INTRODUCTION

In late 1979, the nation was mired in more than 12% annual inflation, over three times higher than today. Mortgage rates were near 13%, about double what they are now. And America's affordability issues were only getting worse. To some, the nation's future looked bleak in those years shortly after America's 200th birthday. When Ronald Reagan announced his candidacy for the 1980 Republican nomination for President, he recognized and acknowledged the challenges Americans faced in dealing with the nation's worst-ever affordability crisis. In his speech, Reagan remarked that as the cost of living kept going up, the standard of living kept going down. But Reagan's speech didn't just dwell on the problems America faced. He offered hopeful solutions after first correctly diagnosing the source of most of those economic problems: a federal government that overspent, overtaxed, and overregulated.

Reagan brimmed with optimism, despite the scope of America's challenges in the late 1970s. In his speech he told Americans that they had a rendezvous with destiny, and he referred to America as a "shining city on a hill" that the eyes of the world looked to. Reagan tapped into America's inherently optimistic spirit, saying, "Someone once said that the difference between an American and any other kind of person is that an American lives in anticipation of the future because he knows it will be a great place." Having lived through the Great Depression, Reagan had seen America at a low point before, and, as he put it, he had also seen the great strength of the nation as it pulled itself up from that ruin.

Knowing that America had faced greater challenges in the past and turned things around gave Reagan optimism about the future, and it should be a source of optimism for us today. We also have hindsight to see the successes of Reagan's economic program. His election and presidency didn't solve all of America's problems, but it's fair to say that in eight years under Reagan between 1981 and 1989, America succeeded in pulling itself up from the economic ruin of the 1970s.

The limited-government, conservative principles that guided Ronald Reagan and America out of double-digit inflation and economic stagnation in the 1970s should still serve as a North Star for lawmakers trying to tame inflation and bolster the economy. The United States of 2026 is not the same as the United States of 1981, so even though the core principles endure, the playbook will look different. *Affordability 101* offers a playbook with 101 policy solutions to make life more affordable in 2026 and beyond.

Conservatives should support policies that are consistent with economic freedom and limited government, not only for ideological reasons, but because the free-enterprise system has proven to be the most effective system ever devised at ensuring that people can afford life's necessities and the goods and services that enrich our lives.

Affordability 101 organizes its policy solutions into 10 chapters consistent with the principles of economic freedom and limited government:

1. Consumer Choice;
2. Abundant Energy and Natural Resources;
3. Freedom to Work;
4. Freedom to Build;
5. Freedom to Innovate and Compete;
6. Tax Reform;
7. Free Trade and Commerce;
8. Fiscal Restraint;
9. Sound Money and Capital Freedom; and
10. Accountability and Oversight.

The conservative approach to making life more affordable should focus on expanding supply. When goods are abundant rather than limited, prices naturally fall. It's intuitive that creating abundant supply is key to affordability, but too often the commonsense solution of allowing the private sector to make more has less political appeal than demand-side approaches like stimulus checks, subsidizing purchases, wage mandates, tax preferences, printing money to finance deficit spending, or imposing price controls—none of which address the underlying scarcity driving up prices.

In his speech announcing his presidential candidacy, Reagan spoke about each of the 10 themes covered in *Affordability 101.* A summary of the book's 10 chapters is provided below, with each summary followed by a quote from Reagan's 24-minute speech.

Consumer Choice

Chapter 1 – Consumer Choice offers policy solutions that would keep the government from dictating or influencing which products or features Americans can purchase—and which features they *must* purchase.

> "*It's not the government's function to… impose unnecessary restrictions on the marketplace.*"
>
> -Ronald Reagan

Abundant Energy and Natural Resources

Chapter 2 – Abundant Energy and Natural Resources describes ways that policymakers could remove unnecessary government barriers to accessing the energy resources that power America's economy, and it includes ideas to improve the government's stewardship of the natural resources it manages.

> *"Our country was built on cheap energy."*
>
> -Ronald Reagan

Freedom to Work and Enterprise

Chapter 3 – Freedom to Work and Enterprise outlines ways to make government policy more conducive to work and enterprise, ensuring that the government doesn't act as a gatekeeper telling workers and businesses whether they have permission to enter mutually beneficial arrangements or pursue new enterprises.

> *"[The] system must be replaced by one that restores incentive for the worker and for industry—a system that rewards initiative and effort and encourages thrift."*
>
> -Ronald Reagan

Freedom to Build

Chapter 4 – Freedom to Build suggests policy solutions that would help reduce red tape, regulations, restrictions, ill-advised taxes, and other government-imposed barriers that stand in the way of quick and efficient construction of new homes, workplaces, hospitals, and infrastructure in the United States.

> *"But there remains the greatness of our people, our capacity for dreaming up fantastic deeds and bringing them off to the surprise of an unbelieving world."*
>
> -Ronald Reagan

Freedom to Innovate and Compete

Chapter 5 – Freedom to Innovate and Compete discusses potential reforms to foster private innovation and competition with reforms that remove barriers to technological and medical innovation, privatize government enterprises, and place checks on the expansion of the regulatory state.

> *"Putting the market system to work for these objectives is an essential first step for their achievement. Additional multibillion dollar federal bureaus and programs are not the answer."*
>
> -Ronald Reagan

Tax Reform

Chapter 6 – Tax Reform outlines some of the economically destructive taxes imposed by federal, state, and local governments that should be eliminated or reduced, along with other potential pro-growth reforms.

> *"At the same time, the federal government has cynically told us that high taxes on business will in some way solve the problem and allow the average taxpayer to pay less. Well, business is not a taxpayer, it is a tax collector. Business has to pass its tax burden on to the customer as part of the cost of doing business."*
>
> -Ronald Reagan

Free Trade and Commerce

Chapter 7 – Free Trade and Commerce focuses on ways to facilitate more commerce through the reduction or removal of tariffs and other artificial trade barriers with friendly nations and allowing more seamless commerce across the United States.

> *"A developing closeness between the United States, Canada and Mexico would [show] that we were prepared for a long haul, looking outward again and confident of our future; that together we are going to create jobs, to generate new fortunes of wealth for many, and provide a legacy for the children of each of our countries."*
>
> -Ronald Reagan

Fiscal Restraint

Chapter 8 – Fiscal Restraint proposes major spending reforms to reverse the out-of-control growth of the federal deficit and limit borrowing to sustainable levels, which would ease pressure on the Federal Reserve to print money to finance new debt.

> *"The people have not created this disaster in our economy; the federal government has. It has overspent, overestimated, and overregulated. It has failed to deliver services within the revenues it should be allowed to raise from taxes."*
>
> -Ronald Reagan

Sound Money and Capital Freedom

Chapter 9 – Sound Money and Capital Freedom describes policy changes that would support a sound dollar and more efficient capital allocation by limiting the Federal Reserve's discretion to expand the money supply and allowing a freer flow of private capital.

> *"In the 34 years since the end of World War II, the federal government has spent 448 billion dollars more than it has collected in taxes—448 billion dollars of printing press money, which has made every dollar you earn worth less and less."*
>
> -Ronald Reagan

Accountability and Oversight

Chapter 10 – Accountability and Oversight outlines reforms that would reduce waste, fraud, and abuse in federal programs and help ensure that taxpayer dollars are spent responsibly.

> *"We must force the entire federal bureaucracy to live in the real world of reduced spending, streamlined functions and accountability to the people it serves. We must review the functions of the federal government to determine which of those are the proper province of levels of government closer to the people."*
>
> -Ronald Reagan