

The Street



Republican Finance Platform Designed to Pick Off Sanders Voters from Clinton

Emily Stewart

July 20, 2016

CLEVELAND ([TheStreet](#)) -- The Republican National Convention's official campaign platform is pretty red on social issues, but when it comes to business and finance, not as much. It might make the party more appealing to Democratic voters turned off by [Hillary Clinton's buddy-buddy relationship with Wall Street](#).

The GOP [raised eyebrows](#) with the inclusion of a provision endorsing the reinstatement of Depression-era banking regulation act Glass-Steagall, leading many to wonder whether the traditionally free-market party is moving to the left when it comes to business. But the decision may be as much tactical as it is ideological.

"It's certainly progressive," said Mark Calabria, director of financial regulation studies at the Cato Institute, speaking with *The Street* ahead of a *Politico* panel here in Cleveland. "I see this as an attempt to really pitch to Bernie Sanders voters."

[Sanders called for Glass Steagall's reinstatement](#) throughout his presidential bid, making the legislation a main talking point of his plan to take on the big banks. He used it to contrast himself against rival Hillary Clinton, casting her as too close to Wall Street and invoking her [six-figure speeches](#) at Goldman Sachs ([GS](#)). The Republican Party and nominee Donald Trump may be trying to pull a page out of the Vermont senator's playbook now.

"I think Trump feels like a non-trivial percentage of Bernie voters are gettable," said Calabria. "It's also really part of this developing theme that you're going to see from Trump that Hillary's completely tied to Wall Street."

He added he doesn't believe this is necessarily representative of an overall shift in attitudes within the GOP but instead is part of Trump's populist approach to campaigning. The Glass-Steagall endorsement is an example of Trump having his fingerprints on the party platform.

But its language on Fannie Mae (FNMA) and Freddie Mac (FMCC) is somewhat surprising as well. The platform calls for the dismantling of the mortgage financing companies to scale back the government's role in the housing market. There have always been divisions in the GOP regarding the government's role in mortgage financing, but this marks a more aggressive official position.

"That to me was another strong, sort of, we're going to push back against the kind of system being rigged corporatism," said Calabria.

Other parts of the platform's finance planks are more typical of the GOP. Its criticism of Dodd Frank, for example, is par for the course.

Can Trump, a businessman, and the traditionally free-market-friendly GOP use these stances out-Bernie Hillary? Looks like they're trying.

"This whole campaign has been about this grassroots populism vs. this sense that the elite can't be trusted," he said.