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Wrestling With Inequality, Some Conservatives Redraw Economic Blueprint

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More Republicans are <u>coming to the view</u> that economic inequality, or a lack of social mobility, is <u>a problem</u> in the United States — and that <u>more can be done</u> to enable families to attain or regain <u>a middle-class life</u>.

Though discussions about inequality tend to be most visible among liberals, about four in 10 Republican or Republican-leaning adults think there is too much economic inequality in the country, <u>according to a Pew Research survey</u>. And among Republicans making less than about \$40,000 a year who see too much economic inequality, 63 percent agree that the economic system "requires major changes" to address it.

But a growing <u>debate</u> among conservative thinkers, politicians and the party base — online, in books and in public forums — reveals a group divided about how, in practice, to address pocketbook issues and the extent to which the government should be involved.

"I don't think just having a bigger government is a solution to a lot of these problems," said Inez Stepman, a senior policy analyst at the Independent Women's Forum and a fellow with the Claremont Institute, a conservative think tank <u>widely credited with giving Trumpism an</u> <u>intellectual framework</u>. "But I do think that we could stand to think a little bit more on the right about how to make that 1950s middle-class life possible for people."

These yearnings and ideological stirrings have picked up as both whites without college degrees and <u>the broader working class</u> have grown as a share of G.O.P. voters. (Hillary Clinton won college-educated white voters by 17 percentage points in her 2016 race against Donald J. Trump; four years earlier, Mitt Romney, the Republican nominee, carried that group.)

A notable swipe against longtime Republican economic thinking has come from Sohrab Ahmari, a <u>conservative</u> who served as an editorial page writer for The Wall Street Journal and the opinion editor of The New York Post. The metamorphosis of his worldview is laid out in a <u>recently</u> <u>published</u> book, "Tyranny, Inc.: How Private Power Crushed American Liberty — and What to Do About It."

"I was writing editorials preaching the gospel of low taxes, free trade, et cetera," Mr. Ahmari said in an interview. But Mr. Trump's election inspired him to research how "American life in general for the lower rungs of the labor market is unbelievably precarious," he said, and <u>his</u> <u>politics</u> changed.

Mr. Ahmari <u>recently endorsed</u> a second term for Mr. Trump, but he has written that "while ferociously conservative on cultural issues," he is also "increasingly drawn to the economic policies of the left — figures like Senators Elizabeth Warren or Bernie Sanders."

In their own ways, Republican presidential primary candidates are jostling for ways to validate the populist energy and financial unease that Mr. Trump tapped into with a mix of pronouncements and policy promises. Some have set out economic goals that, <u>according to many experts</u>, are <u>hard to square</u> with their promises to reduce public debt and taxes and make deep cuts to government programs — especially now that many Republicans have backed away from calls to cut entitlement benefits.

In a campaign speech in New Hampshire this summer called "<u>A Declaration of Economic</u> <u>Independence</u>," Gov. Ron DeSantis of Florida, a Republican presidential contender, sharply critiqued China, diversity programming, "excessive regulation and excessive taxes" — a familiar set of modern conservative concerns. Yet he also echoed complaints and economic goals often heard from the left.

"We want to be a country where you can raise a family on one sole income," he told the crowd.

"We cannot have policy that kowtows to the largest corporations and Wall Street at the expense of small businesses and average Americans," he added. "There's a difference between a free-market economy, which we want, and corporatism."

Critics on the left and the right argue that Mr. DeSantis has failed to clearly define how he would achieve those goals. The DeSantis campaign declined to comment for this article, but he has cited pathways to broader prosperity that include bringing <u>industrial jobs back from abroad</u>, increasing work force education and technical training, removing "red tape" faced by small businesses and aiming for annual U.S. economic growth of at least 3 percent.

Though the fissures on the right over economic issues were evident when Mr. Trump upended the political scene eight years ago, the realignments are maturing and deepening, causing fresh tensions as factions disagree on the extent to which inequality, globalization and growing corporate power should be seen as problems.

Some conservatives remain more concerned with the trajectory of federal spending and unlocking greater overall prosperity, rather than its distribution.

Last year, Phil Gramm, a Republican who steered the passage of major tax cuts and deregulation during his time representing Texas in Congress from the 1970s to the early 2000s, published a book with his fellow economists Robert Ekelund and John Early called "<u>The Myth of American Inequality</u>." The book — filled with alternative tabulations of impoverishment and living standards — argues that inequality is not high and rising as "the mainstream" suggests.

It argues that when including welfare transfers, income inequality has been more stable than government figures suggest, and that the share of Americans living in poverty actually fell from 15 percent in 1967 to only 1.1 percent in 2017.

"The point of the book is to get the facts straight," Mr. Gramm said in an interview, adding that "we're having these debates" with numbers that are "verifiably false." (Some scholars have vehemently disagreed with the authors' analysis.)

Scott Lincicome, a vice president at the libertarian Cato Institute, said he largely agreed with Mr. Gramm's thesis and that Americans were mostly wrestling with "keeping up with the Joneses," not a loss of economic traction.

"In general, folks at the bottom, up to the median, are doing better," Mr. Lincicome concluded. "They're not winning the game, but they're doing better than the same group was 30-plus years ago."

He added: "You know, economists can debate all day long, whether we're better off, worse off overall, or whatever. But when you factor in all the factors, I personally think things are fine."

To the extent that these debates have popular reach, the most public face of the revisionist camp may be Oren Cass, an adviser to Mr. Romney's 2012 campaign, who has become immersed in a collective project among some right-leaning thinkers to "rebuild capitalism."

Mr. Cass and his allies want to use government spending and power to promote economic mobility with traditionalist goals in mind — like reducing the cost of living for the heads of married, two-parent households.

Mr. Cass praised Mr. Ahmari's book as one that "bravely goes where few conservatives dare tread, to the ideologically fraught realm in which the market appears inherently coercive and capitalism appears in tension with economic freedom." (Senator Marco Rubio, Republican of Florida, is talking at a book event with Mr. Ahmari this month at the National Press Club in Washington.)

Many economists and political scientists contend that the ideological realignment on the right is overblown, confused with a broader, hard-to-quantify loyalty to Mr. Trump rather than an explicit ideology giving life to Trumpism.

"In a way," Mr. Ahmari said, his critics — "the people who say, 'Yeah, sure, you're just a couple of guys: you, Oren, and a few others at magazines and think tanks'" — are "not wrong institutionally," as there is little donor support for their efforts.

"But they are wrong in terms of voters," he added.

Ms. Stepman of the Claremont Institute says she is personally "more traditional right" than thinkers like Mr. Ahmari but agrees they are tapping into something real. "There is a very underserved part of the political spectrum that is genuinely left of center on economic issues, right of center on cultural issues," she said, pointing to issues including immigration, gun laws, education, gender norms and more.

Gabe Guidarini is one of them.

Growing up in Lake Bluff, Ill., in a working-class household where MSNBC often played in the background at night, Mr. Guidarini felt his view that "the status quo in this country is corrupt" was validated by the "anti-establishment" voices of both Mr. Sanders and Mr. Trump. But he came to the view that "you can't get away with" social views that stray from progressive orthodoxy and still be accepted by Democrats. Now, at 19, he is the president of the University of Dayton College Republicans.

In 2022, he worked as a campaign intern for J.D. Vance — the author of "Hillbilly Elegy: A Memoir of a Family and Culture in Crisis," who aligned himself with Trumpism after his 2016 book was credited for providing a "<u>reference guide</u>" for Mr. Trump's electoral success. Mr. Vance, an Ohio Republican, was elected to the U.S. Senate.

In line <u>with Tucker Carlson</u> and some <u>other conservatives</u>, Mr. Guidarini thinks the party "should be taking policy samples from Viktor Orban in Hungary, and what he's doing with family policies that aim to increase family creation, increase childbirth and make it easier to live a decent life as a working or middle-class taxpayer," he said. "That's what's going to return the American dream for so many people, because to young people — and I feel like a lot of other people in America today — the American dream feels dead."

Mr. Guidarini, like many on the right, is wary of achieving those goals by increasing taxes on the wealthy. But according to Pew Research, more Republican or Republican-leaning adults <u>support</u> raising tax rates for those with incomes over \$400,000 (46 percent) than say those rates should go unchanged (29 percent) or be lowered (24 percent). And more than half of low-income Republicans support higher taxes on the highest earners.

For now, though, all economic debates are "tangential," said Saagar Enjeti, a conservative millennial who is a co-host of two podcasts that often feature competing voices across the right.

"What are we going to do when the Trump tax cuts expire?" These are not the fights that are happening," Mr. Enjeti said. "I wish they were, but they're not. They're just not."

With consensus on policy solutions elusive and "the culture wars" in the campaign forefront, Mr. Enjeti said, Republicans will mostly rally around what he believes will be Mr. Trump's simple economic message: "Make America 2019 Again" — a time when unemployment, inflation and mortgage rates were low and, for all of life's challenges, at least cultural conservatives were in the White House.