



Thursday, May 6, 2010



## Scott Galupo

### **GOP Contradicts Itself on Economic Policy**

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By Scott Galupo, Thomas Jefferson Street blog

Have Democrats effectively become the old Eastern Establishment?

*The Weekly Standard's* Christopher Caldwell [seems to think so](#). In a portrait of “Wall Street Democrats,” Caldwell writes that conservative Republicans have been snookered by “a class that despises them.” And he flags [contribution data](#) from the Center for Responsive Politics to demonstrate the financial sector's fealty to Democrats.

The salience of anti-bailout populism and libertarian purism among Republicans right now may be circumstantial, and thus temporary. When the economy recovers more broadly, perhaps antipathy toward Wall Street will recede. But maybe it signals a more permanent shift—or the emergence of what Jon Chait calls “[Naderite conservatives](#).”

Myself, I'm not too thrilled by the prospect.

When I look at Garry Wills' account of the success of the American commercial republic—found in his newly relevant 1969 book *Nixon Agonistes: The Crisis of the Self-Made Man*—I essentially agree, and yet fail to react with the indignation that Wills intended:

The growth of American business has little to do with the free market. The reality behind that growth was governmental favoring of manufacture over agriculture (e.g., in the great preferential tariff fights that led up to the Civil War), governmental expansion at the proddings of commerce (e.g., in the political deals for rail rights and land grants that determined the westward expansion), governmental protection of capital risks abroad by “gunboat diplomacy,” governmental shelter for big companies in turn-of-the-

century Supreme Court decisions. Big business and big government grew in the past by feeding each other—and they still do. That is why Republican fundamentalists, who took the strictures against big government seriously, were regularly defeated by the party’s Eastern Establishment. Senator [Robert] Taft, defeated in 1952, huffed that “Every Republican candidate for president since 1936 has been nominated by the Chase National Bank.”

This narrative remains true to the present day, with government having invented the Internet before Al Gore, performing basic pharmaceutical research, and running our GPS network..

This is reality, and, as a conservative of the anti-ideological stripe, I don’t gainsay it. Along with Wills, I think “[Manchesterian liberalism](#)” is “just one more dogma in the 19th-century religion of progress.”

If the base of the GOP continues to assume these mutually contradictory postures of Naderite populism and Cato Institute-style market liberalism it’s going to remain muddled in political incoherence, as Caldwell notes. What’s worse—for me, anyway—is that both of these options, together or separately, represent a flight from economic reality.

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...at distorting the truth. That's just about all the good they've been worth lately. I used to be a strong Republican; but not anymore. I have no respect for the members of Congress.

**Barry W. Shook** of IN  
 May 06, 2010 16:48:20 PM  
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#### You worked for Boehner?

**Donna** of TX  
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