Ryan Choice: 'Fix' Medicare

Mitt Romney and Paul Ryan would cut $3.3 trillion from programs for the working poor — and $700 billion from Medicare — to finance tax cuts for the wealthy

By Robert B. Reich

Mitt Romney’s chosen running mate, Paul Ryan, is the reverse of Sarah Palin. She was all right-wing flash without much substance. He’s all right-wing substance without much flash.

Ryan is not a firebrand. He’s not smarmy. He doesn’t ooze contempt for opponents or ridicule those who disagree with him. In style and tone, he doesn’t even sound like an ideologue — until you listen to what he has to say.

It’s here — in Ryan’s views and policy judgments — we find the true ideologue. More than any other politician today, Ryan exemplifies the social Darwinism at the core of today’s Republican Party: Reward the rich, penalize the poor, let everyone else fend for themselves.

Dog eat dog.

Ryan’s views are crystallized in the budget he produced for House Republicans in March as chairman of the House Budget Committee. That budget would cut $3.3 trillion from low-income programs over the next decade. The biggest cuts would be in Medicaid, which provides health care for the nation’s poor — forcing states to drop coverage for an estimated 14 million to 28 million low-income people, according to the nonpartisan Center for Budget and Policy Priorities.

Ryan’s budget would also reduce food stamps for poor families by 17% ($135 billion) over the decade, leading to a significant increase in hunger — particularly among children. It would also reduce housing assistance, job training, and Pell grants for college tuition.

In all, 62% of the budget cuts proposed by Ryan would come from low-income programs.

The Ryan plan would also turn Medicare into vouchers whose value won’t possibly keep up with rising health-care costs — thereby shifting those costs to seniors.

At the same time, Ryan would provide a substantial tax cut to the very rich — who are already taking home an almost unprecedented share of the nation’s total income. Today’s 400 richest
Americans have more wealth than the bottom 150 million of us put together.

Ryan’s views are pure social Darwinism. As William Graham Sumner, the progenitor of social Darwinism in America, put it in the 1880s:

“Civilization has a simple choice.” It’s either “liberty, inequality, survival of the fittest” or “non-liberty, equality, survival of the unfittest. The former carries society forward and favors all its best members; the latter carries society downwards and favors all its worst members.”

Is this Romney’s view as well?

Some believe Romney chose Ryan solely in order to drum up enthusiasm on the right. Since most Americans have already made up their minds about whom they’ll vote for, and the polls show Americans highly polarized — with an almost equal number supporting Romney as Obama — the winner will be determined by how many on either side take the trouble to vote. So in picking Ryan, Romney is motivating his right-wing base to get to the polls and pull everyone else they can along with them.

But there’s reason to believe Romney also agrees with Ryan’s social Darwinism. Although Romney has carefully avoided specifics in his own economic plan, he has said he’s “very supportive” of Ryan’s budget plan: “It’s a bold and exciting effort ... an excellent piece of work and very much needed ... very consistent with what I put out earlier.”

At the same time, Romney wants to permanently extend the Bush tax cuts to the wealthy, reduce corporate income taxes and eliminate the estate tax. These tax reductions would increase the incomes of people earning more than $1 million a year by an average of $295,874 annually, according to the nonpartisan Tax Policy Center.

Oh, did I mention that Romney and Ryan also want to repeal President Obama’s health care law, thereby leaving 50 million Americans without health insurance?

Social Darwinism offered a moral justification for the wild inequities and social cruelties of the late 19th century. It also undermined all efforts to build a more broadly based prosperity and rescue our democracy from the tight grip of a very few at the top. It was used by the privileged and powerful to convince everyone else that government shouldn’t do much of anything.

Not until the 20th century did America reject social Darwinism.

We created a large middle class that became the engine of our economy and our democracy. We built safety nets to catch Americans who fell downward, often through no fault of their own.
We taxed the rich and invested in public goods — public schools, public universities, public transportation, public parks, public health — that made us all better off.

In short, we rejected the notion that each of us is on our own in a competitive contest for survival.

By choosing Ryan, Romney has raised for the nation the starkest of choices: Do we want to return to that earlier time, or are we willing and able to move forward — toward a democracy and an economy that works for us all?

GOP Budget’s Real Target: Medicare

Stumping in Florida on Aug. 13, Mitt Romney charged President Obama’s Affordable Care Act will “cut more than $700 billion” out of Medicare.

What Romney didn’t say was that his running mate’s budget — approved by House Republicans and by Romney himself — would cut Medicare by the same amount.

The big difference, though, is the Affordable Care Act achieves these savings by reducing Medicare payments to drug companies, hospitals, and other providers rather than cutting payments to Medicare beneficiaries.

The Romney-Ryan plan, by contrast, achieves its savings by turning Medicare into a voucher whose value doesn’t keep up with expected increases in healthcare costs — thereby shifting the burden onto Medicare beneficiaries, who will have to pay an average of $6,500 a year more for their Medicare insurance, according to an analysis of the Republican plan by the non-partisan Congressional Budget Office.

Moreover, the Affordable Care Act uses its Medicare savings to help children and lower-income Americans afford healthcare, and to help seniors pay for prescription drugs by filling the so-called doughnut hole in Medicare Part D coverage.

The Romney-Ryan plan uses the savings to finance even bigger tax cuts for the very wealthy.

Spread the word. Don’t allow the GOP to get away with this demagoguery.

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