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## The Daily 202: Trumpism makes strange bedfellows

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**THE BIG IDEA:** In Shakespeare's "The Tempest," a storm shipwrecks Trinculo on an unfamiliar island. To survive, he takes shelter with Caliban, a native who he at first mistakes for a fish. "There is no other shelter hereabout: misery acquaints a man with strange bedfellows," Trinculo tells the audience near the start of Act 2. "I will here shroud till the dregs of the storm be past."

Four centuries later, Donald Trump's ascension to the presidency has created a feeling of misery for leading establishment figures of both parties. So much of what they thought they understood about politics turned out to be wrong during the 2016 cycle. Trump violated a dizzying number of shibboleths as a candidate and has tested norms of behavior during his first eight months in office.

Two such figures are teaming up to push back on Trumpism. William Kristol, the founder and editor at large of the conservative Weekly Standard magazine, and William Galston, a senior fellow at the Brookings Institution, are launching The New Center Project, a 501(c)(3) nonprofit. Their effort is being sponsored by the No Labels Foundation.

Kristol was the chief of staff to Vice President Dan Quayle when Bill Clinton defeated George H.W. Bush in 1992. Galston joined the new Clinton White House as a top domestic policy adviser. Focused on passing HillaryCare, he vividly remembers Kristol's searing (and successful) activism against that effort.

They've debated each other repeatedly at public events over the years, including on several college campuses, but **Trump's rise inspired the two Bills to recognize how much common ground they share.** Until Nov. 8, 2016, each now says he took for granted the public's support for basic institutions and the core principles of liberal democracy.

After nine months of conversations, the two have co-written a new 70-page pamphlet that outlines seven "Ideas to Re-center America." This odd couple discussed their collaboration and previewed their proposals during a long lunch yesterday at the Bombay Club, a white-linentable cloth Indian restaurant one block from the White House.

"Simply bewailing the demagoguery does not solve the problem," Kristol said. "There was more general agreement and manageable differences than I expected."

"This booklet was our effort to figure out what the heck was going on and what we might do about it," Galston said. "These ideas might appeal to a lot of people between the 35-yard lines in American politics."

Galston, 71, has devoted most of his career to trying to revive the vital center. (He even worked on John Anderson's campaign in 1980.) But Kristol, 64, had never dabbled in centrist

**politics before he became a Never Trumper.** An avatar of neoconservatism, it never would have occurred to *anyone* to refer to Kristol as a moderate before now.

Both men, who have backgrounds in political science, embarked on a period of soul searching after the election to try understanding how the electorate could have possibly grown so disillusioned with the status quo despite years of decent economic growth. It's not just that Trump won, but they were also puzzled by how Bernie Sanders — a septuagenarian socialist from Vermont — could came so close to toppling Hillary Clinton in the Democratic primaries.

The loss of faith in both parties was much worse than they realized from their cushy offices in the Beltway. Kristol said the writing process has made him much more respectful of voter distaste for GOP orthodoxy. "There was more being missed by Republican politicians and think tanks than I realized," he said. "There's been far more sclerosis than we wanted to admit," Galston added.

The Bills say that their vision is for "a new center" that does not split the difference between left and right but offers a principled alternative to both. They spoke with dozens of friends at think tanks across the ideological spectrum, from the libertarian Cato Institute to the liberal Economic Policy Institute and the conservative American Enterprise Institute. "Grievance is not a basis for governance," they declare in their report.

William Kristol is co-chairing a new group proposing principled alternatives to Trumpism.

- -- Here's a quick sketch of their seven ideas:
- 1) Challenging the concentration of power among technology titans with a new antitrust policy: They advocate revising the Sherman Act of 1890 to make it easier for the federal government to go after companies like Google and Facebook, which they see as near monopolies. They call for a crackdown on predatory pricing practices, more scrutiny of mergers and better enforcement by the Justice Department.
- 2) Taking on China over its theft of American intellectual property: They want to increase federal funding for basic research and development that got slashed because of sequestration, overhaul the patent system and put in place stiffer penalties for IP theft. They believe the U.S. government should not allow any other nation to require American firms to transfer control of their technology as a condition for doing business in that country.
- 3) Incentivizing work: America's labor force participation rate has declined more than any other advanced nation since 2000, and the Bills believe there are 10 million Americans who could or should be working but are not. They want to create a new regime of carrots and sticks to slash that number. They argue that better workforce development programs always the go-to answer for politicians in both parties don't address the problem of people who don't want to work. They think the government should be more willing to "call laziness what it is," aggressively go after fraud in disability programs, make it easier for convicted criminals to reenter society, and provide more tax credits to help families pay for child care. Inspired by Perkins Loans, they call for the federal government to make more education funding conditional upon students majoring in subjects where future job shortages are projected.

- 4) Getting economic growth to benefit the middle class more directly: Worried about stagnant median incomes and the increasing concentration of wealth among the richest 1 percent, the Bills call for once again taxing capital gains as income, expanding the earned income tax credit and incentivizing more profit-sharing by corporations. Not only do they want to increase the federal minimum wage, but both think it should be indexed to inflation.
- 5) Proposing a grand bargain that overhauls the tax code and funds infrastructure at the same time: They advocate for a package that would include a dedicated stream of revenue, such as a tax on repatriated corporate profits, to invest in roads, bridges and the like. With the national debt so large, the Bills agree that overall taxes for high income earners should go no lower than current levels. They want to eliminate credits and deductions so that they can reduce the tax burden on lower- and middle- income families. As part of a deal, they support more user fees such as a freight tax to pay for public infrastructure.
- 6) Encouraging more people to start new businesses: A World Bank study shows that there are 51 countries where it is easier to launch a start-up than in the United States, including Portugal and Panama. Millennials are more risk averse than previous generations because of the Great Recession, so they aren't launching as many new enterprises. To make it easier to get money, the Bills want to revise provisions of Dodd-Frank that made it harder for community banks to lend to new businesses. They want less red tape, more flexible lending from the Small Business Administration and changes to the tax code to encourage angel investors to funnel more money into venture capital.
- 7) Trying again on an overhaul of the immigration system: Both guys oppose reducing the net number of immigrants, a proposal by Sen. Tom Cotton (R-Ark.) that Trump recently embraced. They want immigration policy to focus less on giving out visas for family reunification and more on whether someone will contribute directly to the economy. They propose coupling permanent legal status for illegal immigrants with mandatory tracking of expired visas. To encourage assimilation, they agree that basic English competence should be a requirement for completing the naturalization process.
- -- This is by no means a comprehensive agenda. Their report does not deal with social issues or national security, for example. The Bills say this is merely a first crack, and that there are many more issues in which they've found common ground such as how to tackle the opioid epidemic. "This is a first draft of the first chapter," Galston said. "This was proof of a concept," Kristol added.

Their shared hope is that enterprising presidential candidates in both parties pick up some of these policies and run on them in 2020. They recognize that the 2018 midterms will not be animated by ideas but will rather be a referendum on Trump's performance.

**Galston sees parallels with 1989.** Democrats believed for much of the previous year that Michael Dukakis would beat George H.W. Bush, and they found themselves mired in a civil war when he didn't. That internecine warfare did not get resolved until Bill Clinton prevailed four years later. "There is no shock to a political party greater than losing an election it expects to win," he said. "We are much closer to the beginning of the process than the end in Democratic politics. 2017 is 1989."

Most Democrats opposed NAFTA when Clinton endorsed it, Galston recalls. He thinks ambitious pols would be wise to learn from that by embracing ideas that might play better in a general election than in the primaries. "I do think there are opportunities for political entrepreneurship among people who are willing to take risks," he said.