



A Time to *'Tank'*

By Matthew J. Brouillette

Think tanks are seemingly conflicted institutions. As nonpartisan, nonprofit educational organizations dedicated to researching and developing public policy solutions, we do not and we cannot legally engage in electoral politics. Yet, at the same time, our success as institutions is fully dependent on politicians to bring our policy ideas to fruition. So how do we, as think tanks, effectuate policy and ideological change when we can't and don't engage in direct political action.

At 2:00 a.m. on July 7, 2005, we at the Commonwealth Foundation—Pennsylvania's free-market think tank—had to answer that

question. It was on this night, in the wee hours of the morning, that the Republican-dominated Pennsylvania General Assembly decided to make themselves the highest paid state lawmakers in the nation—and violate the state Constitution in the process. In the days and weeks following that fateful night, the Commonwealth Foundation had to decide how to weigh in on the civic crisis.

A little more background may be helpful in understanding how we decided to use this new political opportunity to advance our policy agenda. In addition to boosting the pay of the judicial and executive branches,



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the “Harrisburg Hogs” (as our legislature was affectionately called by *The Wall Street Journal*) awarded themselves salary increases upwards of 54 percent. This was on top of already generous health care benefits, lucrative pensions, free SUVs and luxury cars, and \$130 daily stipends just for showing up for work.

The constitutional violation occurred when the General Assembly sidestepped a prohibition against legislators collecting a salary increase during the term in which it is approved. Ignoring the people’s contract with their government, many lawmakers began taking thousands of dollars per month in added compensation defined as “expenses” 16 months early.

Lawmakers knew there would be an outcry, but they believed the backlash would be short-lived. They were counting on history to repeat itself, as in 1995 when the General Assembly passed an automatic annual cost-of-living pay increase that was supposed to be the “pay raise to end all pay raises.” The public was outraged then, but the anger subsided and not a single lawmaker lost his or her seat because of a pay raise vote.

What a difference a decade makes. In 2005, the fury never dissipated. Four months after the pay raise, in the November election, Pennsylvania voters were looking to vent their frustration with Harrisburg. The only statewide ballot races were retention elections for two state Supreme Court Justices. Pennsyl-

vania Supreme Court Justices are subjected to a retention vote every ten years. Most are retained by wide margins.

Political pundits scoffed at the notion that Justices Russell Nigro and Sandra Newman would be removed from the bench because of the pay raise. But Supreme Court Chief Justice Ralph Cappy lobbied for and defended the new law. His role in the pay raise scandal was not lost on the citizens of Pennsylvania and it placed the two associate justices in the cross-hairs of angry voters. The result? Nigro was ousted from office and Newman was retained by a slim margin.

The General Assembly quickly returned to Harrisburg after the historic judicial retention election and repealed the pay raise. They hoped to throw water on the brush fire that was burning across our commonwealth. But they couldn’t douse the flames. Indeed, by the beginning of the new year, nearly 30 members of the 253-member legislature announced their retirements. All of them either voted for the pay raise and/or refused to return their unconstitutionally acquired increases in salary (which boosted lawmakers’ pensions by thousands of dollars).

But the voters were not done yet.

In May 2006, more incumbents lost their primary races to same-party challengers than in the previous eight primary elections combined. In total, 17 incumbents were defeated, including the two highest posts in the Senate—the President Pro Tempore and Major-



ity Leader. These two GOP legislative leaders could not garner more than a third of the vote against a county commissioner and a tire salesman—despite outspending their challengers by more than \$2 million.

Political observers now believe that another wave could come crashing down on incumbents in the fall. When all is said and done, 50 to 60 new faces could be coming to Harrisburg in January 2007. A 20-percent turnover rate in a town with an historic recidivism rate of 98 percent—99 percent has turned our capitol on its head. In addition to the necessary reorganization in the Senate, a coup may occur against the GOP House leadership who also led and adamantly defended the pay raise but survived their primary election challenges.

So how does all of this relate to a non-partisan, nonprofit think tank?

Although the 2005 pay raise lit a powder keg in Pennsylvania, explosive material had been piling up in Harrisburg for decades. Despite a decade of Republican control of the General Assembly (by wide margins) and promises to limit government and restrain spending, state government continues to spend out of control while the commonwealth's economy sputters.

The numbers are ugly. Job growth, income growth, population growth, and other key economic indicators remain anemic relative to the rest of the nation. Employment in government now exceeds employment in manufacturing jobs—the sector that built our commonwealth. These issues finally became electoral factors in light of the pay-raise scandal. The advantages of incumbency were mitigated, and challengers were able to appeal to the electorate on a relatively level playing field.

In the key Republican races, all of the victorious challengers ran on more than the pay raise. They utilized the years of research and the policy agenda of the Commonwealth Foundation to make a strong case for the need for change. They talked about the failure of

the incumbents' efforts to tax, borrow, and spend our state to prosperity. They argued for the need for more choice and competition in education. And they committed themselves to restoring the ideals of public service and reforming the culture of self service that has overtaken our state capitol.

We certainly didn't bring attention to the culture of Harrisburg alone. In fact, we were part of a coalition that brought together organizations from all points along the ideological spectrum. While we would never agree on many important policy positions, we were able to coalesce around the need for more open, transparent, and accountable government.

We worked closely with Common Cause, the League of Women Voters, the Pennsylvania Council of Churches, and others from the political Left. The newly created Young Conservatives of Pennsylvania and the Pennsylvania Club for Growth pushed from the political Right. It hasn't been a Democrat and Republican fight; it has been a battle between us (the people) and them (the political establishment).

We couldn't be more excited about the future of Pennsylvania. The dark clouds of the July 2005 pay raise have provided a silver lining for our policy agenda, even before a new legislature convenes in January 2007. Principles are already being championed, and power continues to be challenged.

We still have a long, long way to go before we fully salvage the ideals of public service and limited government that made Pennsylvania the cradle of American liberty. The Commonwealth Foundation is proud of the role it and its supporters have played in beginning that restoration process. So far we're enjoying the bumpy ride in the tank.

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