**FEATURE**

# The Man With the Plan

By Philip Klein from the April 2010 issue

In late January, President Obama dazzled political reporters when he addressed a gathering of House Republicans in Baltimore. The press marveled at Obama's intelligence, command of the facts, and ability to swat down GOP arguments effortlessly during the 90-minute exchange. But at one point, Obama took a question from Wisconsin Rep. Paul Ryan, the Republicans' resident policy whiz, and clearly met his match.

In his State of the Union address just two days earlier, Obama had vowed to "freeze" non-security-related discretionary spending as part of a new White House campaign to create the appearance that the administration was doing something to address ballooning deficits. Unlike mandatory spending on entitlement programs, such as Medicare and Social Security, that grow without any explicit action by Congress, new discretionary spending must be passed by Congress and signed into law by the president.

"I serve as a ranking member of the budget committee, so I'm going to talk a little budget if you don't mind," Ryan said to Obama. "The spending bills that you've signed into law, the domestic discretionary spending has been increased by 84 percent. You now want to freeze spending at this elevated level beginning next year. This means that total spending in your budget would grow at 3/100ths of 1 percent less than otherwise. I would simply submit that we could do more and start now."

In his response, Obama said he wanted to "just push back a little bit on the underlying premise about us increasing spending by 84 percent." He insisted, "The fact of the matter is, is that most of the increases in this year's budget, this past year's budget, were not as a consequence of policies that we initiated but instead were built in as a consequence of the automatic stabilizers that kick in because of this enormous recession." (The term "automatic stabilizers" refers to government payments such as welfare and unemployment benefits that tend to increase during an economic downturn.)

But Ryan shot back by noting a basic flaw in Obama's analysis. "I would simply say that automatic stabilizer spending is mandatory spending," he explained. "The discretionary spending, the bills that Congress signs that you sign into law, that has increased 84 percent."

In a tacit acknowledgement that he had been bested, Obama replied, "We'll have a longer debate on the budget numbers, all right?" and then proceeded to the next question.

A BIT LATER IN THE SESSION, however, Obama moved back to Ryan on a different topic. After a year of arguing that Republicans had presented no ideas on how to address the nation's fiscal crisis, Obama mentioned that Ryan had produced a "serious proposal" to do just that -- before offering his critique.

The proposal in question was Ryan's "Roadmap for America's Future," a sweeping plan to stave off the nation's looming economic and fiscal collapse by changing the tax code, overhauling the health care system, and reforming the nation's major entitlement programs. Its debt-reducing claims aren't based on mere fantasy -- the Congressional Budget Office has determined that the plan would boost economic growth while making Medicare and Social Security solvent. And it accomplishes these aims without raising taxes or affecting the benefits of current retirees.

If the Baltimore event accomplished anything beyond giving the media a new reason to swoon over Obama, it drew attention to the "Roadmap," which had largely been confined to the conservative policy ghetto since an earlier version was introduced in 2008. In the days and weeks following the summit, Ryan won praise from pundits on the right and left for at least having the courage to present serious solutions to the nation's fiscal crisis. But at the same time, it became clear why most other politicians were unwilling to do the same.

"The entire Democratic political machine, right through the DNC, launched into a very organized attack mode," Ryan recalled in a phone interview with *TAS*.

The praise Obama offered for the plan soon looked like a trap intended to elevate the plan just so Democrats would have something to knock down. It became a way for their party to go on offense after being clobbered for a year on the economic stimulus package, as well as the cap and trade and health care bills.

Peter Orszag, director of the Office of Management and Budget, tore into the Ryan plan. Democrats distributed "fact sheets" and held a media conference call to rip into the proposal further. "[I]t's a roadmap right into the economic ditch that we got ourselves to begin with," Rep. Chris Van Hollen, who serves as chairman of the Democratic

Congressional Campaign Committee, told the influential liberal website Talking Points Memo. "Put it this way. For seniors on Medicare, it's a dead end."

In the wake of the uproar, Republican leaders tried to distance themselves from the proposal, emphasizing that while it contained good ideas, Ryan's plan wasn't the official Republican budget. In an election year during which the GOP is poised to make big gains, Republicans don't want to give Democrats an easy opportunity to paint them as the party keen on destroying Social Security and Medicare. But if Republicans are to regain any credibility as a party that wants actually to limit government (as opposed to just talk about it when in the minority), then they can't shy away from this debate. The looming fiscal crisis is too severe, it's approaching too soon, and it's far too big of a threat to the American way of life.

LAST OCTOBER, a new government took power in Greece and revealed that the nation's annual budget deficit would be more than twice what had previously been forecast. In the ensuing months, the country's creditors fled, its debt was downgraded, and its cost of borrowing surged -- just when the country desperately needed money. In response, the government scrambled to roll out proposals to get its deficits under control by slashing social spending, dramatically hiking taxes, and freezing public sector wages-- triggering nationwide strikes. Before long, Greece was pleading with other reluctant European Union member states for a bailout.

One of the major obstacles to addressing the looming entitlement crisis in the United States is that it's very difficult to communicate the urgency and magnitude of the problem. Screeds about the long-term Medicare deficit of $38 trillion, or America's combined unfunded liabilities of $107 trillion in current dollars, often fall on deaf ears because the numbers involved are inconceivable. And even when people accept the vague idea that we're on an unsustainable fiscal path, hearing projections about where we'll be decades from now makes them think that we have plenty of time to figure things out, somehow, at some point, down the road. While there are always caveats involved in drawing economic parallels among countries, the Greek collapse demonstrates what a fiscal crisis means in human terms. It also serves as a warning that the day of reckoning could come a lot sooner than we imagine.

Investors look at the ratio between debt and gross domestic product as a key indicator of a nation's solvency, because it gives them an idea of how much tax revenue a country could conceivably raise to pay off its debt. In 2009, Greece's debt-to-GDP ratio stood at 113.4 percent. According to CBO projections, the U.S. is on a trajectory to eclipse that mark in 2026, just 16 years from now. In the decades that follow, that ratio is expected to rocket to 223 percent by 2040, 433 percent by 2060, and 716 percent by 2080. But just as a reckless spender with a $40,000 salary would max out his credit cards long before running up $300,000 in credit card bills, the U.S. financial crisis would occur a lot sooner.

"You don't get there," explains John Cochrane, a professor of finance at the University of Chicago's Booth School of Business. "Long before you reach debt that's hundreds of percent of GDP...bond markets say, ‘No, we're not doing that, we're not lending you anymore,' and then you have a huge crisis on your hands. Witness Greece."

As Cochrane describes it, "You should really think of 30-year debt as stock in the U.S. government." Investors who buy Treasury bonds are making a judgment about the government's ability to pay them back over a 30-year time frame. For now, the U.S. still enjoys low borrowing costs because investors still believe that American leaders will eventually figure out a way to deal with the fiscal crisis. But all it would take would be for a major investor, such as China, to lose faith in the American government, and the crisis can ensue quite suddenly. There's no "magic number" of debt-to-GDP ratio at which point investors lose confidence, Cochrane emphasizes. In 1945, for instance, the U.S. government's ratio peaked at 121.7 percent.

"The U.S. can raise enormous amounts of money if people are convinced that there's a plan for paying it off," Cochrane says. "At the end of World War II, we had huge debt. Why was that okay? Well, people understood the war was temporary. They understood when the war was over we would stop spending money like crazy and there was a sense that there was a way for the U.S. to pay off that debt."

A key difference between the U.S. and Greece, Cochrane notes, is that the U.S. can print dollars and Greece can't print euros. What this means is that America would likely attempt to inflate its way out of a debt crisis by manufacturing money and using it to pay off the outstanding bonds. The problem is that this would produce a massive inflation that could occur on top of a stagnant economy. Furthermore, paying off lenders with devalued currency would effectively be the same as default.

"Really bad inflation actually happens when the economy is not booming, and that certainly happened in the late 1970s," Cochrane says. "And the kind of inflation to worry about is the inflation that springs up seemingly on its own while the economy is still in trouble because people are running away from U.S. government debt."

The only way to avert such awful alternatives is to act preemptively to reassure investors. "The important thing is convincing the markets that you have a plan, and you're going to figure this out sooner or later," Cochrane says.

A NATIVE OF JANESVILLE, Wisconsin, Paul Ryan developed his political philosophy reading the works of free market authors including Milton Friedman, F. A. Hayek, and Ayn Rand. After graduating with a degree in economics and political science from Miami University in Ohio, Ryan worked as a speechwriter for Jack Kemp and William Bennett at the think tank Empower America (a predecessor to FreedomWorks) and served as a legislative aide to Sen. Sam Brownback. Since winning his congressional seat in 1998, Ryan has pushed for tax reform and garnered attention as one of the leaders of the fight for Social Security personal accounts, which he tirelessly campaigned for during President Bush's failed reform effort in 2005.

On several occasions, Ryan has drawn fire from limited-government advocates, most notably when he voted for President Bush's Medicare prescription drug plan and for the $700 billion financial bailout. In both cases, he helped provide cover for other Republicans to vote for massive expansions of government, and opened himself up to charges of hypocrisy. But Ryan insists that viewed in context of the alternatives with which he was presented, his "reasoning at the time was sound."

"You don't get to take the vote you want in Congress," Ryan laments. "Sometimes you have to take votes that you don't want to take, but they're the best of the two choices."

In the case of the Medicare expansion, which by some measures added $15.6 trillion to the long-term entitlement deficit, Ryan recalled that "President (Bush) was really clear to me at the time, and I talked to his chief of staff and others as well, that he was either going to sign the House-passed bill, which had my health savings accounts amendment and real free market choice and competition like Medicare Advantage in it, or the Senate bill, which was just a big government-run program." In the end, he voted for the bill with some free market elements. "That was the choice he gave us," he says. "It was not a choice I liked."

As for the Wall Street bailout, Ryan said he was convinced that it was necessary to avert a complete economic collapse, and argues that if a full-fledged depression ensued, it would have made it a lot easier for Democrats to pass their agenda and thus more devastating to the free market in the long run. "I think, more people, if we were in a depression, would be susceptible to their worldview just like much of the New Deal programs came in," he said.

After Republicans lost control of Congress in 2006, Ryan emerged as the ranking minority member of the House Budget Committee, a position that gave him more staff to work with and the ability to ask the CBO to evaluate his proposals on a higher-priority basis.

"I had all along in my career in Congress been watching our fiscal and economic situation steadily deteriorate, and I noticed that nobody was proposing solutions for fear of political demagoguery," Ryan says. "If that continues, it's very clear to me that we are sleepwalking toward a fiscal crisis in which the alternatives would be ugly and we would become more of a social welfare state."

Taking advantage of his new position, Ryan set out to find a comprehensive approach to the looming fiscal crisis. After a year of writing and running the numbers, he introduced his first version of the "Roadmap" in May of 2008, which formed the basis for his updated proposal released this year. In the intervening time period, the task became even more daunting.

"In 2008, when I introduced this thing, I thought we'd have 10 years before it was too late to turn back, and maintain what I call the American idea-limited government premised on freedom and liberty, free enterprise, and entrepreneurial society," he said. "Now, I think we have about half that time, because of the economic crisis that we had, and because of the agenda that's moving through Washington right now."

THE "ROADMAP" is a rare type of congressional proposal that delves into political philosophy (with references to the likes of Thomas Jefferson, John Locke, and Émile Durkheim) and also makes a moral case that the expansion of the welfare state leads to the erosion of the "American character" of freedom and personal responsibility. Yet at the same time, it presents a pragmatic policy vision for averting fiscal disaster while causing the least possible disruption in everybody's lives. The plan is premised on the idea that the problems facing America are interrelated. You can't get a handle on our national debt without reining in Medicare; you can't restrain the growth of Medicare without reforming the health care system; you can't change the health care system without touching the tax code; and fundamental tax reform is necessary to spur economic growth, which in turn will make it easier to pay off our debt.

Taken together, the plan earned an impressive grade from Congress's official scorekeeper. By 2080, according to CBO's "alternative fiscal scenario" that assumes the continuation of current policies, the U.S. would be dedicating a staggering 34.4 percent of its GDP to government spending, running an annual deficit of 42.8 percent, and carrying debt at 716 percent of GDP -- which as discussed above, is a point that we'd never actually reach. By contrast, under the "Roadmap," the CBO estimates that in the same year, government spending would be just 13.8 percent of the GDP, the government would be running a massive surplus of 5 percent, and it wouldn't be holding any debt.

Yet these numbers are conservative estimates, because they don't even take into account how much better off the economy would be under the "Roadmap" as a result of getting our debt under control. According to the CBO, the nation's economic output per person would be 70 percent higher in 2058 under the Ryan plan than it would be if current trends continue. After that year, the CBO's model of current trends actually breaks down "because deficits become so large and unsustainable that the model cannot calculate their effects." But as a result of putting the nation's finances on a sustainable path, the Ryan plan is projected to foster strong economic growth in the ensuing decades. And again, while these dates seem way off into the future, if the nation were put on the right course, it would provide a lot of reassurance to credit markets, and keep our borrowing costs lower in the near term.

Ryan's proposal for health care, which was developed along with Rep. Devin Nunes and Sens. Tom Coburn and Richard Burr, is aimed at moving the U.S. toward a system in which consumers have more control over their health care dollars. The idea is to take the same principles that have driven down costs and improved quality in every other sector of the economy, and apply them to health care, which is currently immune from market signals because of a lack of price transparency as well as the fact that most people get their insurance through government or their employers.

"I got Lasik surgery 10 years ago, it cost me $4,000, and the laser they use to do it since then has been revolutionized three times," Ryan said. "It's much better, much safer, and it costs $1,600 now. That's 800 bucks an eye instead of two grand an eye. So this sector has proven that it can both bring down cost and improve quality just like the computer sector, just like many other high-tech sectors throughout the country. "

To help create a consumer market for health care, Ryan would start by ending the discrimination in the tax code that subsidizes the purchase of insurance through one's employer, and use the savings to provide an optional refundable tax credit of $2,300 for individuals and $5,700 for families toward the purchase of health coverage. Any individuals who choose to purchase cheaper, catastrophic health care plans could keep any leftover money and put it in health savings accounts. The proposal would allow people to purchase insurance across state lines and it would create a Healthcare Services Commission that would make price and quality data available to consumers so that they could shop around for the best doctors and hospitals. It would also cap non-economic damages in medical malpractice cases.

FROM A FREE MARKET PERSPECTIVE, there are some potentially worrisome aspects of the proposal. Like the Senate Democrats' health care bill, the Ryan approach would have the federal government partner with states to create insurance exchanges. Ryan's exchanges wouldn't impose the onerous mandates and regulations envisioned by Democrats. But however well intentioned, as long as the government-run exchange architecture is created, there's a danger that future lawmakers would simply add regulations and expand the exchanges beyond their original purpose, as often happens with government programs. Why not just change the tax treatment, allow interstate purchasing, improve price transparency, and let the free market work the rest out?

Ryan argues that if we find a way to cover those with preexisting conditions by removing them from the risk pool, it creates a cheaper and better functioning market for the remaining 96 percent of Americans who do not have such conditions, according to estimates.

"There's a role for government to play to help this market work," Ryan insists. "If you're going to address the issue of the uninsurable, you've got to find some kind of method, or a mechanism, to target those subsidies to people with preexisting conditions....Pull the uninsurable people out of the pools effectively, and you allow the market to work much, much better for health insurance." Ryan said he is confident that there were enough "stopgaps" in the proposal -- including allowing for the purchase of insurance across state lines and permitting people to move in and out of exchanges at will -- to ensure a functioning free market.

His proposal also calls for adding a consumer-based element to existing government programs Medicare and Medicaid. For Medicare, Ryan would maintain the existing program as is for those over 55 who have already built their lives around traditional Medicare. But for those under 55, the program would transition into one where individuals would be given a voucher toward the purchase of private health insurance. The voucher would be worth $11,000 per beneficiary on average, but it would vary based on income and health status, so that the wealthiest and healthiest enrollees would receive the lowest-value vouchers and the poorest and sickest would receive the highest-value ones. In addition, the lowest-income beneficiaries would be given money to put in a medical savings accounts to help pay for out-of-pocket expenses. Ryan does something similar with Medicaid, whose beneficiaries would receive $11,000 on top of the refundable tax credit for health insurance.

During the past year's health care debate, Republicans attacked the Medicare cuts in the Democratic bills, often employing liberal rhetoric that reinforced the untouchable status of the program. While it provided short-term political benefits, it also made the environment a lot harder for Republicans, such as Ryan, who propose reforming the system. In fact, in his critique of the Ryan plan, Obama noted that Republicans had lambasted the

Democratic bills for "slashing Medicare" and said their attacks "scared the dickens out of a lot of seniors."

Ryan acknowledges that "we have to be careful about how we use our rhetoric so we don't dig ourselves into an unsustainable fiscal path." But he says that there was a legitimate criticism that the Democratic health care plans cut Medicare benefits to finance a new entitlement and that they gut Medicare Advantage, the one free market element of the program. Ryan says that as his plan shows, it isn't necessary to change Medicare for current retirees.

The White House charged that Ryan's plan would significantly reduce Medicare benefits over time because the vouchers wouldn't grow at the same level as medical inflation (they would be set to grow at a rate that blends health care inflation with overall inflation). This is backed up by the CBO, which estimated that although the "Roadmap" would bring down health care spending, because of the lower spending, "it is likely that fewer services would be provided and treatments would be less technologically advanced..."

Ryan counters that once the changes are made to the overall health care market to make it more consumer-oriented, that in turn will drive down prices and improve quality, such as the case with his Lasik surgery.

"What I'm trying to do is bring free market principles into the health care sector to go at the root cause of inflation itself, so that that voucher, that health care dollar, goes a lot farther, because it's going through the individual and not coming from government," he says.

When it comes to retirement planning, there's wide agreement on the fact that if we do nothing, Social Security will not be available for future generations. Just keeping this one program afloat by 2037 would require either slashing benefits by 24 percent, hiking payroll taxes by 31 percent, or some combination of the two. Under the Ryan proposal, the program would stay the same for those older than 55, but would allow younger individuals the choice of shifting a portion of their payroll taxes into personal investment accounts. At the same time, it would add an element of means testing by making benefits outside of the accounts grow slower for wealthier individuals. The plan would also slowly increase the retirement age.

TO PROVIDE A SENSE of the severity of the nation's coming fiscal crunch, the CBO estimated the marginal tax rates that would be necessary to balance the long-term budget strictly through higher income taxes. It found that the rate for the lowest bracket would have to rise from 10 percent to 25 percent; those in the 25-percent bracket would have to pay 63 percent; and the top rate would need to be increased from 35 percent to a staggering 88 percent. But these numbers are only theoretical. In reality, the CBO tells us, "Such tax rates would significantly reduce economic activity and would create serious problems with tax avoidance and tax evasion. Revenues would probably fall significantly short of the amount needed to finance the growth of spending; therefore, tax rates at such levels would not be feasible."

The problem with raising taxes to pay down the debt is that the kinds of taxes that would be raised -- on marginal income, savings, investment, and capital gains -- would cripple the economy, which in turn would make it harder to pay off the debt.

"The crucial thing about long-term budgets is not really the tax rate, it's the growth rate of the economy, and we can pay off the debt even with low taxes, if we had enough economic growth," Cochrane says. "When the growth stops, at that point your ability to pay off the debt in the long run is really in danger."

Cochrane considers the current tax system "chaotic" and "a fiesta for lawyers, lobbyists, and accountants."

Ryan's proposal is intended to change the tax code in a direction that would promote more economic growth, by creating an optional, flatter tax system with just two rates (10 percent and 25 percent) and without any deductions other than the tax credit for health insurance. The plan gets rid of double taxation on interest, capital gains, and dividends. He also would eliminate the corporate income tax to make American businesses more competitive, and replace it with an 8.5 per-cent "business consumption tax." The consumption tax could be "border adjustable" so that it's paid when imports enter the country, but not on exports.

"I fundamentally believe this is the part of the plan that is the pro-growth part of the plan," Ryan says. "This is the growth engine that reignites an entrepreneurial, risk taking economy, which finishes the job of fixing our fiscal problems."

He notes that the CBO estimates about his plan's budget balancing potential are conservative because they assume a standard rate of growth. "Imagine what this would look like with respect to jobs and prosperity and reaching a balanced budget and paying off the debt, if we actually in-jected the growth assumptions that I think would realistically come from this kind of tax reform," he says.

Chris Edwards, the director of tax policy studies at the Cato Institute, says that Ryan's re-forms of the individual tax code are "generally excellent" but fears that the business consumption tax could lead to bigger government.

"The base of such a tax is about five times wider the base of a corporate income tax, so while economists may say that's more efficient, if you have an extremely broad-based tax, it's very easy for politicians to raise money in the future just by raising the rate," Edwards says.

Instead, Edwards suggests just slashing the current rate. "If you had a 15 percent rate, nobody would care if it's border adjustable or not," he says.

RYAN HIMSELF EMPHASIZES that the plan is designed to be flexible, and that he welcomes alternative ideas. "This isn't a take it or leave it plan," he says. "It isn't meant to be. It's a vision, which in my opinion reclaims the American idea while keeping promises to current generations who built their lives around these programs." His primary intention, he says, was to trigger "an adult conversation" about the nation's fiscal crisis.

The politics of passing a plan as sweeping as the "Roadmap" are challenging, even if Republicans manage to retake control of Washington and prove serious about reining in government. The Founders intentionally designed a system of government that makes it difficult to enact major changes. While that has been to the benefit of limited-government advocates when it comes to preventing the creation of new programs (witness the difficulty Democrats have encountered trying to pass a health care bill despite huge majorities in Congress), it also makes it hard to reform those programs once they do get passed. Ronald Reagan did not undo Medicare or Social Security, and George W. Bush only succeeded in passing the largest expansion of entitlements since the Great Society.

Many of the ideas promoted by Ryan have surfaced before and failed to gain traction. President Bush couldn't even get a vote on Social Security personal accounts when Republicans controlled both the House and Senate. Though Bush created a commission on tax reform, its recommendations, which were much less ambitious than Ryan's proposals, fizzled upon introduction. And when John McCain proposed ending the tax code's discrimination against individuals who purchase health insurance on their own during the 2008 presidential campaign, Obama successfully portrayed him as a tax hiker.

Furthermore, the most impressive aspect of the Ryan plan is how it elegantly weaves together policies that interact with one another to solve multiple problems. For instance, one of the ways his plan is able to make Social Security solvent, according to the CBO, is that by removing the tax subsidy for employer-based insurance, the government is able to capture additional pay-roll tax revenue. Yet during the past year's health care debate, Republicans argued for incrementalism.

"Rep. Ryan's plan is the mirror image of Obama's agenda," Ramesh Ponnuru wrote on *National Review*'s blog. "It attempts to move America in a freemarket rather than social-democratic direction, and I support that goal; but it is just as transformational, just as ambitious, just as immodest. I don't think that the public, or the political system, can bear this type of comprehensive change."

Asked whether he thought that Congress had the ability to pass something as ambitious as his proposal, Ryan responded, "I think the answer is yes, if you win the debate. But you've got to get on with the debate in order to win it." If necessary, he says, the plan could be broken into parts, but that would require more short-term borrowing.

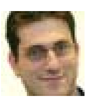
The key challenge to reforming entitlements is that those who are currently benefiting from the status quo are older and more politically active than younger Americans who have the most to lose. While Medicare and Social Security are of primary importance to older voters, younger voters aren't thinking about their retirement. Ryan says he tries his best to engage younger audiences through the use of social media such as Facebook and Twitter. "I'm one guy from Wisconsin with a plan to try and get this conversation rolling and I'm doing everything I know how," he says.

IN HER GROUNDBREAKING HISTORY of the Great Depression, *The Forgotten Man*, Amity Shlaes argues that not only did Franklin D. Roosevelt's policies prolong the economic downturn, but in the name of helping some Americans, he imposed hardships on others. She sees a parallel to today, when politicians in both parties perpetuate the third-rail status of entitlement programs with reckless disregard for future generations.

"The Forgotten Man in the 1930s wasn't only FDR's poor man, it was also the man who would shoulder the burden of the progressive experiment," she says. "Today, the man who shoulders the burden of the progressive experiment most seriously is not older Americans from 40 up, but rather those under 40 who will have to pay higher taxes and get fewer benefits. No generation has been more forgotten than that generation that is now children."

Without changes, Ryan says, younger Americans are guaranteed to grow up in a nation in which "the best century will be the last and not the current one." He says, "That's the path we're on right now. The sooner we can help Americans see that, the sooner we can get the kind of changes we need to prevent it."

There are arguments in favor of gradualism, and those on the right certainly shouldn't live in a fantasy world detached from what is politically feasible. But the looming fiscal crisis is so severe and approaching so rapidly that conservatives can't afford to postpone making the case for something on the scale of what Ryan is proposing, if not his specific plan. During this year's congressional races and the next presidential primaries, any candidate who attacks Obama's reckless spending should be put to the Ryan test. That is, anybody who expects to be taken seriously as a limited government conservative should endorse specific solutions to tackle the debt. To avoid discussing these issues during an election year means preemptively surrendering to the reality of a leviathan state. To walk away from this fight guarantees that future generations will be forced to live in the wreckage of a collapsed United States. If the conservative movement was built for any reason and exists for any purpose, it is to fight this battle.



**Philip Klein** *is* The American Spectator*'s Washington correspondent. You can follow him on Twitter at: http://twitter.com/Philipaklein*