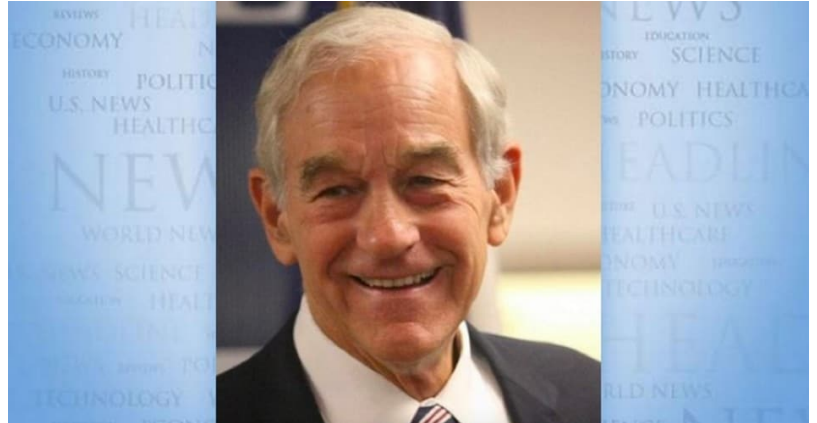




Written by [Ron Paul](#) on July 22, 2024

Republican Platform Ignores Real Causes of Inflation

The 2024 Republican platform promises that, if Donald Trump returns to the White House and Republicans gain complete control of Congress, they will reduce inflation. The platform contains some proposals, such as reducing regulations and extending the 2017 tax reductions, that may help lower prices in some sectors and spur economic growth. However, the GOP platform does not address how the Federal Reserve's enabling of spendaholic politicians contributes to price inflation.



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Other than an obligatory promise to cut “wasteful” spending, and a pledge to eliminate the Department of Education, the Republican platform is largely silent on proposals to reduce federal spending.

The GOP's apparent desire to increase military spending is a disappointment to those of us who hoped the increased skepticism of foreign intervention among Republican voters would dampen Republican enthusiasm for the military-industrial complex. The platform also opposes any reduction in Social Security and Medicare. So, the “fiscally responsible” Republicans want to increase spending on one of the largest items in federal spending (“defense”) while opposing cuts in two others (Social Security and Medicare). Interest on the national debt, another of the top spending items, will continue growing under a Republican government. The only way Republicans may look like champions of small government is by comparison with the Democrats.

While it is disappointing that the Republican platform rejects fiscal responsibility, it is not surprising. President Trump increased the national debt by between seven and eight trillion dollars. While spending did explode with the covid lockdowns, the debt increased by trillions between Trump's inauguration and the covid-inspired spending spree. Spending increased during Trump's first two years in office, when Republicans controlled Congress. This is not the first time a Republican president has betrayed his promise to cut spending: Both President Bushes, as well as President Reagan, campaigned on pledges to cut spending then increased spending and debt while in office.

Politicians could not increase the national debt unless the Federal Reserve monetizes the debt by purchasing Treasury bonds and increasing the money supply to keep interest rates low. The need to monetize the debt is the main reason the central bank must keep interest rates from rising to anywhere near market levels. According to Manhattan Institute Senior Fellow Brian Riedl, every one percent increase in interest rates increases federal interest payments by 35 trillion dollars spread out over three decades.

It is no coincidence that the rise of the debt-based economy with ever-growing levels of consumer, business, and (especially) government debt — along with the accelerated decline of the dollar's purchasing power, which reduces Americans' standards of living — all occurred after President Nixon severed the last link between the dollar and gold. Yet, the Republican platform does not call for Congress to pass the Audit the Fed legislation, much less create a free market in money by legalizing competing currencies. Of course, the platform does not endorse ending the Fed's ability to monetize



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federal debt by forbidding the Fed to purchase federal debt instruments.

It remains up to those of us who know the truth to keep spreading the message that the real key to making America great again is to make money real again by auditing and ending the Fed.

Ron Paul is a former U.S. congressman from Texas. This [article](#) originally appeared at the Ron Paul Institute for Peace and Prosperity and is reprinted here with permission.



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