

Martha Roby leads the effort
to end budget gimmickry



The Ripon Forum

Spring 2012
Volume 46, No. 2

The FIREWALL

**16
months**

**after taking office, Members of the GOP Freshman Class
discuss their mission in Washington and goals for the rest of this year**



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Volume 46, Number 2

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In this Edition

My last job on the Hill was for a Congressman who was elected as part of the GOP Class of '94.

I joined his staff in August of 1995 – well after the first 100 days that saw votes on every plank of the Contract with America, but still in the middle of the Republican Revolution.

It felt like a fast-moving train, with message discipline and issues of the week and a legislative strategy geared around the basic principles that won Republicans their majority. The train came crashing to a stop just before Christmas that year with the government shutdown.

The shutdown ended whatever momentum Republicans had built up over the previous 11 months, and left the party struggling to regain its focus as it entered the 1996 presidential election year. Sometime during that period, USA Today asked Freshman Republicans what they had accomplished over the previous 11 months since taking office.

It fell on me to draft the response, which essentially stated that one of the main things the Class of '94 had succeeded in accomplishing was to change the terms of the debate in Washington. No longer were Congress and the President debating how much more to tax or how much more to spend. Instead, they were debating how much taxes should be cut and how much spending should be reduced.

I was reminded of that response at a May 9th breakfast The Ripon Society held with Reps. Kristi Noem and Tim Scott. Noem and Scott are members of the latest Republican Revolutionary Class – the Class of 2010. The purpose of the breakfast was to hear their thoughts on their first 16 months in office – what they have learned, what they have accomplished, and what they have set out to do. Noem's remarks in this regard sounded strikingly familiar.

"The conversation has definitely shifted in Washington," she stated. "Instead of talking about how much more we can constantly spend or how much more of the hardworking taxpayer money we attribute to different programs, we are talking about where we can tighten our belts." Her words brought back memories of the argument 16 years ago that, amid the government shutdown and the political paralysis that had ensued, Republicans had succeeded in changing the nature of the debate.

We now live in another era of political paralysis, an era that many are calling dysfunctional. To the extent that these two eras mirror each other, it is worth noting that the paralysis of 1995-1996 was followed by historic agreements on reforming welfare and balancing the budget. Perhaps today's dysfunction will be followed by a similar period of accomplishment on reducing the debt and reforming entitlements.

If that is the case, then the Republican Class of 2010 won't just have changed the conversation in Washington, as Noem put it. And they won't simply have acted as "a firewall," as Tim Scott described the GOP freshmen at that same Ripon breakfast, which is discussed further in this latest edition of the FORUM. Instead, they will have served as a catalyst that helped curb the growth of government and changed the trajectory of America.

Lou Zickar
Editor
THE RIPON FORUM

Lessons of CONVENTIONS PAST

LOU CANNON

Mercifully for Republicans, the winter fantasy of a down-to-the-wire campaign in which the GOP presidential nominee would not be chosen until the national convention in Tampa failed to materialize. Time is of the essence in politics, and an incumbent president unopposed for renomination has a monumental head start over a challenger who has undergone a bruising primary process, let alone a candidate who does not clinch the nomination until the convention.

At a tumultuous Republican National Convention in Kansas City in 1976, the last time such a gathering was truly contested, President Gerald Ford overcame the persistent challenge of Ronald Reagan. But Ford's narrow victory after a protracted primary campaign came at a cost. In a Gallup Poll taken in early August before the convention, Ford trailed the Democratic nominee, Jimmy Carter, by 25 percentage points. Ford gamely closed most of the ground and lost by two percentage points in the popular vote. Had he disposed of the Reagan challenge earlier, he might have been elected.

Although the 2012 campaign differs in many ways from the 1976 presidential contest, Mitt Romney and his team may be able to draw useful lessons from what happened in Kansas City's Kemper Arena. Although Ford arrived there with a slight majority of pledged delegates,

he knew that some of them privately preferred the crowd-pleasing Reagan. Ford's team, led by James Baker and Dick Cheney, focused on trying to hold these "soft delegates" and were relieved when John Sears, the top Reagan strategist, decided to stake the Reagan challenge on a rules change.

The rule would have forced Ford to announce his vice presidential nominee in advance of the presidential nomination,

as Reagan had done weeks earlier when he said that Senator Richard Schweiker of Pennsylvania would be his running mate. Sears believed that any running mate whom Ford might choose would alienate some of his delegates and provide an opening for Reagan. Ford's team, however, much preferred a relatively antiseptic rules fight to an emotional platform battle that might give Reagan ballot momentum. Baker told me afterward that the Reagan forces could have put Ford on the spot with a resolution calling for the firing of Secretary of State Henry Kissinger, who was unpopular with conservatives. Ford

would have been forced to oppose such a direct assault on a leading member of his cabinet and might have lost, showing a vulnerability that could have carried over to the nominating ballot.

In the absence of such a personal attack, the Ford



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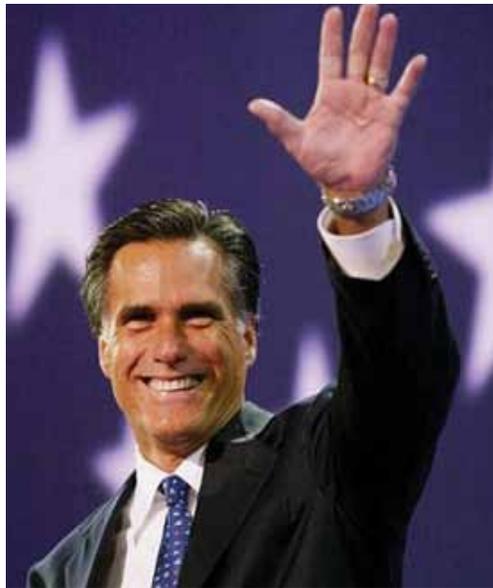
team avoided confrontation by allowing Reagan backers to write most of the platform, including a plank offered by Senator Jesse Helms on morality in foreign policy that was a veiled rebuke to Kissinger though it did not mention him by name. A furious Kissinger threatened to resign if the Ford team did not oppose this plank. The writer Craig Shirley, author of an excellent book on the 1976 campaign, said Kissinger was told by a member of the Ford team that if he were going to quit he should do so immediately because it would help Ford win the nomination. Kissinger backed down, and the Helms plank sailed through. The Ford team's task was made easier by Reagan and Sears, who responsibly shied away from crudely embarrassing the president. When I told Reagan about Baker's suggestion that he might have helped himself with a resolution calling for Kissinger's firing, Reagan replied, "I never would have done something like that." Reagan wanted to lead his party, not wreck it.

Shirley believes that Romney should follow Ford's 1976 strategy in Tampa and let conservatives have a free hand with the platform. This could even mean swallowing a plank opposing Obama's health care plan -- "Obamacare" -- that also by implication questions the health care law Romney signed as governor of Massachusetts.

In contrast to the platform, Romney might be better off doing the opposite of what Ford did in 1976 when it comes to choosing a vice president. Ford was so busy trying to fend off the Reagan challenge that he hadn't thought much about a running mate. His advisors were divided: Pollster Robert Teeter suggested the capable William Ruckelshaus, the first Environmental Protection Agency administrator and former acting FBI director. Political consultant Stuart Spencer proposed Anne Armstrong, a Republican stalwart who would have been the first woman nominee for vice president. Either of these daring suggestions would have contradicted the perception -- unfair in my view but widely held -- that Ford was incapable of bold action. Instead, Ford reinforced this stereotype by choosing Senator Bob Dole, a patriot who had served his country superbly on

the battlefield and in the Senate. But Dole was unprepared in 1976 and proved a disaster as a running mate instead of the safe choice he was supposed to be.

In drawing lessons from the recent past in selecting a running mate, Romney might profitably examine two effective models from the recent past. The Democratic model is Bill Clinton. His selection of Al Gore in 1992 impressed the pundits and the public because it ignored conventional wisdom that a running mate should balance the ticket, by region, religion, ethnicity or gender. Instead, by choosing the person he considered the best man, Clinton sent a message that he would make decisions on their merits.



Romney might be better off doing the opposite of what Ford did in 1976 when it comes to choosing a vice president.

An even better model for Romney may have been provided by the iconic Reagan, who in 1980 won the nomination that had eluded him four years earlier. He did so by overcoming the opposition of virtually the entire Republican establishment, led by George H.W. Bush, who stayed in the race despite losing most of the primaries. Reagan did not think highly of Bush, who had backed down at a famous Nashua, N.H., debate and again in an impromptu confrontation in Texas. Aware of Reagan's attitude, his entourage explored the idea of putting Gerald Ford on the ticket in what was quickly labeled a "co-presidency." It

never made sense. When the Ford trial balloon inevitably exploded, Reagan put aside personal feelings and picked Bush, uniting his party in a stroke. Reagan and Bush soon developed a mutual respect and working relationship that served Reagan well during his transformational two-term presidency and paved the way for Bush's elevation to the White House in 1988.

Who is the man or woman who can help Romney unite his party in 2012 for the campaign to come? That's up to him to decide. But Bush and other decisions, good and bad, of nominees at conventions past should give him food for thought. **RF**

*Lou Cannon covered the 1976 and 1980 conventions as a reporter for The Washington Post and is the author of five books on Ronald Reagan, including the definitive biography of his presidency, *President Reagan: The Role of a Lifetime*.*

Defusing the DEBT BOMB

TOM COBURN

I have spent much of the past two years in meetings with members from both parties trying to solve the debt problem. My colleagues are well intended, and I love them dearly as individuals, but there is no real leadership in either party. Both sides do the same calculation: “If I tell the voters the truth, they won’t like me and they won’t vote for me.” They then convince themselves that they can’t do the right thing now because they won’t have the power to stay in office.

If Members of Congress knew their current term would be their last, I have no doubt we could defuse the debt bomb within a matter of days. The fact that we haven’t passed such a bill has much more to do with careerism – the philosophy of governing to win the next election above all else – than ideology. Bridging the gap between conservatives and liberals is easy compared to bridging the gap between courage and cowardice.

Both parties today are putting their short-term political interests ahead of the country. Both present their positions as tough and principled to their respective partisans, but what we often see is posturing and false purity.

For example, politicians in both parties try to score points by promoting their refusal to compromise with the other side.

In most cases, this posturing has nothing to do with principle and everything to do with careerism—pandering to one side’s respective political base in order to gain popularity and win reelection.

Democrats claim their line in the sand is protecting

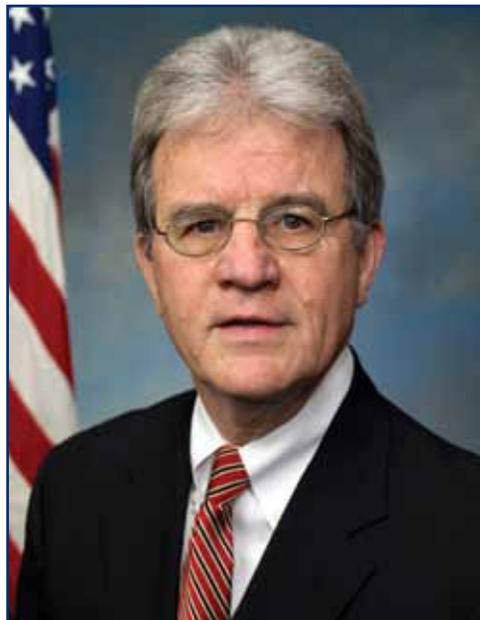
entitlement benefits for the poor and seniors. Convinced of the virtue of their goal, partisan Democrats rationalize their decision to dismiss, demagogue, and demonize anyone who proposes entitlement reform. This position, however, is entirely about protecting Democrats, not the poor or seniors. If entitlement programs are not reformed, they will collapse and bring our economy down with them.

Republicans, meanwhile, say their line in the sand is “no tax increases.” I’m glad so many Republicans are talking tough about the problem being overspending, not under-taxation. I’ve been making that case since 1995. If these same Republicans, who continue to vote for more spending, had been as resolute since 1995, the problem would be much easier to solve. Every dollar of deficit spending Republicans backed—along with Democrats—was a deferred tax increase. Our present challenges prove that deficits do matter.

Republicans know it is possible to increase revenue without raising tax rates on anyone. In fact, you can cut tax rates, cut spending, and see an increase in tax revenue. Senator Marco Rubio (R-FL) nailed this point when he said, “We don’t need new taxes. We need new taxpayers.” Ultimately, smart tax policy stimulates real growth, which, in turn, creates jobs and

revenue.

In the real world, putting one dollar on the table in order to get ten dollars back, or even three or four dollars back, would be a great deal. In Washington, however, this kind of agreement is seen as heresy to careerists on



If Members of Congress knew their current term would be their last, I have no doubt we could defuse the debt bomb within a matter of days.

both sides. In a 10 to 1 deal (\$10 in cuts for every \$1 in tax revenue), Democrats would see only “cuts” while Republicans would see only “tax increases,” even though such a deal would prevent the very cuts and tax increases they each say they want to avoid.

If Admiral Mike Mullen is correct that our debt is our greatest national security threat, doing nothing is a recipe for mutually assured destruction. The reality is, doing nothing to solve the problem is both a tax increase and a benefit cut for seniors and the poor. Doing nothing violates the core principles of both parties, while solving the problem is consistent with those values. Doing nothing is the real betrayal and the heresy.

Career politicians in Washington can draw lines in the sand all day, but those lines have already been washed away by a rising tide of debt. There are no lines left to hold. We are under siege and surrounded by an enemy of our own making. We’ll either fix the problem together, or suffer

enormously together. As much as I would enjoy serving in a conservative supermajority, it will never happen before the debt bomb explodes. A liberal supermajority is equally impossible. And if we refuse to make the effort and talk to one another, what is the alternative? Will the Chinese and other foreign governments give us a better deal than another party within our own country?

The good news is in spite of all of the political theater and posturing Americans see in our nation’s capital, both sides are largely in agreement about the magnitude of the fiscal challenges we face and are not as far apart as it seems in terms of a solution. With a little leadership and courage, we can get there sooner than you think. **RF**

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Tom A. Coburn, M.D. was elected to the U.S. Senate from Oklahoma on November 2, 2004. This op-ed is excerpted and adapted from his new book, The Debt Bomb: A Bold Plan to Stop Washington from Bankrupting America.



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The President's Malaria Initiative: A GREAT (GOP) SUCCESS STORY

MARK GREEN

It's hard for Americans to fully grasp the terrible toll malaria has taken on Africa. Experts can highlight the stark numbers -- that malaria kills nearly 700,000 people each year and that eighty-five percent of these victims are children under five. They can point out that it costs Africa \$12 billion each year in lost productivity. But somehow the statistics don't really convey the damage the disease has inflicted on countless families and communities.

When my wife and I were volunteer teachers in Africa 25 years ago, malaria's dark shadow could be felt everywhere. I remember meeting person after person who would describe themselves with phrases like "I was third-born, so I am the oldest." I remember one of our students going into seizures on the very morning of final exams, as cerebral malaria struck him down. I also remember how everyone assumed that malaria was simply a fact of life ... and death.

These days, we hear so much about government programs that don't work. Stories of waste and lack of accountability have the average American shaking his or her head in disgust -- and rightfully so. But we shouldn't let these stories obscure what is working so well. In short, thanks to bold leadership and the innovative application of sound business principles, as well as the generosity of the American people, the incidence of malaria is dropping sharply; child mortality in Africa is dramatically declining; and Republicans should be very proud.

The U.S. government has long supported global efforts to fight malaria. However, the American contribution to this cause was fairly modest, and our anti-malaria programming was inefficiently planted in several parts of our government. In 2005, building on early lessons learned from visionary

development initiatives like the Millennium Challenge Corporation (MCC) and the President's Emergency Plan for AIDS Relief (PEPFAR), President George W. Bush launched a historic plan to mobilize proven technologies and focus necessary resources on fifteen targeted African countries. Instead of the old input approach, in which

officials would figure out how much money they could get from Congress and then divide it among a large number of countries, the new President's Malaria Initiative (PMI) charted an outcome-focused path.

PMI began with a determination of what it would take to produce real, sustainable results. It then selected "focus countries" in which PMI could make an immediate difference -- countries with a heavy malaria burden, but also with government leaders who were ready to take the comprehensive steps necessary to turn back the disease. These leaders had to create clear lines of authority, commit the necessary health care resources to build their end of the partnership, and also be ready to embark on a public education campaign around the disease. PMI made sure that each country would develop and lead a battle plan unique to its own on-the-ground needs.

Back here in the U.S., the Bush Administration forged an interagency leadership structure overseen by a U.S. Global Malaria Coordinator and an interagency steering group representing all the necessary players— from USAID and the CDC to the Departments of State and Defense and the Office of Management and Budget. The President chose Rear Admiral Tim Ziemer (retired) to lead the PMI effort. Admiral Ziemer not only had extensive experience in the humanitarian field, having grown up in Asia as the son of missionary parents, but he was a proven leader in logistics, having commanded



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squadrons, naval air stations, and eventually the Navy's entire Mid-Atlantic Region.

Just as I saw firsthand the terrible costs of malaria, I have also seen for myself the tremendous progress that PMI has helped to create. On the islands of Zanzibar, for example, the malaria prevalence rate has fallen to less than one percent. In 2010, when I visited a small hospital there, I found a largely empty pediatric ward. My host, Dr. Mohamed Jiddawi, Principal Secretary for the Ministry of Health, beamed and told me that just a few years earlier there would have been a ward full of suffering children, often two or three to a bed. Many would be dying. "But today," he said, "there are no malaria patients."

Since 2000, malaria mortality rates have fallen globally by 25 percent and, in Africa, by thirty-three percent. While malaria remains a leading killer of young children and pregnant women, more and more countries

are seeing dramatic improvements. Not only are there fewer sick children, but the terrible burden on health systems, public budgets, and employers -- not to mention families -- is slowly beginning to recede.

...thanks to bold leadership and the innovative application of sound business principles, as well as the generosity of the American people, the incidence of malaria is dropping sharply; child mortality in Africa is dramatically declining; and Republicans should be very proud.

As an American, I am proud that my country has helped to lift so many lives through our global health programs like PMI. We have shown in clear, unmistakable terms what Americans stand for -- hope to friends in need. As a Republican, I am especially proud that it was a Republican president who took the first bold steps in creating these life-saving

initiatives. Well done!

RF

Mark Green served as the U.S. Ambassador to Tanzania from 2007-09. Prior to that, from 1999-2007, he represented Wisconsin's 8th Congressional District in the U.S. House of Representatives. He is currently Senior Director at the U.S. Global Leadership Coalition.

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The Stranglehold on Our Economy

DIANE KATZ

Barack Obama is crisscrossing the country touting his record on employment, including an \$80 billion bailout of the auto industry and \$800 billion in stimulus spending. What he doesn't say much about is the persistent lack of job creation related, in part, to his administration's regulatory excesses.

Despite the president's costly efforts, unemployment remains stubbornly high. The March figure of 8.2% represents 12.7 million Americans without jobs -- 42% of whom have been without work for 27 weeks or more, according to the Bureau of Labor Statistics. (That's more unemployed than before the stimulus splurge.) Although the economy added 120,000 jobs in March, the number of people working or actively seeking work fell by nearly 170,000 that month.

Try as Obama does to shift the blame for the dismal numbers, the deluge of regulations during his administration is diverting tens of billions of dollars from business investment to complying with government dictates. In much the same way that high taxes undermine the economy, these escalating costs of regulation translate into fewer jobs.

There is no official accounting of total regulatory costs, and estimates vary. Unlike the budgetary accounting of direct tax revenues, Washington does not track the total burdens imposed by its expansive rulemaking. A very rough extrapolation by economists Mark Crain and Nicole Crain pegs annual regulatory compliance at more

than \$1.75 trillion.

But by mining the Federal Register and various government databases, new regulations may be identified, and costs can be calculated from agency estimates. From such data mining, the Heritage Foundation has documented that overall, from the start of the Obama Administration to January 20, 2012, a total of 10,215 rulemaking proceedings were completed. Those included 244 rulemakings classified as "major," meaning that each had an expected economic impact of at least \$100 million per year. Of those, 106 increased burdens on private-sector activity, with an estimated cost of \$46 billion annually.

The actual cost of these new regulations is almost certainly higher than the totals reported here. This is largely because the agencies that perform the analyses have a natural incentive to minimize or obfuscate the costs of their own regulations. For some, costs are only partially quantified; for others, not quantified at all.

By way of comparison, the George W. Bush Administration adopted 28 major regulations in its first three years. In terms of cost, the gap was even wider, with \$8.1 billion in new annual regulatory costs imposed during the first three years of Bush compared to the \$46 billion imposed during the Obama years to date, a five-to-one ratio.

And many more are on the way. The most recent Unified Agenda

(also known as the Semiannual Regulatory Agenda) -- a bi-annual compendium of planned regulatory actions as reported by agencies -- lists 2,576 rules (proposed and final)



Diane Katz

Try as Obama does to shift the blame for the dismal numbers, the deluge of regulations during his administration is diverting tens of billions of dollars from business investment to complying with government dictates.

in the pipeline. The largest proportion -- 505 rulemakings -- is from the Treasury Department, the SEC, and the Commodity Futures Trading Commission -- all tasked with issuing hundreds of rules under the massive Dodd-Frank statute. The Environmental Protection Agency is responsible for 174 others, while 133 are from the Department of Health and Human Services, reflecting, in part, the regulatory requirements of Obamacare.

Of the 2,576 pending rulemakings in the fall 2011 agenda, 133 are classified as "economically significant." With each of these expected to cost at least \$100 million annually, they represent a total additional burden of at least \$13.3 billion every year.

Excessive regulation, of course, cannot be blamed on this White House -- or any White House -- alone. A great many of the rules and regulations imposed each year are mandated by Congress, and many others are made possible by intentionally ambiguous statutory language. Others are promulgated by so-called independent agencies not subject

to White House control (although they are run by presidential appointees).

That said, the most costly and onerous regulations of late have come straight from the Oval Office: the radical government takeover of health care, the Environmental Protection Agency's crusade against (so-called) greenhouse gases, and the Dodd-Frank financial strangulations. Conversely, instances of the Administration reducing regulatory costs have been virtually non-existent -- Obama's pledges notwithstanding.

In actuality, the president has been quite candid about exploiting regulation when Congress won't cooperate. That's intrinsic to Obama's new favorite slogan, "We Can't Wait."

But his regulatory ambitions are imposing a tremendous cost on the nation -- that is, economic malaise and millions of unemployed men and women. **RF**

Diane Katz is a Research Fellow in Regulatory Policy at the Heritage Foundation.

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The Assault on American Competiveness

ANNE NORTHUP

During my decade in Congress I served on the subcommittee of the Appropriations Committee that oversaw the budgets of independent federal agencies. But only through my tenure on the Consumer Product Safety Commission (CPSC) have I learned the extent to which ideology and politics can interfere with rational science-based rulemaking, and lead to job-killing overregulation.

The CPSC has spent the last three years issuing regulations called for by the Consumer Product Safety Improvement Act of 2008 (CPSIA). Congress passed the CPSIA with overwhelming bipartisan support in response to a media scare caused by the recalls of a large number of Chinese manufactured children's toys. The new law requires manufacturers of children's products to engage third party labs to test their products, both before and during production, to ensure compliance with all applicable children's product safety standards. It also empowered the Commission to reduce the lead in children's products below even trace levels, without consideration of risk.

At every turn, the Commission's Democrat majority interpreted the CPSIA to broaden its scope and cost, without even seeking to learn whether the costs of its regulations could be justified by their benefits. The pattern was set early with a party-line vote defining the "children's

products rules" to which manufacturers need to third party test, to include long standing rules applicable to general consumer products, such as rugs, lamps and clothing textiles.

The Democrats also narrowly interpreted statutory language permitting an absorbability exception for products containing lead that is locked deep in metal substrate and therefore presents no risk to children. According to the Commission's majority, an exception was not warranted even for products from which the absorbable amount of lead was so small as to be immeasurable.

The CPSC's overreach was not lost on Congress. By late 2009, with the bicameral Democratic majority still intact, Congress invited the Commission to recommend statutory changes. But the Commission's majority refused to recommend the most rational change that could have had the greatest impact: requiring the Commission's regulation of lead and imposition of third party testing to be based on the risk to public health and safety.

Instead, another two years passed during which the CPSC's CPSIA based regulations

led many manufacturers to reduce the variety of their children's products, stop making children's products, or go out of business. Distributors likewise reduced substantially the number of toys imported from Europe,



...only through my tenure on the Consumer Product Safety Commission have I learned the extent to which ideology and politics can interfere with rational science-based rulemaking, and lead to job-killing overregulation.

due to our more stringent lead limit and testing rules. Not surprisingly based on these facts, a poll of 622 toy manufacturers and retailers found that 40% planned to eliminate jobs due to the costs imposed by the CPSIA and its regulations.

Finally, in August 2011, a bipartisan majority in Congress amended the CPSIA in an effort to rein in its costs and to provide meaningful, risk-based exclusions from its lead content limits. Its most important and potentially far reaching provision requires the Commission to seek public comment on ways to reduce the costs of third party testing requirements, and to issue new or revised third party testing regulations if doing so will reduce testing costs while still assuring compliance with applicable standards.

At the time the CPSIA amendment passed, the Commission was considering but had yet to vote upon the largest and most widely applicable rulemaking it would ever undertake: the promulgation of protocols and standards for the continued third-party testing of children's products after initial certification tests, during production. Because of the obvious relationship between the pending rulemaking and Congress's directive that the Commission seek ways to reduce the costs of third-party testing, the Commission's career professionals recommended re-proposing the rule governing continued third-party testing, while at the same time seeking public comment on cost reduction.

The Commission's Democrat majority rejected this alternative and pushed ahead last fall with a vote on a final third party testing rule. In doing so, it was able to pass the rule by a 3-2 vote, avoiding the need to compromise with the Republican minority on any significant issue. The unstated reason for this precipitous action was obvious: in October 2011, the third Democratic Commissioner vacated his seat at the expiration of his final hold-over year. Had the Democrats waited to consider all of the information

Congress deemed relevant to the rulemaking, they would have sacrificed their ability to unilaterally determine the scope and terms of the third-party testing rule, without the need for bipartisan agreement or compromise.

The resulting rule is an indefensible assault on American business competitiveness. Commission staff warns that in response to the "significant increase in their costs due to the final rule," manufacturers will redesign their products to reduce the features and component parts, reduce the number of children's products they offer, exit the children's product market, or go out of business completely. The costs associated with the new rule are also expected to be a "barrier that inhibits new firms from entering the children's product market," including, in particular, ones serving a niche market, such as products for children with disabilities. Safety and performance related innovation will also be stymied, as manufacturers "delay implementing some improvements to a product's design or manufacturing process in order to avoid the costs of third party testing."

Despite recognizing the significant adverse economic impact of the rule, the Commission made no effort to quantify either the costs or the benefits. Indeed, whether there was any proportionality between the costs and benefits of the rule was simply irrelevant to the Democrats' decision.

The tiny CPSC's ability to thwart the will of Congress, ignore the President's call for cost-benefit analyses, and singlehandedly destroy businesses and undermine job growth, all in the service of uncompromising partisanship, illustrates the dire economic consequences of ideologically driven regulation unrestrained by objective facts. **RF**

Anne Northup is a Commissioner of the Consumer Product Safety Commission. From 1997-2006, she represented the 3rd District of Kentucky in the United States House of Representatives.



The tiny CPSC's ability to thwart the will of Congress ... illustrates the dire economic consequences of ideologically driven regulation unrestrained by objective facts.

Creating Energy Solutions for a Strong, Secure and Sustainable Future

CAL DOOLEY

Ensuring affordable and reliable energy is one of the biggest challenges facing America, but also one of our greatest opportunities. Tough national issues include rising energy demand, joblessness and economic weakness, energy insecurity and inefficiency, and uncertainty about future supplies. At the same time, we are seeing the emergence of new energy sources and innovations that can be the catalysts for a stronger, more secure and sustainable future. Unfortunately, after years of debate, the United States lacks a coherent national energy strategy that can put our country on a path toward economic growth, global competitiveness and environmental improvement.

Americans agree. An overwhelming majority of voters (94 percent) believe that a “comprehensive energy policy is essential to building a strong economy, creating new jobs, and making America more competitive with other countries,” according to a national survey conducted in February by Clarus Research Group.

A comprehensive energy policy must maximize all domestic sources, including oil and natural gas; renewables and alternatives; coal, nuclear and greater use of technologies such as combined heat and power (CHP). It needs to prioritize greater energy efficiency in homes, buildings and industrial facilities. It must use economically sound approaches to encourage the adoption of diverse energy sources, including energy recovery from plastics and other materials and renewable sources. And it must contain balanced regulatory policies and permitting practices that protect the environment while allowing use of our vast resources.

The business of chemistry can be part of the answer. Through chemistry, we are creating solutions that address each of the nation’s major energy challenges.

Jobs and Economic Growth

During a time of high unemployment, chemistry is transforming domestic energy into a stronger economy and new jobs. Many chemical companies are exploring

new U.S. plants or significant expansions. In fact, our use of expanded domestic ethane supplies, made possible by revolutionary shale gas finds, could lead to 400,000 new U.S. jobs, \$132 billion in U.S. economic output and \$4.4 billion in local, state and federal tax revenue every year, according to an American Chemical Council study.

Since chemistry is the foundation for the manufacturing sector, our improved outlook is driving an American manufacturing renaissance that will lead to more robust output, greater international competitiveness and new jobs in communities across the nation. By making the most of shale gas, we can support new manufacturing capacity here in the United States, good high-paying jobs and economic growth and prosperity for years to come.



Energy Security and Diversity

Chemistry also enables more diverse energy sources, which strengthens national energy security. Chemistry makes it possible to produce more kinds of domestic energy and electricity. From enhanced oil and gas production methods and battery and fuel innovations to energy recovery technologies that

unlock the energy in discarded plastics and other materials to renewable energy solutions, chemistry is expanding America’s domestic energy portfolio. With more energy types and technologies to rely on, the nation can be more energy secure.

Energy Efficiency and Sustainability

Sustainable technologies like energy efficiency solutions and renewable energy innovations are made possible by chemistry. High performance insulations and windows, wind turbines, solar panels, and biofuels, even lightweight packaging, more efficient fuels and lightweight auto parts that reduce energy needs in shipping and transportation all start with chemistry. A recent ACC analysis found that the products of chemistry help save up to 10.9 quadrillion BTUs of energy annually, enough to power, heat and cool up to 56 million households or run up to 135 million vehicles every year.

To make the most of America's energy resources and compete with the rest of the world, policymakers must maximize energy efficiency's contribution to the nation's energy portfolio. Given federal and state budget realities, however, public policies must look beyond traditional government subsidies and identify new ways to encourage energy efficiency, such as adopting updated energy efficiency building codes and supporting more combined heat and power (CHP) at industrial facilities.

The business of chemistry accounts for nearly one-third of all CHP used in manufacturing. Because most CHP facilities use natural gas to create two forms of energy – electricity and steam – with the same amount of fuel, they are often twice as efficient as older coal-burning electric utilities. By 2030, the U.S. can meet 20 percent of its electricity needs from high-efficiency CHP, according to the Oak Ridge National Laboratory. Yet today, electricity markets are controlled in a way that prevents CHP power from industrial operators from selling their excess power back to the grid.

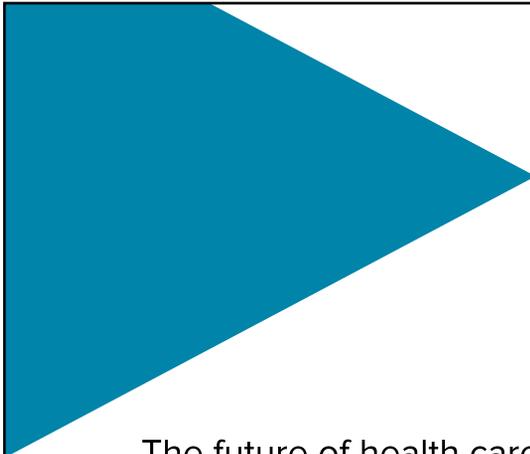
A comprehensive energy policy must maximize all domestic sources, including oil and natural gas; renewables and alternatives; coal, nuclear and greater use of technologies such as combined heat and power.

Regulators must remove artificial barriers to industrial CHP and other kinds of distributed electricity generation.

The Right Policy Roadmap

Meeting our national goals – economic growth and new jobs, innovative industries, and global competitiveness – will require a truly “all of the above” approach. We need the President, Congress, Governors, state legislators and regulators to focus on developing policies that will help America maximize its own vast resources -- natural, intellectual and technological. And we must leverage the innovation and ambition of the private sector. By combining sound energy policies with innovation and the ambition of the private sector, we can compete and win in the global economy. **RF**

Cal Dooley is president and CEO of the American Chemistry Council. From 1991 to 2004, he represented the 20th District of California in the U.S. House of Representatives.



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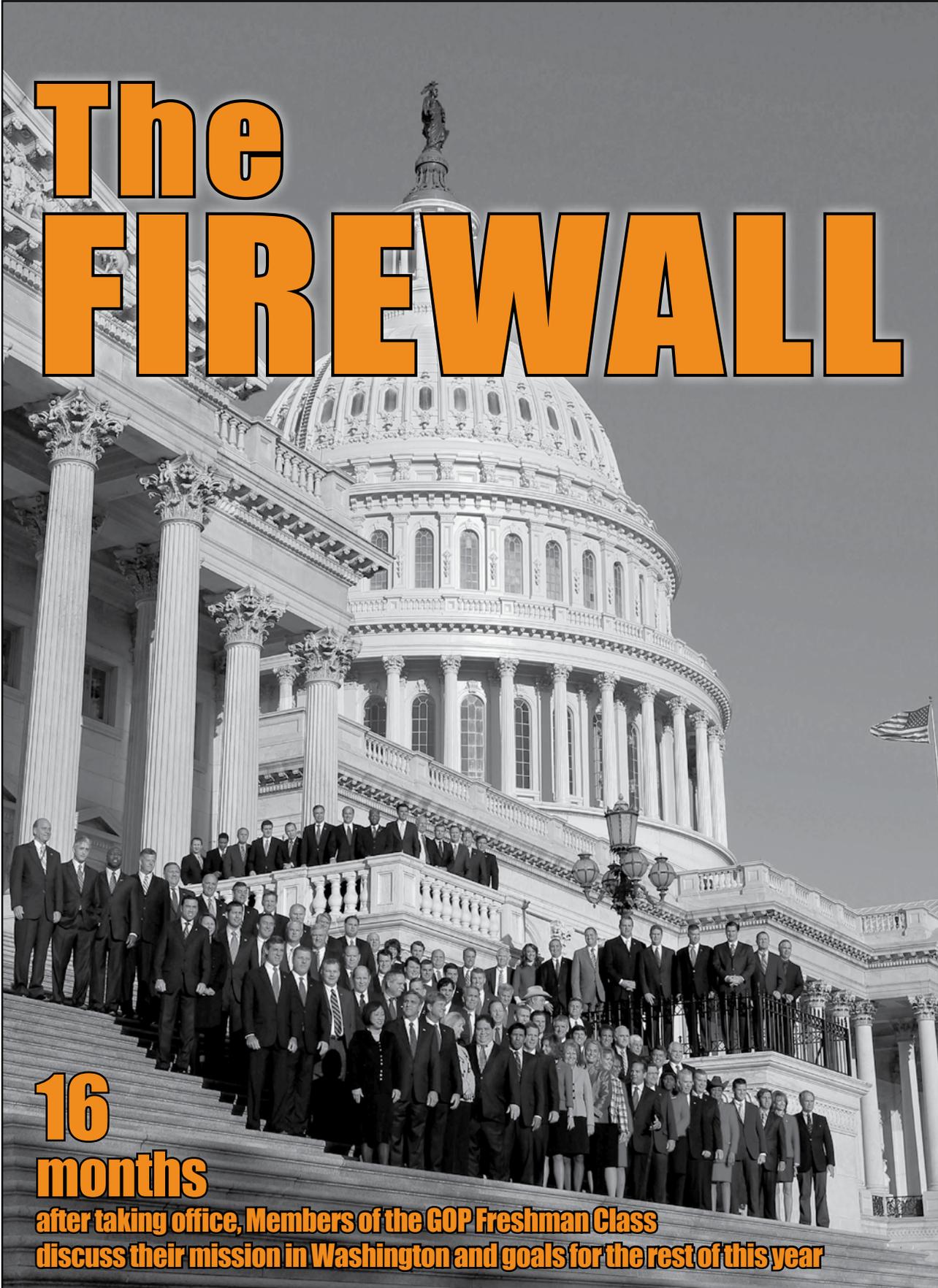
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The FIREWALL



**16
months**

**after taking office, Members of the GOP Freshman Class
discuss their mission in Washington and goals for the rest of this year**

The Paradox We Face

A conversation in the grocery aisle about the price of bread and the intent of the Founding Fathers

RICH NUGENT

It's a late Sunday afternoon in Florida. I'm standing in the checkout aisle at the grocery store – half-looking over the candy display, puzzling at the tabloids in front of me. A lady in line behind me leans in and says, "Excuse me, are you Rich Nugent?"

"Yes."

"I'm sorry Congressman, but what on earth is so wrong with Washington that all of a sudden you people can't get anything done at all?"

"Oh no," I say to myself, my shoulders sinking a little. "I've got to explain the Senate one more time..."

As you'd probably expect, it's a question that comes up a lot and it's one I've thought about a lot over the last year and a half. Like many of my freshman colleagues, I came from a career outside of the legislature. I was an executive – the sheriff of Hernando County. When there were things that needed fixing – policies that needed to be changed – I was able to make the decision to move forward. I could, as my dad would say, "just get it done."

But Congress is obviously a different animal, and "just getting it done" isn't as straightforward as most people think. The dysfunction is, in many ways, both structural and inevitable.

Our Founders created a system of government in which it would be very, very difficult to ever make a dramatic change.

They did that on purpose. It was part of their genius -- make a government that will work well generation after generation, but one that could probably never work too well. Stability, in short, was going to be key to both prosperity

and freedom. A government that could change things on a whim would threaten both.

But now, the problem we face (and the frustration we feel) is that radical change is needed – and fast. It isn't talked about much, but last year, the federal government paid over \$200 billion in interest payments on the debt. By the end of 2014, that number will more than double to \$550 billion (more than we've typically spent on Medicare). And by the end of the decade, interest payments on the debt will be approaching a trillion dollars annually. That's going to compound, in no small way, the problems we're already facing trying to find the resources necessary to meet our obligations and priorities.

And so we have a paradox that my friend in the grocery store may not have fully realized yet. We're at one of those rare moments in our history where our system of government actually needs to work better than our Founders really intended it to. That's not going to be easy. It isn't supposed to be.

At the end of the day, all I can really tell my friend, after a year of seeing Congress up close, is that success ultimately hinges on our willingness (and hers) to take a risk and face the real challenges we've been avoiding all these years – all of them and unfortunately, all at once.

The only really good news to report that Sunday afternoon is that loaves of bread are on special – buy one, get one free. **RF**



Congress is obviously a different animal, and "just getting it done" isn't as straightforward as most people think. The dysfunction is, in many ways, both structural and inevitable.

Rich Nugent, who previously served as Sheriff of Hernando County, represents the 5th District of Florida in the U.S. House of Representatives.

Reclaiming Our Future

RENEE ELLMERS

I came to Washington having never worked in public office. As many of my freshman colleagues will attest, the first few months were full of new names and faces, navigating the hallways, and quickly discovering how difficult it is to get things done. But through it all, we have risen to the task set before us and fought since our very first day to bring fiscal restraint to our federal government and promote legislation that will enable job creators to start hiring again.

Years from now, the 112th Congress will be remembered for the historic number of new members that were elected to fix our economy and fight back against the liberal policies that are alien to our shared American tradition. We have succeeded in changing the conversation in Washington from “how much can we spend” to “how much must we cut?” But before any progress is made in reclaiming our future, the policies that have made our economy worse have to be replaced.

The president’s overhaul of our healthcare system was the reason I ran for office. As a nurse and wife of a surgeon, I saw firsthand the dangers and tyranny this law would bring to the American people, their doctors, and our economy. The first vote I took as a Member of Congress was to repeal this law and ever since I have been fighting to defund, dismantle, repeal, and replace it. This, however, is only one battle in the fight to reclaim our freedoms. I will not rest until the entire law is repealed and each day we are closer to fulfilling this promise.

Cutting wasteful spending, getting the private sector back to work, and repealing Obamacare remain the issues that I will continue to fight for. Yet with each bill we pass,

and every effort we make to get Americans working again, Harry Reid and his Democrats in the Senate continue to refuse to give them an open vote. Here in the House, we have passed over 30 bills that will put America back to work, increase energy production, remove costly regulations that are crippling our small businesses, protect our veterans, and balance our budget. None of these have seen the light of day and remain in the Senate with no hope of a vote.

Furthermore, we have worked tirelessly to force President Obama to allow construction of the Keystone XL pipeline -- a vital project to stop our dependence on foreign oil and instantly create over 20,000 jobs. Yet, to the dismay of so many Americans, President Obama decided against supporting the Keystone XL Pipeline and proved where his priorities lie when it comes to job creation and lowering energy costs.

With all the challenges facing our nation, the spirit of unbridled determination and persistence unites us all as Americans. We have always fought our way back, and, as history shows, innovation, entrepreneurship, and competition can flourish when the government’s burdensome authority is restrained.

This is the most important election of our lifetime. Our nation has fallen through the cracks under the president’s failed leadership, but we must have the courage to continue fighting for what is right and the freedom that emboldens

our country’s future success.

RF



**We have succeeded
in changing the
conversation in
Washington from “how
much can we spend”
to “how much must we
cut?”**

Renee Ellmers, a registered nurse for over 21 years, represents the 2nd District of North Carolina in the U.S. House of Representatives.

A Government Takeover and a Call to Act

MIKE KELLY

In the spring of 2009, I was sitting at my desk in my Chevy/Cadillac dealership in Butler, PA, when I received a call from a representative of the new, government-run General Motors. I was told that, despite the fact that Kelly Automotive had met every established metric of success, exceeding customer service industry standards and meeting GM's own sales projections for our dealership, we had to shut down our Cadillac franchise under the company's recent restructuring.

Although I successfully fought GM's efforts to destroy a part of my family business that we spent decades building, hundreds of privately owned dealerships across the country weren't as fortunate.

One of the problems with the government takeover of GM was that every dealer's fate rested in the hands of an unelected board of directors, who, with their limited understanding of and experience in the industry, played the game of picking winners and losers, something the federal government has been doing with alarming frequency.

I decided to run for Congress, in part, because of the fact that in the span of a five minute phone call, the federal government attempted to upend my father's legacy and the legacy I planned to leave my children. It was a rude

awakening and a clarion call to action, not only in defense of my family and business, but in defense of the limited government and free market principles on which our great nation was founded.

Since I've been in Congress, my eyes have been further opened to the ever-expanding role of government in our private lives and the devastating effect it will have on our economy, individual liberties, and quality of life.

One of the biggest culprits of big government is the Patient Protection and Affordable Care Act. This mammoth piece of legislation involves the takeover of one-sixth of the U.S. economy,

representing one of the largest expansions of government in modern history.

The health care law will cost nearly \$2 trillion in the first 10 years, almost double what the president told the American people it would cost. It will also force millions of Americans to lose their current insurance, despite the president's repeated assurances that under his plan people could keep their current health care if they liked it.

Furthermore, the Affordable Care Act raids Medicare of \$500 billion, weakening a treasured social safety net that is teetering on the brink of bankruptcy, and will implement a rationing panel of yet another group of unelected officials who will make decisions that will affect access to health care for millions of senior citizens.

In addition to the health care law, there's the Dodd-Frank Act, which will affect every sector of the financial services industry by adding roughly 400 new federal rules at an implementation cost of \$2.9 billion over the next five years. So far, 185 rules have been written. Compliance with these rules is expected to

cost the private sector more than 24 million hours each year. As for the yet-to-be written rules, their unknown implications only create further uncertainty at a time when America's job creators can least afford it.

And while the president's efforts to push through cap-and-trade legislation failed, the EPA under his administration has managed to introduce devastating new regulations that have decreased the domestic production of energy and threaten the future of the coal industry, which is an abundant and affordable source of energy, responsible for producing nearly 50 percent of America's electricity.

If we are going to grow our economy, we need to shrink our government, repealing the overreaching and industry-threatening regulations that

are building barriers to our economic recovery while burying us further into debt. To this end, I will continue to work with my colleagues in the House to pass legislation that will remove the red tape, restore fiscal discipline, and reclaim the American dream that so many before us fought to achieve and which we are responsible to defend.

RF

Mike Kelly, the owner of an automobile dealership which employs more than 100 people, represents the 3rd District of Pennsylvania in the U.S. House of Representatives.



I decided to run for Congress, in part, because of the fact that in the span of a five minute phone call, the federal government attempted to upend my father's legacy and the legacy I planned to leave my children.

Noem and Scott Reflect on First 16 Months in Office in Appearance Before Ripon Society

WASHINGTON, D.C. – Representatives Kristi Noem (SD-AL) and Tim Scott (SC-1) appeared before a breakfast meeting of The Ripon Society on May 9th to discuss their first 16 months in office – a time, they said, that has not only seen the debate change in Washington, but has seen the GOP Class of 2010 act as a “firewall” preventing any new spending from getting through.

“The conversation has definitely shifted in Washington,” Noem stated. “Instead of talking about how much more we can constantly spend or how much more of the hardworking taxpayer money we attribute to different programs, we are talking about where we can tighten our belts. Where can we be more responsible with people’s money and stop spending money that we don’t have – that our children are going to be responsible for.

“When I go home, I tell everybody to recognize that Democrats still run Washington, D.C., and that’s why it’s not fixed yet. We recognize that we’re one half of one third of government. And while we are changing the conversation and having those tough conversations, we haven’t been able to make as much progress as we feel is necessary. That’s why we have to keep talking about our conservative values. We have to keep talking about the situation our country is facing and the need to tighten our belt and change our ways. And that really resonates with people.”

“The freshman class and the Republican majority in the House has brought a check and balance that we didn’t have before. We didn’t have a new major overhaul or government takeover of a system like the health care bill was. We didn’t have a cap-and-trade bill. We’ve been able to stop a lot of that – bring some accountability into the system and oversight that was definitely needed. That’s a victory we can talk about, but we certainly can’t pause to celebrate. We need to keep working towards all of the goals we have, because we have a long ways

to go.”

Scott, who along with Noem serves as a Freshman Class Representative to the House Republican leadership, echoed his colleague’s remarks about which party holds the keys to power in Washington, and offered his own observations about how the 2010 Class is making its mark.

“As Kristi talked about, we’ve got one of the three levers of government,” Scott observed. “Not much is going to change. But you can stop more bad things from happening.

And that’s really, if you want to put it in a frame, is in a sense our freshman class – stopping more bad things from happening. But it’s certainly not going to result in reversing the bad things that have already occurred. So treating that reality back home is a part of the challenge that we have as a freshman class. The fact of the matter is that the President’s microphone is huge. Our microphone is invisible. But if we go back home to 242 districts as Members of Congress – as Members of the Republican Conference – and have the same thing to say week in and week out, we start affecting change.”

A former small business owner who is hosting an all-day conference on entrepreneurship in the Capitol Visitors Center on May 31st, Scott also discussed the fact that Republicans must have a similar entrepreneurial spirit as they pursue – and communicate – their legislative and political goals. “I still have an entrepreneur’s perspective and passion and drive to make things better,” the South Carolina Congressman stated. “Continuous improvement is something I think about all the time. So for me, marketing is very important. I won’t say that we as Republicans do it well, because we don’t. We’re getting better at it. Jeb [Hensarling] is doing a fantastic job, comparatively speaking. But we have a very long way to go.”

In response to a question about the voters who elected



“The freshman class was sent to Washington to be a firewall so that more bad things would not happen.”

them and whether they were frustrated with the pace of change, Scott was blunt in his remarks – both in terms of what needed to be accomplished, and what he and his colleagues were sent to Congress to do.

“The freshman class was sent to Washington to be a firewall so that more bad things would not happen,” he declared. “That means taking back the White House or the Senate – at least one of the two. And I’m telling my folks to stay engaged in the race and talk about what we said on the campaign trail – what we sponsored. And then talk about the fact the Senate is the reason why, the last 1,000-plus days, we haven’t had a budget, or the 30-plus economic development bills sitting over there that haven’t had a hearing. It’s because the Senate is a part of the problem.”

Noem concurred, adding that it was also important for Republicans to be straight with voters about why change has been so difficult and the obstacles that still stand in the way.

“We don’t have a job to just go home and make everyone happy,” she stated. “We have a job to go home and educate people. We have to go home and educate them and tell them the truth on what’s broken here and what the problem is so that people recognize why we haven’t gotten where we still need to go. That has been a very frustrating thing for a lot of our new members because they are getting grouped into this lump of people who have broken this place. This place has been broken for a long time, and it’s going to take more than overnight to fix it.

It is still our goal. But we have to go home and be willing to get in front of a whole bunch of people and tell them why and not be placating about it. We need to make sure we are willing to have those tough conversations – which, isn’t always the most fun thing to do, but it’s our job.”

In response to a question about gender politics and what Republicans need to do to appeal to women voters, Noem was equally direct.

“Honestly, I feel as though every single issue just needs a woman’s perspective,” she said. “Republicans haven’t always approached every single issue that way. We’ve got a lot of different women’s issues that are specific to women and issues that are specific to me. But every single issue we deal with, we need to be diligent about getting the women’s perspective on that so they know that we are focused on them and their success. Women in this country recognize that. They appreciate people who give them straight-up answers – who will let them make decisions for themselves.

“So many times in the past, women haven’t had opportunities to make decisions that are best for their family, for their careers, for their lives. That is what the Republican Party brings to the table. We wholeheartedly trust you to make decisions for your lives, and that’s the message that we can carry forward. I believe as we focus more on it, we will get that message out, and it will do us good in this next election.” **RF**

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Putting an End to Budget Gimmickry

MARTHA ROBY

Recent polls indicate that as few as one in ten Americans think Congress is doing a good job. The cause of that discontent is often rooted in a fundamental problem: the American people don't trust what politicians tell them.

And why should they?

Consider federal spending. The President and Congress routinely approve legislation that is written to produce "savings" on paper but not in reality. Those false savings are then used to pay for programs and activities in other areas of the government. The result is that spending goes up -- and so does the deficit.

This deception is made possible, in part, because the budget and spending process is a confusing labyrinth of proposals, resolutions, and bills that is foreign to most Americans. It's difficult for the layperson to truly see where the money goes. In that fog of confusion, there is ample opportunity for politicians to use gimmicks and budget tricks to hide the truth. Both parties are guilty of exploiting these loopholes, which are deeply ingrained in the rules of the House and Senate.

Although the budget process is foreign to the public, the underlying principle is not. Americans fundamentally understand that spending more money than you have is not a sustainable way to operate a household or a business — or a government. Unfortunately, that is what we are doing. We are on track for our fourth straight year of trillion dollar deficits and a mountain of debt topping \$16 trillion.

We must get our fiscal house in order. Part of the solution lies in electing a President that truly believes in limited government and restrained spending. But it is also important that we reform the budget process to restore accountability, integrity, and transparency in Congress.

Americans deserve a genuine and predictable government that shoots straight. As Thomas Jefferson wrote, "The whole art of government consists in the art of being honest." How can the people hold their representative accountable when Congress and their President distort the basic facts?

That's why I, along with 30 of my freshman colleagues, introduced the Honest Budget Act of 2012, an important step to change the way Washington works and instill integrity to the budget process. The legislation is designed to root out the budget gimmicks most commonly used by politicians to hide the truth, confuse the public, and run up the national debt.

Last year, Senate Budget Ranking Member Jeff Sessions introduced in the Senate similar legislation to strengthen the Senate's rules against budget trickery. Numerous conservative groups have endorsed Sessions' bill, including the Heritage Foundation, Americans for

Tax Reform, and Citizens Against Government Waste. Our legislation expands this bill with similar rules in the House of Representatives to address nine specific budget gimmicks that, since 2005, have cost taxpayers more than \$350 billion and have consistently added to the burgeoning national debt.



Americans deserve a genuine and predictable government that shoots straight ... How can the people hold their representative accountable when Congress and their President distort the basic facts?

For example, the legislation would:

- Make it more difficult to pass appropriation bills without first approving a budget, which the Senate has failed to do for more than 1,000 days;
- Tighten rules about using ‘emergency designations’ and ‘disaster designations’ to justify off-budget spending;
- Reveal both the real cost and the real commitment on what the federal government is spending; and,
- Prevent Congress from relying on phony rescissions, or claiming savings, unless the savings are real and genuine. Money that was never going to be spent cannot later be claimed as ‘savings.’ That’s common sense.

A federal budget is more than a set of numbers. It is a vision for the nation’s future and a financial report to the stockholders of the company — in this case, the American people. We deserve the truth, and the Honest Budget Act

would help deliver a budget system that is accountable, predictable, and real.

In many respects, the Honest Budget Act of 2012 embodies the spirit of transparency and accountability that unites my freshman class. The best way to guarantee the truth and to help restore confidence in Congress is to specifically root out and end the gimmicks that so often obscure it.

The bill is a rallying point for those who truly want to put an end to the gimmicks and empty promises, and for all who believe that the American people deserve a government that they can trust.

I look forward to working with my colleagues to see this become reality. **RF**

Martha Roby represents the 2nd District of Alabama in the U.S. House of Representatives.

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Q&A with **ARTHUR BROOKS**

Arthur C. Brooks has been president of the American Enterprise Institute since January 1, 2009. Previously, he was the Louis A. Bantle Professor of Business and Government Policy at Syracuse University.

Throughout his career, Brooks has conducted research on the connections between culture, politics and economic life, and has published hundreds of articles and 10 books on subjects ranging from the economics of the arts to military operations research.

His most recent book is called *The Road to Freedom*, a blueprint for defending free enterprise against the powerful forces of big government. The Forum spoke with Brooks recently about *The Road to Freedom*, why he wrote it, and why it's theme about the importance of free enterprise is especially relevant and important this election year.

RF: What was the genesis of this book?

AB: I wrote *The Road to Freedom* to address what I see as a fundamental failure by the free enterprise movement to make the moral case for the system we love. For too long, we've defended free enterprise strictly in materialistic terms, focusing on how economic freedom makes people materially better off.

But that's not what motivates me to fight for free enterprise, and this is true for most other advocates I know. We love free enterprise because it's fair, because it gives us the space to lead meaningful lives, and because it provides real opportunities to the disadvantaged.

In other words, I wanted to write what was in my heart, and what I

believe is in the hearts of others who are passionate about free enterprise.

RF: The book's timing dovetails nicely with the Presidential campaign and the basic choice Americans will face this year between a candidate who stands



Arthur C. Brooks

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for more freedom and a candidate who believes in more government. From a substantive perspective, if you were offering Mitt Romney advice this election, what specific issues and positions would you recommend he stand behind?

AB: First and foremost, we have to get out of the way of entrepreneurs, the real American heroes for jobs and opportunity. That means we stop picking winners through bailouts and stimulus, we reject cronyism, and allow businesses to create jobs via tax and regulatory reform.

Second, we need policies that will stimulate economic growth, or we can kiss the opportunity society goodbye, which is about as immoral as you can get. That means decreasing the size of government and letting people keep more of what they earn, as well as adopting policies to ensure abundant energy.

Third, we have to rein in our deficits and debt, or we will be guilty of robbing our children. There's nothing fair about that. This one is politically hard, but it's relatively simple to understand. To fix deficits without hurting growth, we have to cut spending. To cut spending meaningfully, we need to fix entitlement spending. To fix the real entitlement problem, we have to reform Medicare. And to fix Medicare, we have to move to a market-based, defined contribution system.

RF: What about themes? Your basic argument about “the moral case for free enterprise” implies that this case is bigger than any one issue or bill. How do you tie this case -- this cause -- into a larger narrative that Americans can identify with and relate to?

AB: Morality defines public policy precisely because it's the defining characteristic of our country. We're a country of people who are largely descended from immigrants who came here not looking for a fairer system of forced wealth redistribution, but a

chance to make it on their own terms.

As I argued in my last book, *The Battle*, about 70% of Americans support free enterprise. To get them to embrace it, and even to sacrifice for it, we have to do a better job explaining how it is moral, and we have to conscientiously apply that framework and analysis to every policy issue. Our understanding of policy issues flows from our understanding of morality, not vice versa. So we have to make the moral case before we can get into the weeds of policy.

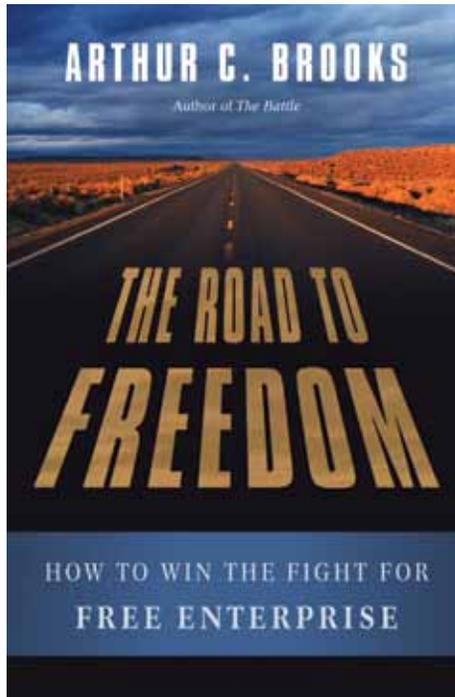
RF: But what about the out-of-work Dad who was able feed his kids only because he was collecting an unemployment check? Or the single Mom who gets her health care through Medicaid? For every moral case for freedom that conservatives make, liberals come back with real-world examples of federal assistance that appeal more to the heart than the mind. Is it possible to counter these kinds of emotional appeals with logic and philosophy alone?

AB: We tried that in welfare reform. For years, conservatives argued that federal welfare programs were a waste of taxpayer money. It wasn't until Charles Murray explained to us in *Losing Ground* that the welfare state hurts the poor that we could make the moral case for this. Welfare hurts the poor, and hurting the poor is immoral! So we started making that case. And a decade later, President Clinton signed the Welfare Reform Act.

I believe in a social safety net to help only the poorest Americans, which is exactly what we don't have. Our current "welfare" system gives lavishly to corporate cronies, people with bailouts and tax loopholes, and to middle class seniors who take more out of the system than they ever put into it. It's intolerable.

Furthermore, we have to remember who is really hurt when we run our free

enterprise system over a cliff: the poor. When Social Security and Medicare go bankrupt and America faces a Greek-style debt crisis—which sooner or later it will if we don't act—the ones left out in the cold won't be me, President Obama, or most readers of the Ripon Forum. It will be the poor who lose their safety net. And it will be our fault.



“...we have to remember who is really hurt when we run our free enterprise system over a cliff: the poor.”

RF: Many of the solutions you discuss in your book – from reforming entitlement to revamping the tax code – have been debated and discussed for years in Washington. Are these kinds of solutions even possible given how gridlocked and some would say dysfunctional the national political environment has become?

AB: Traditionally, the only thing worse for policy reform in Washington DC than the current acrimonious

gridlock is when politicians start to agree across the aisle. When you see happy bipartisan agreement, watch your wallet. It usually means collusion to spend your tax dollars on special interests and opaque boondoggles.

Most reform efforts have succeeded through bitter ideological struggle—the kind of rough stuff we see today. I frankly don't want too much comity and kumbaya in Congress. I want a fight for what's right. Our Founders knew we could handle a big political fight without killing or jailing each other like they do in other countries. Our leaders today owe it to the Founders and to Americans to stand up for what they believe, even if that means big disagreements with the other side.

RF: Along those same lines, what is the role of popular culture and the media in all this? In this age of reality TV and sensationalized 24/7 news coverage, is making a moral case for anything even possible anymore?

AB: To be sure, it's more difficult than it once was. But people still believe that some things are right and some things are wrong. University of Virginia professor Jonathan Haidt's research on moral judgment, which I draw on in my book, drives home this point: ideas of fairness, helping others, and not hurting the vulnerable are still widely-shared values.

RF: Given all our current problems, do you remain hopeful about the future of America?

AB: Everyone who has ever bet against America and the unique American spirit has lost. I'm immensely optimistic about America's future, and I believe it remains a beacon to the world. As long as we maintain our belief in the power of freedom, and resolve to fight for it, we can win. **RF**

Ripon Profile

Name: Dean Heller

Occupation: United States Senator
for the State of Nevada

Your father, Jack "Blackjack" Heller, was a famed stock car driver, and you are an accomplished driver in your own right. What lessons from the racetrack apply to politics today? Racing is a competitive sport that requires hard work, but most of all it's fun. Politics is similar. You always try to stay ahead of the pack. It is a privilege to represent the State of Nevada in the U.S. Senate, and I enjoy what I do. It requires hard work, but traveling the state, talking to Nevadans, and meeting new people every day really is a part of what makes this job so great.

You've been in the Senate now for almost a year. What has surprised you most about the job? I was really surprised with the partisanship in the Senate. Neither side wants to work with one another, and it's more about a press release than solving our nation's problems.

What are the main economic pressures people are feeling in your state? No state has felt the brunt of the economic downturn more than Nevada. My state continues to lead the nation in unemployment and struggle with a crippled housing market. Burdensome regulations and a healthcare law no one can afford are making it difficult for small businesses to get up and running and hire new workers, all while gridlock in Washington and big-government policies impede recovery. It's time for a new direction in Washington.

What are three things Washington should be doing to help people deal with these pressures? It has been three years since the Senate passed a budget. Our government has no direction or long term fiscal plan. This creates uncertainty and contributes to the anemic economy. Step one would be to pass a long-term budget that places our nation on a sound fiscal footing. The next step would be to pass comprehensive tax reform that broadens the tax base, brings down rates, and simplifies the tax code. This would set the foundation for long term growth and provide stability for our nation's job creators. Finally, we need to tear down the barriers to economic growth by removing excessive regulations that have stifled growth, created instability, and increased costs to small businesses across the country.

Harry Reid is not just your fellow home state Senator, but he is also the leader of the Democratic opposition. Is it difficult to set politics aside when it comes to acting in Nevada's best interests? The Nevada delegation has a long history of setting our differences aside when it comes to fighting for our state. While I disagree with Senator Reid on a wide range of national issues, when it comes to Nevada, we have no problems working together.

Finally, when you leave office, what do you hope to be remembered for? I'll let history decide that. What I want be remembered as being is a good husband and a good father.





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