

How the Republicans can fulfil their pledge

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America's electorate has forcefully repudiated the party in power – again. In 2006 it fired a Republican party that had strayed from its principles. Then in 2008, in the midst of a financial crisis, the Democrats misinterpreted a mandate for change and President Barack Obama sought to remake America in his own image. Voters have now rejected this overreach. The question is, what comes next?

Today [America's government stands divided](#). But we can all recognise that our current policy mix – borrow and spend, tax and spend, print and spend – has put our nation on the path to a “lost decade” as profound as that suffered by Japan during the 1990s. Mr Obama's own economic projections predict, absent a major course correction, unbearably high unemployment and anaemic economic growth for many years. The \$13,600bn debt is set to eclipse the entire economy.

Republicans reject the notion that this diminished status is America's “new normal”. But to turn the corner, we now need a firm focus on restoring the basic foundations of growth: low taxes; sound and honest money; fair, predictable and reasonable regulations; and, of course, spending cuts and reforms. In our campaign we promised that the spending spree would end. As the new chairman of the House Budget Committee, I intend to see that it does.

Governments around the world are currently hitting a fiscal dead end. The forced austerity being imposed in Europe shows America exactly why failure to act can be so fateful. Our window for reform is closing, but it is not too late to avert growth-killing tax increases, cuts for current beneficiaries of government programmes and reduced standards of living.

Indeed, [Tuesday's results](#) make clear that America is eager for an adult conversation on the threat of debt. Here I have offered specific ideas to get the debate going. Rather than consign future generations to broken entitlement programmes, I believe we can begin to make modest changes, such as [slowing the growth of benefits for the wealthiest earners](#), or indexing eligibility age to longevity. These ideas represent a viable alternative to the unsustainable status quo and they can be delivered while making no changes for those aged 55 and older who currently receive Social Security and Medicare.

The ongoing bipartisan fiscal commission set up by Mr Obama, on which I serve, provides an opportunity to start making a dent in the spending problem. It is due to report shortly, and I remain hopeful that others will join me in finding ways to move the debate on the debt forward, from the commission and into Congress itself.

That said, we must not wait until the new Congress is sworn in to prevent the across-the-board tax rises set to hit all Americans on January 1. Mr Obama must now move quickly to join the growing bipartisan consensus calling for at least a two-year freeze on all current tax rates. He should also join us to address our shared concern with the unsustainable deficit and enact the spending cuts proposed in House Republicans' “Pledge to America”. Our newly divided government has legislative limitations, but this move would send the right signal that both parties can work together.

In all this we must also avoid the hubris and overreach that defined [Mr Obama's first two years](#). Congress must no longer seek to micromanage ever more sectors of our economy and our daily lives. Republicans in Congress should gain inspiration from the fiscal honesty seen in the young governorships of the likes of Chris Christie in New Jersey and Bob McDonnell in Virginia, both of whom have provided specific reforms to fill fiscal holes. Others such as Governor Mitch Daniels of Indiana have been balancing budgets for years.

Importantly, we Republicans must not lose sight of our past failures: excessive spending, pork-barrel profligacy and a failure to stand united on principle. Our passionate opposition to higher taxes must now be matched with an equal commitment to cutting spending. We must stand ready to work across the aisle – collaborating to achieve policy goals, while never compromising on principle.

In short, we must decide what kind of nation we aspire to become in the 21st century. We face a choice: between an opportunity society with a safety net for those who need it most, or a cradle-to-grave social welfare state where government becomes the determining factor of our lives.

But Mr Obama has a choice too: to double-down on his economic and fiscal agenda; or realign his policies to the centre, to reflect the message delivered by American voters on Tuesday. If he chooses to stick with the same policies, he can only expect the same failed results.

Our fiscal and economic problems have been decades in the making – a bad situation made much worse over the past two years. It will require years to dig ourselves out. Mr Obama's veto pen and the Democrat-held Senate still

present major hurdles. Yet, the difficulty of the climb only underscores the urgency of getting started now.

The writer represents Wisconsin's First Congressional District and will be the senior Republican on the House Budget Committee

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