

Back Channels: A Republican's plan to take on the big stuff

The Philadelphia Inquirer

By Kevin Ferris

Sunday, June 29, 2008

Shhh. Listen. Hear that? It's a pulse. Faint, but there. An actual sign of life, one that could allay the fears of many about the state of Republicans in Congress.

The blip comes courtesy of U.S. Rep. Paul Ryan (R., Wis.), ranking member of the House Budget Committee. He has decided to forgo conventional wisdom about laying low on policy proposals while campaigns are in progress and offered ideas to secure the long-term fiscal and economic health of the country.

"The politicians and the consultants will tell you, 'Don't do anything controversial during an election year. They'll use it as a tool to beat you with,' " Ryan says. "Problem is, every other year is an election year, so nothing gets done. And every year we don't address the country's fiscal problems, we go deeper into debt."

To address those long-standing issues - runaway health insurance premiums, the costs of Medicare and Social Security, an overly complex tax code, and obligations that have the potential to cripple the U.S. economy - Ryan is offering the Roadmap for America's Future (www.americanroadmap.org). It's a detailed reform of entitlements and tax policy, with an eye toward encouraging fiscal responsibility and economic growth. But even with the emphasis on reform and making programs adapt to today's fiscal realities, Ryan would allow citizens to stay in the current tax and entitlement programs.

The five-term congressman describes his plan as applying the core principles of the GOP - ownership, freedom and free enterprise - to help "fix the safety net, to fulfill the promise of the safety net."

Starting with health care, the Roadmap uses tax credits and reforms, industry deregulation, small-business insurance pools, and employer incentives to make insurance more affordable for families.

In a next-generation Medicare program, Ryan would offer a standard payment adjusted for income and location of the beneficiary, who could use the payment to shop for an insurance policy - similar to Medicare's successful prescription-drug program.

Social Security would phase in voluntary personal accounts, with guaranteed minimum benefits - and no taxation of those benefits, increasing amounts allowed for investment, and the ability to pass the account on to heirs.

Ryan's simplified tax code would give filers a choice: Stay with the existing system and its multiple tax rates, exemptions, deductions and credits or volunteer for a simplified plan. The latter would have two tax rates: 10 percent for income of \$50,000 or less for singles (\$100,000 or less for marrieds), or 25 percent for everyone else, a considerable savings for many. The standard deduction and personal exemptions would remain, but most other deductions would not. To encourage savings, there would be no tax on interest, capital gains or dividends.

Ryan also calls for budget-process reforms, including a cap on total government spending as a percentage of GDP - ideally no more than about 18 percent.

"We can fulfill the mission of health and retirement security in a way that lifts the burden of debt on the next generation and makes us more competitive in the global economy," Ryan says.

His colleague, Rep. Jim Gerlach (R., Pa.), isn't ready to sign on to the entire package, but likes the comprehensive approach, something he hasn't seen from the majority.

"He's putting out a good set of ideas and thoughts that ought to be the basis for what Congress does in coming years," Gerlach says. He doesn't see it passing soon, but says, "It gets us reflecting as a GOP conference on what basic values and principles we want to try to advance if put back in the majority."

A local GOP candidate, Craig Williams, says Ryan is on the right track.

"What the people in my district want is for someone to step forward with a plan rather than taking shots at the other party," says Williams, who is challenging freshman Rep. Joe Sestak in the Seventh District.

Voters are eager for comprehensive solutions not just on fiscal problems, but also on energy and related issues, he says.

"We have to spend more time planning in the GOP and less time in partisan politics," Williams says. "If we do, the American people will listen and we'll win."

Ryan is hoping his colleagues and the leadership feel the same way. He'd like to jolt the party out of the inertia that settled in long before the 2006 elections.

"The GOP is too afraid of being attacked, and this fear brought us to our knees and paralyzed us," Ryan says. "In the last half of our time in the majority, we substituted good ideas with earmarking and tried to retool the Democratic machine to be more Republican, hoping it would keep us in power.

"But what's the point of power if we don't fix problems?"