Democrats at Congress's helm are discovering what Republicans learned by the end of President Bush's first term: they have little leeway to do anything. But, you say, isn't Congress going to try to rescind some of the Bush tax cuts? Most likely, yes, but not enough to make much headway against many problems that each entail annual shortfalls of hundreds of billions of dollars. By contrast, the tax changes being considered might, at best, add $50 billion a year in increased revenues.

Where does the $50 billion come from? The only revenue increase even vaguely mentioned is repealing recent tax cuts for the super rich (perhaps those making $200,000 a year or more). According to the Urban-Brookings Tax Policy Center, $50 billion is also the approximate revenue pickup from an earlier proposal by presidential candidate John Kerry to repeal high-income tax cuts. Even that estimate is an overstatement, the Center indicates, since some of the increase would be dodged when individuals take additional deductions and engage in other tax-sheltering activity.

No one has suggested abandoning the middle-class tax relief enacted over the past decade. Neither congressional leaders nor presidential candidates would reduce many of the more expensive Bush tax cuts: the child credit that was increased from $500 to $1,000, the "marriage penalty" relief for households filing joint returns, and some of the rate cuts that applied to middle-income taxpayers. There's simply not much political capital in proclaiming that the "Smith" family, with two children and $50,000 in income, should now pay $1,500 more in income tax, losing half its child credits and paying a higher marriage penalty and higher tax rates.

The decision to try to leave the middle class alone should not be surprising. Outside of wartime, legislated tax increases of any significant size on America's great middle are almost nonexistent. But, then again, so are cutbacks in their benefits.

So where will the $50 billion wrung from the rich go? Here's a tally of the many possibilities that tempt our elected leaders:

- It might pay for one-half or one-quarter of alternative minimum tax (AMT) reform, depending on how extensive the changes are. Both the president and the Democratic Congress have said they want the revenues the AMT would raise, and they count it in their budget projections. These same leaders have also said they don't want taxpayers to pay any additional AMT. In apolitical English, they need to raise taxes on somebody to pay for AMT relief, and rescinding the Bush tax cuts on the rich isn't enough to pay for complete reform.
- Divvy up the $50 billion and you've got about $150 per individual to alleviate middle-class worries. Congressional Democrats have recently held various hearings on middle-class risks and concerns. They would like to spend some money to reduce those fears. Our presidential candidates also want some of that money to meet their promises and don't really want the current Congress to tap that well before the election.
- Both parties have now pledged themselves to deficit reduction. The $50 billion would cover a little less than one-third of the scheduled 2007 deficit.
- The $50 billion could slightly and temporarily slow down the inevitable crunch of growing Medicare spending. It would cover just a few months of the increase in total government health costs projected in 2010.
- Rescinding the tax cuts on the rich could cover about one-fifth of the annual shortfall predicted for Social Security once all the baby boomers move into retirement. By then, Social Security revenues are expected to fall short of expenses by about 2 percentage points of gross domestic product (GDP) annually, or roughly $270 billion at today's level of output.

Blame whomever you want for today's current fiscal mess, but don't cling to any myths about how far rescinding recent tax cuts for the rich would go toward meeting the nation's many budgetary shortfalls. Our elected officials simply cannot get around the most fundamental of political dilemmas. Even if they enact additional taxes on the rich—and that would not be easy—they still must either retract many of the promises made to the middle class, increase its taxes, or both. Right now, the leaders of both political parties consider it political suicide to lead the way.