



## *Paul Ryan presents budget plan*

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As expected, Rep. Paul Ryan (R-WI), chairman of the House Budget Committee, [unveiled his budget for FY 2013 yesterday](#). The proposal obviously carries over some familiar themes, but it shows that House Republicans aren't backing down from their goal to get spending down to sustainable levels and deal with entitlements.

You can find the details [here](#), but here is the video that Ryan released with his budget that outlines many of the policy items found therein:

We're seeing a mixed to positive reaction on the right. Some Republican strategists [are apparently nervous](#) about the GOP putting forward a significant proposal. They think it's bad politics. But Ryan is committed to leading the way, offering a stark contrast to what President Barack Obama and Democrats are putting forward.

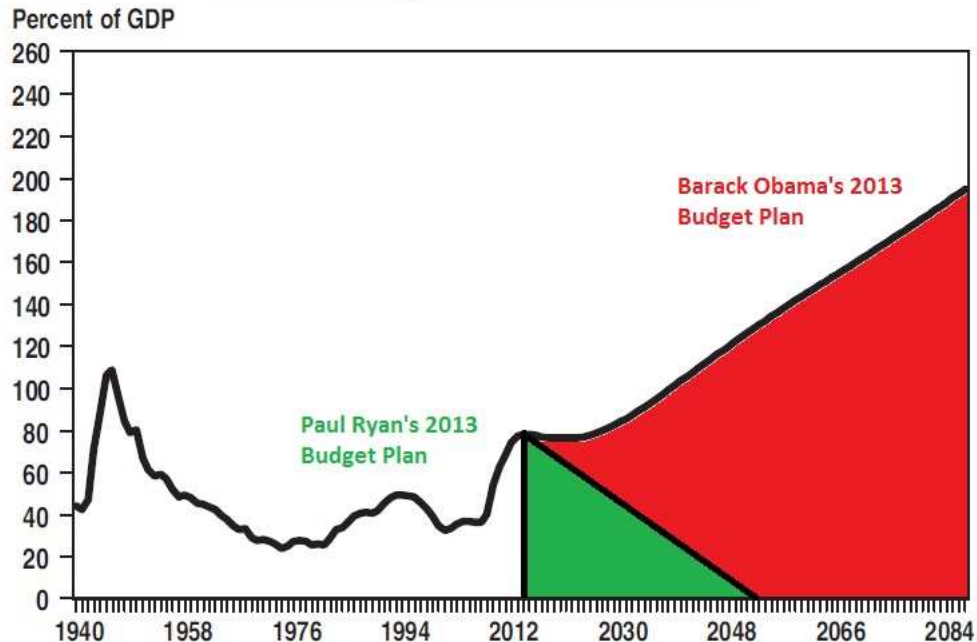
Over at the *American Spectator*, Jim Antle [lays out those contrasts](#) in terms of the 10-year budget window that the Congressional Budget Office [just recently released a report on](#):

*The bottom line is that the Ryan budget would reduce deficits from 2013 to 2022 by \$3.26 trillion relative to President Obama's budget proposal (the Senate Democrats' budget hasn't existed in 1,056 days), according to the Congressional Budget Office. Spending would be \$5.3 trillion less and \$2 trillion in tax increases would be averted. Public debt will be \$1 trillion lower by 2021. By 2050, the debt's share of the economy could be as low as 10 percent — a far different path than the current trajectory.*

Similarly, James Pethokoukis shows a contrast via a chart from Ryan's budget proposal that is worth a thousand words. He notes that while the plan isn't perfect "the Ryan Path presents a vivid contrast with the Obama budget. One leads to prosperity and solvency, the other leads to a debt crisis—with the likely response being [massive tax increases and healthcare rationing by Washington](#)—and decline."

## Obama vs. Ryan

### Publicly Held Debt Under 2013 Budget Plans Extended



But there is some not so good news. The Medicare plan under Ryan's budget [would take some time to implement](#), though it would still be much better than government-run health care program's current path. And the Cato Institute's Tad DeHaven notes that [Ryan's plan is still big government](#), just a different brand from what Democrats are offering:

*Democrats and the left will squeal that Paul Ryan's budget proposal is a massive threat to the poor, the sick, the elderly, etc, etc. It's baloney, but a part of me thinks that he might deserve it. Why? Because the excessive rhetoric employed by the left to criticize lower spending levels for domestic welfare programs isn't much different than the excessive rhetoric Ryan uses to argue against sequestration-induced reductions in military spending. For instance, Ryan speaks of the "devastation to America's national security" that sequestration would allegedly cause. (See Christopher Preble's [The Pentagon Budget: Myth vs. Reality](#)).*

[...]

*At the outset of Ryan's introduction to his plan, he quotes James Madison and says that the Founders designed a "Constitution of enumerated powers, giving the federal government broad authority over only those matters that must have a single national*

*response, while sharply restricting its authority to intrude on those spheres of activity better left to the states and the people.” That’s nice, but then he proceeds to make statements like this:*

*But when government mismanagement and political cowardice turn this element of the social contract into an empty promise, seniors are threatened with denied access to care and the next generation is threatened with a debt that destroys its hard earned prosperity. Both consequences would violate President Lyndon B. Johnson’s pledge upon signing the Medicare law: ‘No longer will older Americans be denied the healing miracle of modern medicine...No longer will young families see their own incomes, and their own hopes, eaten away simply because they are carrying out their deep moral obligations to their parents, and to their uncles, and their aunts.’ To fulfill Johnson’s pledge in the 21st century, America’s generations-old health and retirement security programs must be saved and strengthened.*

*Social contract? Well, so much for those enumerated limits on federal power.*

*Ryan’s “Statement of Constitutional and Legal Authority” only cites Congress’s general power to tax and spend. Based on the contents of his proposal, which would do little to rein in the federal government’s scope, one could conclude that Ryan’s view of federal power is almost as expansive as that of his Democratic colleagues. Yes, Ryan would reduce the size of government by reducing federal spending as a percentage of GDP. But as I often point out, promises to reduce spending in the future don’t mean a lot when you have a federal government that has the ability to spend money on pretty much any activity that it wants. And under Ryan’s plan, the federal government would be able to continue spending money on pretty much any activity that it wants.*

Grassroots organizations — including FreedomWorks, Citizens United, and Tea Party Patriots — [have fired a warning at Republicans](#), explaining that a plan that doesn’t balance the budget in 10 years is unacceptable. This presents a problem for House Republicans since Ryan’s budget doesn’t do.

Ryan and Republicans have some selling to do to the base to get behind the proposal. There’s next to no chance that it will actually become law, but neither will Obama’s latest budget. But you have to give Ryan some credit, at least he’s putting something forward that we, including those of us inside the liberty movement, can have an open discussion about.