

What led to the GOP's massive health care fail? And what happens next?

This victory could begin to turn the tide — but the right's long war against the welfare state is nowhere near over

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The spectacular failure of the GOP's Obamacare repeal efforts — reminding us all of the original meaning of "house of cards" — should be looked on as a gift, with all the uncertainty, as well as promise, that gifts always entail. Twenty-two million people will not lose their health care — at least not yet. Twenty-nine thousand a year will not die.

The Senate failure may only be temporary, despite a <u>new round of polls</u> showing support for the Republican repeal-and-replace plan at 20 percent or less. Or it may not. That would call for a significant switch in GOP strategy aimed at undermining health care so savagely and completely that leading Republicans can shift blame the back onto Democrats again — the one play they can run in their sleep. The Koch brothers are gearing up to <u>spend up to \$400 million</u> in the 2018 midterm elections, and they certainly expect *something* for all that money.

Meanwhile, there's been a resurgence of mindless centrism as well — talk of a "bipartisan alternative" without any reference to policy content. Would "only" throwing 11 million people off health insurance qualify as sufficiently centrist or bipartisan or moderate or pragmatic? Whatever happens next, this dramatic failure marks a moment of clarity, both about what has happened to get us to this point, and about what may happen next.

One thing that's belatedly become obvious to all is the key role of Medicaid — both in the GOP's repeal efforts and in American health care overall. When House Speaker Paul Ryan made headlines in March by telling Rich Lowry of the National Review, "We've been dreaming of this since you and I were drinking out of a keg" in the late 1990s, he wasn't talking about repealing Obamacare. He was talking about gutting Medicaid, putting it on the path to extinction. The significance of Medicaid moved squarely front and center by the time that 43 disability rights activists with ADAPT were arrested for a sit-in at Mitch McConnell's office the day the doomed Senate bill was unveiled.

"Our lives and liberty shouldn't be stolen to give a tax break to the wealthy. That's truly un-American," said an ADAPT organizer and protestor, Bruce Darling, in an ADAPT press release. The proposed Republican bill, he said, "caps and significantly cuts Medicaid, which will greatly reduce access to medical care and home and community based services for elderly and disabled Americans who will either die or be forced into institutions."

That analysis resonated widely, based simply on the overwhelming dominance of the numbers on one hand and the evident individual impacts on the other. The <u>big numbers</u>: \$541 billion in tax cuts for the rich, and \$772 billion in cuts to Medicaid by 2026, a 26 percent cut that would <u>grow</u> to 35 percent by 2036.

While Donald Trump has been the center of national attention, it's always been Paul Ryan's vision that has driven GOP health care policy. Those who expected anything different, just because Trump promised to protect Social Security, Medicare and Medicaid, were living in a fool's paradise. Trump has never expressed a word of displeasure with GOP plans to cut Medicaid. The emerging centrality of Medicaid was reflected in a recent Politico article, "How the GOP Turned Against Medicaid," by historian Joshua Zeitz, who reminds us how dramatically the GOP's attitude has changed:

All told, the number of Medicaid recipients rose from 4 million in 1966 — the year of its inception — to 35.8 million in 1992. Most of that expansion occurred under Republican presidents and with the strong support — or at least consent — of GOP members of Congress.

Indeed, Republicans didn't set their sights on Medicaid until the mid-1990s, when Newt Gingrich's conservative revolution turned the party's caucus to the hard right.

Not surprisingly, Ryan's kegger dream came to him while Gingrich was speaker of the House. But Gingrich's influence wasn't simply shifting the caucus to the right, a process that has accelerated greatly since then. Just as important was his evisceration of the policy analysis center, as I discussed here in 2015. Cutting the number of House committees as well as their staffing, along with elimination of key policy bodies, were key parts of Gingrich's agenda, driven by his pathological need to defend his harebrained schemes. Conservative Über-wonk Bruce Bartlett explained this in a piece titled "Gingrich and the Destruction of Congressional Expertise":

Because Mr. Gingrich does know more than most politicians, the main obstacles to his grandiose schemes have always been Congress' professional staff members, many among the leading authorities anywhere in their areas of expertise.

To remove this obstacle, Mr. Gingrich did everything in his power to dismantle Congressional institutions that employed people with the knowledge, training and experience to know a harebrained idea when they saw it. When he became speaker in 1995, Mr. Gingrich moved quickly to slash the budgets and staff of the House committees, which employed thousands of professionals with long and deep institutional memories. ...

In addition to decimating committee budgets, he also abolished two really useful Congressional agencies, the <u>Office of Technology Assessment</u> and the <u>Advisory Commission on Intergovernmental Relations</u>. The former brought high-level scientific

expertise to bear on legislative issues and the latter gave state and local governments an important voice in Congressional deliberations.

The removal of these bodies and the broader decimation of congressional staff expertise has greatly facilitated the sharp rightward shift in Washington policymaking, including health care policy. The 2016 book "Asymmetric Politics: Ideological Republicans and Group Interest Democrats," which I reviewed here last August, describes Democrats as focused on specific problem-solving on behalf of a coalition of interest groups — the sort of legislative agenda in which knowledge and expertise are invaluable, not just for informing good policy but also for brokering disputes that otherwise could degenerate into intractable hostilities.

Conservatives, by contrast, are best understood as agents of the conservative ideological movement, which has changed significantly over time — a factor that the book tends to underemphasize. I recently <u>interviewed co-author David Hopkins</u> about how the book illuminated the ongoing health care battles, and reached out to him again this past week.

"The problems that McConnell is running into certainly illustrate the asymmetry of the parties," Hopkins said. "First, the broad welfare state rollback to which Republicans are ideologically committed is reliably opposed by a majority of voters once translated into specific policies, and second, there is a bloc of ideological purists in the Republican Party willing to (sometimes counterproductively) scuttle leadership-backed legislation for being insufficiently conservative."

While these broad realities have long been in place, the content has shifted over time. Ronald Reagan, for example, rhetorically opposed Medicaid, attempting to turn it into a block-grant program in 1981, as Joshua Zeitz notes. Instead he ended up signing "a series of bills that sharply raised the income eligibility level for women and children, created new categories of mandatory or optional coverage, and made it easier for people who lost eligibility because of rising incomes to remain in the program during a transition period."

Reagan didn't change his ideology so much as he adjusted himself to what was possible. Medicaid, like virtually all of the American welfare system, functions primarily to compensate for market failures, so tinkering with it in ways that fulfill some conservative goals is always a possibility — even though more hardline conservatives view that as anathema. Having failed at a more extensive rollback, Reagan took the second-best course.

Things are very different now. Not necessarily in terms of public opinion, which has stayed relatively stable over the years. Large pluralities are still more conservative in ideological terms, while outright majorities are support liberal goals in pragmatic terms. When the gold standard General Social Survey asked if we were spending too much or too little on Social Security and health care in the 1980s, 42 percent said we were spending too little on both, compared to just 1 percent who said we were spending too much (including just 2.3 percent of conservative Republicans). Those numbers have barely moved: In the current decade, 41.3 percent say we're spending too little on both, while 1.9 percent say we spend too much.

It's not the people who have changed, but the elites and the organized infrastructure of the conservative movement. A new source of light on this subject is the just-published book, "Democracy in Chains: The Deep History of the Radical Right's Stealth Plan for

America," by Duke University historian Nancy MacLean, which is bound to get conservatives' panties in a twist. It delves into the instrumental role played by the late libertarian economist James Buchanan in the right's campaign to roll back the welfare state — and democracy with it. Healthcare politics was front and center as MacLean was interviewed on "Democracy Now!" last week:

In the health care debate, what we see is that Buchanan gave the advice to others on the right and to his corporate funders and donors and the people that he talked to that for capitalism of the kind they wanted to thrive, democracy must be enchained. Democracy must be, in effect, shackled, to prevent the majority will from being expressed, because it would take too much from people of great wealth, and that would be a problem for them.

And so we see this being played out in the healthcare debate now, in which, as you quoted in those polls, most people are horrified by this Republican proposal. They don't want it. They understand that people will die from it.

This is just the result of a very long process that began in the 1980s, MacLean explained. That was when Buchanan began to advise the libertarian Cato Institute on a strategy for Social Security privatization, built on "the recognition that what they wanted was not popular with any constituency in America."

And so he laid out a step-by-step strategy for how to do that — how to spread misinformation, how to break up existing coalitions, how to pick off existing Social Security recipients so that they wouldn't be in the fight, because they'd be the most motivated. It's really quite breathtaking stuff. And it's the kind of strategic thinking that is now informing the entire Koch apparatus in our country.

This strategy is not going anywhere, just because it lost one high-profile battle. To beat back the right on this issue will require organization on similar level of sophistication and scope — a process that progressives are just now starting to reckon with. In the short run, there's a clear need to stop the GOP's campaign to destroy health care dead in its tracks. The mass mobilizations that have proven so successful need to be maintained and strengthened. We need to keep coming back to basic facts over and over again — and to putting faces to those facts as well.

But progressives also need to engage in massive self-education, in order to understand the kind of sustained propaganda war that is being waged against us as a self-governing democratic public. Donald Trump's irrational behavior and seemingly sociopathic tendencies are not a mere sideshow to the main event. They mesh perfectly with the GOP's institutional arguments — and even its style, as practiced by characters like Gingrich, Chris Christie, Rudy Giuliani and Maine Gov. Paul LePage. They're all about rhetorical arguments aimed at demonizing "big government" and the "takers" it enables. Paul Ryan is fully on board with that, though his demeanor may be courteous and restrained. So is the vast majority of the Republican establishment, including the Senate "moderates" who dutifully kept their mouths shut about the monstrous health care bill almost to the very end.

Trump is a perfect embodiment of their core arguments, and he is likely to become even more strongly identified with the Republican brand as this continues to play out. The more conservatives insist on feelings rather than facts, the more progressives need to insist on *both*.

If there really a centrist ideological resurgence, that must be based on both facts and feelings as well. Let the so-called moderates hear from experts, from patients, from families struggling to pay their medical bills. Let's think about all possible solutions, while we're at it. Every industrialized country on earth spends dramatically less on health care than we do — and broadly speaking has better health-care outcomes and longer life expectancies. Surely there must be things we can learn from those examples.

One final observation, drawn from a look back at the congressional votes that established Medicare and Medicaid in 1965. The <u>House vote on April 8</u> was especially illuminating. The bill passed with an overwhelming nationwide majority, 313 to 115. Democrats supported it 248 to 43, with nearly all the "no" votes in the Dixiecrat South. Republicans were almost evenly split: Sixty-five of the 138 House Republicans voted "yes," something impossible to imagine today.

In the Deep South states carried by Barry Goldwater in the 1964 presidential election, the picture was quite different. Democrats in those states opposed the bill 18-10, and Republicans opposed it 7-0. Interestingly, that was the region of the country where ideological conservatism and "operational liberalism" coexisted at the highest levels, according to the classic 1967 text "The Political Beliefs of Americans; a Study of Public Opinion."

Nationwide, these "schizoid" voters, as authors Lloyd Free and Hadley Cantril called them, accounted for 23 percent of the population. But in the Deep South they were almost half the population, or 46 percent. Looking back at that data today, and the way it played out over subsequent decades, I cannot help but reflect that "a house divided on itself cannot stand." And so we teeter, waiting for a new foundation — or a final collapse.