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AEI Scholar J.D. Kleinke Pilloried by Conservative Policy Experts Over New York Times Op-Ed

Grace-Marie Turner - 10/04/2012

Conservatives have been burning up the Internet making it *very* clear that the AEI scholar who sees ObamaCare as a conservative dream speaks only for himself and definitely NOT for genuine health policy conservatives.

J.D. Kleinke, a resident fellow at the American Enterprise Institute, a bastion of free-market thinking, wrote a controversial opinion piece for *The New York Times* Sunday claiming to make “The Conservative Case for Obamacare.”

It caused an uproar. Kleinke writes “the architecture of the Affordable Care Act is based on conservative, not liberal, ideas about individual responsibility and the power of market forces.” He claims that the health law is based on “market principles formulated by conservative economists,” that “an exchange is as pro-market a mechanism as they come,” and the act is “ratification of market ideas.” He focuses on terms used in conservative health policy proposals – personal responsibility, health insurance exchanges, transparency, accountability – but disregards the state-centered policies that were adopted in ObamaCare under these labels.

That Kleinke sees ObamaCare as even remotely conservative reveals his poor analysis based on a misreading of the plain facts of the law. His piece fails to meet even a reasonable standard of scholarship. Here’s a quick overview of responses from our colleagues in the health policy community in published articles this week:

- **Jim Capretta, AEI visiting fellow and fellow at the Ethics and Public Policy Center:**
“[W]hat is surprising is the obvious superficiality of Kleinke’s arguments. He either doesn’t understand Obamacare and the conservative case against it, or has willfully distorted his descriptions of both to serve his case.”
- **Tom Miller, another AEI fellow** writes that Kleinke’s op-ed “recycles a fact-challenged rewriting of health-policy history and combines flawed analysis with wishful thinking.” Miller takes apart the alleged policy points in Kleinke’s op-ed one by one, explaining, for example, that the health law’s “exchanges are designed primarily for heavy-handed government

- regulation and income redistribution rather than for choice and competition in health insurance.”
- **Diana Furchtgott-Roth, a senior fellow at the Manhattan Institute**, writes that ObamaCare’s mandate about what qualifies as acceptable health coverage “throttles competition and denies some consumers the opportunity to buy more modest coverage, if they prefer it, than the government permits... Such far-reaching requirements...drive up insurance costs, limit consumer choice, and prevent shopping around for lower-priced care.”
 - **Nina Owcharenko, director of The Heritage Foundation’s Center for Health Policy Studies**, says: “Kleinke’s column – like Obamacare itself – tries to cover up a liberal policy agenda by hijacking conservative principles and terminology [with] linguistic sleight of hand...[F]orcing people into a dysfunctional government-controlled market by threatening them with a tax penalty is not individual responsibility. It’s government coercion.”
 - **Michael Cannon, Cato Institute’s director of health policy studies** writes that “ObamaCare is pro-market like the Berlin Wall was pro-migrant”: “Market prices are the lifeblood of a market economy. Kleinke considers them a ‘flaw’ that ObamaCare uses ‘market principles’ to ‘correct’... Employers are hardly ‘free to decide’ under a law that penalizes them for not offering government-designed health benefits. Kleinke is apparently unaware that half of the \$2 trillion of new government spending in this ‘pro-market’ law comes from a massive expansion of a tax-financed, government-run health insurance program that crowds out private markets — Medicaid.”
 - **Merrill Matthews, resident scholar at the Institute for Policy Innovation**: “The fundamental philosophical difference is that liberals do not think the free market can work in health care and so the government must make it work. Conservatives think the free market has never been tried. Kleinke is clearly in the former camp and is thus making the liberal, not the conservative, case for ObamaCare.”
 - **Hadley Heath, a senior policy analyst at the Independent Women’s Forum**, writes about the anti-competitive impact of ObamaCare that Kleinke ignores. “Big insurance companies are buying out little ones. Big hospitals are buying out little clinics. Private practices are shutting down. Insurance agents are moving away from health to P&C. Individual actors — including doctors — are frustrated with their loss of autonomy and are being forced to give in to the bigger power players. Consolidation, it’s called. Or in English, ‘fewer options and less competition.’ This is the opposite of conservative. This is centrally planned and statist.”
 - **Avik Roy, senior fellow at the Manhattan Institute**, wrote an earlier piece about what bi-partisan health reform could have looked like: “Let me be as clear as I can be on this point: the idea that Obamacare was designed by magnanimous Democrats, as a way to be nice to

Republicans, is bunk. Instead, Obamacare was designed to please both left-wing and centrist factions *within* the Democratic Party.”

And there were others, including a piece by Philip Klein of the *Washington Examiner*. “This weekend brought us another reminder of how low the *New York Times*’s standards are for authors who are willing to make liberal arguments while claiming conservative credentials.

“On Sunday, the newspaper ran an article on President Obama’s health care law that was about as vacuous as any you’ll read,” Klein writes. “The article doesn’t make any effort to engage actual conservative policy arguments against the health care law, but instead seeks to caricature them... His article also contains errors piled on top of logical fallacies.”

If Kleinke’s version of false charges and misleading labels resonated with the American public, the growing community of free-market health policy reformers and their supporters would have been sidelined long ago. Clearly, that is not the case. Instead, Kleinke is the outlier.