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NEWS RELEASE

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## **Bipartisanship is a Two-Way Street** **by Senator Larry Craig**

“Bipartisanship” is defined as something “marked by or involving cooperation, agreement, and compromise between two major political parties” – at least, that’s what Merriam-Webster tells us. To many Democrats in the new Congress, however, bipartisanship means a one-way street, where conservatives should vote for liberal policies. Let me explain what I mean by that.

In the first days of the 110<sup>th</sup> Congress, the Democrat-controlled House of Representatives already passed new pay-as-you-go (PAYGO) budget rules that will restrain tax relief and make tax increases easier to approve. President Bush agreed to a minimum wage hike in the name of bipartisanship; and both Speaker Pelosi and President Bush – on separate occasions – made clear that tax increases are on the table.

These policies fail both in practice and in principle – and in large part, Americans agree. Gallup recently asked the American public what could be done to improve the nation's economy, and among the top suggestions were improving the job situation, cutting taxes, and controlling spending.

Far from reducing federal spending, PAYGO budget rules – which Democrats recently pushed through the House under the guise of restoring fiscal responsibility – will actually make spending more difficult to control. Under the Democrats’ PAYGO plan, new entitlement programs and all new tax cuts will require reductions in spending elsewhere in the budget, known as offsets. But the Democrats’ PAYGO rules apply only to new entitlement spending, so they will do nothing to clean up current entitlement programs – which will consume nearly 50 percent of all federal income taxes in 2030, compared to 6.9 percent today.

In addition, PAYGO rules will restrain tax cuts – such as Republicans’ pro-growth tax relief of 2001 and 2003 which, in part, led the U.S. economy to 58 consecutive months of growth, a 35 percent increase in revenues, and 7.2 million jobs created since 2003. Under PAYGO, tax relief measures will now have to be “paid for” by large cuts in the budget, and historically, Democrats have not allowed that to happen. With Democrats running the show, American taxpayers will be given front row seats to watch essential tax cuts of years past – and the revival they brought to the U.S. economy – slowly expire.

An increase in the federal minimum wage – which the House recently passed – also will hurt, not help, American workers. For nearly 60 years, studies have confirmed – and common-sense economics

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tells us – that increasing the minimum wage does not necessarily mean more money for American workers. When Congress forces employers to raise wages, it means many workers become more expensive to employ. To pay for this greater expense, jobs are cut, employee benefits and hours are reduced, and because jobs are more expensive to create, fewer are created. As a result, the pool of minimum-wage jobs for new job seekers shrinks.

The Democrats' initial policies in the new Congress are not bipartisan – they're just plain bad. Many Democrats seem to believe that bipartisanship means Republicans compromising our principles instead of negotiating on the Senate floor. I want to make clear that Republicans' new status in the minority does not mean a blank check for liberal policies. Real bipartisanship means give-and-take on both sides of an issue, not one side giving and the other side taking. Real bipartisanship is a two-way street.