

If Trump is Forced Out, What Would a President Pence Economic Policy Look Like

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Donald Trump remains president of the United States and he still has time to solidify his hold on the presidency.

However, if he doesn't get his act together soon and bring in serious players around him who know how to defend against the constant barrage of attacks against him, Trump could be forced to leave the Oval office because of a thousand nonsense hit leaks. At such time, current Vice-President Michael Pence would assume the presidency.

With that potentiality lingering in the air, lets take a look at how economic policy would be implemented in a Pence administration and how it would differ from Trump economic policy.

First,
some background.

Pence is 57 years old. He was elected to the United States Congress in 2000 and represented Indiana's 2nd congressional district and Indiana's 6th congressional district in the United States House of Representatives from 2001 to 2013.

He then served as the 50th Governor of Indiana from 2013 to 2017.

Raised a Catholic, he now considers himself an evangelical Christian. This means that on many foreign policy issues, especially concerning Israel and the greater Middle East, his thinking is in line with that of the war hawk neoconservatives.

This essay is primarily about economic policy so I will end the discussion of Pence's religious, cultural and foreign policy views here.

Pence is likely to proceed with some version of Trump's tax cut proposal if he becomes president but may be more conservative on the spending side,

Upon becoming Governor of Indiana in January 2013, Pence initiated the largest tax cut in Indiana's history but also continued to increase the state's budget surplus.

Pence inherited a \$2 billion budget reserve from his predecessor, Mitch Daniels, and the state added to that reserve under his watch,

Pence made tax reform, namely a 10% income-tax rate cut, a priority for 2013. While he did not

get the 10% cut he advocated, Pence did accomplish his goal of cutting state taxes. Legislators cut the income tax by 5% and also killed the inheritance tax. Speaker of the House Brian Bosma said that the legislative package was the "largest tax cut in our state's history, about \$1.1 billion dollars." By signing Senate Bill 1, the state corporate income tax also would be dropped from 6.5% to 4.9% by 2021, which would be the second-lowest corporate income tax in the nation. The law also permitted Indiana counties to eliminate the business personal property tax on new equipment and let them exempt small businesses with less than \$20,000 worth of equipment from paying personal property taxes.

Despite these cuts, Pence was able to increase the government surplus.

He has been a proponent of a flat federal tax rate.

While he was in Congress, Pence was a co-sponsor of H.J.Res.73, a 2011 spending limit amendment to the U.S. Constitution. This amendment would limit federal spending to "the average annual revenue collected in the three prior years, adjusted in proportion to changes in population and inflation"

Pence also appears to be against laws and regulations that hinder businesses from hiring. This is in line with Trump.

While he was in Congress, in 2007, Pence voted against the raising of the federal minimum wage to \$7.25 (from \$5.15) an hour over two years, stating that it would "hurt the working poor"

In 2013, as governor, Pence signed a law blocking local governments in Indiana from requiring businesses to offer higher wages or benefits beyond those required by federal law.

Another plus, he probably is a little less friendly to banksters than Trump.

While in Congress, Pence opposed bankster bailouts. He opposed the Troubled Asset Relief Plan (TARP) of 2008. and the auto industry rescue package of 2008–09, which guided General Motors and Chrysler through bankruptcy.

At the same time, he was against the horrendous Elizabeth Warren legislation that hampered banking. He voted against the Dodd–Frank Wall Street Reform and Consumer Protection Act.

On the immigration question, he has been somewhat anti-open immigration but with some inconsistencies, He would likely be less aggressive on the immigration front than Trump but not by a lot (there would be no wall) .

While in Congress, in June 2006, he unveiled an immigration plan (which he described as "No Amnesty Immigration reform") that would include increased border security, followed by strict enforcement of laws against hiring illegal aliens, and a guest worker program.

The guest worker program would have required participants to apply from their home country to government-approved job placement agencies that match workers with employers who cannot

find Americans for the job. The plan received support from conservatives such as Dick Armey, but attracted criticism from other conservatives such as Richard A. Viguerie and paleoconservatives Phyllis Schlafly and Pat Buchanan, who viewed Pence as lending "his conservative prestige to a form of liberal amnesty".

In 2009, he opposed birthright citizenship. He co-sponsored a bill that would have limited citizenship to children born to at least one parent who is a citizen, immigrants living permanently in the U.S. or non-citizens performing active service in the Armed Forces.

In 2010, Pence voted against the DREAM Act, which would grant the undocumented children of illegal immigrants conditional non-immigrant status if they met certain requirements. Also in 2010, Pence stated that Arizona S.B. 1070, which at the time of passage in 2010 was the nation's broadest and strictest anti-illegal immigration legislation, was "a good faith to try and restore order to their communities"

As governor, Pence attempted unsuccessfully to prevent Syrian refugees from being resettled in Indiana

With regard to Social Security, Pence supported President George W. Bush's unsuccessful 2005 proposal to partially privatize Social Security by allowing workers to invest part of their Social Security payroll taxes in private investment accounts and reduce the increase in benefits for high-income participants. Pence had previously proposed a similar but more aggressive reform plan than Bush's.

He appears to have more of a leaning toward some privatization of the system than Trump, though gimmicky government-involved "privatization" and not full "leave it to the people" privatization.

And it doesn't mean he just wouldn't monkey with the current system.

When asked in 2010 if he would be willing to make cuts to Social Security, Pence answered, "I think everything has to be on the table." When asked if he would raise the retirement age, he said, "I'm an all-of-the-above guy. We need look at everything on the menu.

With regard to education, Pence is a big time believer in government funding and meddling in education, probably much more so than Trump.

When governor, he supported significant increases in education funding to pre-schools, voucher programs, and charter schools,

As far as trade is concerned, Pence would be much more open to trade than Trump, but crony trade.

He has been a supporter of the North American Free Trade Agreement (NAFTA), During his tenure in the House, he voted for every trade agreement that came before him. He voted in favor of the Central American Free Trade Agreement (CAFTA); in favor of keeping the U.S. in the

World Trade Organization; and in favor of permanent normal trade relations with China. Pence also supported bilateral free-trade agreements with Colombia, South Korea, Panama, Peru, Oman, Chile and Singapore.

Like Trump, he is no fan of global warming theorists.

Pence wrote in an op-ed that "global warming is a myth," saying that "the earth is actually cooler today than it was about 50 years ago". In 2006 and 2009, Pence expressed the view that it was unclear whether climate change was driven by human activity, and in 2009 he told political commentator Chris Matthews that there was a "growing skepticism in the scientific community about global warming". In 2009, Pence led the Republican effort to defeat the American Clean Energy and Security Act (Waxman-Markey), a Democratic-backed bill to cut greenhouse gas emissions through a cap-and-trade system.

On September 27, 2016, however, Pence said "there's no question" that human activity affects both the climate and the environment.

While in the House, Pence "voted to eliminate funding for climate education programs and to prohibit the Environmental Protection Agency from regulating greenhouse gas emissions". Pence also "repeatedly voted against energy efficiency and renewable energy funding and rules" and voted "for several bills that supported fossil fuel development, including legislation promoting offshore drilling".

Pence holds a lifetime rating of 4% from the League of Conservation Voters.

As far as the Federal Reserve is concerned, Pence probably has a better understanding of the Fed than Trump and is more anti-Fed than Trump.

Pence proposed legislation to end the dual mandate of the Federal Reserve (maximizing employment and stabilizing prices), requiring the Fed to just focus on price stability and not full employment.

Most interesting, Pence stated in 2011, "the time has come to have a debate over gold and the proper role it should play in our nation's monetary affairs." Something you are never going to hear from Trump.

Also of note, Pence hired Mark Calabria as his chief economist, Calabria was director of financial regulation studies at the Cato Institute.

Calabria is a beltarian. As I wrote when news broke that Calabria was going to be named Pence's chief economist:

This my friends is what to expect from Beltarians. Free market talk as the state is twisted and tossed by them but always ending up with an expanded state.