The Choice of Two Futures

House Budget Committee Chairman Paul Ryan
March 2011

The Challenge

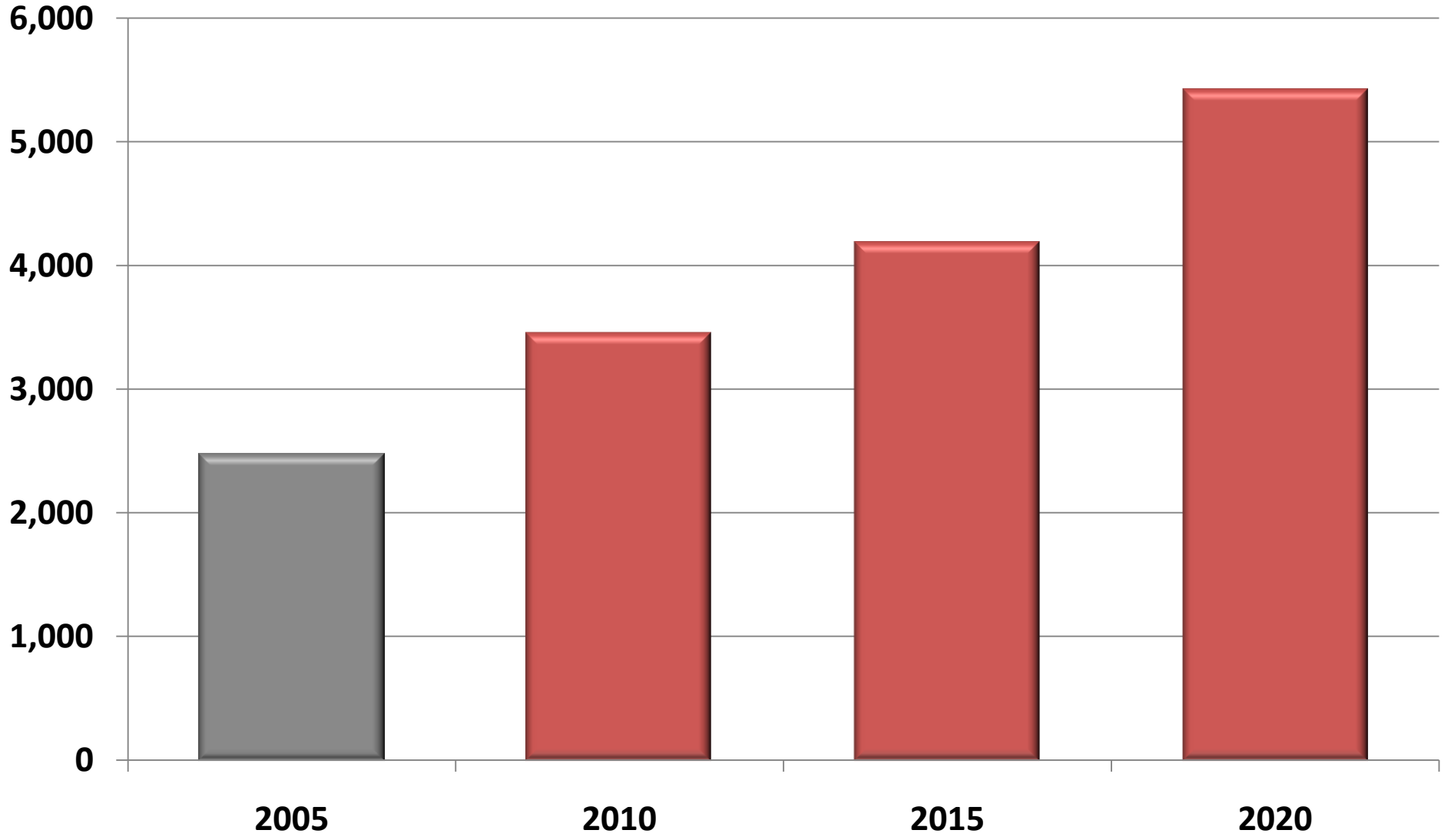
JOBS DEFICIT

BUDGET DEFICIT

LEADERSHIP DEFICIT

Reckless Spending Spree

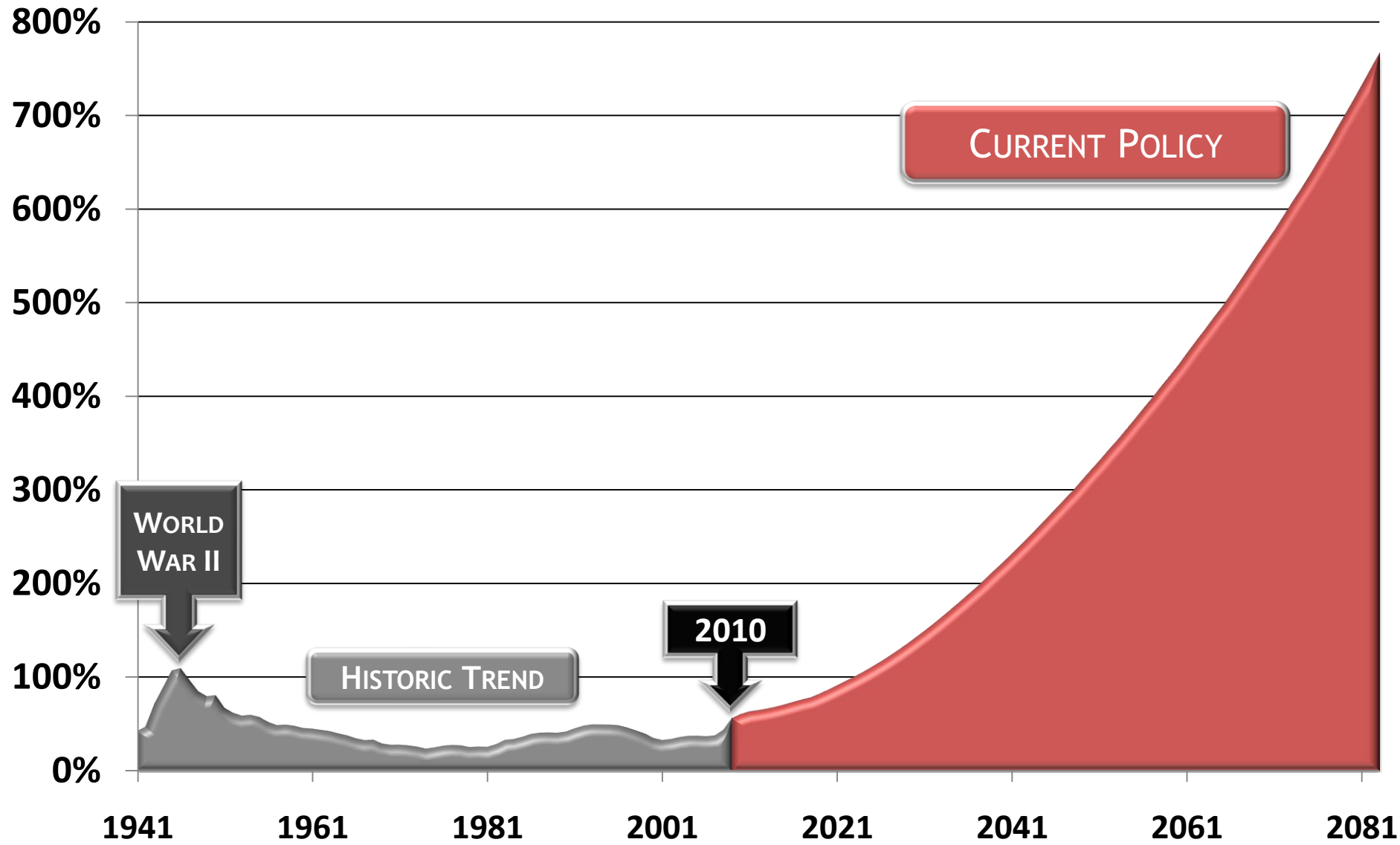
Government Spending in Billions of Dollars, Under Obama Budget



Source: CBO

Tidal Wave of Debt

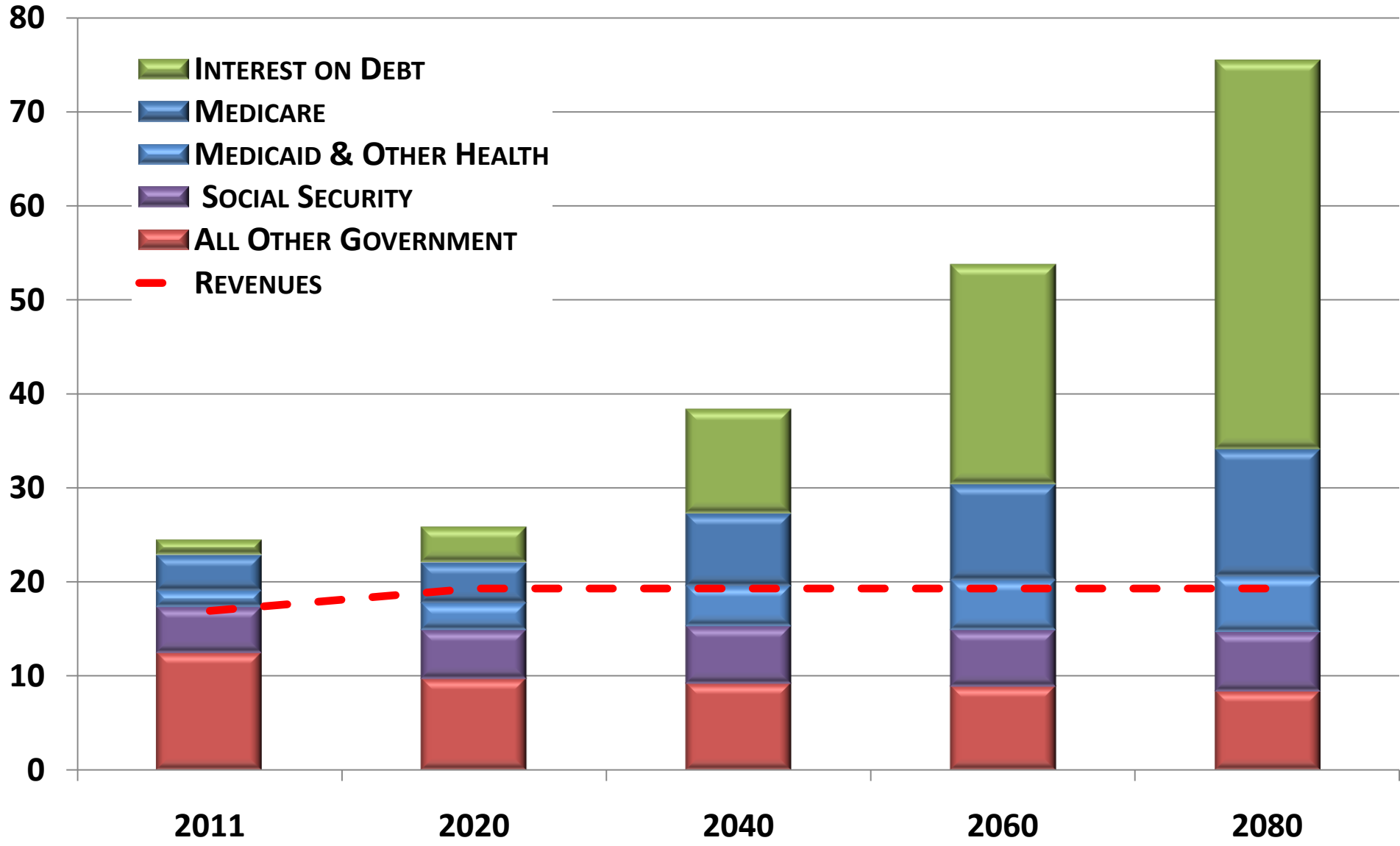
(Debt Held by Public as Share of Economy)



Source: OMB/CBO

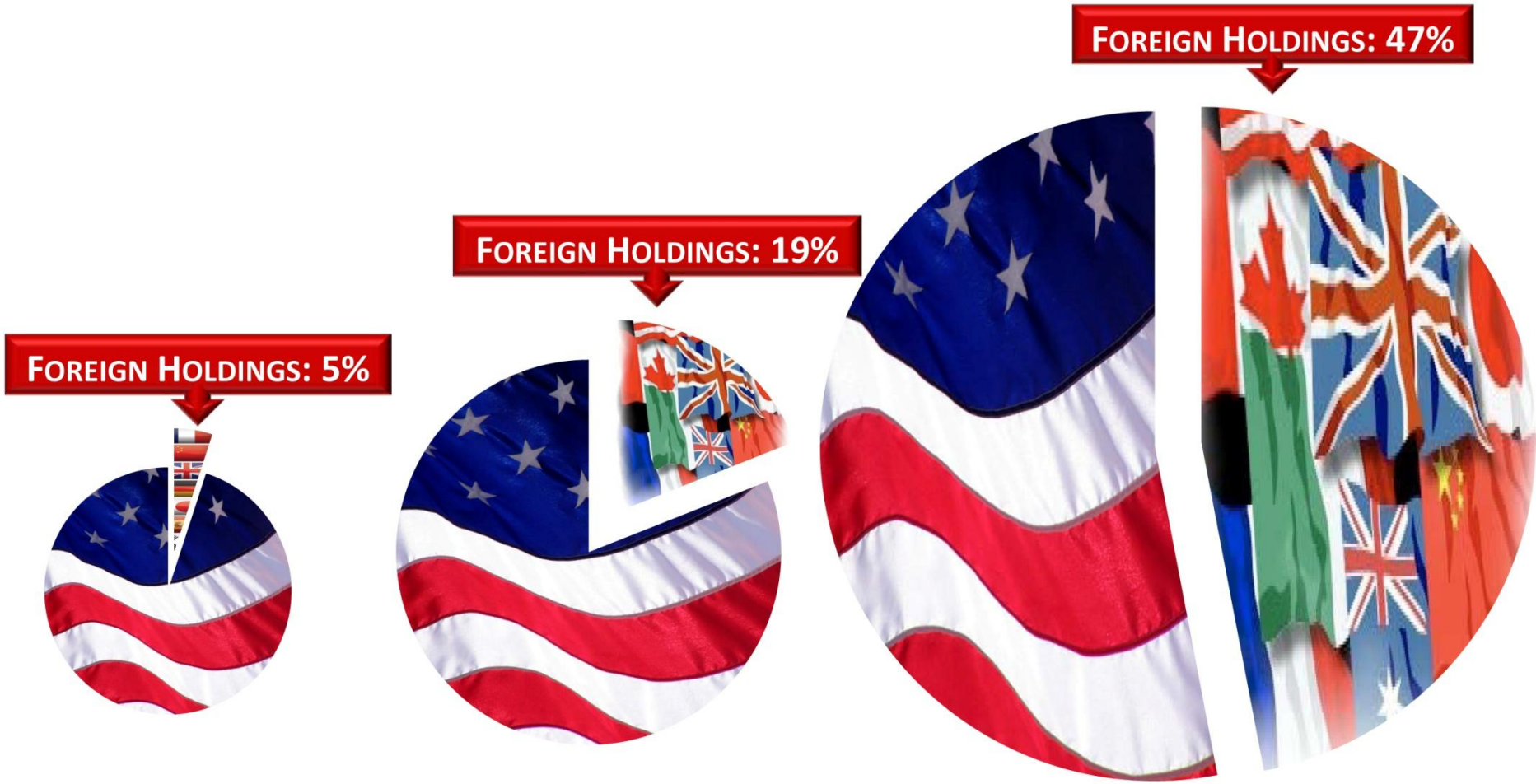
What Drives Our Debt?

(Government Spending as Share of Economy)



Source: OMB /CBO

Who Owns Our Debt ?



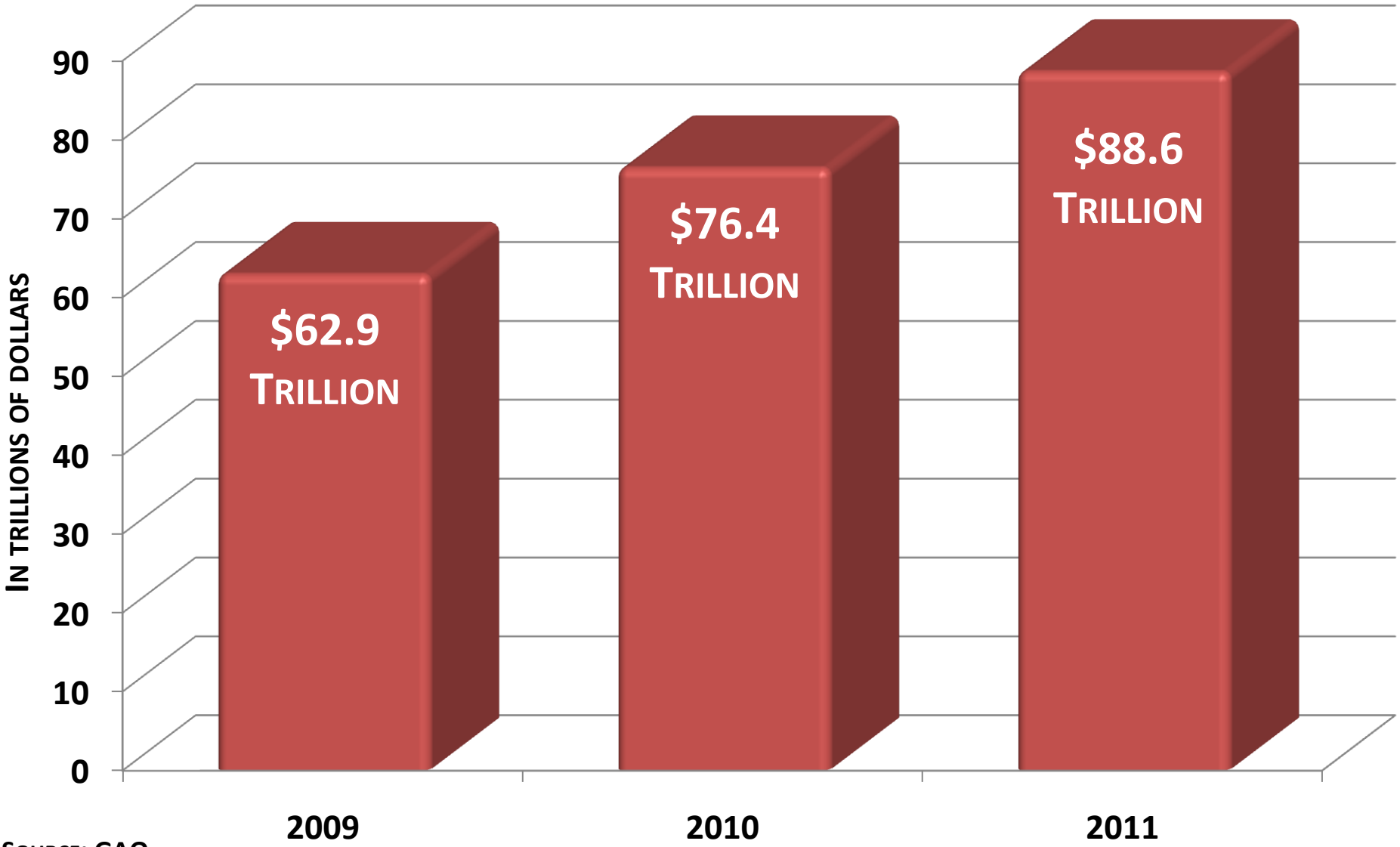
1970
Debt Held By Public: $283 billion

1990
Debt Held By Public: $2.4 trillion

2010
Debt Held By Public: $8.4 trillion

The Cost of Waiting – The Fiscal Gap

Unfunded Promises in Trillions of Dollars



Source: GAO

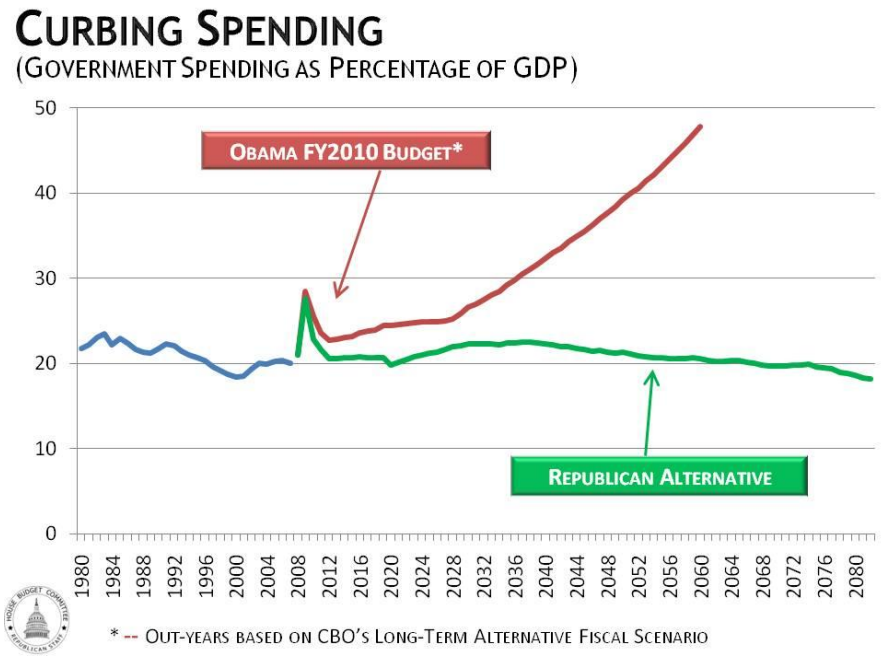
Real Security & Real Reform

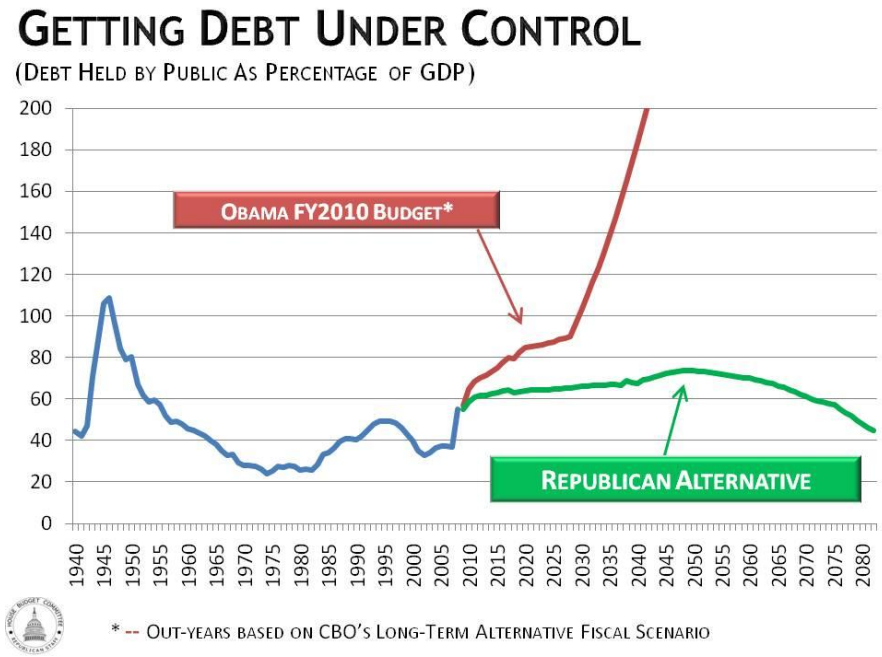
The House Republican FY2012 Budget

Guiding Principles

- No changes to those in or near retirement
- Fulfill the mission of health and retirement security
- Lift the crushing burden of debt
- Spur economic growth and path to prosperity

A Choice of Two Futures





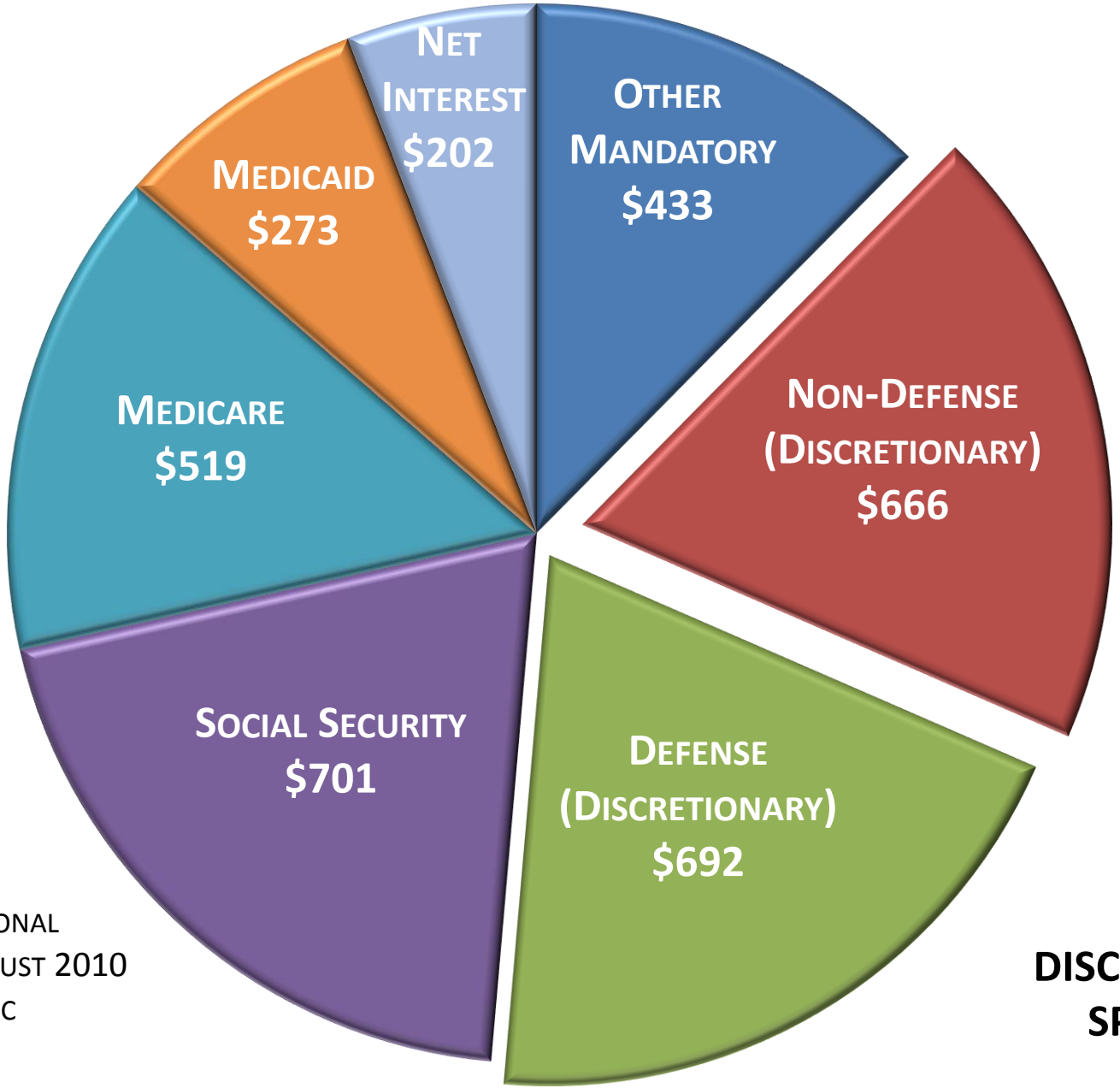
- **2009 House GOP Budget Alternative**
  - Cut $4.8 trillion in spending from Democrats' budget; Put budget on path to balance
  - Keep taxes low; spur job creation and growth

Additional Slides

Total Spending in FY 2010 = $3.5 trillion

(outlays in billions of dollars)

MANDATORY SPENDING

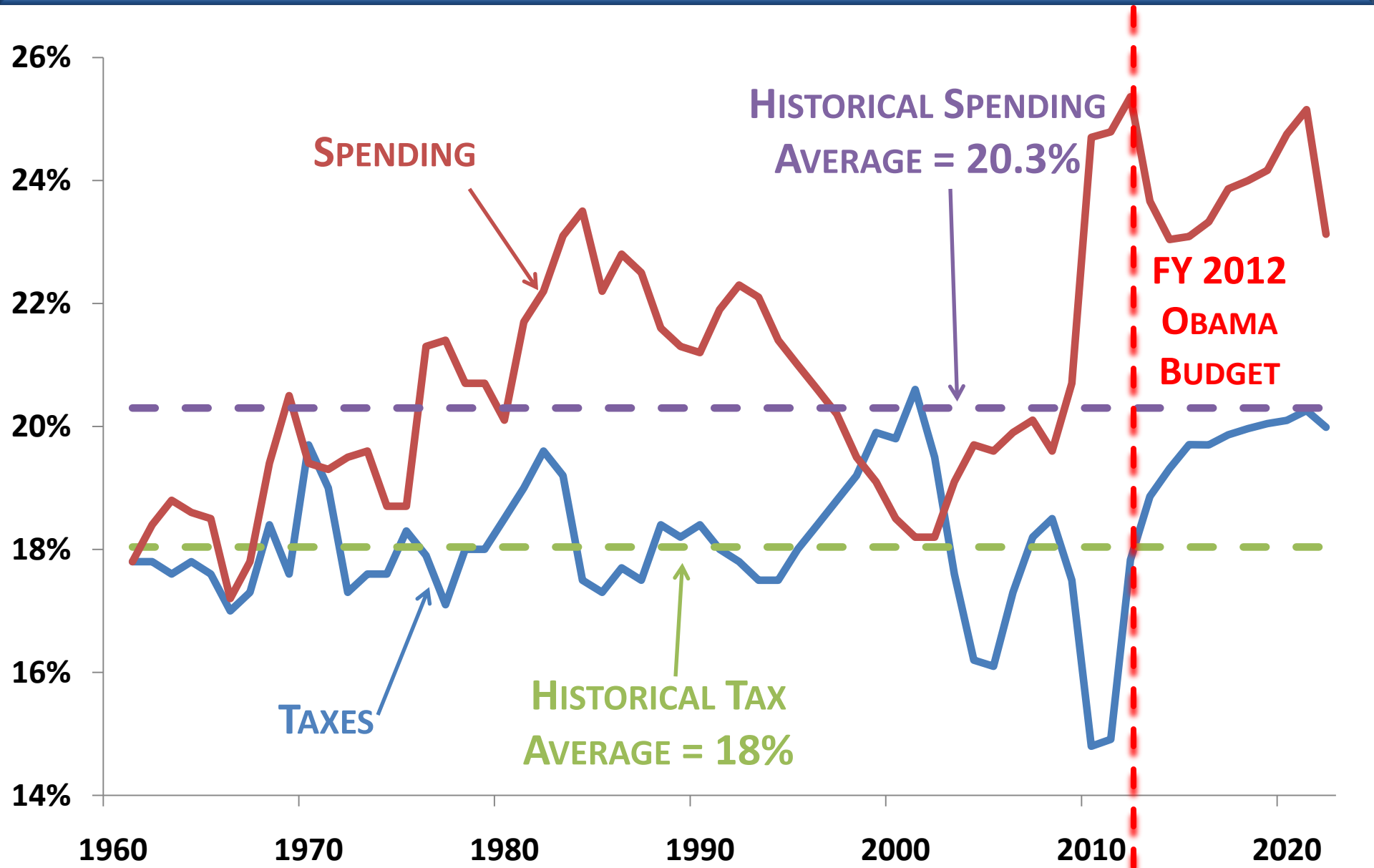


DISCRETIONARY SPENDING

Source: Congressional Budget Office August 2010 Budget & Economic Outlook

Explosive Growth of Spending Drives Fiscal Imbalance

Federal Taxes and Spending as a Percent of GDP



Source: Budget of the U.S. Government FY 2011 Historical Tables; CBO An Analysis of the President's Budgetary Proposals for Fiscal Year 2011