



2012 Presidential White Paper #5
June 7, 2011

Former Massachusetts Governor Mitt Romney

INTRODUCTION

The Club for Growth wrote a white paper on Governor Mitt Romney back in 2007. Most of the information below is from that report, but since Romney has been outspoken on several issues since then, we've updated his record to reflect those positions. The Cato Institute, a free market think tank rates the country's governors on a biennial basis. In both their 2004 and 2006 reports, they gave then-Governor Romney a "C" on tax and spending issues.

TAXES

The Club for Growth is committed to lower taxes – especially lower tax rates – across the board. Lower taxes on work, savings, and investments lead to greater levels of these activities, thus encouraging greater economic growth.

When Romney was governor of Massachusetts from 2003 through 2007, he had a mixed record on taxes. During his initial 2002 campaign, Romney refused to sign an anti-tax pledge, but he pledged to balance the budget without raising taxes and touted his fulfillment of that pledge throughout his term. But the details suggest that he broke his verbal commitment. While it is true that Governor Romney did not impose any broad-based tax hikes despite pressure from liberal special interests and an inherited budget deficit, he imposed a slew of fee hikes and tax "loophole" closures, together with spending cuts, in order to eliminate the budget gap.

The largest of these was \$259 million worth of fee hikes in FY 2004, the bulk of which came from higher Registry of Deeds fees.¹ Smaller fee hikes, including higher charges for boaters and golfers, were imposed in FY 2003² and FY 2005.³ Romney also sought \$128 million worth of so-called tax loophole closures for FY 2004;⁴ \$70 million for FY 2005;⁵ and \$170 million for FY 2006, which were later reduced to \$85 million due to a backlash from business leaders.⁶

¹ Massachusetts Executive Office of Administration and Finance, internal documents

² *Boston Herald*, 01/30/03

³ *Knight Ridder Tribune Business News*, 01/09/04

⁴ *Knight Ridder Tribune Business News*, 02/27/03

That said, Governor Romney's single term contained some solid efforts to promote pro-growth tax policy. In May of 2004, Mitt Romney proposed cutting the state's income tax rate from 5.3% to 5.0%—a measure Massachusetts voters had approved in a 2000 referendum, but was blocked by the State Legislature in 2002. The proposed tax cut would have provided \$675 million in relief over a year and a half.⁷ When the Massachusetts Legislature refused to budge, Romney proposed the same tax cut in 2005⁸ and again in 2006 with no success.⁹ Romney was more successful when he took on the State Legislature for imposing a retroactive tax on capital gains earnings. After a bloody fight, Romney succeeded in passing a bill preventing the capital gains tax from being applied retroactively, resulting in a rebate of \$275 million for capital gains taxes collected in 2002.¹⁰ Governor Romney also signed legislation that provided property tax relief to seniors in 2005,¹¹ along with a gimmicky two-day sales tax-free shopping holiday.¹²

Governor Romney's history on tax policy is also scattered with inconsistencies. He opposed Ballot Question 1 to eliminate the state income tax and proposed an auto excise tax on SUVs and a greenfields tax on the development of ocean space.¹³ In 2003, the Governor refused to endorse the Bush tax cuts, earning the praise of Massachusetts liberal congressman Barney Frank,¹⁴ and was even open to a federal gas tax hike.¹⁵ His strident opposition to the flat tax is most curious and difficult to explain since Romney wasn't a political candidate at the time. In 1996, he ran a series of newspaper ads in Boston, New Hampshire, and Iowa denouncing the 17% flat tax proposed by then presidential candidate Steve Forbes as a "tax cut for fat cats."¹⁶ In 2007, Romney continued to oppose the flat tax with harsh language, calling the tax "unfair."¹⁷

In late 2009, the year after his run for president, Romney wrote an article outlining a 10-point plan to boost the economy.¹⁸ It included pro-growth tax policy ideas like blocking the expiration of the 2001 and 2003 tax cuts, but most of the suggested tax cuts were temporary, which would have provided little spur to long-term growth.

SPENDING

⁵ *Knight Ridder Tribune Business News*, 01/29/04

⁶ *Boston Globe*, 03/26/05

⁷ *Boston Globe*, 05/20/04

⁸ *The Providence Journal*, 05/18/05

⁹ *Boston Globe*, 07/01/06

¹⁰ *Knight Ridder Tribune Business News*, 12/02/05 & *Associated Press*, 12/05/05

¹¹ Press release, Mitt Romney, 11/20/05

¹² Press release, Mitt Romney, 07/22/05

¹³ *Boston Herald*, 10/27/02

¹⁴ *Boston Globe*, 04/11/03

¹⁵ *Boston Herald*, 02/08/07

¹⁶ *Hotline On Call*, 04/28/07

¹⁷ *Des Moines Register*, 04/05/07

¹⁸ *USA Today*, 12/2/2009

The Club for Growth is committed to reducing government spending. Less spending enhances economic growth by enabling lower taxes and diminishing the economically inefficient political allocation of resources.

Governor Romney's record on spending must be considered within the liberal political context in which he governed. The Massachusetts Legislature was (and continues to be) dominated by Democrats more interested in raising taxes than cutting government programs. Throughout his tenure, Romney's proposed cuts were met with opposition while the vast majority of his vetoes were relegated to the graveyard of overrides.

On balance, his record comes out more positive than negative, especially when one considers that average spending increased only 2.22% over his four years, well below the population plus inflation benchmark of nearly 3%.¹⁹

Governor Romney receives credit for reducing actual spending unilaterally in Fiscal Year FY2003, even though he entered office halfway into the fiscal year, because of the tremendous spending cuts he forced down the Legislature's throat in January of 2003. Facing a \$650 million deficit he inherited from the previous administration, Romney convinced the unfriendly State Legislature to grant him unilateral power to make budget cuts and unveiled \$343 million in cuts to cities, healthcare, and state agencies.²⁰ This fiscal discipline continued in 2004, in which Romney continued to slash "nearly every part of state government" to close a \$3 billion deficit.²¹

At the same time, Governor Romney clearly loosened the purse strings for FY 2006 and in his proposed budget for FY2007. With surpluses flowing into the state coffers, the Romney administration sought to undo some of the success it had achieved during the initial lean years.²² The result was a budget proposal for 2007 that was a whopping 10.12% larger than the preceding fiscal year.²³

To his credit, Romney attempted to cut down on government spending by streamlining many duplicative and wasteful elements of Beacon Hill. Some of his more ambitious proposals were rejected by his über-liberal Legislature. These include: his plans to overhaul the wasteful Boston Municipal Court and close underused courthouses; merge the Massachusetts Turnpike Authority with the Highway Department; decentralize management of the University of Massachusetts; streamline the Alcoholic Beverage Control Commission; and phase out the obsolete Worcester State Hospital where employees outnumber patients nearly 3 to 1.²⁴

¹⁹ Bureau of Labor Statistics & U.S. Census Bureau

²⁰ *Boston Globe*, 01/30/03

²¹ *Telegram & Gazette*, 02/27/03

²² *Telegram & Gazette*, 01/14/06

²³ Executive Office of Administration and Finance

²⁴ *Telegram & Gazette*, 08/03/03

Governor Romney successfully consolidated the social service and public health bureaucracy and restructured the Metropolitan District Commission.²⁵ Romney even eliminated half of the executive branch's press positions, saving \$1.2 million.²⁶ He also used his emergency fiscal powers to make \$425 million worth of cuts in 2006, taking particular aim at local earmarks, instead of allowing the Legislature to dip into the state's \$1.2 billion rainy day fund.²⁷ While there is no question that Governor Romney's initial fiscal discipline slacked off in the second half of his term, on balance, he imposed some much-needed fiscal discipline on a very liberal Massachusetts Legislature.

Since Romney left the governor's mansion, he has taken several notable positions on major spending issues. He was opposed to the Democrats' stimulus program, but he qualified his opposition by strangely complimenting it. In his book *No Apology*, he wrote, "The 'all-Democrat' stimulus that was passed in early 2009 *will accelerate the timing of the start of the recovery*, but not as much as it could have had it included genuine tax- and job-generating incentives." [emphasis added]²⁸ Such a comment suggests that Romney, on some level, supports discredited Keynesian economics.

A few months before the financial crisis hit in 2008, Romney was already advocating big government solutions. He supported lowering the down payment requirement for "nonprime" borrowers, allowing the Federal Housing Administration to help them acquire a house. He also supported raising the maximum loan amount eligible for FHA insurance so that more people can be served in high-priced areas.²⁹

Months later, Romney publicly supported the Wall Street bailout, saying, "I believe that it was necessary to prevent a cascade of bank collapses."³⁰ When the auto bailout was being considered, Romney stated his opposition in a *New York Times* op-ed with the headline, "Let Detroit Go Bankrupt." But this is misleading because he wasn't 100% opposed to government intervention. He wrote, "It is not wrong to ask for government help, but the automakers should come up with a win-win proposition."³¹

Romney recently reiterated his continued support for ethanol subsidies.³² And his 2008 campaign platform advocated a "dramatic" increase in "federal spending on research, development, and demonstration projects that hold promise for diversifying our energy supply and increasing our energy efficiency."³³ This included research on "fuel technology and

²⁵ *Telegram & Gazette*, 08/03/03

²⁶ *Associated Press*, 01/28/03

²⁷ *Boston Globe*, 11/23/06

²⁸ *No Apology: The Case for American Greatness*, p. 144-145

²⁹ *Strategy for a Stronger America: The Romney Economic Stimulus Plan*, 01/20/08

³⁰ *Politico*, 02/27/09

³¹ *New York Times*, 11/18/08

³² *RealClearPolitics*, 05/27/11

³³ *The Romney Agenda: Ending Energy Dependence*

materials science and automotive technology” along with “basic research in key technologies like improved energy storage.”³⁴

But his 2008 campaign did call for some strong curbs in federal spending. He pledged to veto domestic non-defense discretionary spending that grows more than inflation minus one percent. He also called for reinstating the line-item veto.³⁵

FREE TRADE

Free trade is a vital policy for maximizing economic growth. In recent decades, America’s commitment to expanding trade has resulted in lower costs for consumers, job growth, and higher levels of productivity and innovation.

For the most part, Mitt Romney’s record on trade is fairly good. But it has all the hallmarks of what an average Republican politician would support. He mostly advocates for free trade, but with some exceptions. Here are the good points:

At a speech before top technology executives in 2005, Romney encouraged U.S. companies to sell their products abroad, rather than turning toward protectionism: “We must move ahead in technology and patents. I don't like losing any jobs but we'll see new opportunities created selling products there. We'll have a net increase in economic activity, just as we did with free trade. It’s tempting to want to protect our markets and stay closed. But at some point it all comes crashing down and you're hopelessly left behind. Then you are Russia.”³⁶

Also in 2005, Romney was a supporter of CAFTA, saying, “It does make me chuckle, when you see Congress struggling about whether we should open our trade with Central America. When Asia is looming off the horizon, we're worried about El Salvador and Guatemala?”³⁷

During the 2008 presidential race, Romney released a comprehensive proposal on trade. In it, he advocated the conclusion of the multilateral Doha Round that would achieve broad reductions in trade barriers. He also supported renewing trade promotion authority, which would allow the President to negotiate freer trade without a committee of 535 members of Congress gumming up the works.³⁸

In his recent book, Romney also voiced his opposition to President Bush’s steel tariff decision and President Obama’s decision to impose tariffs on foreign tires.³⁹

³⁴ The Romney Agenda: A Strong Economy and More Competitive America, 01/16/08

³⁵ The Romney Agenda: Curbing Federal Spending

³⁶ CRN.com, 11/16/2005

³⁷ *Associated Press*, 11/16/05

³⁸ The Romney Agenda: A Strong Economy and More Competitive America, 01/16/08

³⁹ *No Apology: Believe in America*, Page 133

Most recently, he voiced his support for the three pending free trade agreements with Korea, Colombia, and Panama.⁴⁰ And in early 2007, he said, “Any economy that's tried to put barriers up to keep itself from having to compete with innovation around the world is an economy which ultimately ends up collapsing and becoming second tier.”⁴¹

Nevertheless, Romney, like most Republican candidates for the presidency, supports trade barriers on ethanol.⁴² He also has railed against China’s alleged currency manipulation – a favorite trade boogeyman that politicians love to demonize. “The emergence of China, with the trade policies they've pursued, has not necessarily been good for us,” he said.⁴³

ENTITLEMENT REFORM

America’s major middle-class entitlement programs are already insolvent. The Club for Growth supports entitlement reforms that enable personal ownership of retirement and healthcare programs, benefit from market returns, and diminish dependency on government.

As governor, Romney pushed for important changes to Massachusetts expansive welfare system. Although federal welfare reform passed in 1995, Massachusetts was woefully behind, relying on a waiver to bypass many of the legislation’s important requirements. Romney fought for legislation that would bring Massachusetts’ welfare system up to date with federal standards by increasing the number of hours each week recipients must work and establishing a five-year limit for receiving benefits.⁴⁴ Much to his credit and to the dismay of many Massachusetts liberals, Romney successfully forced Medicaid recipients to make co-payments for some services⁴⁵ and successfully pushed for legislative action forcing new state workers to contribute 25% of their health insurance costs, up from 15%.⁴⁶ Governor Romney also deserves praise for proposing to revolutionize the Massachusetts state pension system by moving it from a defined benefit system to a defined contribution system.⁴⁷

Regarding Social Security, Romney’s record remains incomplete. He has ruled out the option of raising Social Security taxes, embraced the idea of reducing the growth rate of future benefits, and supports personal savings accounts, but unfortunately, has not embraced a comprehensive reform plan as of yet.⁴⁸

⁴⁰ *Boston Globe*, 08/18/10 & Press Release, 07/20/07

⁴¹ [MSNBC, 2/8/2007](#)

⁴² [IPVTV.org, 1/3/2008](#)

⁴³ [The Hill, 02/02/11](#)

⁴⁴ *Boston Globe*, 07/09/05

⁴⁵ *The Patriot Ledger*, 07/05/03

⁴⁶ *Boston Globe*, 06/20/03

⁴⁷ *Boston Globe*, 03/09/03

⁴⁸ Mitt Romney, Club for Growth Winter Conference 03/29/07 & *St. Petersburg Times*, 08/07/07

But one cannot talk about Romney's record on entitlement reform without considering the universal healthcare plan Governor Romney helped craft in Massachusetts. The bill that Governor Romney signed with a grinning Ted Kennedy in the background on April 12, 2006.⁴⁹

Governor Romney still defends his plan five years later while publicly saying as President he would repeal and replace ObamaCare.⁵⁰ But the two plans are similar in at least three significant ways.⁵¹

- Both have an individual mandate that requires people to purchase a private good – in this case, health insurance – and levies a financial penalty against those who don't.
- Both implement a new government bureaucracy called an "exchange" through which all insurance policies are approved, sold, and heavily regulated.
- Both have sizeable subsidies for low-income people to purchase the mandated coverage.

It's worth noting that the Obama Administration continually points out that ObamaCare was, in a large way, modeled after RomneyCare.⁵² Romney has rightly received much criticism from economic conservatives for the obvious similarities between his plan and President Obama's command and control plan.

Governor Romney often defends his plan by rightly saying that the states are "laboratories of democracy."⁵³ However, he should recognize that this is one lab experiment that has completely failed. According to a Heritage Foundation analysis of RomneyCare three years out, the budget for subsidized care had exploded from \$133 million in FY2007 to around \$800 million by FY2009. In the first year, Massachusetts raised \$12 million in revenues from tax penalties assessed by the Individual Mandate.⁵⁴ The Massachusetts Taxpayers Association projects a FY2010 budget of \$880 million.⁵⁵

At the time of its passage, Governor Romney claimed that under his plan "the costs of health care will be reduced,"⁵⁶ but the Cato Institute has highlighted several statistics that show that RomneyCare increased costs, including the fact that premiums rose faster post-RomneyCare than anywhere else in the nation, 21-46% faster than the national average.⁵⁷

⁴⁹ *The Daily Free Press*, 04/13/06

⁵⁰ USA Today, 5/11/11

⁵¹ Cato Institute, 04/15/10

⁵² CNN, 05/19/11

⁵³ National Review, 3/22/11

⁵⁴ Heritage Foundation, "Massachusetts – Three Years Later", 6/22/09

⁵⁵ Massachusetts Taxpayers Association, May 2009

⁵⁶ PBS NewsHour, 4/17/06

⁵⁷ Cato Institute, 7/20/10, <http://www.cato-at-liberty.org/romneycare-advocates-we-swear-this-time-centralized-planning-will-work/>

Cato also noted that there is mounting evidence that “Massachusetts residents are responding to the individual mandate not by obtaining coverage but by concealing their insurance status. Coverage gains may therefore be less than official estimates suggest” and that “despite stiffer penalties than ObamaCare will impose, increasing numbers of people are gaming the individual mandate by only purchasing health insurance when they need medical care. Such behavior could ultimately cause the ‘private’ insurance market to collapse.”⁵⁸

Empirical evidence demonstrates that RomneyCare has failed to control health care costs, increased the size of government, and by its very nature introduced more government and less freedom into health care markets. Governor Romney should admit that RomneyCare is a failure, and soon.

REGULATION

Excessive government regulation stymies individual and business innovation necessary for strong economic expansion. The Club for Growth supports less and more sensible government regulation as a critical step toward increasing freedom and growth in the marketplace.

Mitt Romney’s record on regulation is fairly good. On the campaign trail, he has supported drilling in ANWR⁵⁹ and opposed the burdensome regulations imposed by Sarbanes-Oxley.⁶⁰ He also vetoed a “card check” bill that would allow unions to organize without a secret ballot election.⁶¹ As governor, he often clashed with the knee-jerk anti-business Legislature over his attempts to ease Massachusetts’ regulatory burdens. Though some of his largest undertakings were ultimately crushed by liberal opposition, Governor Romney deserves praise for attempting to change the relationship between government and private enterprise for the better. These efforts include:

- Pushed to revamp the Pacheco Law, a union-backed measure that makes it nearly impossible to privatize or outsource state services⁶²
- Aggressively pushed to deregulate Massachusetts’ “Soviet-style” auto insurance industry. Massachusetts is the only state in which the government mandates maximum insurance rates and requires insurers to accept every applicant⁶³
- Called for the privatization of the University of Massachusetts medical school⁶⁴
- Proposed measures to eliminate civil service protection for all municipal workers except police and firefighters and exempt low-cost public construction jobs from the state’s wage law⁶⁵

⁵⁸ Cato Institute, 7/20/10, <http://www.cato-at-liberty.org/romneycare-advocates-we-swear-this-time-centralized-planning-will-work/>

⁵⁹ *Boston Globe*, 12/13/05

⁶⁰ Mitt Romney, Club for Growth Winter Conference, 03/29/07

⁶¹ *Washington Times*, 03/25/09

⁶² *Boston Globe*, 02/26/03

⁶³ *The Sun*, 06/02/05

⁶⁴ *Telegram & Gazette*, 02/27/03

- Proposed easing decades-old state regulations on wetlands⁶⁶
- Proposed easing pricing regulations on Massachusetts retailers⁶⁷
- Signed a bill streamlining the state’s cumbersome permitting process for new businesses⁶⁸
- Eased regulations for brownfield development⁶⁹
- Vetoed a bill limiting the ability of out-of-state wineries to ship directly to Massachusetts consumers, calling the legislation “anti-consumer”⁷⁰

Governor Romney’s regulatory record as governor contains some flaws including a significant one – his support of “global warming” policies. Despite vetoing the Legislature’s minimum wage increase, the Governor is on record supporting indexing the minimum wage to inflation.⁷¹ Romney also signed into law a measure banning smoking in the workplace including bars and restaurants (with exemptions for some private clubs);⁷² and implemented “comprehensive ocean zoning reform” that imposed new regulations on ocean front development.⁷³

On climate change, Romney In 2004 unveiled a comprehensive “Climate Protection Plan” that pledged to reduce greenhouse emissions by 25% by 2012. It would achieve this by doing several things, including an “aggressive” implementation of the California Low Emission Vehicle program, which has standards that are typically more stringent than the EPA’s. It would also subsidize the upgrade of inefficient oil burners owned by low-income citizens. Romney said the plan would show Massachusetts’ commitment to implementing the regional climate change plan adopted by several New England states.⁷⁴

Less than two years later, Romney reversed course. When he pulled his state out of the New England pact, the late conservative columnist Robert Novak called it the “ungreening of Mitt Romney.”⁷⁵

SCHOOL CHOICE

The Club for Growth supports broad school choice, including charter schools, voucher programs, and tax credits that create a competitive education market including public, private, religious, and non-religious schools. More competition in education can only lead to higher quality and lower costs.

⁶⁵ *Boston Herald*, 01/31/03

⁶⁶ *Telegram & Gazette*, 09/05/04

⁶⁷ *Knight Ridder Tribune Business News*, 02/27/03

⁶⁸ *The Berkshire Eagle*, 08/04/06

⁶⁹ *Boston Globe*, 09/12/03

⁷⁰ Press Release, Mitt Romney, 11/21/05 & *Telegram & Gazette*, 11/22/05

⁷¹ *The Patriot Ledger*, 11/02/02

⁷² Press Release, Mitt Romney, 06/18/04 & *The Patriot Ledger*, 06/11/04

⁷³ *US Fed News Service*, 03/18/05

⁷⁴ Press Release, 05/06/04

⁷⁵ RealClearPolitics, 01/02/06

Mitt Romney is on record supporting charter schools, school vouchers, and home schooling. As governor, Romney focused on charter school expansion rather than implementing a voucher program. He pushed to eliminate the state-mandated cap on the number of charter schools⁷⁶ and successfully vetoed a moratorium on the opening of new charter schools, passed by the Massachusetts Legislature in 2004.⁷⁷ Although comprehensive school choice clearly is the solution to much of what plagues primary and secondary education, it is understandable that Governor Romney chose to spend his political capital on more attainable charter school expansion given the political opposition to empowering poor children in Massachusetts.

During his 1994 Senate race, he advocated abolishing the Department of Education,⁷⁸ but has since moved away from that admirable position, saying in the FOX News Republican presidential debate that he supports No Child Left Behind and has seen as a governor that “the Department of Education can actually make a difference.”⁷⁹

POLITICAL FREE SPEECH

Maximizing prosperity requires sound government policies. When government strays from these policies, citizens must be free to exercise their constitutional rights to petition and criticize those policies and the politicians responsible for them.

Mitt Romney’s position on political free speech has undergone a radical evolution. During his 1994 Senate race against Ted Kennedy, Romney took an outrageous position on campaign finance reform that put him to the left of the current McCain-Feingold legislation, arguing for campaign spending limits—unconstitutional even under *Buckley v. Valeo*—and the abolition of PACs:

“I personally believe that when campaigns spend the kind of money they’re now spending . . . and to get that kind of money you’ve gotta cozy up as an incumbent to all of the special-interest groups who can go out and raise money for you from their members, and that kind of relationship has an influence over the way you’re going to vote . . . And for that reason I would like to have campaign spending limits and to say we’re not going to spend more than this in certain campaigns . . . I also would abolish PACS. You probably have one. I don’t like them. I don’t like the influence of money—whether it’s business, labor, or any other group. I do not like that kind of influence . . .”⁸⁰

In his 2002 gubernatorial campaign, Romney proposed a radical new campaign finance system, in which privately-funded campaigns would be taxed 10% in order to fund publicly-funded

⁷⁶ Telegram & Gazette, 01/24/04

⁷⁷ *Boston Globe*, 06/26/04 & *Boston Globe*, 07/21/04

⁷⁸ *Boston Globe*, 10/12/94

⁷⁹ Fox News Channel, Republican presidential debate, 05/15/07

⁸⁰ C-SPAN2, 10/17/94

campaigns as part of Massachusetts' Clean Election Law in order to "spare taxpayers the burden of shouldering the entire expense of this program."⁸¹ In 2003, he allowed a repeal of the Clean Elections Law to stand.⁸²

As a presidential candidate in 2008, Mitt Romney pivoted drastically, abandoning his old anti-First Amendment stance and taking the harshest position against McCain-Feingold of all the candidates. He has called repeatedly for the legislation's repeal,⁸³ and even labeled the bill "one of the worst things in my lifetime."⁸⁴ Romney then advocated "reforms that promote transparency and disclosure, preserve grassroots activism and protect the ability to criticize or endorse current officeholders and candidates."⁸⁵

TORT REFORM

The American economy suffers from excessive litigation which increases the cost of doing business and slows economic growth. The Club for Growth supports major reforms to our tort system to restore a more just and less costly balance in tort litigation.

From his 1994 Senate race,⁸⁶ to his gubernatorial campaign in 2002, and throughout his four years as governor, Romney was a strong proponent of tort reform. As governor, he supported capping personal injury claims in automobile-related cases⁸⁷ and advocated for overhauling Massachusetts' exorbitant medical malpractice system. Massachusetts is notorious for having some of the highest malpractice insurance rates in the country, driving doctors in key specialties out of the state.⁸⁸

During his gubernatorial campaign, Mitt Romney supported capping punitive damages to replace the unlimited status quo.⁸⁹ In 2003, Romney also supported a bill to cap noneconomic awards at \$500,000, arguing at a rally organized by the Massachusetts Medical Society, "If we have in place policies which drive physicians away, which drive costs spiraling out of control, we can't attract jobs, we can't have a better future for our kids and the families that want to live here. We need reform now."⁹⁰ In May of 2006, the Romney administration issued a specific tort reform proposal, calling for⁹¹:

⁸¹ *The Patriot Ledger*, 10/15/02 & *Telegram & Gazette*, 06/30/03

⁸² *Telegram & Gazette*, 06/30/03

⁸³ Press Release, Romney for President, 03/02/07

⁸⁴ *The Hill*, 02/08/07

⁸⁵ Press Release, Romney for President, 03/02/07

⁸⁶ *Boston Globe*, 07/01/94

⁸⁷ *The Sun*, 06/02/05

⁸⁸ *Boston Globe*, 11/13/03

⁸⁹ *Boston Globe*, 10/02/02

⁹⁰ *Boston Globe*, 04/09/03

⁹¹ Press Release, Mitt Romney, 05/23/06

- Closing loopholes in the \$500,000 cap on non-economic damages which allowed lawyers to win excessive damages
- Reducing lawsuits by allowing doctors to disclose medical errors without fear of admissibility in court
- Increasing the number of claims resolved prior to trial
- Tightening the state's tribunal system to ensure that only meritorious malpractice lawsuits go to trial
- Reduces lawyers' fees from 25% for verdicts over \$500,000 to 15% for verdicts over \$600,000
- Reducing pre-judgment interest to the one-year Treasury rate

On the campaign trail in his last run Romney took his impressive record to the national level, and insisted on badly needed nationwide tort reform.⁹²

POLITICAL ACTIVITY & ENDORSEMENTS

Generally, Governor Romney has a history of endorsing or supporting candidates supported by the Republican establishment, rather than pro-growth conservatives. His contribution history reads like a roster of "who's who" of the Republican establishment.

Governor Romney campaigned hard for fiscally liberal ex-Utah Senator Bob Bennett in 2010, who faced a primary challenge from his right from several candidates, including pro-growth champion and now Senator Mike Lee. "We've got some conservative giants. Senator Bennett is one of those," Governor Romney intoned in a 2009 campaign ad on behalf of the TARP-voting, pork-supporting, government-run health care-advocating Bennett.⁹³

Governor Romney also gave \$1000 to Rep. Mike Castle in February of 2009, when the liberal congressman was in a primary against the more conservative Christine O'Donnell.⁹⁴

Also, Governor Romney chose not to endorse pro-growth superstar Doug Hoffman over RINO and GOP nominee Dede Scozzafava in the 2009 special election for New York's 23rd Congressional District, even after Scozzafava ended her campaign and Hoffman became the de-facto Republican nominee. "Mitt Romney is a Republican and he tends to support the Republican candidate in races and when he can't because there are too many differences on the issues, he stays out of the race altogether and that's the course he's following in the New York special election. He doesn't plan to make any endorsement at all," a spokesman said at the time.⁹⁵

⁹² Mitt Romney, Detroit Economic Club, 02/07/07

⁹³ <http://www.youtube.com/watch?v=Ly0T9DHFtTw>

⁹⁴ FEC.gov

⁹⁵ ABC News' The Note, 10/28/09

Contrary to his usual habits, Governor Romney did endorse Marco Rubio in his race for U.S. Senate over Charlie Crist, shortly before Crist left the GOP to run as an Independent.⁹⁶

SUMMATION

Because of his long tenure in public life, especially his presidential run in 2008, Mitt Romney is considered a well-vetted candidate by now. Perhaps to his consternation, he has developed an unshakeable reputation as a flip-flopper. He has changed his position on several economic issues, including taxes, education, political free speech, and climate change. And yet the one issue that he doesn't flip on – RomneyCare – is the one that is causing him the most problems with conservative voters. Nevertheless, he labels himself as a pro-growth fiscal conservative, and we have no doubt that Romney would move the country in a pro-growth direction. He would promote the unwinding of Obama's bad economic policies, but we also think that Romney is somewhat of a technocrat. After a career in business, quickly finding a "solution" seems to be his goal, even if it means more government intrusion as a means to an end. To this day, Romney supports big government solutions to health care and opposes pro-growth tax code reform – positions that are simply opposite to those supported by true economic conservatives. How much Romney's philosophy of governance will affect his policy goals if elected, we leave for the voters to decide.

⁹⁶ Associated Press, 04/17/10