domestic discretionary programs next year at this year's level, after taking inflation into account.

In addition, Specter is expected to play a pivotal role in deciding what tax cut package comes out of this Congress. President Bush wants to extend the 15 percent tax rate on dividends and capital gains. Half of the benefit in his proposal would go to people who make more than \$1 million a year and nearly three-fourths would go to people who make over \$200,000 a year. Most moderates prefer cutting the Alternative Minimum Tax, which hits middle class taxpayers very hard, and many mainstream policy organizations oppose the President's plan because it would contribute to soaring deficits and more spending cuts. Notwithstanding his dislike of the President's proposals to cut spending, Specter to date has been a consistent supporter of the President's plan to reduce tax revenue.

In the House, Jim Gerlach raised his head above the crowd on February 1st when he voted against the Deficit Reduction Act (one of only 13 Republicans to do so) because he was convinced the spending cuts would cause harm and could have been avoided had Congress been willing to take on special interests. He also has signed a letter that expresses displeasure with the leadership budget plan for 2007 because it would require about \$9 billion in additional cuts in domestic discretionary programs come next October. Mike Fitzpatrick voted for the Deficit Reduction Act but has signed the same letter expressing his opposition to more domestic spending cuts in 2007. Todd Platts supported the Deficit Reduction Act but has reached across the aisle to sponsor with Democrat Lynn Woolsey a plan to add \$540 million to next year's budget for child care funding, a step which if implemented would ameliorate one of the harsh impacts of the Deficit Reduction Act.

Supporters of more tax cuts for the rich rely on the trickle-down theory of economic growth and the truism that a bigger economy will bring in more tax dollars. This has become an article of faith for politicians who stake their political futures on opposition to taxes. But Bruce Bartlett, a conservative economist and advisor to the first President Bush, says it's time for these politicians to recognize that in the current situation, a cut in tax rates will make the deficit worse. Writing in *The Washington Times*, Bartlett said: "The fact is that it is only in very exceptional circumstances that there would even be the possibility of a tax cut that would so stimulate growth that it would pay for itself. Even the Bush Administration admits this."

