



Dispelling the Mystery of Ryan's Republican Budget Cuts

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Representative Paul Ryan has a budget plan to remake our country – a blueprint Republicans love. It promises big new tax cuts for the rich, but remains vague about draconian spending cuts affecting most Americans. In readable briefs, SSN scholars clear up the mysteries.

The Big Picture

The Ryan blueprint for America's fiscal future aims to cut domestic spending by 4.3 trillion dollars and at the same time reduce taxes by 4.2 trillion dollars – especially through tax cuts on business and the most affluent Americans. The consequences would be deep and far-reaching for every part of the United States and every social group. In a dozen striking briefs, SSN scholars lay out the facts – explaining what this ambitious overhaul would mean for the country as a whole, for the states, and for senior citizens, women, young people, the middle class, the poor, and the wealthy.

[The tax and spending overhauls laid out in the Ryan budget add up to a blueprint for permanent austerity](#), [Jacob Hacker](#) and [Paul Pierson](#) explain. Supporters may call Ryan's plan "a path to prosperity," but that would hold true only for the very rich, for millionaires and billionaires who would be showered with another round of generous tax cuts. For everyone else, for middle-class and lower-income Americans, the result would be fewer jobs, greater insecurity, and shrinking opportunities.

[American women have an outsized stake in the ongoing budget battle](#), as [Ann Orloff](#) and [Christine Percheski](#) spell out, because women of all ages and many walks of life rely on the health care and educational programs targeted for big cutbacks.

Last month's "Nuns on the Bus" tour through many of America's heartland states and cities highlighted the devastating impact the Ryan budget would have on poor people and low-income families. Building on the themes the tour highlighted, [Scott Allard](#) explains how the Ryan budget [cuts would hit the most vulnerable people in every community](#), and details how they would make it impossible for the unemployed to get on their feet and hinder the efforts of many working-families to build a better future for their children. Allard also confronts the comforting fiction that if government does less, religious charities and nonprofit groups will be able to step in and take up the slack. Actually, Allard explains, nonprofits work hand in hand with government and often use public grants to help the poor. [Charities and nonprofits would be devastated by the Ryan cutbacks](#). Many would be overwhelmed by desperate human needs they could not meet; and some would

have to lay off staff and close their doors.

The Impact on the States

All fifty U.S. states have a great deal on the line as debates rage about taxes and social expenditures in Washington DC. The Ryan plan backed by House Republicans would sharply reduce federal grants to the states for Medicaid, education, job training, and safety net programs that help low-income Americans. In each state, the worrisome consequences would play out a bit differently, depending on the economy and social needs of that state.

[Amy Fried](#) and [Luisa Deprez](#) paint the picture for [Maine](#), where many residents are elderly and many low-income families barely get by. In [Ohio](#), hard times have hit and the typical family income is below the national average, so the vast majority of people would feel the downside of the Ryan plan, explains [Peter Shane](#). In the neighboring state of [Michigan](#) there would also be just a few winners but millions of losers, as [Luke Shaefer](#) and [Theda Skocpol](#) spell out. Looking closely at the likely consequences for his home state of [Virginia](#), [Christopher Howard](#) discusses the implications of the Ryan budget for low and moderate-income families, senior citizens, and children and youth.

For all [fifty states, tough trade-offs would have to be faced if the Ryan plan to restructure the vast federal Medicaid program goes into effect](#). As [Colleen Grogan](#) explains, the federal government would sharply reduce its contributions to meeting the cost of basic health care for the poor and disabled. Millions of beneficiaries would get less care or lose eligibility altogether. And for governors and state legislatures, crunch time would hit especially hard in economic downturns – when people need extra help, but state revenues decline. Today, the federal government is doing more to help the states with Medicaid costs during hard economic times, but that would not be true under the Ryan plan.

The Impact on Medicare and Social Security

Medicare and Social Security play a vital role for older Americans. Without the guarantees these social-insurance programs provide, many seniors would not be able to get adequate health care or afford to retire; many would live in poverty or have to ask for extra help from their children or grandchildren. But the Ryan budget proposes a radical restructuring of Medicare that would greatly reduce its assured benefits for older Americans; and the plan also recommends special procedures to "fast-track" possible cutbacks in Social Security benefits. The [possible changes to Social Security](#) are analyzed by [Nancy Altman](#), [Eric Kingson](#), and [Ben Veghte](#). SSN scholar [Theodore Marmor](#) explains why the [Ryan plan to turn Medicare into vouchers to purchase private insurance will not work](#); and [Larry Polikva](#) explains why the [proposed changes in Medicare would move in the wrong direction](#).

DATA SOURCES ON THE RYAN BUDGET'S IMPACT ON STATES AND PROGRAMS

For more on the Ryan budget's impact, see [this annotated list of data sources](#).