

RESTORING AMERICA'S PROMISE

*The Urgent Need to Tackle Our Greatest
Fiscal and Economic Challenges*

PAUL RYAN
OCTOBER 2010

WHERE ARE WE NOW?

- **Jobs and the Economy**
 - Unemployment rate remains at 9.6%; economic growth remains stagnant
 - Courting our own 'Lost Decade': slow growth and high unemployment
- **Looming Tax Hikes**
 - Nearly \$4 trillion tax increase set to hit all Americans on Jan 1
 - CBO estimates tax hikes could cost 1.2 million jobs
- **Record Spending, Deficits and Debt**
 - This year, Federal Gov't spent 1 out of every 4 dollars made in US
 - President Obama entered office w/ \$1.2 trillion deficit for 2009
 - Trillion dollar deficits for years ahead send debt spiraling out of control; total debt already eclipsed \$13.6 trillion

WHO OWNS OUR DEBT?

Foreign Holdings: 5%



Foreign Holdings: 19%



Foreign Holdings: 47%



1970
Debt Held By Public:
\$283 billion

1990
Debt Held By Public:
\$2.4 trillion

2010
Debt Held By Public:
\$9 trillion

CHINA: OUR LARGEST CREDITOR

BEATIE
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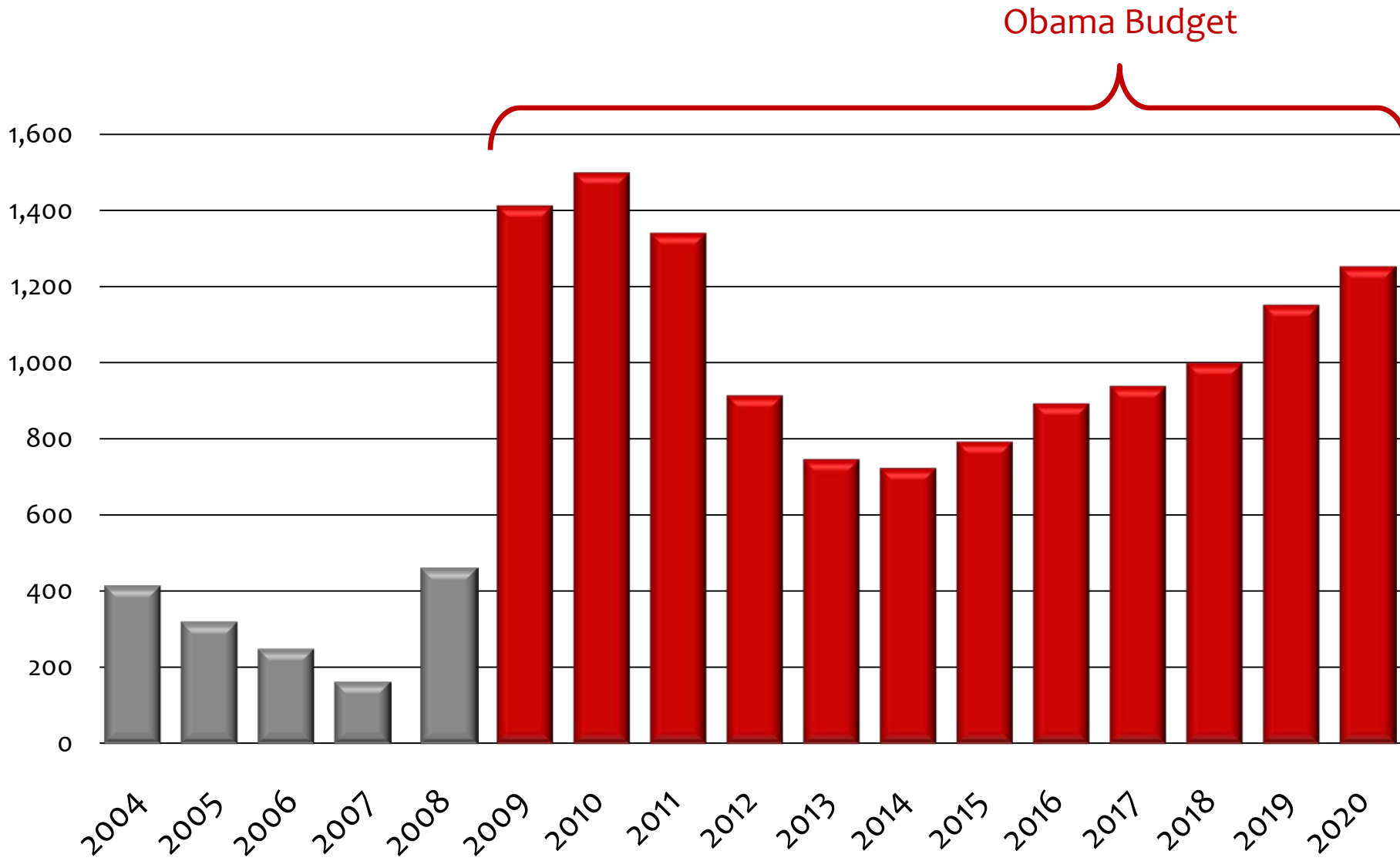


Chinese Sub Threatens the U.S. Navy

WHERE ARE WE HEADED?

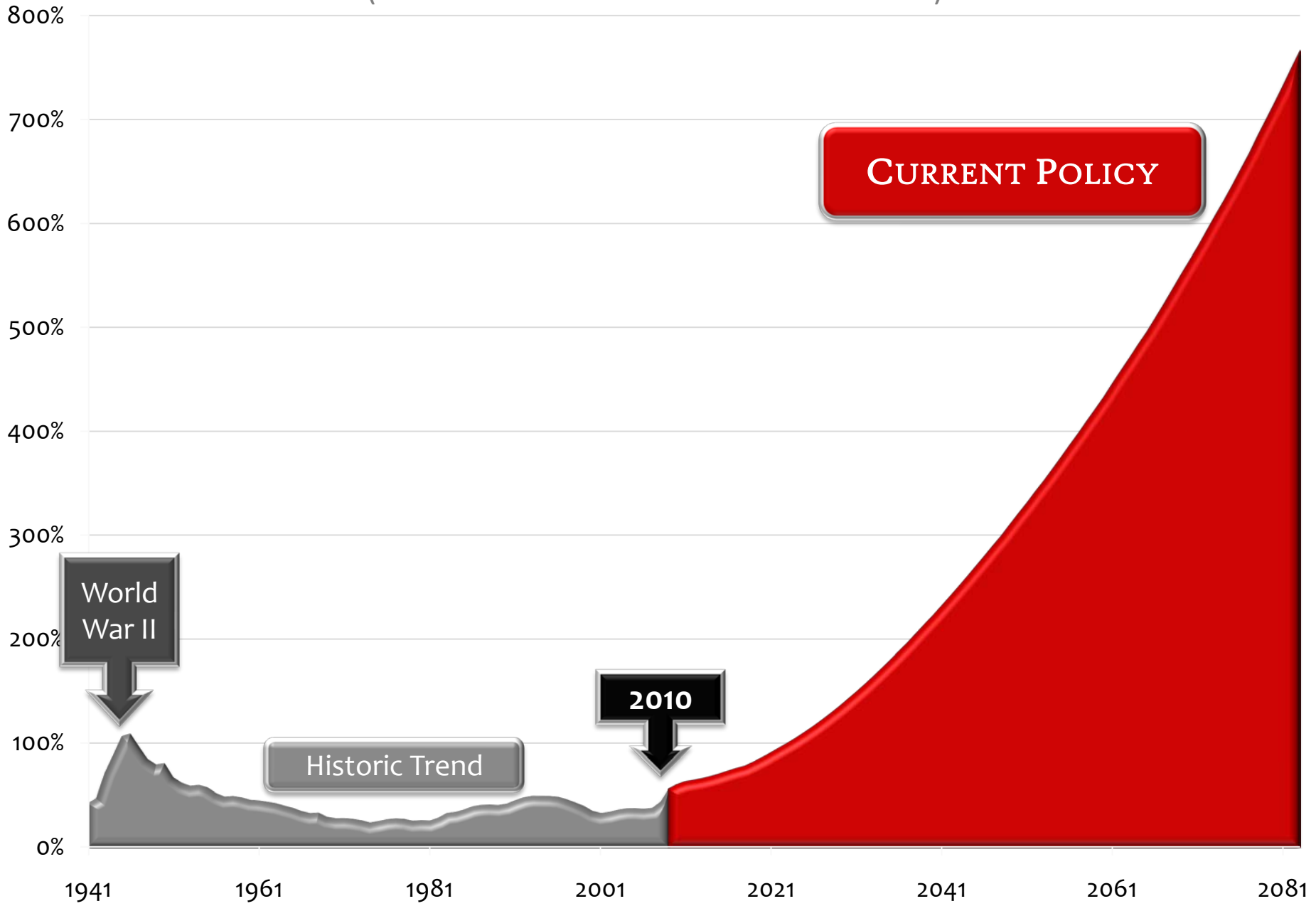
UNSUSTAINABLE DEFICITS

(DEFICIT LEVELS IN BILLIONS OF DOLLARS)



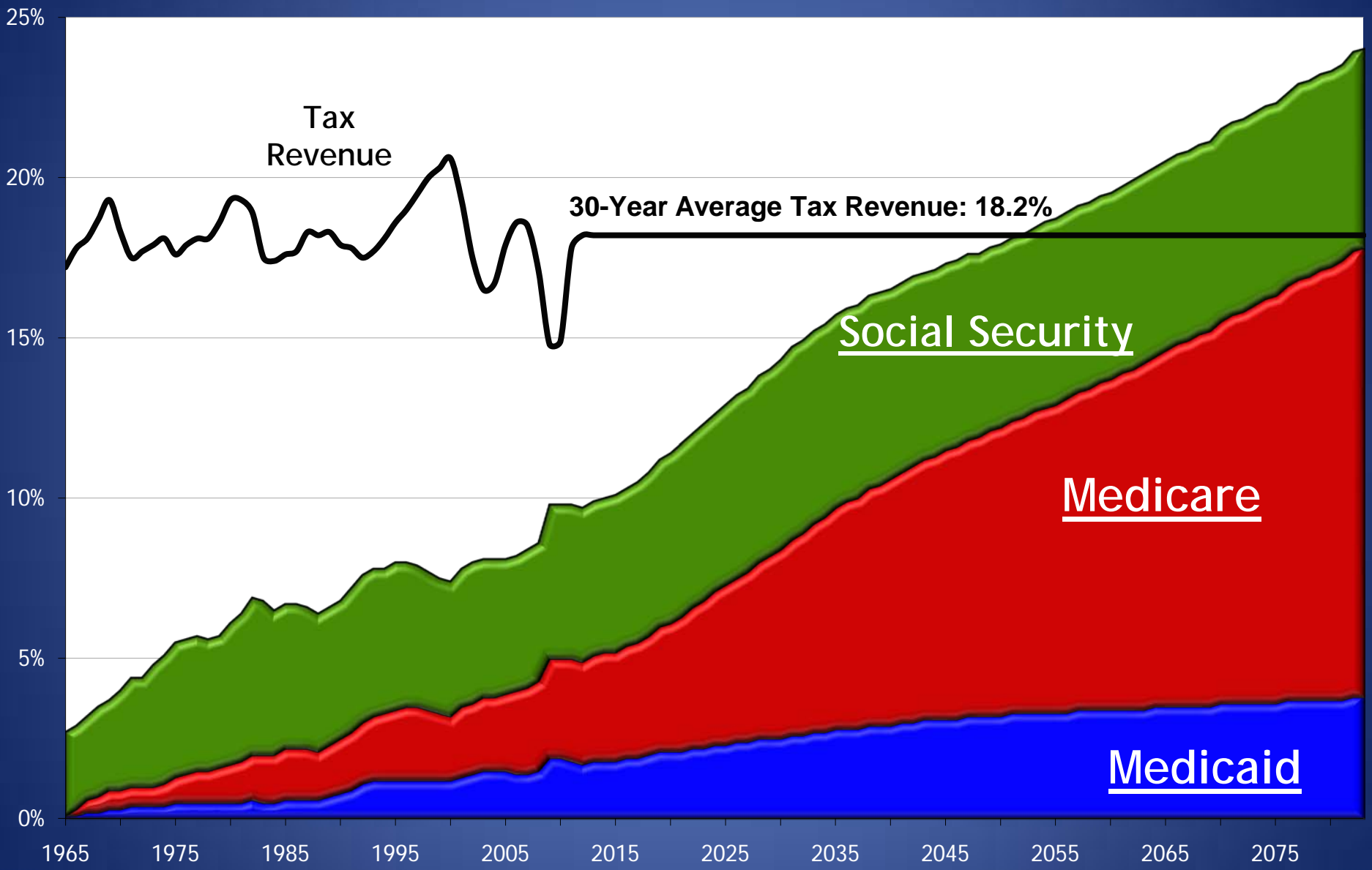
TIDAL WAVE OF DEBT

(DEBT HELD BY PUBLIC AS PERCENTAGE OF GDP)



ENTITLEMENT SPENDING TO OVERWHELM ENTIRE FEDERAL BUDGET

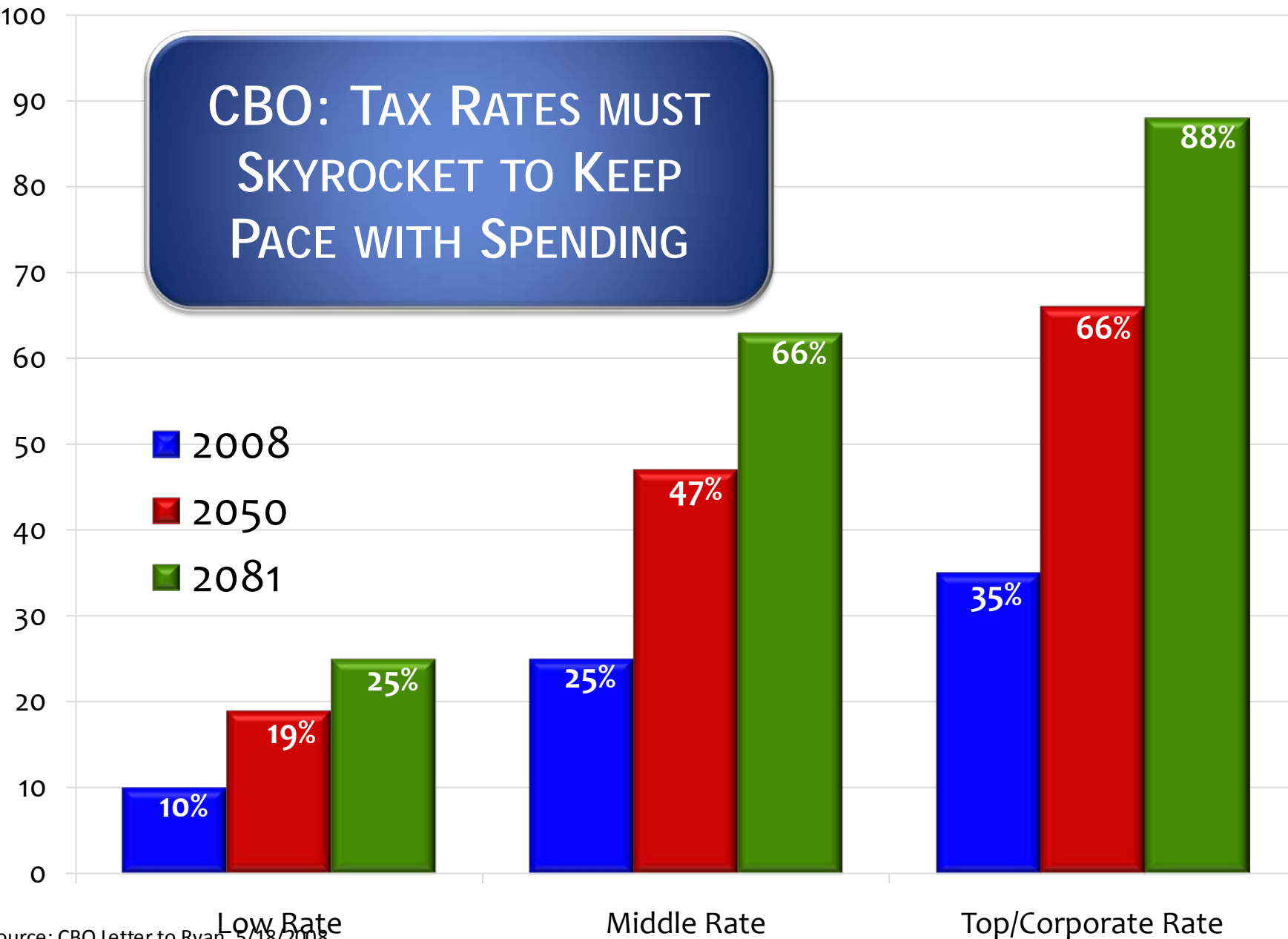
THREE MAJOR ENTITLEMENT PROGRAMS AND TAX REVENUES AS A PERCENTAGE OF GDP



Source: Congressional Budget Office

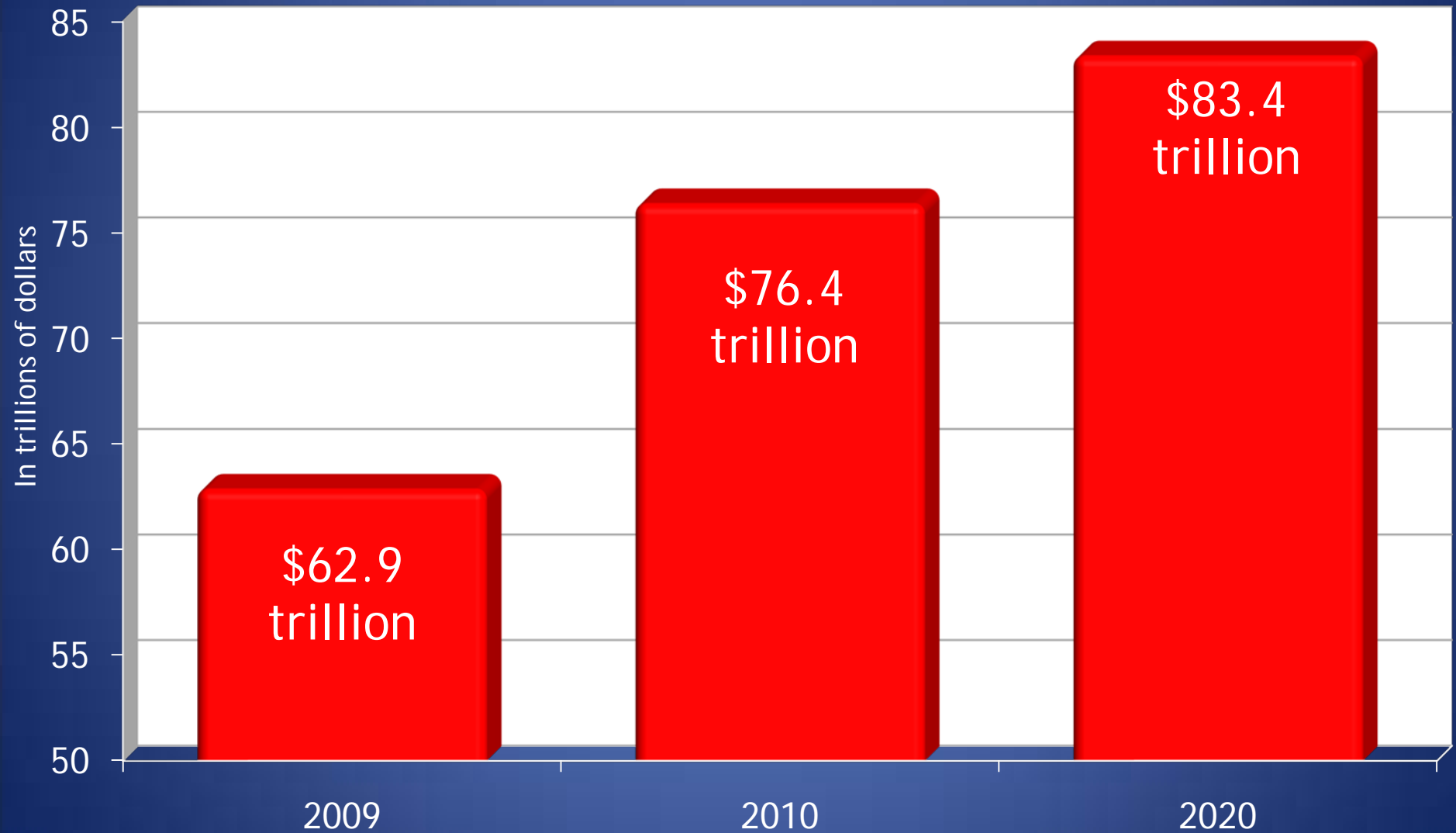
CHASING HIGHER SPENDING W/ HIGHER TAXES?

CBO: TAX RATES MUST SKYROCKET TO KEEP PACE WITH SPENDING



THE COST OF WAITING

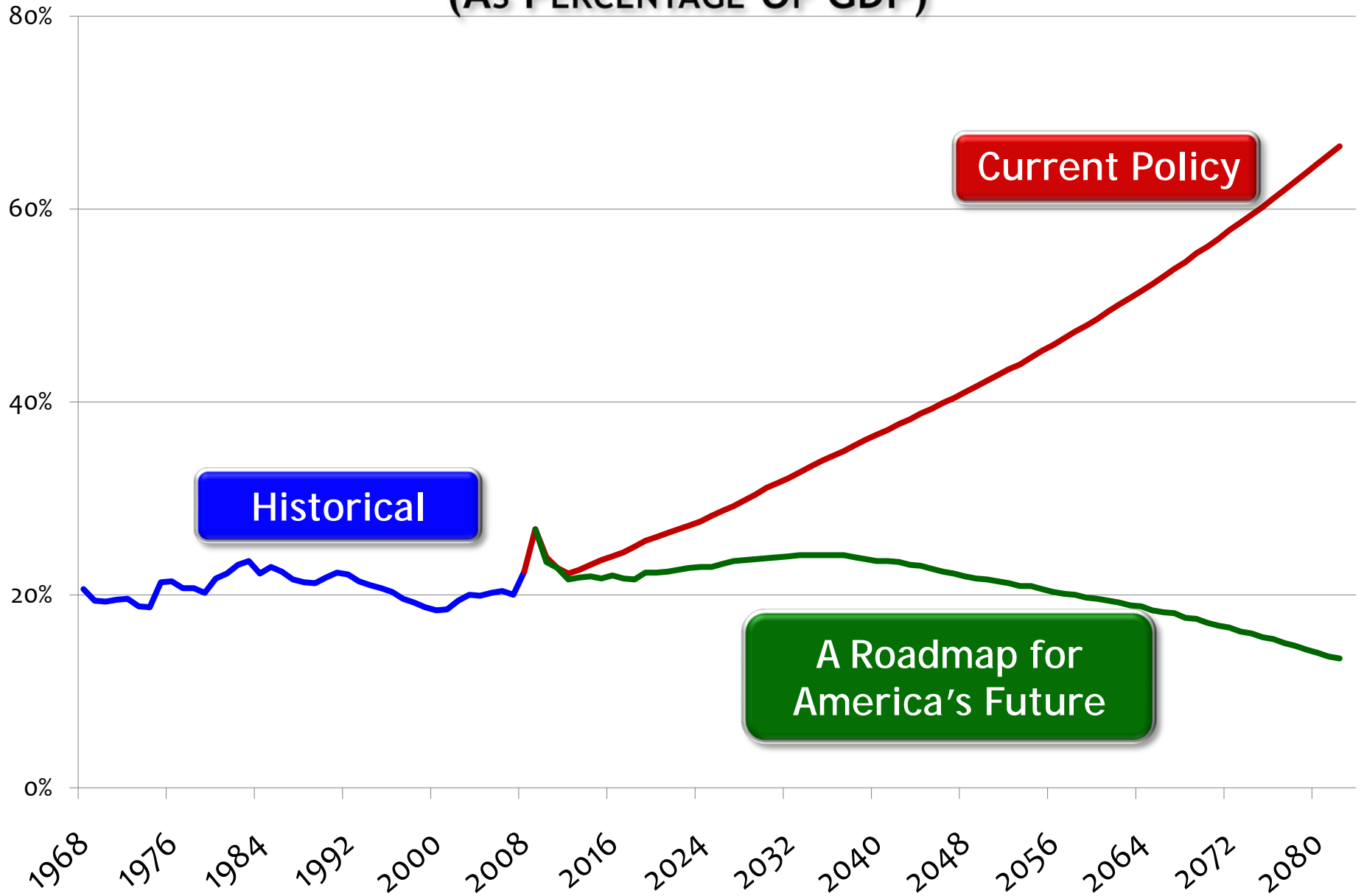
(GROWING FISCAL GAP IN TRILLIONS OF DOLLARS)



THE URGENT NEED TO CHART A NEW COURSE

- **Reclaim America; Don't Reinvent America**
 - Apply our nation's timeless Founding principles to today's challenges
 - Secure historic legacy of leaving next generation a better America
- **Pro-Growth Economic Agenda**
 - Prevent tax hikes; reform entire tax code to boost competitiveness
 - Cut and cap government spending; sound money; reform Congress
- **Serious Entitlement Reform: Prosperity not Austerity**
 - No disruptions in benefits for those in and near retirement
 - Fulfill mission of health & retirement security - avert shredding of safety net and lift crushing burden of debt
 - Offer future seniors same options enjoyed by Members of Congress
 - Need specific solutions & real debate; can't afford demagoguery

FEDERAL GOVERNMENT SPENDING (AS PERCENTAGE OF GDP)

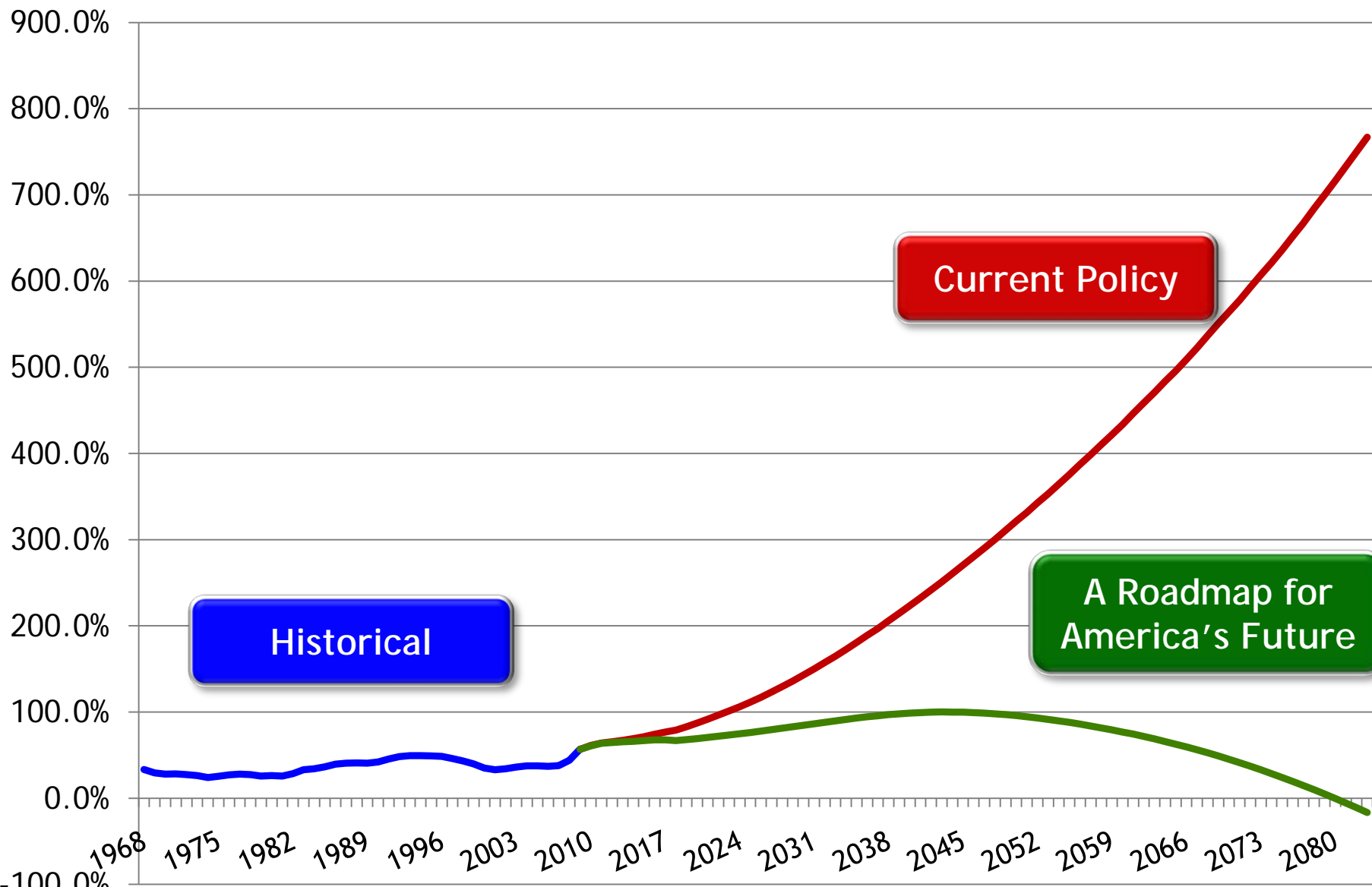


Current Policy

Historical

A Roadmap for America's Future

DEBT HELD BY PUBLIC (AS PERCENTAGE OF GDP)



Historical

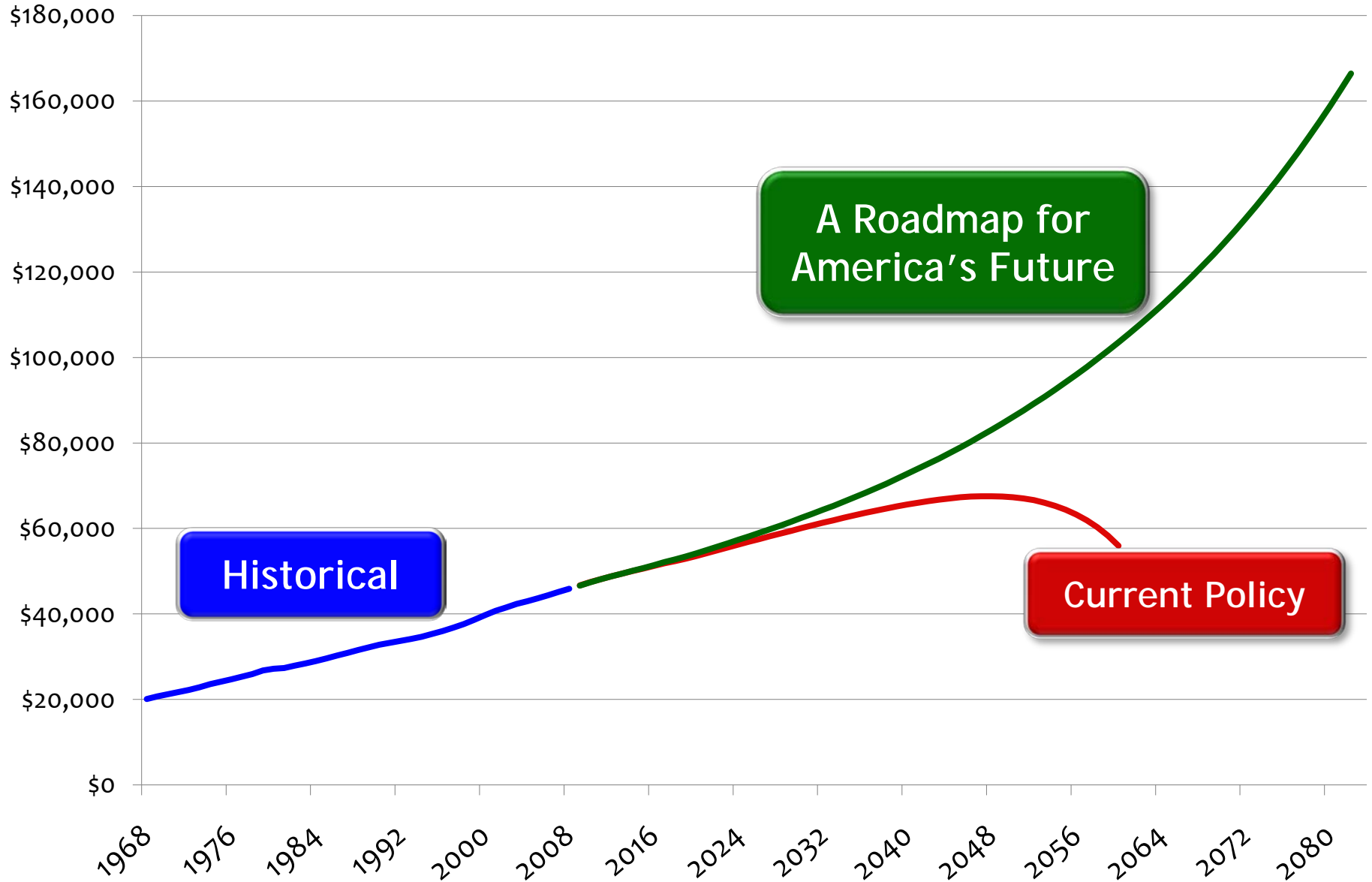
Current Policy

A Roadmap for America's Future

Source: CBO

A ROADMAP TO *PROSPERITY* - NOT AUSTERITY

(ECONOMIC GROWTH PER CAPITA)



“America can always be counted
on to do the right thing...
after they have exhausted all
other possibilities”

- Winston Churchill

www.americanroadmap.org

PAUL RYAN - OCTOBER 2010