



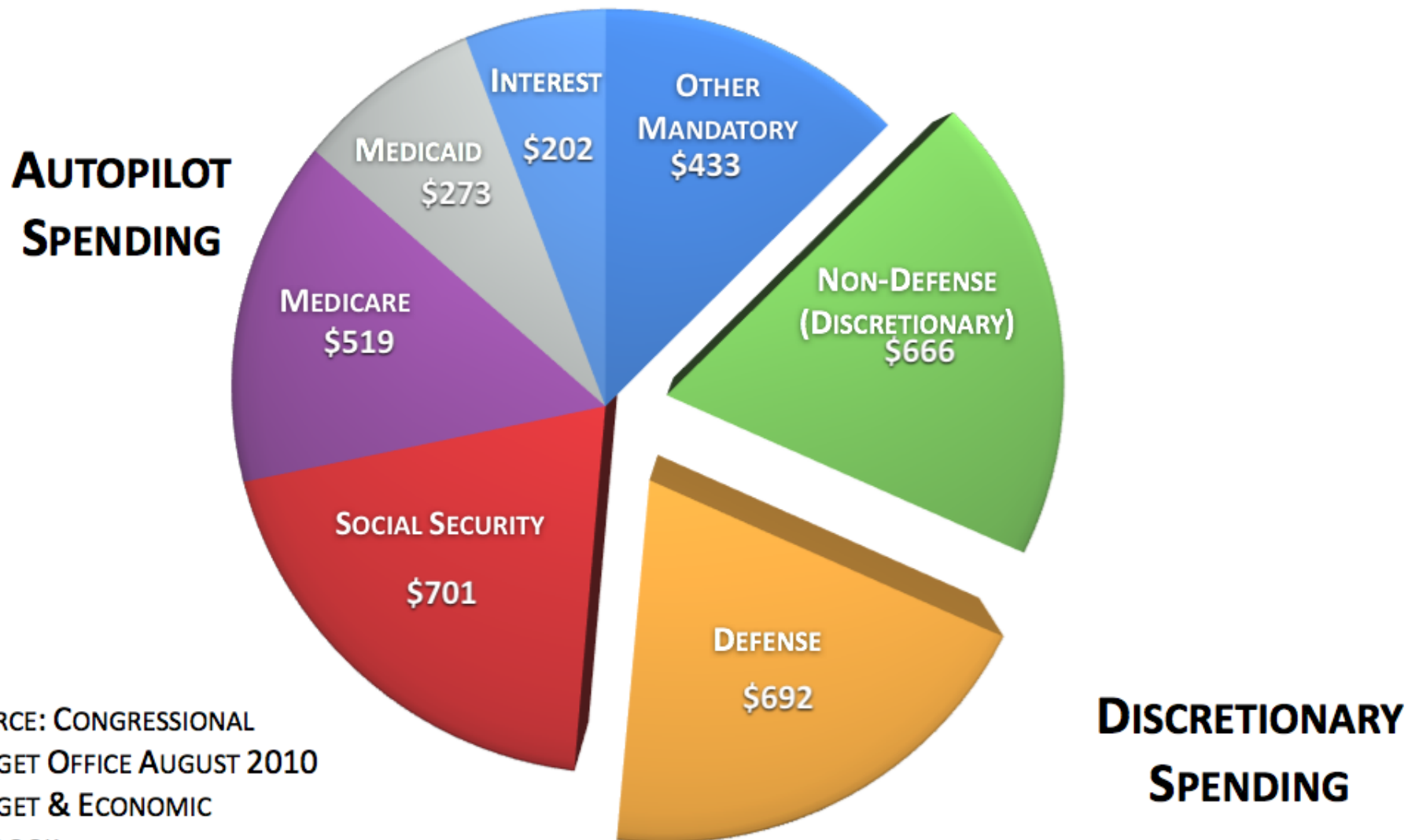
**WELCOME TO CONGRESSMAN  
PAUL RYAN'S  
APRIL 2011  
LISTENING SESSION**

**THE FACTS ABOUT THE DEBT;  
NO MORE EMPTY PROMISES  
A FACT — BASED BUDGET**



# TOTAL SPENDING IN FY 2010 = \$3.5 TRILLION

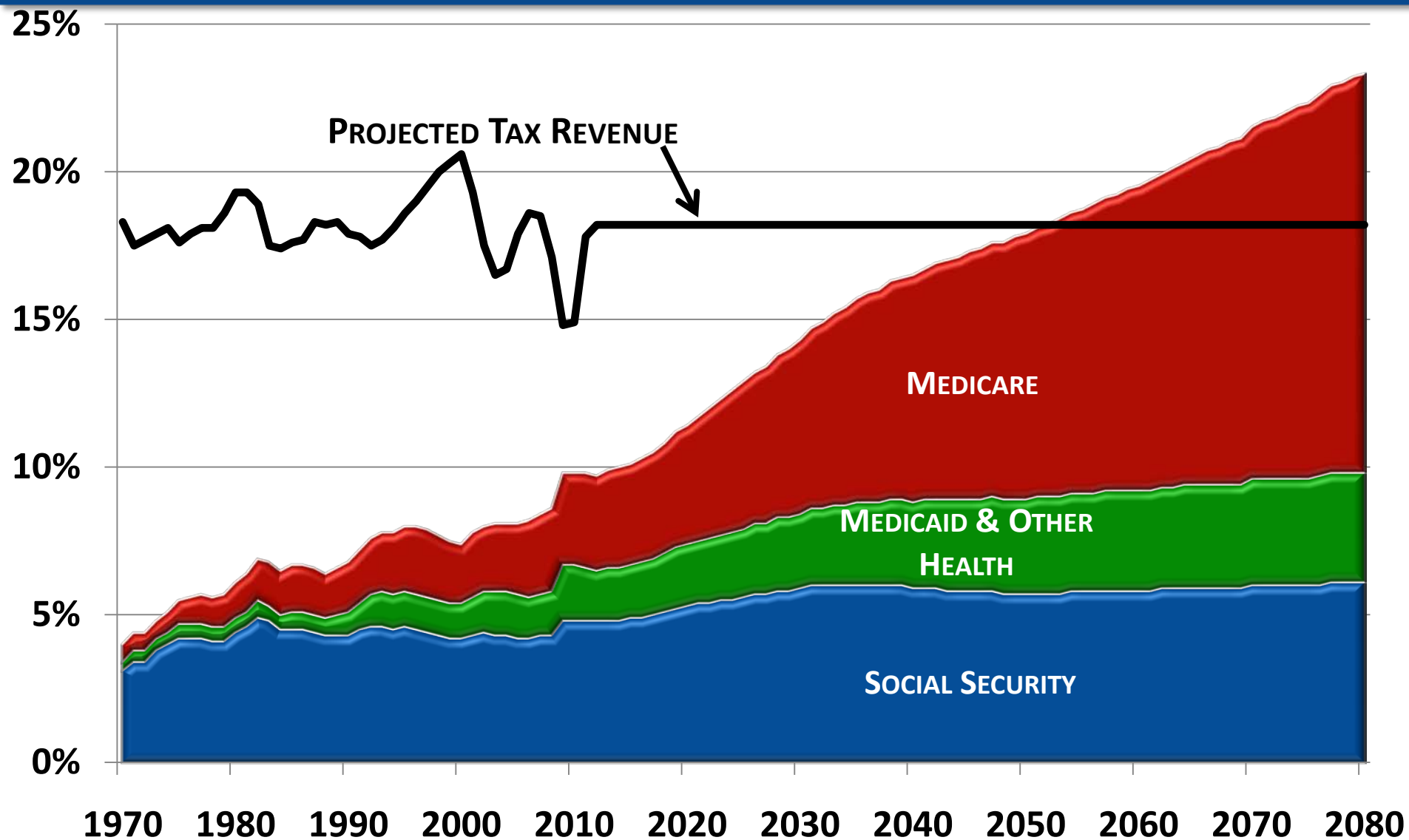
(OUTLAYS IN BILLIONS OF DOLLARS)



SOURCE: CONGRESSIONAL  
BUDGET OFFICE AUGUST 2010  
BUDGET & ECONOMIC  
OUTLOOK

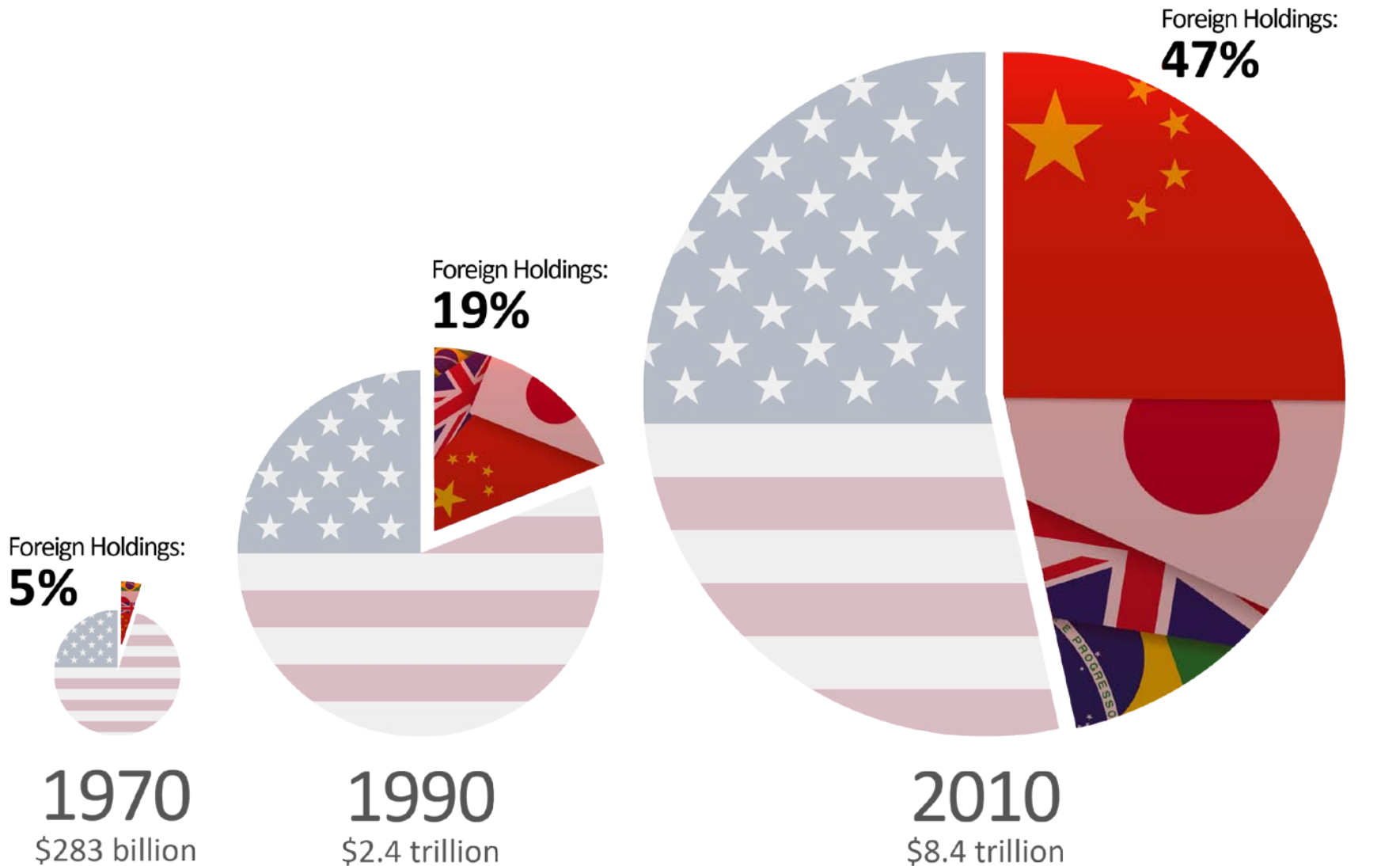
# WHAT DRIVES OUR DEBT?

(GOVERNMENT SPENDING AS SHARE OF ECONOMY)



# WHO OWNS OUR DEBT?

## DEBT HELD BY PUBLIC, 1970-2010

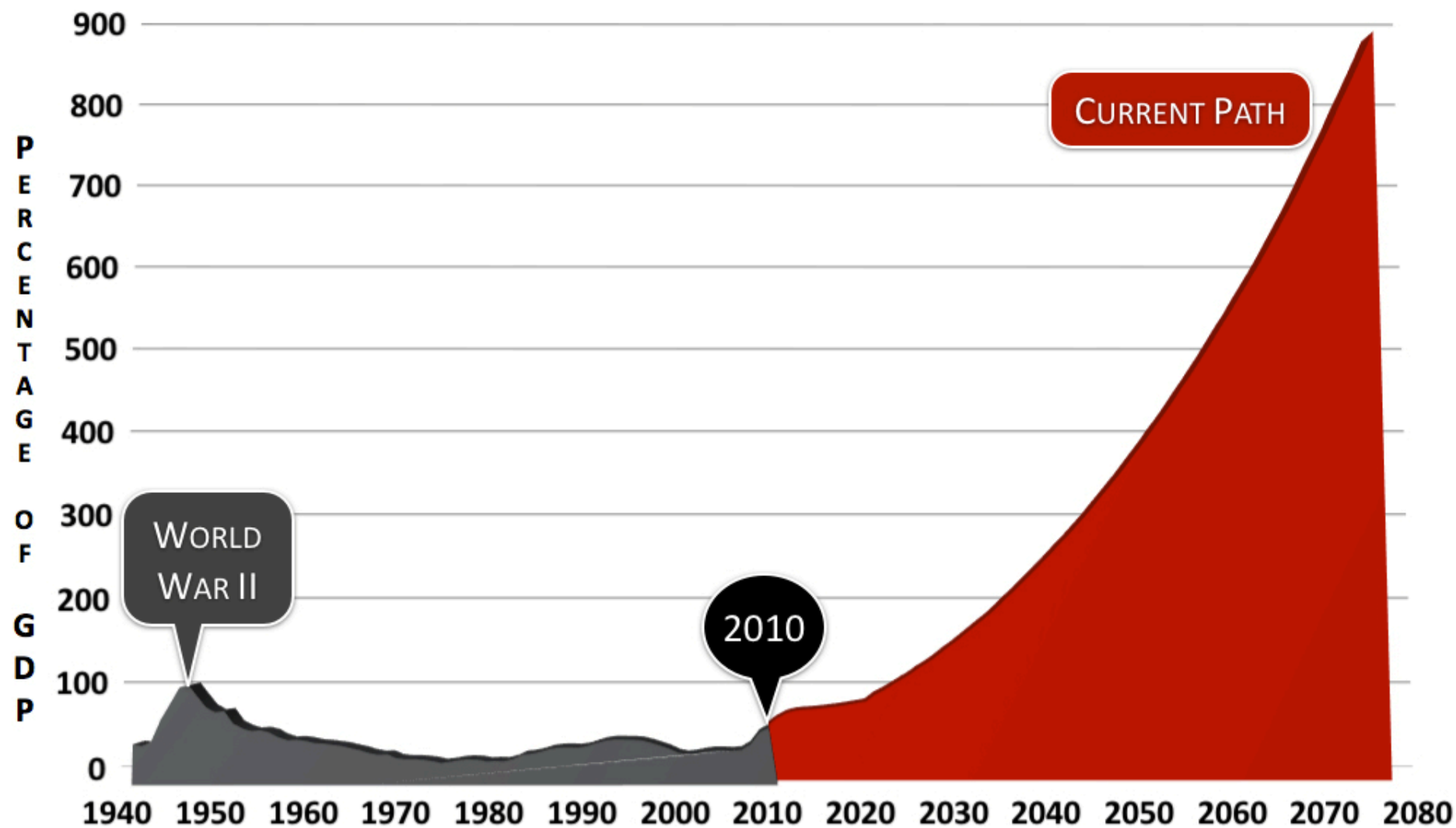


SOURCE: U.S. DEPARTMENT OF TREASURY



# CRUSHING BURDEN OF DEBT

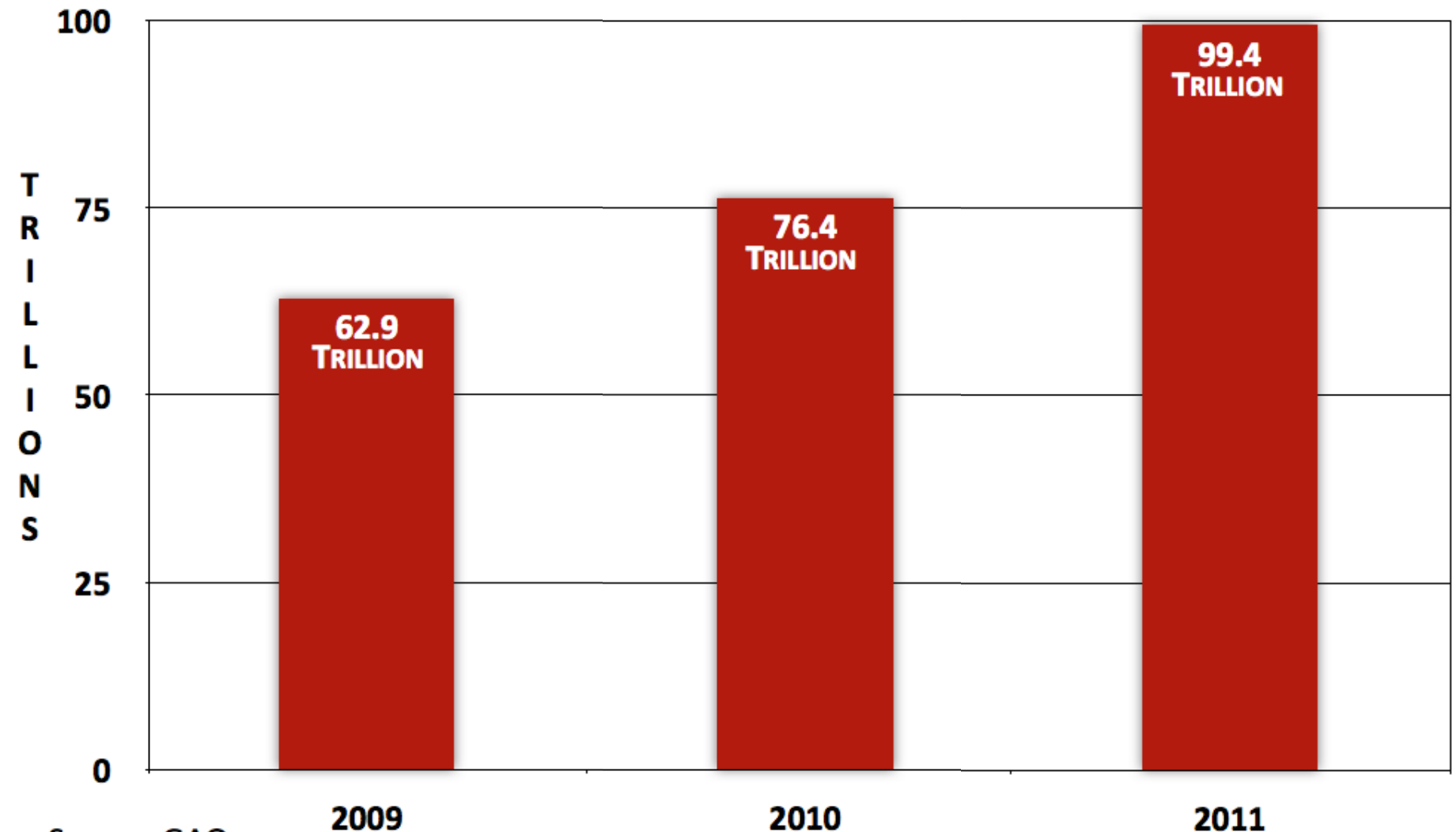
## (DEBT AS A SHARE OF THE ECONOMY)



SOURCE: OMB/CBO

# THE COST OF WAITING - THE FISCAL GAP

## UNFUNDED PROMISES IN TRILLIONS OF DOLLARS



SOURCE: GAO







# THE PATH TO PROSPERITY

RESTORING AMERICA'S PROMISE

**FISCAL YEAR 2012 BUDGET RESOLUTION**

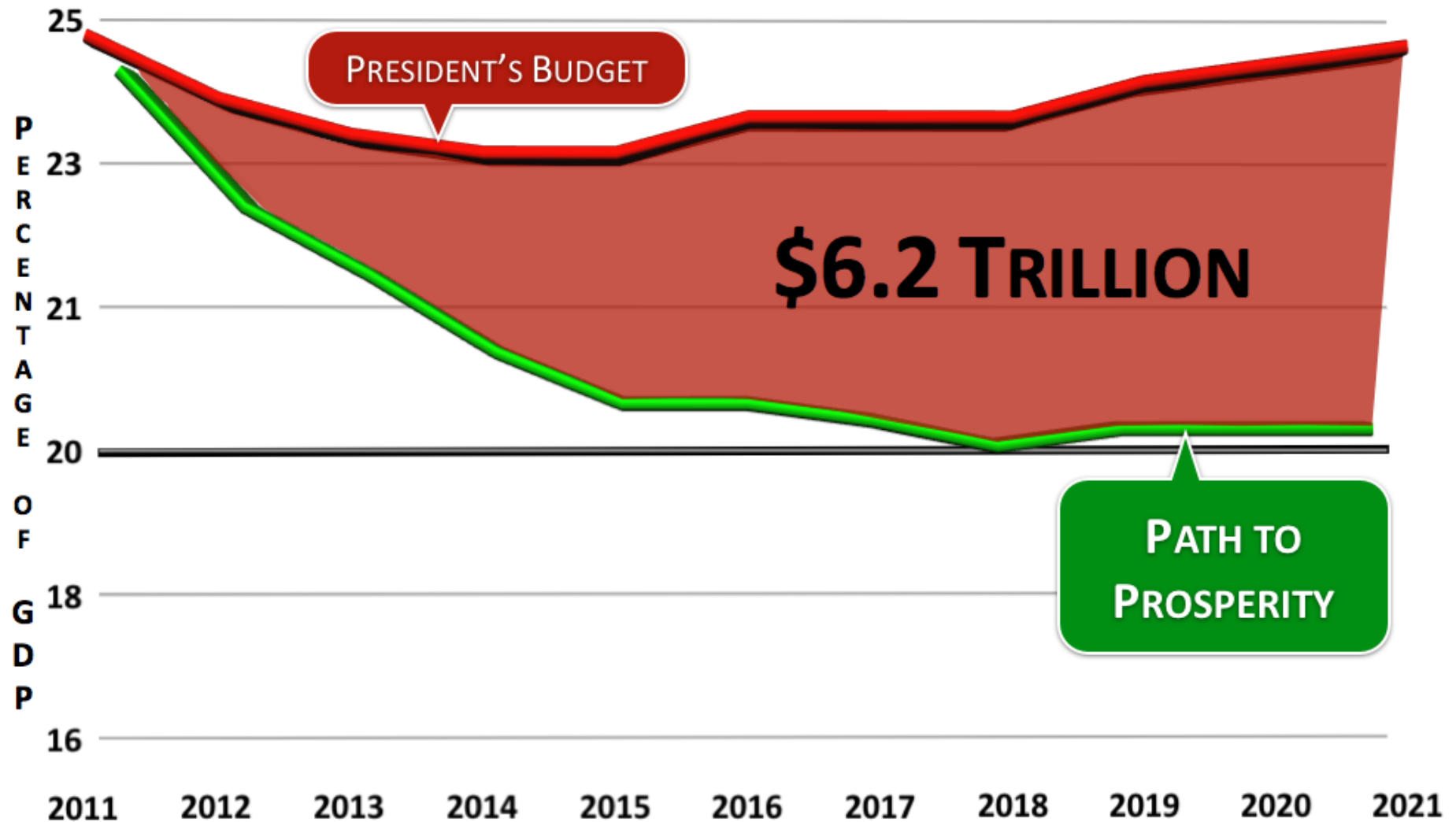


# THE PATH TO PROSPERITY

-  Creating Jobs and Economic Growth with Pro-Growth Tax Reform
-  Strengthening the Social Safety Net
-  Fulfilling the Mission of Health and Retirement Security for All Americans
-  Puts the Budget on a Path to Balance and the Economy on the Path to Prosperity

# GOVERNMENT SPENDING

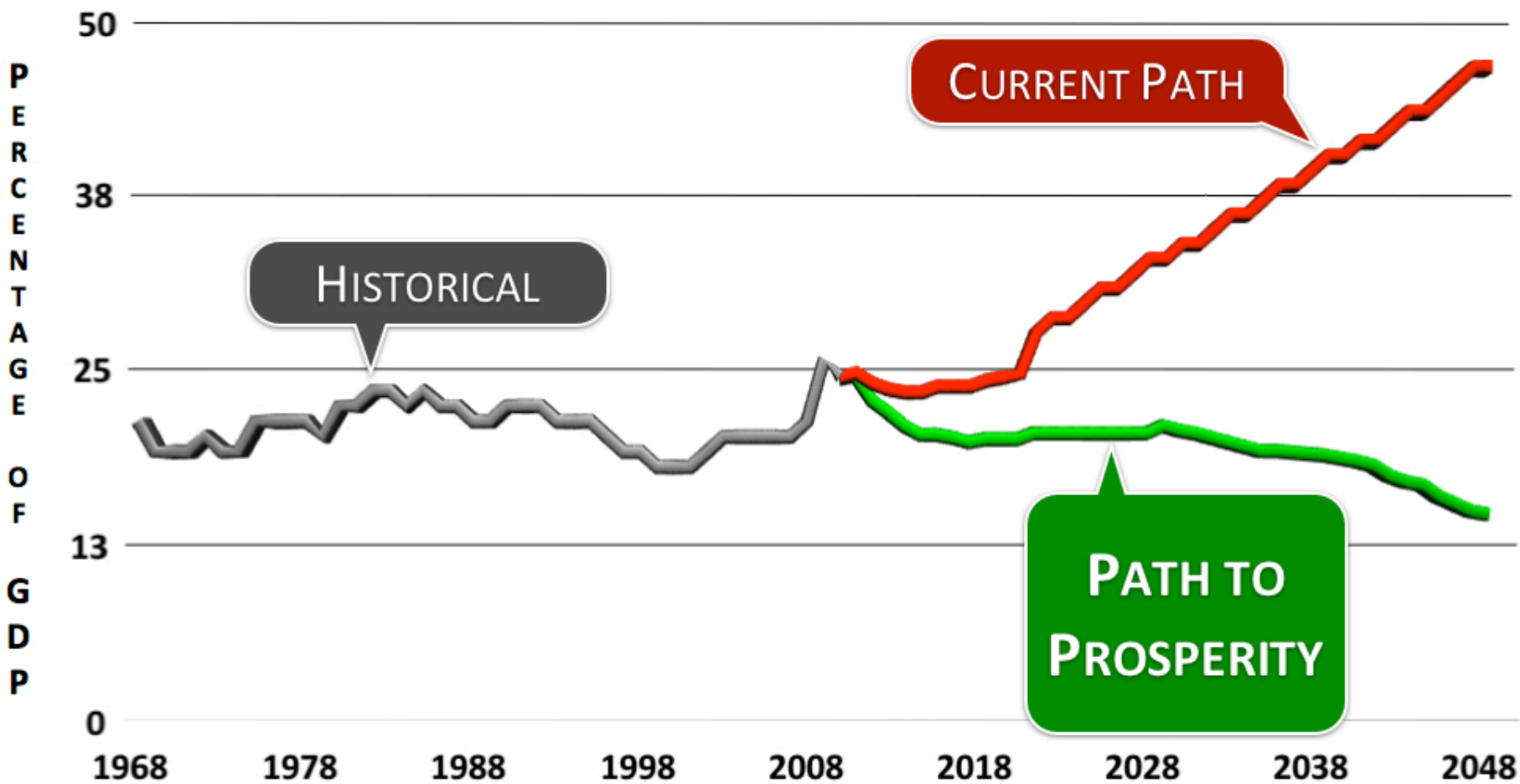
## (AS PERCENTAGE OF GDP)



SOURCE: CBO/HOUSE BUDGET COMMITTEE

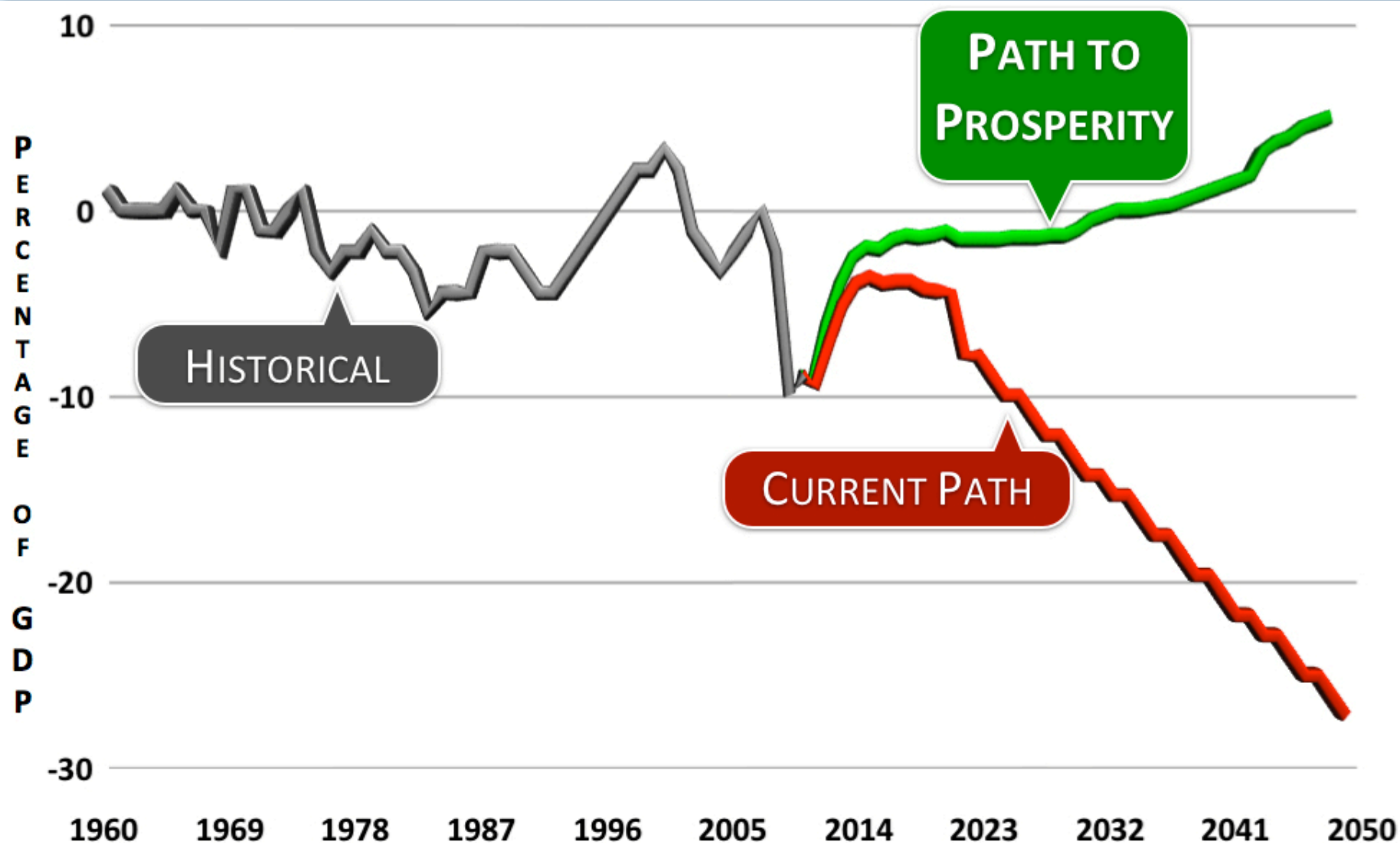
# GOVERNMENT SPENDING

## (AS PERCENTAGE OF GDP)



# FEDERAL DEFICIT OR SURPLUS

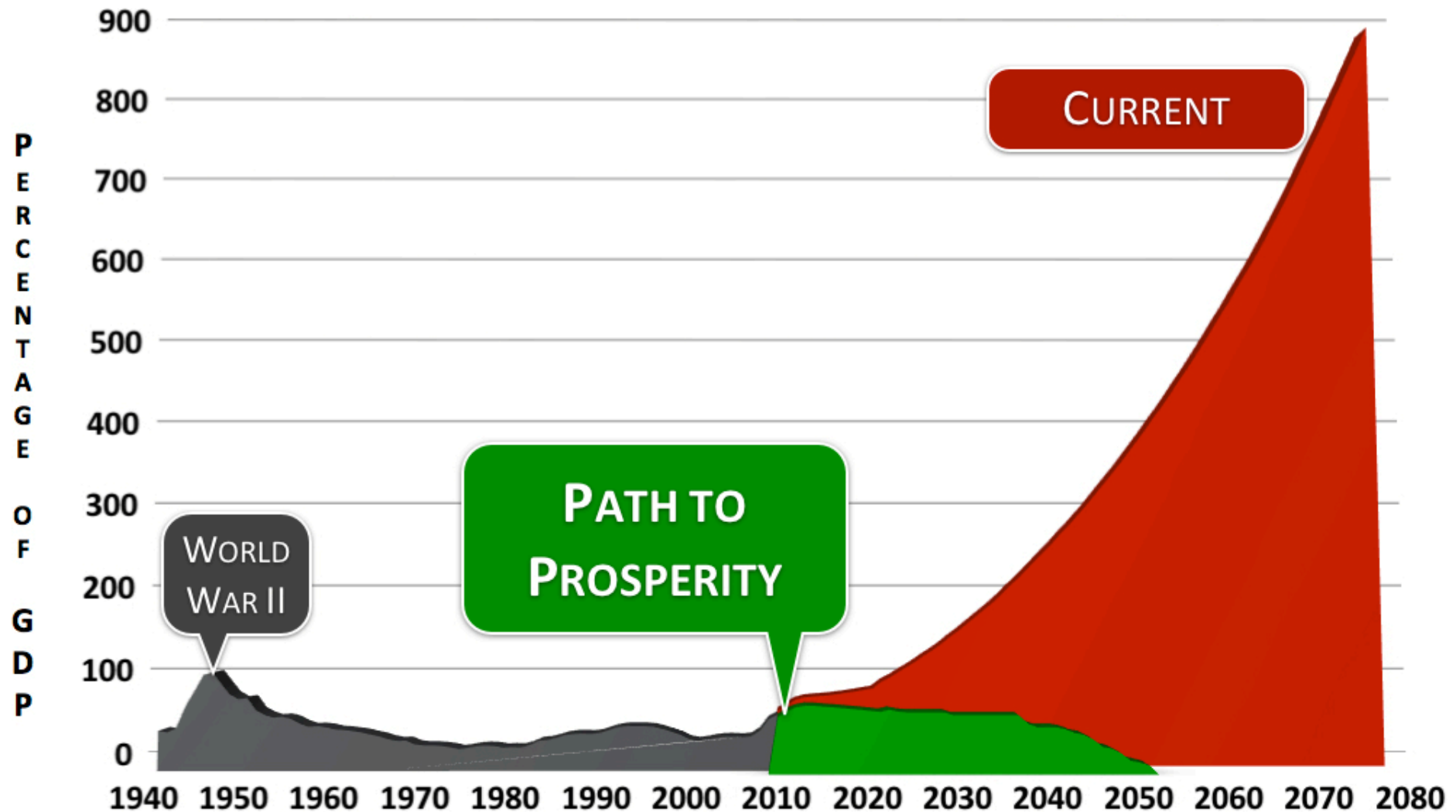
## (AS PERCENTAGE OF GDP)



SOURCE: CBO/HOUSE BUDGET COMMITTEE

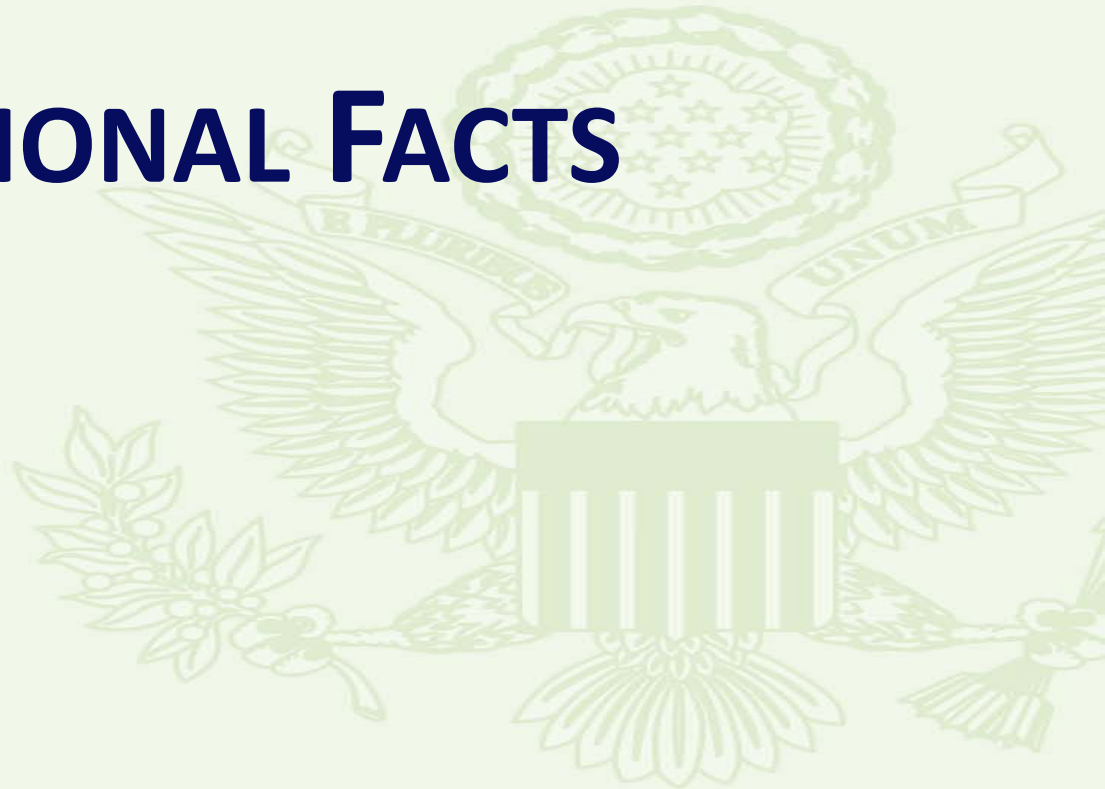
# A CHOICE OF TWO FUTURES

(DEBT AS A SHARE OF THE ECONOMY)





# ADDITIONAL FACTS



# PATH TO PROSPERITY

(CENTER FOR DATA ANALYSIS AT THE HERITAGE FOUNDATION)

-  **Faster economic growth:** \$1.5 trillion in additional real gross domestic product over the decade.
-  **More jobs:** Nearly 1 million new private sector jobs next year and 2.5 million new private sector jobs in the last year of the decade.
-  **Higher wages:** \$1.1 trillion in higher wages, salary and income.
-  **More prosperity:** avg \$1000 per year in higher income for each family

# REPUBLICAN BUDGET VS OBAMA FRAMEWORK

## PATH TO PROSPERITY

## PRESIDENT'S PLAN

### CURRENT SENIORS

- ☒ No Changes
- ☒ No Disruptions
- ☒ Preserve and Protect

- Uses rationing board for benefit and provider cuts
- Imposes nearly \$10,000 cut per senior

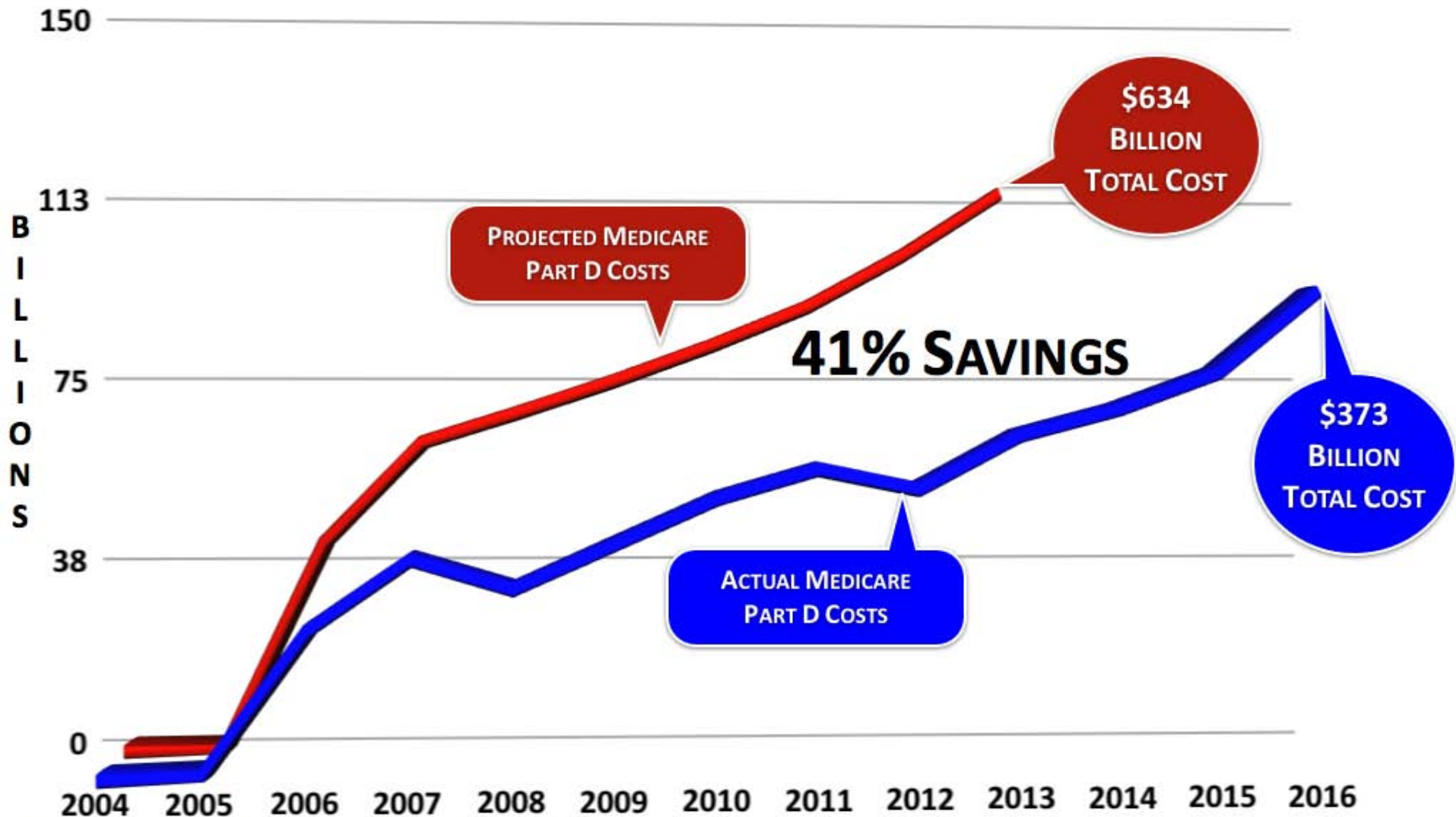
### FUTURE SENIORS

- ☒ Personalized Medicare; like Members of Congress
- ☒ Wealthy get less, sick & low income get more support
- ☒ Guaranteed Medicare plan

- No plan to save Medicare
- Allows Medicare to go bankrupt in 2020

# HEALTH CARE COMPETITION AND CHOICE

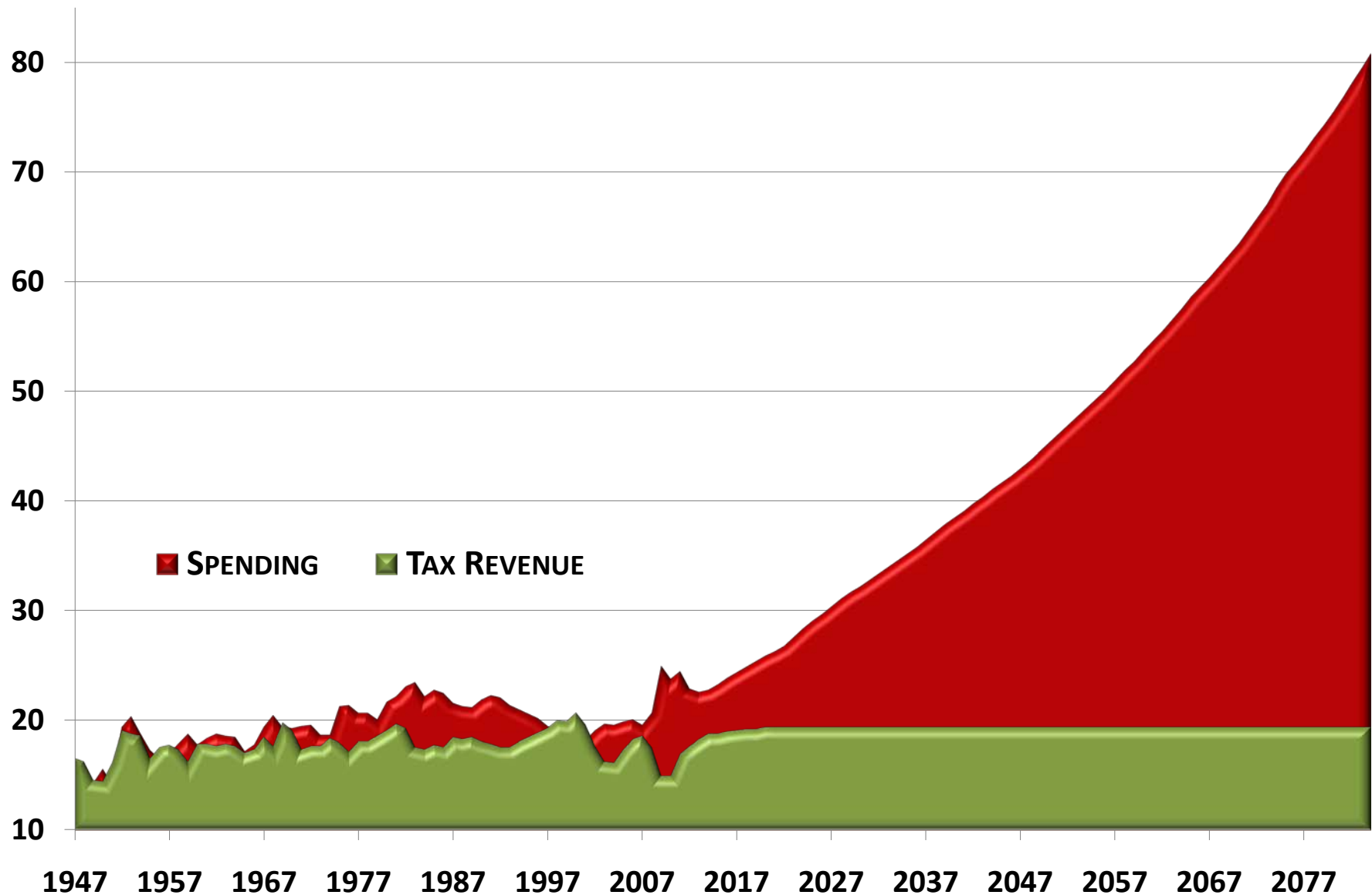
## MEDICARE PART D - PROJECTED VS ACTUAL COSTS



SOURCE: CENTER FOR MEDICARE AND MEDICAID SERVICES (CMS)

# WE ARE IN A SPENDING-DRIVEN DEBT CRISIS

HISTORIC/PROJECTED SPENDING & REVENUE AS A PERCENTAGE OF THE ECONOMY

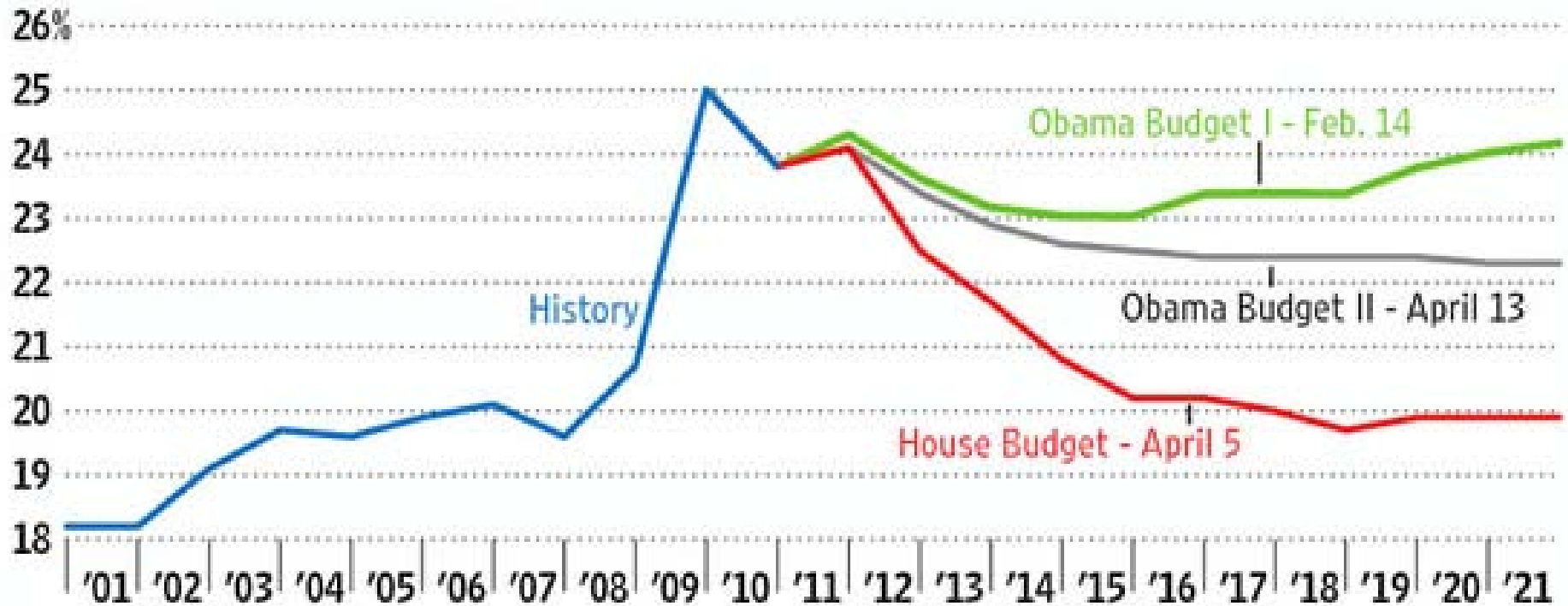


SOURCE: OFFICE OF MANAGEMENT AND BUDGET HISTORIC TABLES, CONGRESSIONAL BUDGET OFFICE; PROJECTIONS BASED ON THE CBO'S ALTERNATIVE FISCAL SCENARIO.



# A Tale of Three Budgets

Spending as a share of GDP, 2000-2021



Sources: Congressional Budget Office, House Budget Committee, and author's estimates based on April 13 White House fact sheet