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CONGRESS VS. AMERICA: HOW CONGRESS RAISES ITS OWN PAY

INTRODUCTION

Only ten months after an avalanche of public opposition blocked its fifty percent pay raise plan, Congress successfully engineered a sizeable pay hike for itself in the waning moments of the 1989 congressional session. It was a bipartisan, midnight raid on the Treasury, passed under the guise of "congressional ethics reform,"[1] and it will eventually cost taxpayers more than $100 million annually.[2] It will lift the salaries of House members to $125,000 per year by 1991, a 40 percent raise, and of Senate members to $98,000 per year, a 10 percent raise. With the pay boost, United States legislators will now receive a larger pay check than 98 percent of American workers. House members will earn four times more than the median income American wage earner. Moreover, more than 300 legislators would be elevated to the ranks of pension millionaires when they retire.[3]

Unjustifiable Method. A case can be made, of course, that the 535 women and men who make the nation's laws deserve to be among the top 2 percent

1 This pay raise was a provision of the "Government Ethics Reform Act of 1989."

2 National Taxpayers Union, "Not the Time to Raise Congressional Salaries," Washington, D.C., 1989.

3 This means that legislators' lifetime retirement pensions will exceed $1 million. See National Taxpayers Union, "Congress to Become Pension Millionaires Club If Pay Raise Approved," Press Release, November 15, 1989.

of the nation's wage earners. What cannot be justified is the way that Congress raises its salaries. Were the executive branch or businesses or private individuals to act in a similar way, they would be universally denounced (surely by members of Congress) and probably tossed into jail. The way that Democrats and Republicans in Congress enacted and intend to defend their pay hikes once again demonstrates that it is Congress *vs.* America.[4]

Many Americans justifiably are outraged by the clandestine methods Congress used to secure this pay hike. The details of the pay raise package were kept secret until less than 24 hours before lawmakers voted on it. They did this, as dictatorial regimes worldwide would, to mute public opposition to their salary grab. Debate in the House was limited to just two hours. After the House approved the bill, more than a dozen high ranking House members marched to the Senate to press their upper chamber colleagues to follow suit, or as it is put by *Roll Call*, a weekly journal that monitors Congress, "mobbing their colleagues in the cloak room and on the Senate floor." To secure the pay raise, the Senate even unashamedly waived a rule of the budget act prohibiting introduction of bills that would increase the deficit. Observed one high ranking Senate aide: "If Congressmen worked half as hard to reduce the deficit as they did to pass this pay increase, we would surely have a balanced budget by now."[5]

Keeping Voters in the Dark. The Star Chamber proceedings to pass the pay hike were bad enough. Much worse is the agreement between Democrat and GOP congressional leaders to form a pact to prevent America's voters from learning the truth about the pay hikes. They promised each other that they would not make an issue of the hikes in next year's congressional election campaigns. In effect, the two parties are conspiring to choke off any political opposition to the pay raise. The Democratic and Republican Congressional Campaign Committees have agreed tentatively to withhold campaign funds from challengers in the 1990 elections who criticize an incumbent for voting for the pay raise. According to a written agreement known as "the non-aggression pact" (inadvertantly conjuring up the image of the Hitler-Stalin Pact) signed by top leaders of both parties: "The vote on [this bill] is not an appropriate point of criticism in the coming campaigns. We will publicly oppose the use of this issue in any campaign in the 1990 cycle."[6] This incumbency

4 Gordon S. Jones and John A. Marini, eds., *The Imperial Congress: Crisis in the Separation of Powers* (New York: Pharos Books, 1989); Mark B. Liedl and Douglas A. Jeffrey, "Congressional Ethics and the Administrative State," Heritage Foundation *Backgrounder* No. 743, December 13, 1989; Senator Pete Wilson, "The Congressional Frank: A Simple Case of Abuse," *Heritage Lecture* No. 221, September 29, 1989; Mark B. Liedl, "There They Go Again: Congress's Double Standard on Disabled Americans," Heritage Foundation *Executive Memorandum* No. 254, October 23, 1989.

5 *Roll Call*, November 27, 1989, p. 37.

6 "Non-Aggression Pact Won't Halt Pay Raise," *Roll Call*, November 27, 1989, p. 1.

protection measure suggests that legislators descend to an even lower level of ethical conduct in order to avoid the risk of losing what they insist are "severely underpaid jobs."

Grass Roots Opposition. Despite these elaborate defense mechanisms to avert political accountability for the pay raise vote, taxpayers are already beginning to rebel en masse. A poll conducted last month by the Wirthlin Group finds that 77 percent of the public "disapprove" of the salary increase.[7] Many citizens groups throughout the country are mobilizing to seek the immediate repeal of the pay hike. Says Alan Keyes, an Assistant Secretary of State in the Reagan Administration and now president of the Citizens Against Government Waste: "Americans don't believe Congress deserves a raise because they don't believe Congress is doing a good job."[8]

The fatal conceit of members of Congress, and their 38,000 member staff, is that they have come to regard automatic boosts in pay as entitlements. Not a single legislator, during the House or Senate debate, pointed to recent congressional accomplishments as a justification for the pay boost. This is not surprising. The pay raise is being awarded the same year that 47 members of Congress have been charged with or convicted of ethical misconduct.[9] It comes in a year that Congress missed all of its budget deadlines and will spend some $16 billion more than is permitted under the Gramm-Rudman-Hollings budget deficit targets.

Objective Standard. In the private sector, by contrast, pay raises are awarded for productivity improvements and better overall company performance. Today an estimated 70 percent of Americans work under some type of merit pay or profit-sharing scheme. Several recent studies have documented that performance based pay can boost employee productivity by 5 percent to 10 percent per year.[10]

Before Congress receives a penny of its pay raise, therefore, it should be placed under the same type of pay for performance standards that have been adopted successfully by private employers. The Gramm-Rudman-Hollings (GRH) deficit reduction targets provide just such an objective standard for assessing Congress's performance. Congress should receive its pay raise only if at the end of the fiscal year it has met its self-imposed deficit ceilings. If targets are not met, it is reasonable for taxpayers to conclude that Congress has

7 The poll found that 60 percent of Americans "strongly disapprove" of the measure and 17 percent "somewhat disapprove." *Ibid.*, p. 34.

8 "Keyes Urges Anti-Waste Performance Pay for Congress," Citizens Against Government Waste, Press Release, September 28, 1989.

9 *Roll Call, op. cit.*, p. 36.

10 Daniel Mitchell, David Lewin, and Edward E. Lawler, "Alternative Pay Systems, Firm Performance and Productivity," Brookings Discussion Papers, 1989; Tom Peters, *A Passion for Excellence* (New York: Warner Books, 1989); Corey Rosen and Michael Quarrey, "How Well Are ESOPs Working?" *Harvard Business Review*, September-October 1987; Martin L. Weitzman and Douglas L. Kruse, "Profit Sharing and Productivity," Brookings Discussion Papers in Economics, February 1989.

not done its job, and that members' pay should stay frozen, or perhaps even be cut somewhat.

Lawmakers should adopt a pay-for-performance plan early next year when the congressional pay increase and honoraria ban issues are expected to be revisited. Congress should also at that time publicly repudiate the non-aggression pact designed solely to shield legislators from political accountability for their actions. Senator Don Nickles, the Oklahoma Republican who chairs the National Republican Senatorial Committee, has refused to participate in this pact.

The overwhelming public opposition to raising congressional pay is an unmistakable signal of Americans' displeasure with the performance of Congress as an institution. Taxpayers rightly do not believe they are receiving value for their money from the legislative branch. Only when lawmakers start to eliminate wasteful spending and discipline themselves to comply with their self-imposed Gramm-Rudman-Hollings deficit reduction timetable that is supposed to achieve a balanced budget by 1993 will taxpayers regard a congressional pay raise as money well spent.

CONGRESSIONAL PAY: TWO CENTURIES OF CONTROVERSY

Congress's current efforts to deflect public criticism from the hefty pay raise it has voted itself are understandable. Since 1789, when Congress set its first rate of compensation at $6 per day in session, and was soundly rebuked for its profligacy, Congress has increased its pay only at its own political peril.[11]

Indeed, the public has a long history of hostility toward large congressional pay raises of the magnitude that the House has just awarded itself. When in 1816 the legislature voted its first pay raise, a 60 percent increase, it ignited a massive public protest. According to a history of the pay raise issue prepared by *Congressional Quarterly*: "In Georgia members who supported the increase were burned in effigy. Nashville residents demanded that every member of the Tennessee delegation who voted for the raise vacate his seat."[12] In all, voters in eight states replaced all or most of their Representatives in the 1816 elections.

Avoiding Responsibility. Even greater political fallout resulted from an eleventh hour 50 percent congressional pay raise passed on the last day of the 1873 session. This highly unpopular congressional action, which was immediately dubbed the "Republican salary grab," was an important factor in the defeat of 96 incumbent Republican House members in 1874 and a turnover of House control back to the Democrats.

11 For a thorough review of the congressional pay raise issue over the last two centuries see: "Raising Member's Pay: The Two Hundred Year Dilemma," *Congressional Quarterly*, February 4, 1989, pp. 209-212.
12 *Ibid.*

Because of this substantial historical voter resistance to congressional pay raises, Congress in recent decades has attempted to insulate itself from responsibility for inflating its own pay. Legislators have created "independent" commissions and given them instructions to make studies that inevitably result in recommendations for pay hikes. They have relied on the White House to lend credibility to pay measures and to quiet public opposition. In 1987 they even devised an elaborate voting procedure whereby a 15 percent pay raise went into effect even after a majority of members officially vote against it, thus allowing lawmakers to tell angry constituents they opposed the measure.[13] This spawned the cynical slogan: "Vote 'no' and take the dough."

"Ethics for Sale?" In January 1989, legislators' hopes of a 51 percent pay hike were squashed by a surge of voter protest. Tens of thousands of Americans sent to their representatives tea bags, reminders of the Boston Tea Party, with a concise message attached: "Read my lips: no pay raise." This forced Congress to back down, but not for long. In early fall, congressional leaders began planning for another attempt at a pay hike. Their aim, obviously, was to avoid the public outrage that had sunk their earlier attempt. Thus they intentionally rammed the new pay hike through both the House and Senate before organized public opposition could be mounted. Within three days of the public release of the pay package, the bill was enacted into law. Passage of this legislative lightening bolt was further facilitated by the shrewd ploy of linking the pay raise to ethics reform. The result: legislators can say that their higher salary is part of a cleaner government measure. This defense is questionable, however, since several urgent congressional ethics reforms were omitted from the package.[14] In addition, there was no justification for attaching a pay raise to this reform package. Senator Jesse Helms, the North Carolina Republican and a vigorous opponent of the pay hike, chided his colleagues for this ethics charade by stating: "We are saying that this ethics bill is so important that we had to vote for it even though it just happens to provide a 35 percent pay hike....But since when are ethics for sale?"[15]

Then, to avoid the political penalty of their deeds, congressional leaders of both parties agreed privately to their version of the Hitler-Stalin "non-aggression pact." In essence, they will avoid making the pay raise a political issue in the 1990 congressional elections and will attempt to withhold campaign funds

13 Even this political insulating mechanism proved only marginally successful. Many political analysts believe Senator John Melcher of Montana lost his seat in the 1988 election because he voted for the 1987 pay raise.
14 Although the bill contains some ethics reforms, including restrictions on honoraria income, other questionable congressional practices will continue. For instance, lawmakers rejected an amendment to repeal immediately "the grandfather clause" of the 1971 Federal Election Campaign Act. This allows legislators to spend unused campaign contributions for their personal use. The total amount this unspent war chest may be over $35 million. If Representative Dan Rostenkowski, the Illinois Democrat, for instance, were to retire next year, he could walk away with more than $1 million in leftover campaign contributions. See "Benefits Ease Path of Congressional Retirees," *The Washington Post*, February 6, 1989.
15 *Congressional Quarterly*, November 17, 1989, p. 15947.

from members of their parties who address this issue. This attempt to stifle political free speech for personal gain further demonstrates that these members are unworthy of the pay increase. This attempt by both parties to create a political monopoly on the pay issue and to force out of the electoral process all other competitors is blatantly anti-democratic.

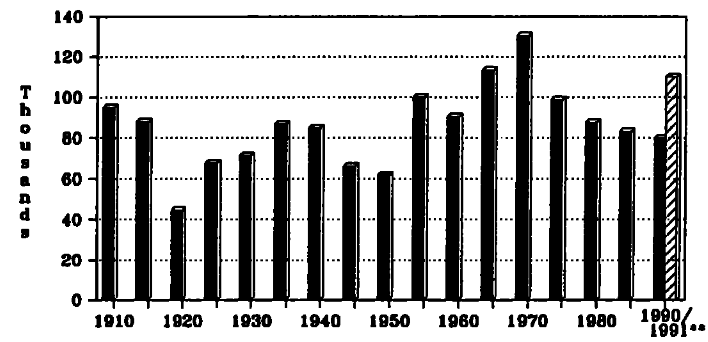
ARE U.S. CONGRESSMEN UNDERPAID?

Supporters of the congressional pay raise argue that to attract qualified people to serve in government, and to keep them there, they must be paid a fair salary. There is some merit to this argument. It is true, for example, that legislators have expenses not incurred by the typical American family, because they must maintain homes in Washington and in their home district or state. There is also some truth – but not much – to the argument that if congressional salaries are not generous, only independently wealthy individuals will be able to afford to hold office.

An argument thus can be made that Congress is underpaid. A stronger case, however, can be made refuting this. Figure 1 shows congressional pay adjusted for inflation since 1900. Legislative pay without the increase in compensation is already about 5 percent above the average for this period. In none of these election years has America failed to attract good people to Congress. During the 1980s, furthermore, a period when budget deficits exploded into triple digits, congressional pay outpaced inflation by 14 percent.[16] Today, legislators make three times more than the average American family, and this will rise to almost four times more for House mem-

Figure 1

Congressional Pay Adjusted for Inflation, 1910–1990*



*Figures in 1988 dollars. Average for 80 year period, $84,000.
**With pay raise
Heritage InfoChart

16 "Not the Time to Raise Congressional Salaries," *op. cit.*

bers once the pay raise takes effect. In fact, just the House pay raise itself is more money then the typical American earns. In addition to their salaries, members of Congress receive many additional fringe benefits. Example: an allowance for frequent travel back from Washington to their home districts, a large staff, mailing privileges, and lucrative pensions.[17] With the pay raise, many congressional members will receive pension benefits of more than $100,000 a year when they retire.

Low Turnover. In the private sector a principal determinant of whether workers are receiving ample compensation is the "quit rate" or percentage of people leaving their jobs voluntarily. If turnover is high in an occupation or at a given firm, this is a powerful market signal that pay rates may be too low to retain good workers. In the private sector, across industries, the voluntary quit rate is about 10 percent. In the Congress the voluntary quit rate, or the percentage of members resigning, is about 5.5 percent at the end of each term, or less than 3 percent per year.[18] The National Taxpayers Union reports that "only 15 of 535 members of Congress voluntarily quit politics this election cycle, and few if any of these 15 cited pay as a major cause of their decision to retire."[19]

Assured tenure in Congress, moreover, is rising. According to the *Vital Statistics on Congress*, today a higher percentage of House members have been in Congress for more than eight years than at any period since 1950 – the last year data were provided.[20] Today 72 percent of House members are in at least their fourth term compared to only 55 percent in the early 1950s. Clearly, the low pay legislators complain of is not inducing members to leave. The low turnover in Congress has prompted some, including Nobel laureate economist Milton Friedman, to call for a maximum number of terms for Congress.

Permanent Ruling Class. Those who argue that a congressional pay raise is "good government," fail to see that a combination of high pay, prestige, and perks given to members of the U.S. Congress has promoted – in the House of Representatives, at least, the chamber that is intended to be the closest to the people – a permanent ruling class.[21] Furthermore, it is not low pay but the stratospheric cost of running a successful campaign for Congress that keeps moderate income Americans from running. In 1988, political action committees gave $132 million to congressional candidates,[22] and 87 percent of this went to incumbents. Curiously, campaign finance reform was not part of the "ethics reform" accompanying the pay raise.

17 The National Taxpayers Union estimates these perks to be worth more than $30,000 per year for each legislator. *Ibid.*

18 Some of those who quit the House did so only to run for the Senate. Norman J. Ornstein, Thomas E. Mann, and Michael J. Malbin, *Vital Statistics on Congress* (Washington, D.C.: American Enterprise Institute, 1989-90).

19 "Not the Time to Raise Congressional Salaries," *op. cit.*

20 *Ibid.*, pp. 17-18.

21 Jones and Marini, *op. cit.*

22 Ornstein, Mann, and Malbin, *op. cit.*, p. 99.

Based upon recent congressional performance, lawmakers would not seem to warrant a raise. Public opinion polls since 1985 have ranked the federal budget deficit one of the single greatest threats to the nation.[23] Yet Congress has managed to balance the budget only once since 1960. Since 1985 it has never met its Gramm-Rudman-Hollings targets. And since 1980 the size of the national debt has tripled. On November 7, Congress was forced to raise the debt ceiling to $3.12 trillion, a revealing testimony to its failure to control federal red ink. Undaunted, three days later, House members voted themselves their 40 percent raise. Ironically, Congress had to waive a provision of the Budget Act which disallows bills that would increase federal red ink in order to boost its salary.

A PRIVATE SECTOR SOLUTION – MERIT-BASED PAY

The 1980s has witnessed a resurgence in America in the concept of merit-based pay for workers, as private industry has been forced to improve its global competitiveness. Last year, the pay of some 70 percent of private sector American workers was tied directly to individual productivity and corporate profitability.[24] These pay-for-performance schemes include: merit raises, bonuses, commissions, and various forms of profit sharing. The number of employee stock ownership plans (ESOPs), for example, has grown from 6,000 in 1982 to 10,000 in 1989. Over this period the number of employees participating in ESOPS has doubled from less than 5 million to almost 11 million.[25]

The primary reason for the rise in popularity of incentive-based pay programs among U.S. employers is that they work. According to Tom Peters, co-author of *In Search for Excellence: Lessons from America's Best Run Companies*, "Employee incentives are the key to quality and productivity in the workplace."[26] Over the past decade, many of America's most profitable corporations – including Ford Motor Company, Hewlett-Packard, Proctor & Gamble, and Bell Atlantic – have adopted pay for performance standards. At Avis Rent-A-Car operating profits leaped by 35 percent the year after employees took over 100 percent ownership. Ford's profit sharing program, introduced in 1983 in combination with other cost cutting strategies, reversed $1 billion a year losses from 1979-1982 to $3 billion per year profits from 1985 to 1987.[27] Last year high worker productivity at Ford triggered profit sharing bonuses of $2,800 per worker.

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23 *Public Opinion*, July-August 1988, pp. 34-35.

24 This figure is based on recent business surveys. See "Grading Merit Pay," *Newsweek*, November 14, 1988, pp. 45-46.

25 "ESOPS: Are They Good for You?" *Business Week*, May 15, 1989, pp. 116-123.

26 Thomas J. Peters, "Rediscovering Productivity's Secret," *U.S. News & World Report*, February 17, 1986, p. 50.

27 "Can Ford Stay On Top?" *Business Week*, September 28, 1987, pp. 78-86.

Responding to Incentives. Several careful studies document that linking worker compensation to worker output promotes higher rates of employee productivity and corporate profitability. Economists Martin Weitzman of the Massachusetts Institute of Technology and Douglas L. Kruse of Rutgers University reviewed fifteen studies on the effects of incentive pay and found in each a "positive link...between profit sharing and productivity."[28] This was confirmed in a 1989 study by a UCLA team headed by economist Daniel Mitchell that found productivity to be 5 percent to 10 percent higher in firms with profit sharing than those without incentive pay.[29]

Clearly workers do respond to incentives. There is no reason to think that Congress is exempt from these productivity-enhancing effects.

A PAY-FOR-PERFORMANCE PLAN FOR CONGRESS

Past Proposals

The idea of linking congressional pay to results is not new. In the early 1960s, then Representative William Brock, the Tennessee Republican, introduced legislation tying legislative pay to the level of spending cuts in the budget passed by Congress. The act was quickly dismissed by Congress and never voted on. In 1982, the year federal deficit spending first surpassed the $100 billion mark, then-Heritage Foundation John M. Olin Senior Fellow Richard B. McKenzie proposed a "Deficit Reduction Pay Schedule" for Congress.[30] This pay schedule was designed to give members of Congress a substantial personal financial incentive for cutting federal red ink. For instance, if members cut the budget in half, their pay would rise to $175,000 per year. If they balanced the budget they would be awarded a $500,000 paycheck.

Dampened Momentum. In the 100th Congress, then-Representative Dan Lungren, the California Republican, introduced legislation, the "Pay for Performance Act," to cancel congressional pay in any year that the legislature failed to pass each of its 13 appropriations bills separately and on time. This innovative proposal was presented in the wake of seven straight years of Congress wrapping its budget bills into a single year-end, take-it-or-leave-it, half trillion dollar continuing resolution. This pay-for-performance bill dampened the momentum of the January 1989 pay raise plan, but was never adopted.

Most recently, Citizens Against Government Waste, a Washington-based citizens group whose objective is to promote the budget-saving recommendations of the 1983 Grace Commission, called this September for merit pay for Congress. It suggests a "performance salary review commission" to certify

28 Weitzman and Kruse, *op. cit.*, p. 48.

29 Mitchell, *op. cit.*

30 Richard B. McKenzie, "Incentives for a Balanced Budget," Heritage Foundation *Backgrounder* No. 207, August 27, 1982.

that "waste is being eliminated from the budget," before any congressional pay raise would take effect.

The Gramm-Rudman-Hollings Pay-for-Performance Plan

Private sector pay-for-performance plans are most successful when they are linked to a clearly observable, meaningful, and objective goal. For Congress, such a goal exists: meeting annual Gramm-Rudman-Hollings (GRH) deficit cutting targets.

Under this kind of merit-based pay scheme, congressional pay raises would be awarded when Congress complies with its lawful responsibility of cutting spending to reach GRH targets. At the end of each fiscal year, the Congressional Budget Office (CBO) or the Office of Management and Budget (OMB) could calculate the official budget deficit for the year just ended. If the recorded budget deficit exceeds the GRH deficit ceiling for that year by more than the allowable $10 billion "margin of error," Congress's pay would be frozen or even cut. If Congress succeeds in cutting the deficit as required by the budget law, a 10 percent pay raise would be awarded. From the taxpayer's perspective, this would be money well spent.

This pay plan not only would force Congress to earn its pay raises; it also would have the added benefit of restoring the integrity of the GRH process. To be sure, the GRH budget law has been a major success for the taxpayer. Since it took effect the budget deficit has plummeted from $221 billion, or 6 percent of gross national product (GNP) in 1986, to $152 billion or 3 percent of GNP in 1989. The deficit in 1989 was some $100 billion below what the Congressional Budget Office had projected it would be at this time before the budget law was enacted.

Budget Tricks. Yet Congress and the White House have sought to circumvent the deficit targets through accounting gimmicks, such as moving programs "off budget," and by relying on unrealistic economic projections in forecasting the deficit.[31] As a result of these budget tricks, deficits have broken through GRH ceilings by an average of $25 billion per year (see figure 2).

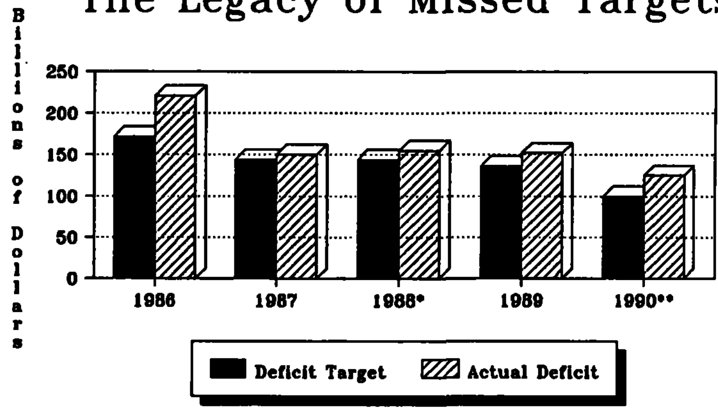
The GRH pay-for-performance plan repairs the defects in the budget law. It restores legislative accountability because if Congress fails to reduce the actual (not the projected) deficit as the law mandates, legislators are punished with a freeze in their pay. This would force legislators to keep a vigilant eye on spending and the deficit target during the course of the year. It would discourage budget-busting supplemental appropriations bills and fourth quarter spending, and it would encourage money saving program rescissions — that is, cancelling appropriated program funding, to trim spending below the limit. To avoid the "off-budget" trick, the pay-for-performance plan might include a second enforcement mechanism that would disallow a pay raise if the na-

31 Stephen Moore, "Congress's Dirty Dozen: Budget Process Horror Stories," Heritage Foundation *Backgrounder* No. 602, September 10, 1987.

would disallow a pay raise if the national debt rose by more than permitted under Gramm-Rudman-Hollings. In short, the proposal would build renewed discipline into the chaos of the current budget process.

Congress will have several opportunities to adopt this Gramm-Rudman-Hollings pay-for-performance plan. These include:

Figure 2
Gramm-Rudman-Hollings: The Legacy of Missed Targets



Source: Congressional Budget Office, 1989.

Heritage InfoChart

*The original targets were revised in 1987. Under the original law the budget was to be balanced by 1991.
**Congressional Budget Office, Deficit Forecast, October 1989.

♦ ♦ In January the House will be pressured to scale down its pay raise to the level approved by the Senate.

♦ ♦ In the Senate several lawmakers, including Democrat Timothy Wirth from Colorado, have vowed to force a vote to ban honoraria. At that time, the pay issue will resurface.

♦ ♦ Both chambers will address budget reform in the spring of 1990. A top agenda item will be strengthening enforcement of the Gramm-Rudman-Hollings law. Congress could institute the pay-for-performance plan at this time.

CONCLUSION

Opinion polls reveal that the American public now holds Congress in low esteem. Only 20 percent of Americans now have high confidence in Congress according to a July 1989 Louis Harris and Associates survey. It is no wonder. This past year the institution has been under siege. Senior citizens revolted after Congress imposed a sizeable tax increase on them to pay for catastrophic health insurance benefits they did not need or want. Ethics violations have forced House leaders to resign. Several other prominent Senate and House members have been implicated in the multi-billion dollar scandals at the Department of Housing and Urban Development and in the savings and loan industry crisis. And Congress again has veered far off the Gramm-

Rudman-Hollings track that is supposed to lead to a balanced budget by 1993.

Restoring Discipline and Accountability. Oblivious to public disdain, most members of Congress firmly believe they are entitled to their 40 percent pay raise. In the private sector the American workers who pay these legislators' salaries do not receive pay raises by entitlement or an act of law. They earn them. It seems inconceivable that any private corporation wallowing in billions of dollars in debt would reward its management team with a 40 percent across-the-board pay raise.

Within the walls of Congress, pay for performance would certainly be a revolutionary and unwelcome concept. But it might be a significant step in restoring fiscal discipline and accountability to Capitol Hill.

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