

Ryan pick marks further shift to the right in US presidential campaign

Patrick Martin
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Republican presidential candidate Mitt Romney's selection of Wisconsin Congressman Paul Ryan as his running mate marks a further shift to the right in the 2012 election campaign. Ryan is best known for his role in drafting House Republican budgets that would privatize Medicare and devastate federal spending on all other social programs.

Regardless of the outcome of the vote on November 6, the Ryan pick signals that the US ruling elite has decided on a frontal assault on key social programs such as Medicare, Medicaid and Social Security.

The *Washington Post* editorial page put the issue bluntly, criticizing "major flaws and omissions" in Ryan's budget plans, then adding: "Yet his selection puts useful pressure on both Mr. Romney and President Obama to be more specific about their own approaches to entitlement spending, tax reform and other budgetary issues about which they would prefer to speak, if at all, in vague generalities."

If the Romney-Ryan ticket wins, the Republicans will claim they have a popular mandate to privatize and destroy programs like Medicare and Medicaid on which tens of millions of poor and elderly people depend. If Obama is reelected, the Democratic administration will propose cuts nearly as devastating, while claiming to have "saved" these programs from the Republicans.

As always, the Republican right sets a benchmark of reaction to which the Democrats adapt in order to shift social policy as a whole ever further to the right and carry out ever more brutal attacks on the working class.

The barrage of demagoguery and lies from both right-wing pro-corporate parties began as soon as Romney announced his choice of Ryan at a rally in Norfolk, Virginia on Saturday, held with the battleship USS Wisconsin as a backdrop.

Romney called attention to the cuts in Medicare funding incorporated in the Obama health care legislation passed in 2010. "Unlike the current president, who has cut Medicare funding by \$700 billion, we will preserve and protect Medicare and Social Security," he declared. Republican

congressional candidates made similar arguments in their successful 2010 campaigns.

The Obama reelection campaign responded with commercials calling attention to Ryan's role as the chief sponsor of the House Republican budgets in 2011 and 2012 that called for conversion of Medicare into a voucher-based program with strict limits on the amount of federal spending, effectively shifting the risk of higher medical bills from the government to the elderly.

Despite the attacks by both sides on the Medicare issue, there is a substantial area of overlap in the plans of both big business parties for dramatic cuts. The latest version of the Ryan plan, drafted as a bipartisan measure with Democratic Senator Ron Wyden of Oregon, would extend the mechanism in the Obama health care overhaul to Medicare: insurance exchanges run by the 50 states, with individuals purchasing private insurance using government-subsidized vouchers.

The Obama health care program establishes such exchanges for working people without health insurance who earn more than the federal poverty level. The Ryan plan would set up a similar structure for senior citizens. In both cases, the purpose is the same: using the vouchers (called "premium support") to limit the federal contribution and shift the cost of health care from the government (or in the case of Obama, corporations) to the individual.

Ryan represents a definite social type—someone who decided in college, if not earlier, to make a political career as an advocate of ultra-right policies and the interests of corporate America. He was an enthusiast for Ayn Rand, the glorifier of capitalist brutality and selfishness, and went to Washington as a congressional aide and later a speechwriter for 1996 Republican vice presidential candidate Jack Kemp, before winning an open congressional seat in southeastern Wisconsin in 1998.

He is, like most congressmen and senators, a multimillionaire, with a personal fortune of as much as \$7 million based on his own family's earthmoving company in Janesville, Wisconsin and his wife's inheritance of

Oklahoma oil wealth.

Despite his posture as a “free market” radical, Ryan backed government intervention to save the banks and the auto companies in 2008 and 2009, voting for both TARP (the Wall Street bailout) and the bailout of General Motors and Chrysler. He declared at the time that such efforts were necessary “to save the free enterprise system.”

Ryan is invariably referred to in the corporate-controlled media as “an intellectual leader of the Republican Party,” a description echoed Sunday by President Obama. This dubious accolade means that he can propose to slash benefits for the poor and elderly in order to finance tax cuts for millionaires, and at the same time claim that this will benefit society as a whole...all while keeping a straight face.

The congressional budgets that bear Ryan’s name have five major features:

- Transformation of Medicare into a voucher plan with the federal contribution capped after 2023 so that it shifts costs to the elderly, up to an estimated \$6,400 a year.
- Conversion of Medicaid, food stamps and other entitlement programs into block grants to the states, with the federal contribution capped to force drastic cuts in spending at the state level, estimated at \$700 billion from Medicaid alone over the next ten years. Some 14 to 19 million people would be cut from the program, according to an estimate by the Kaiser Foundation.
- A multitrillion-dollar tax cut for the wealthy on top of the renewal of all of the Bush administration tax cuts for the wealthy, now scheduled to expire at the end of this year. Ryan supports a permanent extension of the Bush-era tax cuts, as does Romney. Ryan would cut the corporate tax rate from 35 percent to 25 percent and make a similar cut in the tax rate for the highest-income households.
- Maintaining or increasing spending on the military, intelligence agencies and Homeland Security Department and increasing the size and power of the military apparatus.
- Eliminating virtually all other federal domestic spending—on education, the environment, energy, housing, transportation and employment, as well as most regulatory functions.

Ryan proposes to cut non-entitlement federal spending from the present 12.5 percent of the US gross domestic product to only 3.75 percent. Since military spending is included in this figure, and constitutes about 3 percent of GDP, this means cutting all other federal spending from 9.5 percent of GDP to only 0.75 percent, a reduction of 92 percent.

This would mean, among other socially disastrous effects, the ending of Pell Grants for 1 million college students and the loss of an estimated 4.1 million jobs over two years.

Ryan was also the author of the most radical of the various Republican legislative proposals to privatize Social Security in 2005, when the Bush administration pushed for such a change. Even the Bush White House was compelled to reject the Ryan plan as “irresponsible” because it funneled so much cash from the Social Security Trust Fund to private investment accounts held by Wall Street financial institutions.

From an ideological standpoint, Ryan represents the most right-wing candidate to be nominated on a major party ticket in at least a century. By one rating system, he ties with Michelle Bachmann of Minnesota, the failed Republican presidential candidate, in the ranking of right-wing legislators. Ryan is not a Christian fundamentalist like Bachmann, but his record on social issues like abortion rights is equally right-wing.

Exploiting the transparent indifference of the Obama administration to the social misery created by the crisis of American and world capitalism, Ryan, Romney and the Republicans are seeking to posture as advocates of working people despite their ultra-right program. In his remarks in Norfolk, Ryan denounced “higher unemployment, declining incomes and crushing debt” and claimed that the Romney-Ryan ticket would “lead to more jobs and more take home pay for working Americans.”

Liberal apologists for the Democratic Party, like the *New York Times*, seized on the Ryan nomination to make an argument for a vote for Obama’s reelection. “Voters will now be able to see with painful clarity just what the Republican Party has in store for them,” its editorial Sunday claimed.

The truth is that both the Romney-Ryan and Obama-Biden tickets represent the interests of the capitalist ruling elite. Whichever pair of millionaire politicians wins the November election, the new administration will intensify the assault on working-class living standards and carry out unprecedented attacks on basic social program.



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