



Written by [Thomas R. Eddlem](#) on August 14, 2012

Is Paul Ryan Just Another Bailout Politician?

Many Washington conservatives swooned when presumptive GOP presidential nominee Mitt Romney picked seven-term Wisconsin Congressman Paul Ryan as his vice presidential running mate. Florida Senator Marco Rubio [called](#) Ryan a “courageous reformer.” Rush Limbaugh [suggested](#) he was “the last Boy Scout.” Jeffrey H. Anderson of the neoconservative *Weekly Standard* magazine [labeled](#) Ryan “the ideal running mate.”



And while Ryan has picked up some flak from political leftists for critiquing the deficit-spending-forever policies of the Obama White House, Ryan has a big-spending, pro-bailout past. Ryan [practically begged](#) his fellow Republicans in the House to vote in favor of the 2008 TARP bailout of the big banks in his speech on the House floor September 29, 2008:

Madam Speaker, this bill offends my principles. But I’m going to vote for this bill — in order to preserve my principles, in order to preserve this free enterprise system.... I believe with all my heart — as bad as this is — it could get a whole lot worse, and that’s why we have to pass this bill.

(See the YouTube video at the bottom of this article.)

Ryan’s appeal to House Republicans to pass TARP — a key grievance of the Tea Party movement that emerged after the vote — included a [promise](#) that none of the money would be used to pad the bank accounts of incompetent bank executive fatcats. “And we also made sure that the executives of these companies that made these bad bets don’t profit from this rescue recovery plan,” Ryan said.

Of course, Ryan’s promise on the House floor didn’t pan out. In fact, billions in bailout funds went to executives in firms bailed out by taxpayers, in the form of “bonuses” for allegedly excellent work. “Nine of the financial firms that were among the largest recipients of federal bailout money paid about 5,000 of their traders and bankers bonuses of more than \$1 million apiece for 2008,” the *New York Times* [reported](#) June 30, 2009, summarizing a report by the New York Attorney General’s office.

The *Times* [noted](#), “At Goldman, just 200 people collectively were paid nearly \$1 billion in total, and at Morgan Stanley, \$577 million was shared by 101 people.”

But the TARP vote wasn’t the first — or the last — time Ryan voted for a bill that “offends my principles.” Ryan also [voted for the 2008 auto bailout](#) after the TARP vote and, much earlier, [voted in favor of the \\$18 billion airline bailout in 2001](#). While the federal government is not authorized under the U.S. Constitution’s enumerated powers to bail out anyone, from the richest to the most destitute, what does it say about a man who favors taxpayer bailouts for super-rich banks, airlines, and auto manufacturers? Certainly it is not that he is a constitutional purist, or a fiscal hawk.

This is not to emphasize that Ryan is any different from his running mate Mitt Romney, who also [backed TARP](#). Or, for that matter, President Obama and Vice President Biden, who [both voted for TARP as senators](#) in 2008. But it does reveal that Ryan is no fiscal hawk. Ryan has received some favorable comments from Washington conservatives for having adult conversations about how the federal



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government needs to start balancing budgets and engaging in entitlement reform. And he has indeed put forth a [budget proposal](#) that would cut spending and deficit levels *compared to* Obama's budget estimates. But Ryan's budget proposal [would not balance the budget until some time between the years 2030-40](#), meaning that the Ryan plan would continue deficit spending at least another 20-25 years — assuming there are no emergencies such as wars or other negative events that skew the long-term estimates.

Ryan's appointment may have caused many conservatives to swoon over his reputed fiscal credentials, but that swooning comes only from the uninformed and those with highly diminished expectations.

Photo of Rep. Paul Ryan: AP Images



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