

Steve Bannon: Not a Fan of Limited Government

The New York Times Magazine about last week's stillborn RyanCare bill, Robert Draper recalls a conversation he had with White House strategist Stephen Bannon earlier this year. Bannon, lamenting the inability of both congressional Democrats and Republicans to *get things done*, contrasts the identity-obsessed progressives with the one-trick pony conservatives:

What's that Dostoyevsky line: Happy families are all the same, but unhappy families are unhappy in their own unique ways?" (He meant Tolstoy.) "I think the Democrats are fundamentally afflicted with the inability to discuss and have an adult conversation about economics and jobs, because they're too consumed by identity politics. And then the Republicans, it's all this theoretical Cato Institute, Austrian economics, limited government – which just doesn't have any depth to it. They're not living in the real world.

There's quite a lot to consider in these few sentences. For starters, Bannon clearly is not as familiar with the mindset of congressional Republicans as he imagines. They are primarily concerned with how the whole "repeal and replace" debacle plays back home. Bannon seems wholly unaware that incentives matter, that his only carrot or stick with regards to individual members is getting them reelected or un-elected. While Trump is likely to remain popular in deep red counties and states, it's doubtful Bannon can leverage this to create an effective "enemies list" of GOP recalcitrants. For the majority of congressional Republicans the only existential

threat to their jobs comes from their right flank in a potential primary, and supporting a watered-down version of the ACA may well hurt them worse than Bannon's wrath. The only incentive that matters is reelection, not having "adult conversations or governing." Is the wizened Bannon, architect of the brilliant Trump campaign, really so naïve about Congress?

Bannon has read Sun-Tzu and Aristotle, but has he read the Austrian literature he dismisses so casually? His notion that the GOP conference is full of ideologues, much less *libertarian* ideologues, is just flat false. The GOP is the party of trillion dollar military budgets, the party that wants to protect Social Security and Medicare-provided prescription drugs, the party that won't even kill an openly cronyist program like the Export-Import Bank. The House Freedom Caucus, which arose from the remnants of Ron Paul's liberty caucus, shows occasional libertarian tendencies. It has a worthy role to play as spoiler for bad bills like RyanCare, but it's hardly an ideological driver in Congress. And Bannon, like so many political observers in the media, fails to understand how little think tanks influence policy in the Beltway. Organizations like the Brookings Institute, the American Enterprise Institute, and the Heritage Foundation are orders of magnitude larger than Cato, yet few in Congress really read their material more than superficially. The real game in DC doesn't involve think tanks and public policy, it involves lobbyists quietly putting language into authorization and appropriations bills at the committee level. An anti-establishment maven like Bannon should know this.