HERITAGE ACTION'S

PRESIDENTIAL PLATFORM REVIEW





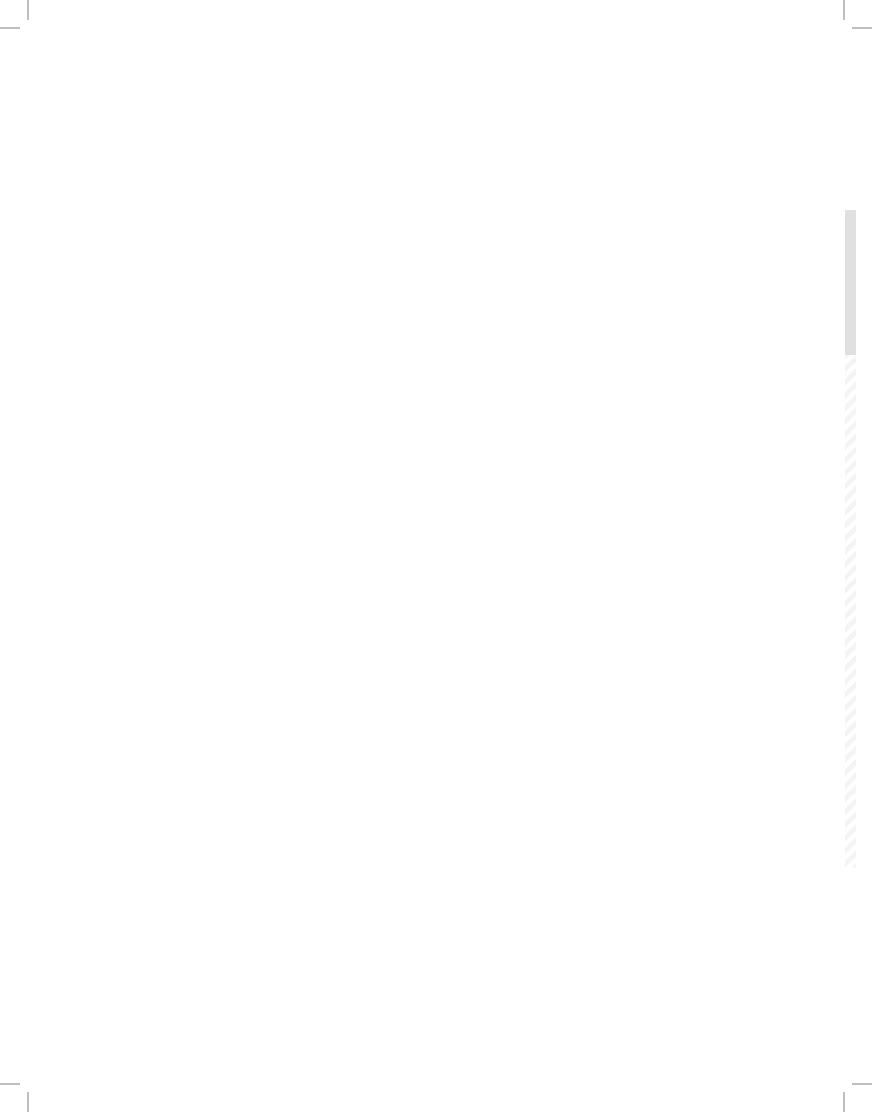


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GOVERNOR JEB BUSH

GROWTH

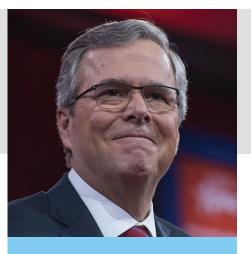
Bush advocates pro-growth ideas but has previously expressed openness to tax increases and has a mixed record on energy issues.

In Florida, tax policy was central to Governor Bush's growth agenda. During his first term, Governor Bush signed into law what was then the largest tax cut in Florida history, composed mainly of major property tax relief. Over the course of his governorship, Governor Bush eliminated the so-called "business intangible" tax on investments, a highly anti-growth policy.

At the federal level, Governor Bush has laid out a tax plan that would be similarly pro-growth. The plan would simplify the existing individual code, reducing it to a three-rate structure with a top rate of 28 percent, while capping most deductions. On the business side, it would slightly reduce the capital gains double-tax, bring down the top corporate rate to 20 percent, allow firms to repatriate foreign earnings, shift the U.S. to a pro-growth territorial tax system, and allow immediate expensing of investments. While the plan's failure to eliminate the capital gains tax is a drawback, these are serious pro-growth reforms.

Despite his tax outline, conservatives have some cause for concern that Governor Bush might as president turn to taxes to close the budget deficit. In 2012, as almost every Republican presidential contender rejected a hypothetical 10:1 spending cuts to tax increases fiscal deal framework, Governor Bush told the House Budget Committee he would readily accept such a deal, saying, "Put me in, coach." He has since rejected that position, reasoning that "we've [already] raised taxes." He has also signaled openness to an Internet sales tax in the past, suggesting he could be supportive of ongoing legislative efforts to that effect as president.

On energy, Governor Bush has called for pro-growth reforms to federal regulation, though his plan is notably silent on exploration on federally controlled portion of the Outer Continental Shelf. In addition to signing into law renewable energy subsidies, Governor Bush appealed to the White House to place a drilling moratorium off the Florida coast and even lobbied the federal government to purchase territory in Florida's waters to prevent private drilling. Governor Bush has said of the Renewable Fuel Standard, "The law that was passed in 2007 has worked, look at the increase in production. It has been a benefit to us as we've reduced our dependency on foreign sources of oil." He would leave the ethanol mandate in place until 2022 to "make sure there is market access."



Growth:

Advocates pro-growth ideas but has previously expressed openness to tax increases and has a mixed record on energy issues.

Opportunity:

Has innovative ideas on promoting opportunity, though they are not all grounded in limited government principles.

Civil Society:

Supports a strong civil society but has at times been reluctant to resist the left's cultural agenda.

Limited Government:

Despite his proposals to rein in federal spending, Bush's record and rhetoric provide insufficient assurance that he will fight for limited government policies.

Favoritism:

Has shown favoritism toward Florida special interests and supports amnesty.

National Security:

Places a high priority on defending the nation's security interests but has been reluctant to commit to rolling back President Obama's Iran deal.



Bush has innovative ideas on promoting opportunity, though they are not all grounded in limited government principles.

As suggested by his "Right to Rise" campaign theme, Governor Bush has demonstrated a significant interest in encouraging mobility and opportunity through conservative policy.

His record on this score is most impressive on education. Governor Bush's Florida education reforms promoted public and private school choice, increased access to charter schools, promoted merit pay for teachers coupled with accountability through state-based standardized assessments, and created alternative means for teacher certification.

That said, Governor Bush's success in improving K-12 education in Florida appears to have weakened his commitment to federalism. As an ex-governor, he has been an outspoken supporter of the Obama Administration's strategy of granting waivers to states to implement changes like the Common Core standards (though he has since qualified that support slightly and now claims merely to support states adopting higher standards based on their interests, not federal demands).

Governor Bush has also identified higher education cost as a major obstacle to opportunity for young people. He has criticized the Obama Administration's nationalization of the student loan market and called out universities for funneling federal dollars into wasteful investments at taxpayers' and students' expense. Governor Bush is also a proponent of new models of post-secondary education like online learning, non-four-year programs, and employer-designed programs. Notably, though,

he has <u>suggested</u> that the federal government leverage its control over the student loan market to force "accountability," an approach in line with President Obama's federal college scorecard that could skew the higher education market by allowing government to dictate the metrics that consumers and providers should prioritize.

Governor Bush understood in Florida that government interference in the labor market undermines opportunity for the very people it is ostensibly designed to help. He opposed increasing the state's minimum wage, but the proposal <u>passed</u> in a state referendum. Additionally, he <u>privatized</u> the operations of Florida's Department of Labor and Employment Security.

CIVIL SOCIETY

Bush supports a strong civil society but has at times been reluctant to resist the left's cultural agenda.

Governor Bush argues that strong families and communal institutions and the values they instill are the ultimate bulwark against the growth of government. Earlier this year, he <u>explained</u> that when Americans "talk about bottom-up politics, bottom-up society rather than a top-down society, you start with the institution of family, because without that, the demands on government become overwhelming."

Governor Bush demonstrated his willingness to stand up for important values during his tenure as governor of Florida. He governed as a pro-life conservative, <u>signing</u> parental notification legislation in addition to other <u>regulations</u> on abortion clinics strongly opposed by the abortion industry. He also signed a law to allow the state to force doctors to reinsert Terri Schiavo's feeding tube in the face of national pressure to allow Schiavo to starve to death. Additionally, he <u>refused</u> to support embryonic stem cell research despite the cultural momentum behind such research at the time. Yet despite his pro-life record, Governor Bush opposed this year's effort to defund Planned Parenthood <u>because</u> he is "against a government shutdown," playing to President Obama's talking points rather than reinforcing conservatives in the House and Senate committed to the fight.

Governor Bush recognizes the threat that an activist judiciary poses to conservative values and the institutions of civil society. Concerned about the prospect that the Florida courts might redefine marriage, he endorsed a constitutional amendment to protect marriage as governor. However, of late, he has given the impression that his eagerness to stand up to judicial overreach on these issues may have been tempered by recent losses in the courts. In the wake of a Florida Supreme Court decision that redefined marriage in the state, he emphasized respecting the court's decision over highlighting its impropriety, and he took a similarly muted tone in response to the Supreme Court's ruling in Obergefell v. Hodges.

Governor Bush's recent reluctance to wade into these debates in the face of changing attitudes was particularly problematic during the controversy over Indiana's Religious Freedom Restoration Act. Despite initially voicing support for the bill, Governor Bush later implied to the media that amendments to placate the left would be necessary and praised Governor Mike Pence's decision to undermine the law's protections.



Despite his proposals to rein in federal spending, Bush's record and rhetoric provide insufficient assurance that he will fight for limited government policies.

During his tenure as governor of Florida, Governor Bush undertook several major initiatives to restrain government, including his privatization of various public services to save taxpayers hundreds of millions of dollars, his blocking of a wasteful high speed rail program, and his frequent use of the line item veto. Those vetoes saved taxpayers \$2 billion. However, despite those efforts, Governor Bush presided over an expansion of the state's spending (though the majority of that increase in later years was driven by hurricane-related expenses).

Moreover, for all the evidence of Governor Bush's inclination toward limited government, his strong support of the Common Core standards — well intentioned as it may have been from an opportunity-promotion perspective — suggests that as president, Governor Bush may not respect the proper limits on the federal government's role.

He has criticized the George W. Bush Administration for allowing spending to increase dramatically, but in the course of offering that criticism, he has praised the very sorts of wasteful programs like PEPFAR that contributed to it. And as governor, while the Bush White House was threatening to veto a wasteful highway bill, Governor Bush telegraphed his own opposition on different grounds: that the bill did not spend enough on Florida infrastructure projects. More recently, Governor Bush has criticized the Tea Party's legislative strategy of leveraging spending

bills to achieve concessions on government overreach, a perspective that puts him at odds with many proponents of limited government who see such tactics as essential to the long-term goal of cutting spending.

As president, Governor Bush has proposed serious reforms to entitlement programs that would restrain their growth and do a great deal to shore up the federal government's finances. He would phase in a premium support system for Medicare to give seniors choice and competition and rein in spending, and his plan would also allow seniors to continue to save for health care expenses in Health Savings Accounts even after reaching the age of Medicare eligibility. On Social Security, he has proposed tweaks to the existing system such as means testing, but his commitment to "bipartisan support" in implementing any changes would likely prevent him from achieving more ambitious reforms such as allowing Americans to contribute their Social Security dollars to private accounts.

Governor Bush has also offered a detailed plan to replace Obamacare, but its design raises some important questions about its implications for the federal government's long-term footprint. Because the plan, like several others proposed in the 2016 cycle, caps the employer-provided insurance exclusion and offers a refundable health care tax credit, it could in practice represent a tax-financed spending increase depending on the specifics of the math. Governor Bush's campaign has committed to ensuring that the refundable portion of the credit be offset by spending cuts to Medicaid to assuage these concerns, but evaluating the substance of that commitment is difficult absent specific projections for the costs of the reform's components and the anticipated impact of its revenue changes.

FAVORITISM

Bush has shown favoritism toward Florida special interests and supports amnesty.

Though he fought back efforts by the Florida state legislature to enact myriad wasteful spending projects over his tenure, Governor Bush himself was not immune to the allure of corporate welfare disguised as economic development. The most egregious examples are Governor Bush's biotechnology investments, including a \$310 million corporate welfare plan for Scripps to build a research branch in Florida. Counting additional contributions from counties and municipalities, these investments have cost taxpayers \$1 million per job, yielding only a small fraction of the economic benefits that were promised.

Governor Bush took several positions that prioritized the needs of Florida special interests over those of the general public. He kowtowed to the state's environmental lobby, pressing the George W. Bush Administration to prevent offshore drilling and lobbying for federal taxpayer dollars to address local concerns like Everglades restoration. More egregiously, he flip flopped on his initial opposition to a \$715 million bailout of the state-run Citizens Property Insurance Corporation, a government enterprise devoted to insuring property owners unable to find private coverage in the hurricane-ridden state. Such efforts, like federal government involvement in the housing market, encouraged homeowners to make risky investments. The resulting bubble was a boon for Florida's economy during Bush's tenure, but the longerterm effect was a deeper crash for the state's economy.

At the federal level, Governor Bush <u>sup-</u> <u>ported</u> the Troubled Asset Relief Program but opposed the Bush White House's auto



bailout. He <u>largely</u> sat on the sidelines of the initial debate over Obamacare while serving on the board of directors for a hospital firm that supported the law. Through his Foundation for Excellence in Education, he worked closely with education and technology special interests that stood to benefit from the Common Core standards he advocated. More recently, he has called for <u>reforms</u> of Fannie Mae and Freddie Mac and now supports ending the Export-Import Bank.

Most significant of all these issues is his support for amnesty, a top priority of the business community. Bush has supported various benefits for illegal aliens ranging from drivers licenses to work permits, though he has criticized the Obama Administration for its unconstitutional executive amnesty. Though he opposed a pathway to citizenship in his recent book on immigration, he has indicated an openness to immigration legislation including citizenship for illegal immigrants. On process, Bush supports the business community preference of a "comprehensive" approach to immigration reform, which would allow unrelated issues to be tied together to ensure maximum special interest buy-in.

NATIONAL SECURITY

Bush places a high priority on defending the nation's security interests but has been reluctant to commit to rolling back President Obama's Iran deal.

Governor Bush, like most other Republican candidates, has successfully diagnosed core flaws in the Obama Administration's foreign policy, identified crucial threats facing the nation in important strategic theaters, and criticized the hollowing of America's military since 2008. He has distinguished his foreign policy from the last Bush Administration's by rejecting an overly utopian commitment to democracy promotion in troubled regions in favor of a more pragmatic approach.

For example, without recklessly suggesting that Ukraine be admitted to NATO, he has <u>called</u> for more serious punishment of Russia for Vladimir Putin's annexation of Crimea and criticized the Obama Administration's Russian "reset." He has also

been <u>critical</u> of the Obama Administration's efforts to prevent a humanitarian catastrophe in Libya for lacking "a strategy beyond just airstrikes."

Governor Bush recognizes that some strategic objectives - particularly the stabilization of important regions like the Middle East — demand the unapologetic use of hard and soft power. For example, he has indicated a willingness to expand the United States military presence in Iraq to combat ISIS, and he has <u>criticized</u> the Obama Administration for standing by as Egyptian President Hosni Mubarak was deposed. However, he has taken some positions that have undermined American strategic leverage, such as his support for the Corker-Cardin bill that resulted in tacit Congressional approval of the Obama Administration's Iran deal, as well as his suggestion that the Iran deal should not be rolled back on Day One of the next administration.

Finally, true as it may be that counterterrorism efforts should not be constrained by the typical limits placed on law enforcement investigations, Governor Bush has been somewhat <u>dismissive</u> of the civil liberties concerns raised by critics of the NSA's metadata program, which he has <u>called</u> "the best part of the Obama Administration.



DR. BEN CARSON

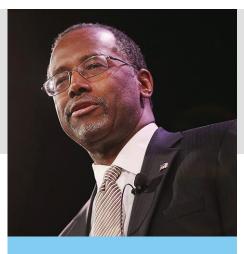
GROWTH

Carson advocates progrowth tax policies but has expressed openness to antigrowth financial rules and energy policies.

The most detailed element of Dr. Carson's growth agenda is his tax plan. Dr. Carson has proposed reducing the corporate tax rate to a rate between 15 and 20 percent and allowing companies to repatriate foreign profits tax-free so long as they allocate 10 percent of the funds to finance enterprise zones in major cities. For individuals, he advocates a flat tax of around 10 or 15 percent. These would be very pro-growth reforms, with the added benefit of eliminating the system of progressive taxation that has long served to facilitate the growth of government. Although critics on the left have argued that Dr. Carson's plans would cut taxes too much and cried foul over his rejection of progressive taxation, he has refused to concede that the next president should compromise on pro-growth tax policy for the sake of maintaining the financing for a bloated government.

Dr. Carson has highlighted the federal government's overregulation of domestic energy and ban on natural gas exportation as impediments to growth. However, at times he has embraced anti-growth talking points on energy, such as his suggestion that practices such as the oil and gas industry's expensing of business investment – a neutral tax policy available to all businesses - constitute special subsidies. Earlier in the campaign, he <u>called</u> for phasing those supposed subsidies out and using the money to finance corporate welfare in the form of ethanol pumps. More recently, though, he has reversed his view on the issue, acknowledging that he had previously been misinformed.

Dr. Carson has aligned with liberals like Elizabeth Warren in expressing support for counterproductive financial regulations like Glass-Steagall, the repeal of which he falsely associates with the financial crisis of 2008. This raises the possibility that Dr. Carson might be sympathetic to additional anti-growth regulations of the finance sector.



Growth:

Advocates pro-growth tax policies but has expressed openness to anti-growth financial rules and energy policies.

Opportunity:

Has spoken in general terms about ideas to promote opportunity for all Americans.

Civil Society:

Recognizes the importance of a robust civil society, but elements of his history as a doctor stand in contrast to the pro-life views he has articulated on the campaign trail.

Limited Government:

Undermines his limited government rhetoric with his reluctance to tackle entitlement reform.

Favoritism:

Has the advantage of being a Washington outsider but has provided no evidence he will tackle corporate welfare and has expressed openness to amnesty.

National Security:

Has not articulated a plan to defend
America's national security.



Carson has spoken in general terms about ideas to promote opportunity for all Americans.

Dr. Carson's instincts on opportunity-related issues like education and welfare policy appear to be sound, but he has not put forward a detailed policy agenda addressing impediments to mobility.

On K-12 education, Dr. Carson has spoken in general terms about the importance of local control and about the benefits of school choice. He is an opponent of Common Core and has <u>warned</u> of the danger of school curricula that are used to teach "propaganda" to students.

On higher education, he has criticized efforts to limit academic freedom and called for "leadership in this country at a national level that will speak out against that kind of thing." He has also pushed back on efforts to paper over the costs of higher education with federal subsidies. Free community college, he points out, "is only free if no one has to pay for it." Dr. Carson addresses those arguing for further federal financing of higher education by pointing out that the United States already maintains a generous system of Pell Grants to support cash-strapped students. For students who still struggle to afford college, he argues that they might consider working for a few years before college to build savings. "How," he asks using an analogy, "did we get into a big problem there? Somehow, people forgot that you don't buy a house that costs more than two-and-a-half times your annual salary."

Dr. Carson has suggested that many of the poorest in America might be better off through the implementation of welfare policy designed to discourage idleness. In his book *America the Beautiful*, he writes, "If they have to work anyway, many people will put real effort into finding the kind of job they want as opposed to collecting unemployment benefits and being assigned to work they consider undesirable." However, he has also <u>supported</u> policies that would harm jobless Americans such as an increase in the minimum wage pegged to inflation.

CIVIL SOCIETY

Carson recognizes the importance of a robust civil society, but elements of his history as a doctor stand in contrast to the pro-life views he has articulated on the campaign trail.

Dr. Carson has drawn attention to an often-ignored contributor to the erosion of American civil society: competition from big government. Writing in *America the Beautiful*, Dr. Carson argues, "Our government used to fully understand the role of private-sector charitable organizations in ameliorating the plight of the poor. This is why the government offered tax deductions and exemptions for churches and other charitable organizations. Today the government actually competes with many of these private-sector charities while still offering them tax deductions."

Today, the highest-profile conflict between charitable institutions and the government is the debate over religious liberty sparked by the Supreme Court's decision in *Obergefell v. Hodges*. Here Dr. Carson has articulated a clear distinction between applying principles of nondiscrimination and coercing people of faith into violations

of conscience. "Obviously any business establishment open to the public should serve the public without discrimination," he argues, but "This does not mean that such business owners can be compelled by law to participate in activities that violate their legitimate religious convictions." In the wake of *Obergefell*, Dr. Carson immediately advocated new protections for people of faith who disagreed with the redefinition of marriage.

Dr. Carson's history on abortion has come under intense scrutiny due in part to controversy over his indirect involvement in a research project involving fetal tissue. As a surgeon, Dr. Carson referred some patients carrying children with certain genetic conditions to abortionists. Rather than apologizing for the practice, his campaign has said Dr. Carson stands by his abortion referrals based on his belief in "quality medical care" and "people making their own decisions based on facts and information." Today, Dr. Carson is pro-life, and he has <u>described</u> Planned Parenthood's harvesting of baby organs as "barbarism" and called on Congress to defund the organization. Even so, he has at times been reluctant to stake out pro-life positions on basic issues, such as when he hesitated in a recent interview to argue that Roe v. Wade should be overturned. He since declared his support for overturning the decision.



Carson undermines his limited government rhetoric with his reluctance to tackle entitlement reform.

Dr. Carson has expressed general opposition to wasteful spending and criticized lawmakers for raising the debt ceiling without meaningful spending reforms. But he has also shown an openness to new federal government intervention in several areas beyond its appropriate sphere, such as his proposal for federally financed child care facilities. Moreover, in his book America the Beautiful, he wrote that it is possible "to extract socialism's positive aspects and actually implement them within capitalism" and argued, "There is definitely room to argue about whether the fruits of one's labors should be equally distributed throughout the society or whether one should be able to directly benefit from working harder than others around him."

On some crucial policy questions, Dr. Carson has articulated positions that are sometimes at odds with key limited government priorities.

Dr. Carson has made a name for himself in the political arena as a critic of Obamacare, but his own record on health care raises important questions. He has in the past advocated a national catastrophic care plan funded by a 10 to 15 percent tax on the profits of insurers, and as recently as 2009, he rejected the concept of insurance industry profits and called for more government price-setting in health care. Dr. Carson's views have since changed, and he now advocates alternatives to Obamacare that emphasize promotion of health savings accounts controlled by patients.

Most troubling is his perspective on entitlement spending. At times, Dr. Carson has offered intriguing proposals for fundamental reforms to the structure of programs like Medicare, such as his suggestion that the program could be replaced with a system of health savings accounts financed slowly over the course of Americans' lives. However, he has been reluctant to commit to the details of this proposal and has generally tried to avoid arguing that entitlement reform should be priority for the next president.

FAVORITISM

Carson has the advantage of being a Washington outsider but has provided no evidence he will tackle corporate welfare and has expressed openness to amnesty.

As with many other issues, it is difficult to evaluate Dr. Carson's views on crony capitalism because of his thin policy record. While there is little basis to suggest Dr. Carson would support corporate welfare as president, there is little evidence to the contrary either.

On immigration, though, Dr. Carson has offered an agenda consistent with the Washington establishment's effort to pass amnesty. In 2013, the year that Congress considered the flawed Gang of Eight amnesty bill, Dr. Carson told a reporter, "of course allow [illegal immigrants] to have a pathway to citizenship. That's the only humane and reasonable thing to do." More recently, Dr. Carson outlined a different position, rejecting a path to citizenship and proposing a national guest worker program available to illegal immigrants if they leave the country, receive job offers, and apply for guest worker permits. Dr. Carson has since changed his position on the issue

again and now favors a guest worker program that would not require immigrants to return first to their home countries, and he specifically <u>cites</u> the interests of the agribusiness industry as driving the change in his views.

When pressed on whether these immigrants would receive federal benefits, Dr. Carson acknowledges that the guest workers would be eligible for any benefits that "we the American people" decide to grant to them, raising the possibility that his policy would in the long run lead to a massive expansion of the welfare state.



Carson has not articulated a plan to defend America's national security.

As a candidate who has never held public office in the past, the burden of proof is on Dr. Carson to demonstrate his fluency with national security issues.

Dr. Carson has offered several broad, unconventional critiques of past administrations' foreign policy. For example, he has <u>said</u> that Vietnam critics argued "with some validity that we had no right to assume that our way of governing was superior to communism." He also <u>maintains</u> that the wars in Iraq and Afghanistan should have been avoided in favor of achieving energy independence so that

"the terrorists [would] be defunded." At times, his critiques track more closely to the foreign policy mainstream on the right, including his view President Obama was wrong to set a red line in Syria. For the most part, though, he has done little to demonstrate that he has a coherent foreign policy vision of his own.

In defending himself during a contentious radio interview on foreign policy, Dr. Carson explained, "I've read a lot in the last six months, no question about that. There's a lot of material to learn. There's no question about that. But again, I have to go back to something that I feel is a fundamental problem, and that is we spend too much time trying to get into these little details that are easily within the purview of the experts that you have available to you. And I think where we get lost is not being able to define what our real mission is, and not being able to strategize in terms of how do we defeat our enemies, how do we support our allies?"

Dr. Carson is correct that the next president need not be a professor of international relations or a former Secretary of State to serve as an effective executive. Nonetheless, he has not yet shown the very sort of vision that he himself has argued is necessary. His candidacy faces a heavy burden in demonstrating that he is ready to serve on Day One as Commander-in-Chief.



GOVERNOR CHRIS CHRISTIE

GROWTH

Christie has proposed progrowth reforms but has at times supported anti-growth energy policies targeting coal power.

On taxes, Governor Christie has proposed reducing the individual top tax rate to 28 percent, with a bottom rate in the single digits. On the business side, Governor Christie would reduce the corporate tax rate to 25 percent, shift the United States to a territorial tax system, and allow one-time repatriation of foreign profits at a tax rate of 8.75 percent. His plan would also allow full expensing of capital investments.

Overall, these are very pro-growth reforms, though the plan does not address the double taxation of capital gains and dividends. This omission may be a result of an emphasis on keeping the plan close to revenue

neutral rather than cutting spending to offset tax cuts, a decision that may also have limited the rate reduction the plan could otherwise have achieved.

Like other candidates, Governor Christie has also <u>stressed</u> regulatory relief, calling for a Day One regulatory freeze, a comprehensive review of President Obama's illegal executive actions, improved cost-benefit analysis, a regulatory budget, and payas-you-go rules to offset the costs of new regulations through elimination of old regulations.

When it comes to energy, Governor Christie's record is mixed. While he <u>criticized</u> the EPA's carbon emission rules and <u>withdrew</u> from a misguided interstate climate pact amid widespread criticism from the left and environmentalists, he also chose to offer anti-energy environmentalists a concession by banning the construction of coal-fired power plants in New Jersey. As president, he has promised to promote energy development through pipeline approval, regulatory reform, and ending the ban on oil exports.



Growth:

Has proposed pro-growth reforms but has at times supported anti-growth energy policies targeting coal power.

Opportunity:

Focuses on expanding opportunity, though not all of his ideas are consistent with limited government principles.

Civil Society:

Has been a pro-life governor but has not been at the forefront of the fight to protect the institutions of civil society.

Limited Government:

Has elevated the importance of entitlement reform, though his proposals and record fail to match his rhetoric on spending.

Favoritism:

Has shown favoritism toward wellconnected real estate developers, and his openness to bailouts has hurt the New Jersey economy.

National Security:

Has not articulated a plan to defend
America's national security.



Christie focuses on expanding opportunity, though not all of his ideas are consistent with limited government principles.

Governor Christie rose to the national spotlight through his efforts to improve educational opportunity for New Jersey students. He has succeeded in reforming teacher tenure, expanding school choice and the number of charter schools, and securing merit pay for teachers in Newark, whose schools were among the state's worst-performing. While Governor Christie initially stood by his Democratic predecessor's decision to join Common Core, he recently changed his view of the standards. It remains to be seen whether New Jersey will actually take action to shift its standards and testing regime in response to Governor Christie's change of opinion.

Governor Christie has also laid out a detailed set of ideas for reforming the nation's higher education system. His higher education platform's strongest point is its critique of the status quo of inflationary, government-subsidized student loans flowing only to those institutions recognized by the higher education accreditation cartel. In addition to reforms addressing these issues, he has also advocated ideas like income share agreements to allow private individuals to invest directly in the education of promising students. One weak point of his approach is its emphasis on boosting funding for redundant programs for low-income students rather than consolidating the web of existing aid programs. Governor Christie has also proposed increasing the federal role in setting metrics for consumers to judge the value of higher education options, a proposal that could limit student options by distorting the market to meet government priorities rather than consumer needs.

Governor Christie's message on addressing impediments to opportunity in the labor market has heavily emphasized the effect of unions in keeping qualified applicants out of the market for certain jobs. But on the question of government's own role in labor markets, he has sent inconsistent signals as governor. For example, early in his governorship, Governor Christie cut the state earned income tax credit (EITC), and he has been consistently critical of the left's emphasis on increasing the minimum wage. But faced with the prospect of a voter referendum to increase the minimum wage, Governor Christie proposed phasing in a smaller wage increase along with an expansion of the EITC. Though his plan did not move forward and the referendum was approved, this year he still signed legislation increasing the EITC beyond its 2009 level. He has also recently signaled openness to another increase in the minimum wage beyond the recent hike.

CIVIL SOCIETY

Christie has been a pro-life governor but has not been at the forefront of the fight to protect the institutions of civil society.

Governor Christie seems to understand that a strong America is built on the foundation of healthy civic institutions. His approach in New Jersey has been to empower communities and families, which he sees as the fundamental building blocks of society, by addressing challenges like drug abuse and overcriminalization that so often tear them apart. This has taken the form of an overhaul of New Jersey's drug treatment and prisoner reentry efforts, a push for bail reform for non-violent offenders, and an attempt to build relationships between

police officers and various neighborhoods. Notably, unlike some who have called for reform in these areas, Governor Christie has recognized that law enforcement must maintain a tough-on-crime approach if communities are to hold lawlessness at bay.

That said, Governor Christie's commitment to law and order principles appears at times to outweigh his recognition of the threat to religious liberty posed by state laws relating to the redefinition of marriage. Earlier this year, asked about the plight of religious business owners who have been forced by state laws to participate in same-sex weddings, Christie <u>declined</u> to defend the businesses, arguing, "Religious institutions should be able to decide how they conduct their religious activity. The rest of the folks in the United States need to follow the law." More recently, though, asked about the same scenario, Governor Christie has been more vocal in defense of private citizens' conscience rights, warning, "The free exercise of religion means something, and we need to be able to stand up and do the right thing for folks and protect them ... because tomorrow, they could be coming at you for your religious beliefs."

Governor Christie first ran for office in the 1990s as a pro-choice politician who privately donated to Planned Parenthood, a position he today <u>calls</u> "unthinking." Since shifting on the issue, he has vetoed Planned Parenthood funding multiple times as governor and <u>endorsed</u> a 20-week abortion ban at the federal level.

When the New Jersey courts redefined marriage, one Christie adviser explained Governor Christie's decision not to pursue an appeal in political terms: "He looks realistic, while sticking to his principles – and people are happy." Beyond that decision, some have suggested that Governor Christie has enabled legislating from the bench by appointing activist judges, a charge Governor Christie rejects on the grounds that he was limited by the composition of the New Jersey state legislature. But



any state dynamics that impacted Governor Christie's own judicial appointments cannot account for his <u>support</u> for Sonia Sotomayor's appointment to the U.S. Supreme Court.

LIMITED GOVERNMENT

Christie has elevated the importance of entitlement reform, though his proposals and record fail to match his rhetoric on spending.

Governor Christie is waging his campaign on a message focused on entitlement reform. Unfortunately, he appears to have a backwards approach to the problem, arguing that actuarial tweaks on the programs' margins are more important than fundamental changes to the basic structure of Social Security and Medicare. He has <u>proposed</u> means testing benefits for the programs, including for Part D drug coverage, raising the retirement age, and reforming the inflation formula to restrain growth in benefits. While such reforms would help improve the finances of these programs, they would fall short of the sorts of transformational reforms many have advocated to drive efficiencies in entitlements by giving beneficiaries more choice in allocating existing funding, from private accounts for Social Security beneficiaries to premium support for Medicare.

Beyond old-age entitlements, Governor Christie has offered other ideas to reform the welfare state. He has proposed block granting Medicaid to the states with fixed allotments per person to drive down the program's spending. He would also reduce Social Security Disability spending by requiring beneficiaries to work sooner

when possible. But despite these proposals, his record in New Jersey includes an expansion of Medicaid, a move that helped entrench the most significant entitlement expansion in recent memory. The resulting increase in the program's scope was so massive that New Jersey counties were forced to pay government workers overtime to administer the applications.

While Governor Christie understands that entitlements are a greater long-term threat to the government's finances than discretionary spending, he appears to take this position too far, dismissing discretionary spending bloat as "the part of the budget which is not the problem" and downplaying the importance of the budget caps achieved by Congress. While he reined in spending in New Jersey early in his tenure through initiatives like pension reform, state spending has <u>increased</u> by 15 percent since 2011. Moreover, Governor Christie worked in concert with New Jersey special interests to lobby the federal government on behalf of a Hurricane Sandy relief bill many conservatives argued included unnecessary waste, lambasting lawmakers for their effort to review the bill to limit any waste and offset any spending.

FAVORITISM

Christie has shown favoritism toward wellconnected real estate developers, and his openness to bailouts has hurt the New Jersey economy.

Regarding cronyism, Governor Christie has said, "I think those issues are much more complicated than a lot of people want to make them out to be."

Like many other governors, Governor Christie has <u>presided</u> over the operation of several funds aimed ostensibly at promoting job creation in the state of New Jersey. For example, the state's Economic Development Authority has offered special deals to well-connected businesses, including \$82 million for facilities for the 76ers, \$260 million to a company building a nuclear reactor component manufacturing facility, and \$390 million for a mall.

The state government's subsidies have been <u>criticized</u> as broadly inefficient, but one example is particularly demonstrative of the misguided nature of such efforts to prop the economy by doling out resources to the well-connected. When private financing for the Revel casino in Atlantic City collapsed, Governor Christie kept the project afloat with \$261 million in tax <u>breaks</u>. Eventually the casino <u>flopped</u>, starting a cascade of dominos in the city that has led to multiple casino closures.

At the federal level, Governor Christie has not been a strong voice against favoritism either, though there is a glimmer of hope that could be changing. In 2014, he repeatedly dodged questions about the Export-Import Bank but said we need to "be encouraging more trade around the world." More recently, though, he has come around to the view that the bank is the "type of corporate welfare and subsidies that we can't afford."



Christie places a high priority on defending the nation's security interests.

Governor Christie has been outspoken about the need for a reassertion of American leadership in the world.

Recognizing that a strong American military has underpinned the stability of the global order since World War II, Governor Christie has proposed a build-up to 350 ships for the Navy, 2,500 combat aircraft within a 6,000 aircraft total Air Force, and active duty forces of 500,000 Army soldiers and 185,000 Marines.

He has called for restoring American alliances around the world by demonstrating strength where President Obama has shown weakness: expanding NATO's presence in the Baltic states and boosting military assistance to Ukraine while imposing additional sanctions on Russian officials; reassuring allies in the Mideast through more aggressive diplomacy with Iran; pressing China to stand by its international commitments and sending stronger signals to Pacific allies that we will stand with them against Chinese aggression.

Unlike some of his more hawkish competitors, Governor Christie has not pledged to back away from President Obama's Iran deal on day one of his administration. "On Day One, I will look into and try to decide what to do with the agreement, depending on where we are at that moment," he has said. "We have a number of our allies around the world who're at that table as well, and sanctions are most effective when not only we do it, but the other allies do it." This stance puts Governor Christie at odds with some who argue the deal will remain unacceptable regardless of global opinion in 2017.

Finally, while recognizing that counterterrorism efforts cannot be constrained by the typical limits placed on law enforcement investigations, Governor Christie has been overly <u>dismissive</u> of the civil liberties concerns raised by critics of the NSA's metadata program, suggesting, "You can't enjoy your civil liberties if you're in a coffin."



SENATOR TED CRUZ

GROWTH

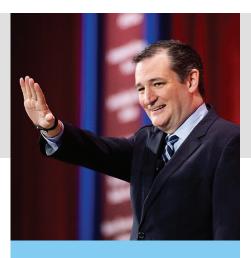
Cruz advocates pro-growth policies, especially with regard to energy.

Shortly after his election, Senator Cruz voiced opposition to tax compromises with the left like the so-called "fiscal cliff" tax increase passed just prior to the start of his term. Instead he has unveiled a wholesale revision of the tax code that would represent a major tax cut. His plan would simplify the individual code to a flat-rate ten percent tax while also eliminating the payroll tax, the death tax, and the anti-growth double-taxation of capital gains. It would also eliminate the corporate income tax, replacing it with a 16 percent tax on business revenue minus allowable investments and other expenses. The plan would promote savings by allowing all Americans to save \$25,000 per year tax-free. Though the plan moves the code closer to an efficient, purely consumption-based tax system, one drawback is that it taxes wages twice by retaining an income tax without allowing businesses to exempt wages.

Nevertheless, it would represent a major pro-growth reform.

Energy also features heavily in Senator Cruz's agenda for promoting long-term economic growth. His American Energy Renaissance Act would: approve the Keystone XL pipeline and facilitate further pipeline construction; give states authority over regulating fracking on federal lands; give Congress a role in signing off on regulations from the EPA; open up exploration in the Arctic National Wildlife Refuge and the Outer Continental Shelf; end the oil export ban; increase natural gas export permitting; roll back the federal government's environmental overreach by suspending the EPA's ability to regulate greenhouse gases; and end the Renewable Fuel Standard.

Senator Cruz has led the fight against government intervention in the Internet economy and opposes both the Internet sales tax and the Obama Administration's effort to impose net neutrality through the FCC. He has also spoken out against the growth of the administrative state, signing onto Senator Marco Rubio's bill to impose a federal regulatory budget and Senator Rand Paul's bill to give Congress a voice in the regulatory process.



Growth:

Advocates pro-growth policies, especially with regard to energy.

Opportunity:

Has fought to eliminate governmentimposed barriers to opportunity.

Civil Society:

Promotes a robust civil society.

Limited Government:

Places a high priority on fighting the expansion of government.

Favoritism:

Has been willing to pay a political price for taking on government favoritism.

National Security:

Places a high priority on defending the nation's security interests.



Cruz has fought to eliminate government-imposed barriers to opportunity.

Senator Cruz sees the priorities of promoting opportunity and limiting government as one and the same. To that end, he has been particularly vocal about the danger that federal overreach might undermine efforts to generate opportunity in areas such as education. That said, his efforts have generally amounted more to criticism of big-government policies or co-sponsorship of sound policies advanced by others than to the development of a cohesive policy agenda of his own.

On K-12 education, Senator Cruz has focused on shifting power from federal Department of Education regulators to states, local school districts, and parents. In the Senate, he has been a vocal critic of Common Core and opposed the Senate's reauthorization of No Child Left Behind on the grounds that it did not do enough to advance the principle of local control in education. Instead, he voted in favor of the A-PLUS Act, which would give states the flexibility to opt out of Department of Education mandates without sacrificing their access to federal education funding. Senator Cruz is also the lead <u>co-sponsor</u> of Senator Mike Lee's Enhancing Educational Opportunities for All Act, a bill that would reform Title I funding to allow more low-income students the opportunity to attend private school.

As with K-12 education, Senator Cruz supports promoting choice and competition in higher education. Rather than adopting the left's approach of continuing and expanding existing subsidies for students that will serve only to drive higher education costs up long-term, Senator Cruz supports ideas like the Higher Education Reform and Opportunity Act, which would help reduce

costs and promote innovation by breaking the accreditation cartel that has entrenched the outdated four-year traditional university model.

When it comes to promoting opportunity through work, Senator Cruz has been critical of President Obama's rollback of the 1996 welfare reform's work requirements and has supported proposals to consolidate and cap federal welfare program spending and spread work requirements throughout the welfare system. He has also signed on to efforts to repeal labor regulations such as "prevailing wage" rules that increase the barriers to entry to the labor market.

CIVIL SOCIETY

Cruz promotes a robust civil society.

Senator Cruz understands that a strong America is built through the fostering of a healthy civil society, not by the constant expansion of government programs. Speaking to group of Christian leaders working to alleviate global poverty, Senator Cruz said, "You need government to support you, not to compete with you."

From his days as Solicitor General of Texas, when he defended Texas laws protecting the unborn, to his work in the Senate to defend marriage and religious liberty, Senator Cruz has been an outspoken defender of conservative values in his time in public office.

Senator Cruz supports a federal ban on late-term abortions and has fought his own party in the Senate to promote the effort in the Senate to defund Planned Parenthood. He has also <u>supported</u> a federal personhood Constitutional amendment to

guarantee unborn children the right to life at conception.

Senator Cruz has been an outspoken defender of the one-man, one-woman definition of marriage. Prior to the Supreme Court's decision in *Obergefell v. Hodges*, he supported legislation to guarantee states the right to make their own determinations about the definition of marriage. Since the ruling, he has called for a federal marriage amendment and judicial retention elections and rejected the Supreme Court's supremacy in deciding the question.

Senator Cruz has <u>authored</u> briefs defending businesses like Hobby Lobby whose religious liberty is threatened by Obama Administration policies like the contraception/abortifacient mandate under Obamacare. He is also a <u>cosponsor</u> of the First Amendment Defense Act, which would outlaw government discrimination against Americans who believe that marriage is a union between one man and one woman.



Cruz places a high priority on fighting the expansion of government.

Like many other candidates, Senator Cruz has articulated a firm commitment to limited government principles. He stands out from the field for his willingness to use all available leverage to fight for those principles, even when the battle is uphill.

As Solicitor General for Texas, Senator Cruz sued the federal government to prevent the implementation of the costly Medicare prescription drug benefit. And in the Senate, Senator Cruz led the effort to defund Obamacare in the summer of 2013 with his 21-hour speech on the Senate floor during the debate over the government funding bill. That effort, criticized and undermined by many Republicans, was essential to the cause of eventual repeal, raising public consciousness of the law's failures and putting to rest the common view among many in Washington that the law's status was a settled question after President Obama's re-election.

Senator Cruz's recognition that co-equal branches of government cannot afford to cede their constitutional prerogatives extends to the role of the president, who he has argued should be willing to veto big-government bills sent to the White House by Congress. Given his record in the Senate, few — even including his detractors — are likely to doubt his willingness to negotiate forcefully with the other branches of government.

What is less clear is that Senator Cruz will bring to such negotiations a detailed set of policy demands. On health care, for example, he has promised full repeal of Obamacare but offered little in the way of alternative policy ideas aside from a proposal to allow cross-state insurance purchases. Pressed on the debate within

the conservative movement about how best to reform the tax treatment of insurance, for example, he has been noncommittal, in contrast to other candidates who have offered specific proposals. And on old-age entitlements, he has endorsed premium support for Medicare and praised President Bush's effort to introduce personal accounts to the Social Security system, but his campaign has done little to flesh out those ideas.

been the leader of the fight in the Senate against the Internet sales tax, a top priority of major Internet retailers seeking to stifle smaller competitors.

Senator Cruz is a strong opponent of amnesty policies that would reward politically favored constituencies for violating U.S. law at the behest of big businesses eager to legalize new sources of cheap labor, even as he advocates for much-needed reforms to legal immigration.

FAVORITISM

Cruz has been willing to pay a political price for taking on government favoritism.

Senator Cruz has been at the center of the highest-profile fight about big-government favoritism in the current Congress: the debate over ending the Export-Import bank. Though Senator Cruz initially voted for the trade bill that served as a bargaining chip for Ex-Im allies to secure reauthorization, he later switched his vote and exposed the backroom deals that had been struck by Senate Majority Leader Mitch McConnell, calling him out on the Senate floor for lying to the American people. It cost him political capital in the U.S. Senate, but in doing so, Senator Cruz demonstrated real leadership.

Beyond the Export-Import Bank, Senator Cruz has a strong track record of opposing big-government regulations and other policies that favor the well-connected. During a recent speech about cronyism, Senator Cruz highlighted his opposition to bank bailouts and anti-main-street financial regulations like Dodd-Frank, agribusiness subsidies, and renewable energy boondoggles like the Renewable Fuel Standard and the wind production tax credit. He has also



Cruz places a high priority on defending the nation's security interests.

Senator Cruz has laid out a foreign policy agenda firmly within the mainstream of the conservative movement, while distinguishing his perspective from similarly hawkish but more utopian strains of foreign policy on the right.

In Senator Cruz's view, while the United States should "be a clarion voice for freedom," "the touchstone of foreign policy should be the vital national security interest of America." He distinguishes between the sorts of interests for which America might exert some of the means of soft power available to it and the cases in which military intervention should be considered.

In the latter cases, he argues, the United States should set out a clearly stated objective tied to U.S. national security, make a commitment to use overwhelming force to achieve that objective, and avoid prolonged commitment to "nation-build" when the war is over. On these grounds, Senator Cruz has been reluctant to support some military engagements favored by hawks — Syria and Libya, for example — while expressing strong support for military engagement if necessary in other theaters, such as Iran.

In some cases, Senator Cruz has refused to break with misguided elements of the foreign policy consensus within his party, as with his <u>willingness</u> to boost spending on defense even without offsetting cuts. But in others, he has offered a bold voice in contrast to party leadership, such as during his aggressive <u>questioning</u> of former Secretary of Defense Chuck Hagel during his confirmation hearings.

On several recent issues that have divided the conservative movement, Senator Cruz has helped lead the way in promoting innovative solutions that have started as out-ofthe-mainstream proposals. For example, though not generally a fierce critic of the government's efforts to track terrorist activities under the Patriot Act, Senator Cruz recognized that the National Security Agency's surveillance protocols had over time not properly balanced security interests with civil liberties. Thanks in part to his leadership, Congress passed the USA Freedom Act compromise legislation. On Iran, Senator Cruz bucked the Washington consensus regarding the need to continue the flawed Corker-Cardin nuclear review process and argued that President Obama's failure to disclose IAEA side-deals had rendered the deal void. Over time, other Republicans including House leadership adopted Cruz's arguments, strengthening the long-term effort to derail the deal in the next administration.



MS. CARLY FIORINA

GROWTH

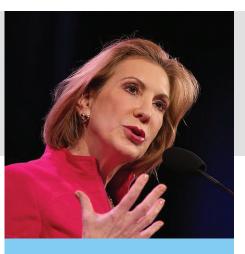
Fiorina's present support of pro-growth policy is marred by her past support of anti-growth ideas on issues like energy.

On taxes, Fiorina has promised to "lower every rate, close every loophole," although she has not yet offered specifics. That said, she has made some key commitments on the details of any reform package. Most importantly, arguing that pro-growth tax policy is hampered when revenue neutrality becomes a central goal, Fiorina has rejected the Washington consensus on the issue, stating, "I'm not in favor of revenue-neutral tax reform. I'm in favor of revenue-reducing tax reform. The government spends too much money."

When it comes to energy, Fiorina has <u>promised</u> to roll back overregulation of energy exploration, approve the Keystone XL

pipeline, and lift the oil export ban. While she has suggested she would eliminate the Renewable Fuel Standard, she has promised to leave the mandate in place until at least 2022. Notably, as a 2008 McCain campaign surrogate, Fiorina defended John McCain's support of a cap and trade system for providing the "incentives of the private marketplace" in addressing carbon emissions. She has since distanced herself from the proposal on the grounds that she was speaking purely as a surrogate, not expressing her own views.

Drawing on her experience in the technology industry, Fiorina has been a vocal opponent of some of the most heavy-handed efforts to regulate the digital economy. Though as CEO of Hewlett Packard she argued that "exempt[ing], forever, online commerce from taxation is unrealistic" and called for "moderniz[ing]" the tax code on the issue, she opposes the Internet sales tax currently under consideration by Congress. Fiorina has also spoken out against President Obama's net neutrality regulations and innovation-stifling changes to the patent system designed to help big business.



Growth:

Present support of pro-growth policy is marred by her past support of anti-growth ideas on issues like energy.

Opportunity:

Recognizes the importance of promoting opportunity, but she lacks a consistent record of advancing conservative solutions.

Civil Society:

Despite her past reluctance to take on Roe v. Wade, Fiorina today defends a robust civil society.

Limited Government:

Undermines her recent limited government rhetoric with her reluctance to tackle entitlement reform.

Favoritism:

Has recently delivered a strong critique of crony capitalism, but in the past she has aligned herself with the Washington establishment.

National Security:

Places a high priority on defending the nation's security interests.



Fiorina recognizes the importance of promoting opportunity, but she lacks a consistent record of advancing conservative solutions.

In a speech entitled "Redefining Feminism," Carly Fiorina laid out a broad set of approaches to improving opportunity in America, including a number of policy ideas that would improve the lot of all Americans. Among them: school choice, addressing out of wedlock births, and rethinking outdated welfare and economic development programs that too often become "webs of dependence" rather than promoting work.

Some have raised concerns about the specifics of Ms. Fiorina's views on education policy. In her MIT master's thesis, she <u>called</u> for a "consistent, long-term role" for the federal government in setting education policies such as curriculum guidelines. As CEO of Hewlett Packard, Fiorina praised the Bush Administration's commitment to federal involvement in education standards and co-chaired Americans for Better Education, a business community coalition lobbying for the passage of No Child Left Behind. She reaffirmed her support of No Child Left Behind in her 2010 Senate run and also praised the Obama Administration's Race to the Top program. However, Fiorina is today an opponent of Common Core and has called for <u>limiting</u> the Department of Education's role in education.

On higher education, Ms. Fiorina has <u>denounced</u> President Obama's nationalization of the student loan industry. However, she has also borrowed the talking points of the left in implying that it is unfair for

the federal government to charge higher interest for students than it pays on its own debts. Given that a policy of artificially low rates only further insulates loan recipients from the true risk represented by the debt they take on, this suggestion is seemingly at odds with Ms. Fiorina's general commitment to reintroducing market mechanisms into the student loan industry. Fiorina has also called for creating more space for for-profit universities to gain traction in the market and for addressing the influence of the accreditation cartel in entrenching today's inefficient system.

CIVIL SOCIETY

Despite her past reluctance to take on Roe v. Wade, Fiorina today defends a robust civil society.

Ms. Fiorina seems to understand that a strong America requires healthy civic institutions and that those institutions are today threatened by a government that seeks to impose its values on society. "[Y]our story demonstrates the incredibly important role that civil society plays in making this nation stronger and better," she told the creator of an innovative entrepreneurship program earlier this year. "We have a vibrant civil society in this nation and it's a good thing, and a lot, frankly, of what government programs are trying to do is crush civil society so that government, rather than charities and churches and non-profits, become the source of everything."

As a presidential candidate, Ms. Fiorina has been an articulate defender of American values despite a history of past comments suggesting a weaker commitment to socially conservative positions.

During her 2010 Senate campaign, Ms. Fiorina called *Roe v. Wade* a "decided issue." However, Ms. Fiorina acknowledges today that her position on the status of *Roe* has evolved just as "the American people's views have evolved on this." And during her presidential campaign, she has been among the most impressive defenders of life in the field. She has been a vocal proponent of defunding Planned Parenthood, which she explained in the second GOP debate: "This is about the character of our nation, and if we will not stand up and force President Obama to veto this bill, then shame on us."

As a Senate candidate in 2010, Fiorina supported the Defense of Marriage Act but advocated civil unions for same-sex couples. She warned during that campaign of the danger of judges overruling the will of the people of California as expressed in the state's Proposition 8. This year, she criticized the Supreme Court's decision to redefine marriage in *Obergefell v. Hodges*, suggesting that conservatives' focus should be "on protecting the religious liberties and freedom of conscience" of all Americans in light of the decision.



Fiorina undermines her recent limited government rhetoric with her reluctance to tackle entitlement reform.

Earlier this year, Ms. Fiorina said America "need[s] revenue-reducing tax reform, not revenue neutral tax reform, because the federal government spends too much money." To help deliver on the promise of a government that can function on a smaller tax base, she has proposed reforming programs like the highway system to limit spending on non-federal priorities and adopting policies to limit general growth of government such as zero-base budgeting.

However, Fiorina has been reluctant to engage in the debate over addressing the most significant long-term challenge to limited government: autopilot entitlement spending. In the past, Ms. Fiorina has argued entitlements "have to be reformed." But while she blames the political class for failing to make progress in addressing entitlements, she has also said that she herself is "not prepared to go to the American people" to discuss entitlement reform until the federal government has proven its competence through reforms of other programs like the Small Business Administration and the Veterans Administration. Such comments suggest a Fiorina Administration might fail to address the greatest long-term threat to the nation's finances.

Furthermore, in the early days of the Obama Administration, Fiorina was slow to become a vocal critic of some of the worst big-government excesses promoted by the Democratic Party. She supported the broadband subsidies in the Obama stimulus of 2009, and she took time as a Senate candidate to come out against Obamacare, arguing in the fall of 2009 that it was too early to take a position because "the devil is always in the details" despite

the philosophical problems raised by the basic design of all of the proposals then under consideration by Democrats. Fiorina signaled as late as 2013 that she supported Obamacare's individual mandate but has since clarified that she meant to express support for a more limited catastrophic care mandate and that she no longer believes mandates are needed to protect patients with pre-existing conditions.

Ms. Fiorina characterized the 2013 effort to defund Obamacare as "charging a hill that you know you can't take." Given the political difficulties inherent in enacting most elements of any true limited government agenda, this comment raises questions about how much political risk Fiorina would be willing to tolerate in high-profile legislative debates with the left.

FAVORITISM

Fiorina has recently delivered a strong critique of crony capitalism, but in the past she has aligned herself with the Washington establishment.

Carly Fiorina has been a vocal critic during the 2016 campaign of government favoritism, not only highlighting the significance of the issue in the abstract but also tying it to other policy debates regarding growth, overregulation, and the role of government. "The dirty little secret" of net neutrality, she explains, "which is the same dirty little secret of Obamacare or Dodd-Frank or all of these other huge complicated pieces of regulation or legislation, is that they don't get written on their own. They get written in part by lobbyists for big companies who want to understand that the rules are going to work for them."

On some of the specific policy debates relating to government favoritism, Fiorina has taken bold positions placing her at odds with the political establishment. For example, of the corrupt Export-Import Bank, she has <u>noted</u>, "If we're serious about stopping cronyism, we must do away with Ex-Im."

However, some aspects of her record suggest Fiorina is not universally opposed to policies that favor well-connected businesses at taxpayers' expense. During the 2010 election cycle, Fiorina was critical of bailouts, but during the 2008 campaign, Fiorina argued that the Troubled Asset Relief Program "was, unfortunately, necessary because credit is tight for hardworking Americans and small businesses." And while acknowledging that "simply throwing money at technology is not a solution," Fiorina praised the Obama stimulus for its spending on broadband subsidies.

On amnesty, Fiorina has supported the DREAM Act for those who came illegally to the United States as minors. Following President Obama's election, Fiorina suggested it was a priority for him to "enact comprehensive immigration reform." While she supports border enforcement and now opposes a path to citizenship for illegal immigrants, she has expressed openness to granting special legal status to those who have violated the law and come to the country illegally.

These stances reflect Ms. Fiorina's positioning early in her political career as a favorite of the Washington political establishment. Tapped by John McCain's presidential campaign as a key surrogate, Ms. Fiorina was eager to defend policies like cap and trade that she now claims to oppose. As the National Republican Senatorial Committee-endorsed candidate for Senate in California, Fiorina defeated a more conservative challenger in her primary. And since her stint as Vice-Chair of the NRSC in 2011, she has attacked conservatives working against the Washington establishment in efforts like the fight to defund Obamacare.



Fiorina places a high priority on defending the nation's security interests.

Despite her lack of experience in public office, Ms. Fiorina has demonstrated command of the issues and sound instincts when it comes to foreign policy.

She has indicated that she would readily marshal American military might against the nation's greatest geopolitical adversaries. On China, she has <u>called</u> for a more assertive policy in the South China Sea, including efforts to equip allies in the region to stand up to Chinese aggression, and has promised a firm commitment to retaliate against Chinese cyber attacks, in contrast to the Obama Administration's dithering response. With regard to Russia, she has <u>said</u> that rather than negotiate with Vladimir Putin, she would demonstrate strength through a military buildup, including

strengthening of the Sixth Fleet, recommitting to American missile defense in Poland, and conducting military exercises in the Baltic states.

Fiorina has also not shied away from taking aggressive positions on counterterrorism, defending waterboarding to extract information from terror suspects "when there [is] no other way to get the information." While she has praised the USA Freedom Act for the "checks and balances" it has implemented to rein in government control of telephone metadata, she has also expressed concerns that telecommunications companies will be ill-equipped to handle the data themselves.

In contrast to some conservatives, Fiorina has rejected criticism of so-called nation-building, arguing in 2009, "People will give their loyalty to those who provide security and opportunity. ... So if we want to uproot the Taliban and al Qaeda in Afghanistan, we have to also be engaged not just in military activity but we have to be engaged in helping provide security and opportunity from somewhere else."



GOVERNOR MIKE HUCKABEE

GROWTH

Huckabee's pro-growth tax agenda stands in contrast to the increase in Arkansans' tax burden under his tenure.

Governor Huckabee has been criticized by some conservatives for his record on taxes in Arkansas. According to the Arkansas Democrat-Gazette, under Governor Huckabee, the state and local tax burden for the average Arkansan increased from \$1,969 in 1997 to \$2,902 in 2005, driven in part by an income tax surcharge and tax increases on cigarettes and fuel. It is important to note that the legislature in Arkansas was Democratic at the time and Governor Huckabee did manage to sign some income tax cuts into law. Still, on the whole, the tax increases under his tenure far outweighed the cuts.

That said, Governor Huckabee's agenda on federal taxes would shift policy in a more pro-growth direction. Governor Huckabee is a proponent of the FairTax, a plan to replace the internal revenue code with a flat consumption tax. This would be a major improvement over the current system, as it would shift the code to a more pro-growth tax base, simplify the tax system, and eliminate existing double taxation.

On energy, Governor Huckabee has offered several pro-growth policy ideas. He has proposed lifting the bans on oil and gas export, suggested empowering local and state governments on energy regulation, and advocated allowing energy exploration on more federal lands. However, Governor Huckabee's energy agenda is undermined by his support for distorting the market by promoting renewable energy, including his view that maintaining the Renewable Fuel Standard is a "matter of honor and integrity."



Growth:

Huckabee's pro-growth tax agenda stands in contrast to the increase in Arkansans' tax burden under his tenure.

Opportunity:

Current support for limited government education policies stands in contrast to his past support for No Child Left Behind and Common Core.

Civil Society:

Committed to promoting a robust civil society.

Limited Government:

Opposes efforts to reform entitlements and rein in government overreach in industries like agriculture.

Favoritism:

Has shown favoritism toward certain special interests, especially with regard to the agricultural industry.

National Security:

Places a high priority on defending the nation's security interests, though he has advocated some peculiar views in the past.



Huckabee's current support for limited government education policies stands in contrast to his past support for No Child Left Behind and Common Core.

Over the course of his career, Governor Huckabee has at times taken positions that put him at odds with the conservative movement's approach to promoting educational opportunity. For example, he spoke to the National Education Association in 2007 about the importance of increasing teacher pay and received the group's endorsement in part for his opposition in Arkansas to statewide school choice. Governor Huckabee also said during his 2008 campaign of No Child Left Behind that the law "is often misunderstood and unfairly maligned as a total federal intrusion."

In 2011, Governor Huckabee touted the Obama administration's signature education initiative in his book, *A Simple Government*, writing, "I fully endorse the new federal program Race to the Top." Of the Common Core standards, Governor Huckabee <u>said</u> in 2013, "They're not something to be afraid of; indeed they are something to be embraced."

Over time, however, Governor Huckabee's rhetoric on education issues has shifted closer to the conservative mainstream.

Governor Huckabee now opposes Common Core, arguing that federal involvement in Common Core grew over time beyond his initial expectations when he had supported the standards.

Governor Huckabee has attributed his opposition to statewide school choice in Arkansas to the fact that the state's school districts "are rural, they're small, they are miles from another school, the economies

of scale simply wouldn't necessarily make it that easy to implement." Today he takes a more positive view of choice, <u>saying</u>, "It's time for parents to be able to choose the school that's best for their child, with the funding following the child to the school of the parent's choice." Governor Huckabee also now <u>supports</u> eliminating the Department of Education, despite his past <u>skepticism</u> about the idea's political practicality.

On higher education, Governor Huckabee has been supportive of big-government policies that have contributed to the inflation of costs facing students. In 2012, Huckabee <u>praised</u> President Obama's efforts to hold student loan interest rates far below market rates – a policy that papers over the symptoms while making the underlying cost problem worse and leaving taxpayers on the hook.

CIVIL SOCIETY

Huckabee is committed to promoting a robust civil society.

In his book A Simple Government, Governor Huckabee articulates the direct connection between the erosion of the institutions of civil society and the growth of government: "What a family can't do, friends and neighbors can. Government is not at all in the picture. What the friends and neighbors can't do, the church does. If this model were followed all over the country, there would no longer be a need for the government to do the things it's doing - many of which add to the problem instead of solving it." Recognizing the consequences of the erosion of the family and communal institutions, he has made protecting and restoring America's civil society a central focus of his campaign.

This has been most apparent in his engagement in the debate over religious liberty in the wake of the Supreme Court's decision in *Obergefell v. Hodges*. In addition to publicly challenging the ruling on the merits and encouraging individuals and institutions who disagree to express vocal opposition, Governor Huckabee has promised to sign an executive order protecting believers in the one-man, one-woman definition of marriage from government discrimination for living out their faith in their daily lives.

Governor Huckabee has also been a longtime defender of life. In Arkansas, he banned partial birth abortion, championed a Fetal Protection Act granting legal recognition to unborn victims of homicide, and banned physician-assisted suicide. At the federal level, he has advocated a life amendment to the Constitution and supports defunding Planned Parenthood, though he recently cautioned against conservatives' call to use this fall's government funding bill as leverage to defund the organization on the grounds that a government shutdown would not be worth the risk.

In recent years, Governor Huckabee has drawn attention to the Obama Administration's efforts to leverage its control over grants to faith-based organizations to undermine their values. Given his concern about this threat to religious institutions, it is notable that he was an advocate of the Bush-era move toward government-financed faith based initiatives as governor of Arkansas.



Huckabee opposes efforts to reform entitlements and rein in government overreach in industries like agriculture.

Governor Huckabee's record on limited government issues has come under heavy scrutiny during his presidential campaigns due to his fiscal record in Arkansas. Under Governor Huckabee, state spending in Arkansas increased at three times the rate of inflation, driven in part by policies such as his expansion of Medicaid and his support for a significant increase in infrastructure spending. With regard to federal policy, as governor, he opposed conservatives on significant fiscal policy questions such as his support for a federal highway plan so expensive that even the Bush Administration opposed it.

Governor Huckabee's commitment to limiting government came up several times during the 2008 campaign. During that election cycle, Huckabee was an outspoken proponent of wasteful agricultural subsidies. At the time he explained, "Part of the reason prices are so low is that subsidies keep production at high levels ... We must continue subsidies because our farmers compete with highly subsidized farmers in Europe and Asia." During one presidential debate, as conservatives were working in Washington to prevent an expansion of the State Children's Health Insurance Program, he criticized President Bush's veto of the bill, arguing that whatever the policy merits of the veto, it was bad politics. Governor Huckabee also took to the talking points of the left in promoting infrastructure spending, arguing that government should consider new highway projects to be a "long-term stimulus package."

Governor Huckabee has consistently downplayed the significance of the most important limited government issue of

our time: the need for serious entitlement reform. Though he has previously praised Republicans in Congress for proposing reforms to programs like Medicare, he has since said he would not sign House-passed premium support reforms. Politicians have "done enough lying and stealing," he argues in defending his refusal to lay out reforms to protect Americans from the looming debt crisis that will result from these programs' insolvency. During a recent debate, Governor Huckabee pandered to the opponents of entitlement reform by reciting their talking points, denying the reality that Social Security and Medicare beneficiaries withdraw far more than they have placed into the system in their lifetimes and impugning the motives of those who have proposed saving these programs from insolvency: "I just want to remind you, people paid their money. They expect to have it. And, if this government doesn't pay it, then tell me what's different between the government and Bernie Madoff, who sits in prison today for doing less than what the government has done to the people on Social Security and Medicare in this country."

FAVORITISM

Huckabee has shown favoritism toward certain special interests, especially with regard to the agricultural industry.

Governor Huckabee has not demonstrated a commitment to reining in government policies that play favorites for the well-connected.

He has, for example, expressed support for indefensible federal agricultural policies that favor big agribusiness interests at tax-

payer expense, <u>arguing</u> that crop subsidies are essential to maintaining America's economic competitiveness. While he has previously been critical of the Renewable Fuel Standard, he <u>is</u> currently a strong supporter.

During the 2008 financial crisis, Governor Huckabee was slow to reject the federal government's initial interventions into the financial sector. At the time of the bailouts of Fannie Mae and Freddie Mac, he suggested the government was "probably doing what [it] has to do under the circumstances." Over time, however, Huckabee criticized the government's subsequent interventions, referring to the Troubled Asset Relief Program as "betraying the party's tradition of supporting personal responsibility."

Regarding illegal immigration, Governor Huckabee has said, "I think that the rational approach is to find a way to give people a pathway to citizenship." During his 2008 campaign, he argued for allowing illegal immigrants to return to their home countries and return to the United States legally within "days, maybe weeks." Though he has been less committal on immigration during his current campaign, he has expressed openness to a Congressionally-negotiated path to citizenship for illegal immigrants. And despite the criticism he received in 2008 over the issue and the fact that his campaign claims that he opposes government benefits for illegal immigrants, Governor Huckabee still defends Arkansas's in-state tuition policy for illegal immigrants.



Huckabee places a high priority on defending the nation's security interests, though he has advocated some peculiar views in the past.

In general, Governor Huckabee's foreign policy tends to be within the mainstream of conservative thought, though he has in the past taken some unorthodox positions.

For example, during the 2008 campaign, Governor Huckabee was particularly <u>criti-</u> <u>cal</u> of the Bush Administration's "arrogant" foreign policy at a time when other Republicans were rallying around President Bush to avoid bolstering Democratic opposition to his troop surge in Iraq. In addition to his generally more left-leaning foreign policy positions on issues like Guantanamo Bay and waterboarding, Governor Huckabee's position on negotiations with Iran was particularly troubling. "We haven't had diplomatic relations with Iran in almost thirty years, my whole adult life. A lot of good it's done us!" he argued, emphasizing that "Many Iranians are well-disposed toward us. ... My enemy today on one issue is my friend tomorrow on another. ... [O]ur failure to engage Iran seems to be leading inexorably to our attacking them."

Huckabee has since <u>clarified</u> that the negotiations he would envision would begin and, perhaps, end with a U.S. demand for the return of hostages and an end to anti-Israel and anti-American behavior. He has also staked out one of the most hawkish perspectives in the field on Iran, arguing that the official policy of the United States on Iran should be to promote regime change.

Huckabee has promised a similarly aggressive posture in response to other foreign threats. In response to China's hacking of the Office of Personnel Management, Huckabee proposed that the United States hack the Chinese government back. In contrast with the Clinton State Department's approach to diplomacy, he has also called for reintroducing human rights issues into diplomatic relations with the Chinese government.



GOVERNOR BOBBY JINDAL

GROWTH

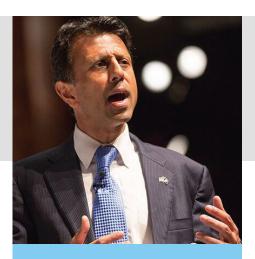
Jindal has proposed a robust growth agenda.

Governor Jindal has developed a very progrowth record in Louisiana, where within his first year he rolled back a significant, deeply entrenched tax increase approved years before his governorship. More recently, he proposed a massive tax overhaul to eliminate personal and corporate income taxes and replace that revenue through the state's sales tax. Unfortunately, the plan faced strong headwinds in his state legislature, and Governor Jindal was forced to withdraw it.

At the federal level, Governor Jindal has proposed similarly ambitious pro-growth tax reforms, but with a twist: rather than aiming to exempt low-income earners from the income tax, he argues that the cause of limited government would be better served through base-broadening that included a low-rate bracket for low-income earners to give them a stake in fiscal restraint. His plan would create a three bracket individ-

ual tax structure, with a bottom bracket for all income earners of 2 percent and a top rate of 25 percent. On the business side, he would allow repatriation of foreign profits at an 8 percent rate and move the U.S. to a more pro-growth territorial tax system. More significantly, he has offered a unique proposal to address double-taxation of business income: Rather than simply eliminating the capital gains tax, his plan instead would eliminate the corporate income tax and tax capital gains as normal income.

As leader of a state largely dependent on the energy industry, Governor Jindal has been a leader in promoting pro-growth energy policy. Among his <u>ideas</u> for federal energy policy: opening up exploration on federal lands like the Arctic National Wildlife Refuge; reforming the permitting process for pipelines; reforming the Clean Air Act to limit EPA regulation of carbon emissions; simplifying the federal government's review of energy projects; requiring Congressional involvement in high-cost environmental regulations; reforming EPA lawsuit settlement practices; and requiring third-party cost-benefit analysis of environmental regulations.



Growth:

Has proposed a robust growth agenda

Opportunity:

Elevates innovative ideas on opportunity that are also consistent with limited government principles.

Civil Society:

Promotes a robust civil society.

Limited Government:

Has a record of limiting government in Louisiana, and his agenda would similarly restrain federal overreach in areas like health care.

Favoritism:

Shows favoritism toward certain special interests, especially with regard to the agricultural industry.

National Security:

Places a high priority on defending the nation's security interests.



Jindal elevates innovative ideas on opportunity that are also consistent with limited government principles.

Governor Jindal has laid out a detailed conservative vision to foster educational opportunity for the next generation. He supports policies promoting educational choice, including changing school funding to allow dollars to follow students from school to school, lifting charter school caps, and allowing parents to apply education funding to non-traditional resources like online or college courses. Governor Jindal has also called for changes to collective bargaining, tenure, and teacher certification. Notably, unlike some proponents of K-12 reform, Governor Jindal recognizes that changes should be driven at the state level, not through federal mandates. To mitigate federal overreach, he has proposed block granting federal education funding to states to reduce Washington red tape.

Governor Jindal's record matches his rhetoric. Though he was elected to Congress too late to cast a vote on the 2003 No Child Left Behind law, he vowed subsequently that he would not vote to reauthorize the law, arguing that its "paperwork that strangles our classrooms" had "caused more problems for us than anything." As governor, he has improved charter school access and expanded vouchers, despite opposition from the Obama Administration. One major blemish on his record is his past support for the Common Core standards, but Governor Jindal later reconsidered his position on the issue and filed suit against the Obama Administration over its role in states' adoption of the standards.

Governor Jindal's vision on higher education similarly favors reducing government's role while promoting choice and competition. In Louisiana, though he has been reluctant to rein in the state's expensive college scholarship program, he has generally reduced state spending on higher education, drawing the ire of the public university lobby. At the federal level, he has been critical of Obama-era "gainful employment" regulations undermining the viability of community and for-profit colleges.

CIVIL SOCIETY

Jindal promotes a robust civil society.

Governor Jindal has highlighted how his experience managing natural disaster response in Louisiana illustrated civil society's capacity to respond to communal needs in moments of upheaval. In his book Leadership and Crisis, he describes his experience as a "coordinator of volunteers and donations for the corporate, community, and faith-based groups eager to help. ... We also organized efforts from out of state; church groups, Rotary clubs, and civic organizations began arriving to help with the relief efforts." Jindal notes that "Too often government stands not at the side of the ... volunteer - but in their path, standing in front of the burning building to say, 'Stop! Don't go in there. Fill out this form first."

Given the centrality of religious institutions in American civil society, Governor Jindal has argued, "[W]hen we are told that our faiths and our consciences are inimical to good governance and the law – then we are not simply facing a threat to our faiths and consciences. We are facing a threat to the very idea of America." Earlier this year, when other Republican leaders were running away from the debate over Indiana's religious liberty bill, Governor Jindal, who had already signed a Religious

Freedom Restoration Act in Louisiana, announced his hope to sign a Marriage and Conscience Act to protect believers in the one-man, one-woman definition of marriage from government discrimination.

On other important values issues, Governor Jindal has been a strong leader. He has not only called for Congress to defund Planned Parenthood, but has also locked horns with the Louisiana courts to cut off Medicaid funding to all Planned Parenthood facilities in Louisiana. He signed new safety regulations to put unsafe abortion clinics out of businesses, signed into law a 20-week state ban on abortion, and criticized Republicans in Congress for retreating from their effort earlier this year to enact a similar ban at the federal level.



Jindal has a record of limiting government in Louisiana, and his agenda would similarly restrain federal overreach in areas like health care.

Most governors have little opportunity to engage substantively in the biggest federal policy debates. Governor Jindal is an exception.

Governor Jindal was a supporter of the effort to defund Obamacare and has been critical of Republican leadership for its halfhearted commitment to the fight for full repeal. In anticipation of the Supreme Court's *King v. Burwell* decision, Governor Jindal sharply criticized plans then being considered to restore Obamacare's subsidies in some form, arguing, "That's a 'solution' in search of a problem."

Though the Court ended up saving Obamacare, Governor Jindal has offered a credible replacement plan for the law designed to avoid the potential pitfalls of other proposals that could result in tax increases to finance new entitlements. Rather than replacing Obamacare with some new system of deregulated government subsidies, Governor Jindal would even out the existing disparities in the tax treatment of health insurance by creating a standard deduction available to all taxpayers, a proposal that would drive down costs and improve portability. With his detailed health care reform agenda, which includes other ideas like premium support for Medicare, block granting for Medicaid, and expanded health savings accounts, Governor Jindal has established himself as a leader within the primary field on health policy.

As a member of Congress, Governor Jindal opposed the expansion of the State Children's Health Insurance Program, arguing

that in "relying on a government-run system that crowds out existing private coverage," Republicans had "stopped being the party of ideas." On similar grounds, Jindal supported pro-market reforms to Social Security at a time when many members of Congress were afraid to confront the issue head-on.

Also notable is Governor Jindal's commitment to limiting the growth of government in Louisiana. Where other governors have merely tried to rein in spending increases, Jindal has cut general fund spending dramatically. He has also pushed back strongly on critics of revenue-reducing tax cuts both in Louisiana and at the federal level, arguing persuasively that pro-growth tax policy should aim to restrain government by shrinking its footprint. He has made the right enemies, having been criticized widely by special interest groups and the left for his fiscal policy's enormous impact on the public sector including the state's university system.

FAVORITISM

Jindal shows favoritism toward certain special interests, especially with regard to the agricultural industry.

Kicking off his presidential campaign, Governor Jindal <u>said</u>, "I'm running for President without permission from headquarters in Washington, D.C." He explained that the "Republican Party in Washington has been beaten into submission" by both President Obama and big-government special interests. His strong rhetoric and his opposition to the Export-Import Bank signal a willingness to disrupt the status quo. Unfortunately, his record suggests

that this commitment may be tempered at times by deference to other interests.

Perhaps most significant is the emphasis Governor Jindal places on shoring up the agricultural industry. On the trail, he has stressed his initial support for the Renewable Fuel Standard in 2005, though he has pledged to let the ethanol mandate expire in 2022. He voted in favor of farm bills in Congress, including one that contained a \$7.8 billion tax increase. Though he has voiced support for moving toward a new insurance-based model for farm assistance and separating agricultural subsidies and food stamp spending, Governor Jindal has spoken favorably about the latest iteration of the farm bill despite criticism from many conservatives that the bill had not gone far enough to limit government involvement in agriculture.

Two years ago, in further support of agricultural interests, Governor Jindal endorsed granting "legal status to those currently here illegally so they can work and pay taxes via a guest-worker visa," eventually gaining eligibility for citizenship. This position stands in stark contrast to Governor Jindal's general rhetoric on amnesty.

Also of concern is Governor Jindal's record on corporate welfare in Louisiana, where the amount of money sent to well-connected businesses as "tax incentives" has ballooned in recent years. Governor Jindal himself has championed the state's effort to pay well-connected companies like General Electric to move business to Louisiana. Two caveats bear mentioning: first, that on the merits, some of these credits (such as the energy severance tax rebate) serve to negate bad policy and are therefore more defensible than others such as the film tax incentives; second, that Governor Jindal's reluctance to rein in these incentives has been driven by concern that cutting them would constitute a tax increase. Governor Jindal has generally aimed to refashion some refundable incentives as nonrefundable tax credits. Still, many of the breaks that remain are bad policy and continue to favor the well-connected.



Jindal places a high priority on defending the nation's security interests.

Governor Jindal has highlighted the consequences of President Obama's lead-from-behind foreign policy – the fraying of America's strategic alliances, the rising ambitions of America's adversaries, and the increasing turmoil in crucial regions like the Middle East – and promised to address them with a new approach: peace through strength.

To start, Governor Jindal would restore America's military by eliminating the defense sequester, offsetting the new defense spending with cuts to the rest of the discretionary budget. He proposes a long-term approach whereby the United States would aim to spend four percent of GDP on defense - not as a hard floor on spending but as a general long-term rule. As he argues, "the proper way to budget is to analyze threats, determine the capabilities that are needed to deter or defeat those threats, and then budget accordingly. But if [defense] funding drops consistently below 4% of GDP, it should be taken as a warning." To help ensure that any new spending is allocated more efficiently, Governor Jindal has called for reforming the hiring of civilian personnel and changing acquisition policy.

Governor Jindal argues that America has alienated allies like Britain, Israel, and NATO by declining to take the lead in confronting global threats. To address this, he has already stated that President Obama's Iran deal will not bind the next Commander-in-Chief, called for arming Ukraine in response to Russian aggression, and advocated doing "Whatever it takes to eradicate ISIS," including deployment if necessary of ground troops. From a military perspective, he has identified China as "the greatest challenge facing the United States," outlining a military strategy that would give enough teeth to President Obama's hollow "pivot" to Asia that countries in the region might feel enough confidence to choose to align themselves with the United States rather than China.



GOVERNOR JOHN KASICH

GROWTH

Kasich's growth agenda is undermined by his openness to anti-energy policies.

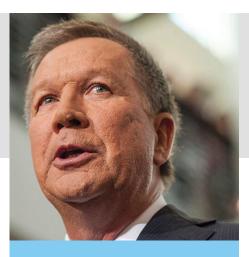
While Governor Kasich has previously expressed interest in an optional flat tax, his recently unveiled official tax plan would shift to a three-rate individual bracket structure with a top rate of 28 percent, cut the capital gains rate to 15 percent, cut the top corporate rate to 25 percent with full business expensing, and shift the U.S. to a territorial system, allowing repatriation of foreign profits at a reduced rate.

Governor Kasich's record may offer some insights as to how successful he would be in practice at championing pro-growth reforms upon arriving in Washington. At the state level, Governor Kasich has aimed to shift from income taxation to a more progrowth consumption tax base. However, for all his success in cutting rates for individuals and some businesses substantially, he has been reluctant to trim spending to offset revenue losses from tax cuts, opting instead to pay for some tax cuts by increasing other taxes. This tendency raises

questions about his willingness to buck the Washington consensus that tax cuts must be "paid for" by tax increases, particularly in light of his campaign's promise his reforms will increase revenue in year one.

On energy, Governor Kasich has proposed a pro-growth agenda that would prevent federal interference in state fracking regulation, end the ban on crude oil exports, end Obama-era environmental regulations, and allow more exploration on federal lands. Yet despite Ohio's vast energy resources, Governor Kasich has had an inconsistent record on promoting energy development. His early support for expanded access for energy exploration on state lands eroded in the space of a few years, and he supports the federal government prohibition on drilling in Lake Erie.

Despite continued opposition to a capand-trade program, Governor Kasich
seems inclined to support anti-growth
energy policies to address the issue. His
campaign <u>said</u> recently, "The governor has
long believed climate change is real and we
need to do something about it." And while
Governor Kasich last year <u>froze</u> a set of anti-growth renewable energy requirements,
he has since <u>said</u> that a permanent freeze
of the standards would be "unacceptable."
He has also been a strong <u>proponent</u> of
anti-growth energy "severance" taxes.



Growth:

Kasich's growth agenda is undermined by his openness to anti-energy policies.

Opportunity:

Has innovative ideas on opportunity, though not all are grounded in limited government principles.

Civil Society:

By justifying the expansion of government with appeals to religious teachings regarding personal charity, Kasich conflates the role of big government with the role of civil society.

Limited Government:

Kasich's work in Congress to limit federal power stands in contrast to his record as governor of supporting policies like Ohio's Medicaid expansion.

Favoritism:

Has supported policies that benefit wellconnected interests like the steel industry while denying responsibility for the cronyism that results.

National Security:

Places a high priority on defending the nation's security interests but is reluctant to roll back President Obama's Iran deal.



Kasich has innovative ideas on opportunity, though not all are grounded in limited government principles.

Governor Kasich has generally worked to promote educational opportunity in Ohio. Since the start of his governorship, he has fought to increase vouchers for private school and improve performance incentives for teachers, though the latter effort faced a major hurdle early in his governorship with the voters' rejection of his labor reforms. Despite that setback, he has worked more recently to undercut teachers' union bosses by allowing school districts to appoint CEOs with authority to exempt school districts from union contract requirements.

Governor Kasich's education record is undermined by his support for the Common Core standards. Governor Kasich consistently conflates "high standards" with Common Core, as though the two are inextricably linked. He has also attempted to downplay the federal government's significant role in imposing the standards by emphasizing the participation of school boards in setting curricula. While Governor Kasich did pull Ohio out of the PARCC Common Core testing regime, the state subsequently replaced it with another Common Core-compatible set of tests.

In Ohio, Governor Kasich has attempted to convert the safety net from a poverty trap into an engine of mobility, proposing improvements in coordinated case management and integrating more requirements for job training and drug testing. His support for a state Earned Income Tax Credit in Ohio despite opposition from conservatives suggests that his commitment to promoting opportunity may at times override limited government concerns. Encouragingly, though, he has said that the

federal government should not be <u>involved</u> in programs like workforce training.

Having lost out on major reforms reining in public sector unions early in his tenure, Kasich appears unwilling to fight for workers shut out of the union cartel by supporting right to work legislation. He has dismissed calls to tackle the right to work issue with an appeal to purely political considerations, explaining, "Right now in our state we have labor peace."

CIVIL SOCIETY

By justifying the expansion of government with appeals to religious teachings regarding personal charity, Kasich conflates the role of big government with the role of civil society.

Governor Kasich often conflates the role of government with the role of civil society, propping up the former and implicitly diminishing the latter. For example, he has frequently defended his Medicaid expansion on religious grounds, as though a society's compassion is exemplified by the scope of its federally funded safety net. Given his confusion on first principles and his confidence that the federal government should fill the role of the traditional civic institutions under threat today, it is not a surprise that on cultural issues he says, "there's so many other things now that we have to focus on."

Governor Kasich believes in the oneman, one-woman definition of marriage, but in the wake of the Supreme Court's ruling in *Obergefell v. Hodges*, he <u>told</u> conservatives that "the Court has ruled, and it's time to move on." Though he has said that religious institutions should be able to continue to promote their beliefs, he appears not to recognize the degree to which the ruling poses a threat to religious liberty. In weighing in on the Indiana religious freedom controversy, he did little to stand up for Governor Mike Pence's initial decision to sign protections for religion, instead highlighting his own initiative to offer nondiscrimination protection to gays and lesbians in Ohio. Further, he stood by in Ohio when state lawmakers withdrew an effort to enact a state Religious Freedom Restoration Act.

Governor Kasich appears committed to the cause of defending life based on his record in Ohio. He has cut funding for abortion providers like Planned Parenthood (though he does not support Congress using the power of the purse to defund the organization), signed into law ultrasound requirements, and cut down on the number of abortion providers by tightening up clinic safety requirements. Most importantly, he signed a bill restricting abortions after 20 weeks into law early in his tenure.



Kasich's work in Congress to limit federal power stands in contrast to his record as governor of supporting policies like Ohio's Medicaid expansion.

Governor Kasich frequently cites his tenure as chairman of the House Budget Committee in the 1990s to bolster his budget-cutting credentials. During that time, Kasich helped pioneer ideas like turning back federal highway dollars to states. He has built on some of those ideas in his policy platform, which would do just that for highway and Medicaid dollars. But while Governor Kasich boasts of his conservative inclination to devolve power from the federal government, when pressed about the political practicality of his ideas, he sometimes hedges on his commitment to them. "Look," he said in defending a noncommittal answer during an interview regarding whether he would accept block grants for various federal programs providing 80 percent of federally administered funds, "you know, when you're a governor, you don't do theory."

In practice, Governor Kasich's general belief in federalism is too often jettisoned once it comes time to apply his principles. On Medicaid, for example, he has expressed openness to block granting the program. But as a proponent of Obamacare's Medicaid expansion who overrode the will of his state legislature to implement the program, Kasich helped entrench the federal government's costly and ineffective overinvolvement. As a result, it will be more difficult to repeal Obamacare and turn Medicaid over to the states. His justification for that decision was twofold: first, he has suggested it was simply a matter of returning Ohioans' dollars back to them; second, he says that "when I get

to the pearly gates, I'm going to have an answer for what I've done for the poor."

Governor Kasich demonstrates the same abstract commitment but practical indifference to limited government when it comes to restraining spending. He has endorsed ideas like a constitutional amendment to require balanced federal budgets, but as documented by the Buckeye Institute, from the start of his tenure he has demonstrated less spending restraint than his Democratic predecessor. That trend of spending growth has continued since.

FAVORITISM

Kasich has supported policies that benefit well-connected interests like the steel industry while denying responsibility for the cronyism that results.

While Governor Kasich is an opponent of federal corporate welfare policies like the Export-Import Bank, his state record in Ohio suggests he is quite comfortable with government tilting the scales of the market to benefit the well-connected. Governor Kasich's administration has handed out lucrative eight-figure tax incentives to major companies like Diebold and Bob Evans. The governor has also personally championed "Jobs Ohio," a quasi-private entity that disperses corporate welfare to private companies. The organization is exempt from standard Ohio transparency measures, and its private board of directors reportedly is riddled with conflicts of interest. Pressed on the unfairness of subsidies for companies like a steel producer whose board he had previously served on, Kasich <u>argues</u> that he does not personally

make the decisions over which companies benefit from Jobs Ohio's largesse, refusing to take responsibility for the effect of the policies he supports.

Governor Kasich has proven particularly unwilling to take on special interests pushing regulations that play favorites in energy markets. While he signed a bill last year to freeze a set of misguided renewable energy standards, he has more recently said that a continued suspension of the standard is "unacceptable." Though he claims to support ending the Renewable Fuel Standard long-term, he recently told an Iowa audience, "Look, I am not going to shut it down and put a lot of people out of work in my state." This penchant for energy favoritism has also manifested itself in Governor Kasich's tax reform efforts. In Ohio, he has consistently targeted the oil and gas industries with special severance taxes.

Governor Kasich also refuses to rule out amnesty for illegal immigrants and supports allowing illegal immigrants to receive legal status if they pay a penalty. Kasich has downplayed the seriousness of the debate ongoing in Washington about immigration policy, admonishing conservatives who have resisted "comprehensive" immigration reform on basic fairness and rule-of-law grounds to "just get this done." Governor Kasich had previously warned of the dangers of encouraging lawlessness through amnesty, but he now claims to have "evolved" on the issue.



Kasich places a high priority on defending the nation's security interests but is reluctant to roll back President Obama's Iran deal.

Governor Kasich frequently cites his 18 years as a member of the House Armed Services Committee as evidence of his readiness to defend the nation's security. His views are generally within the mainstream of conservative thought on foreign policy. That said, his position on Iran suggests that he falls within the less assertive end of the conservative foreign policy spectrum.

On some issues, Kasich has signaled determination to apply a forceful foreign policy to promote American interests. For example, on ISIS, he has been frank in acknowledging that American boots on the ground may at some point become necessary to address the threat, even if such action would require persuasion by the president to get the American people on board. Kasich has also recommended that America take a more aggressive approach to dealing with its greatest geopolitical rivals, calling for additional aid to Ukraine to combat Russian aggression and saying of China, "If the Chinese think they own the South China Seas, I think we ought to send a little aircraft group over there to send them a little message — you don't own all this."

However, on some other crucial issues, Kasich has demonstrated less willingness to fight for American national security interests. On President Obama's dangerous Iran deal, he has criticized those who propose rejecting the deal on day one of the next administration, asking, "You're going to rip it up, and then what?" Though Governor Kasich has admitted that continued adherence to the deal would be conditional on Iran holding up its end of the bargain, this posture raises questions about how aggressive he would be in policing the deal.



SENATOR RAND PAUL

GROWTH

Paul advocates pro-growth policies, particularly with regard to reining in the regulatory state holding down the economy.

Senator Paul's tax plan is the centerpiece of his growth agenda. It would eliminate the current Internal Revenue Code and establish a flat 14.5 percent tax for individual income, with the same rate applied to businesses as a "business activity tax." The plan would be pro-growth and represent a major simplification relative to the current code. However, since wages would not counted as a deductible expense for businesses, workers would essentially be taxed twice, with half the tax hidden on the employer side. Though this would be a progrowth change, a tax structure maintaining a personal income tax alongside the introduction of a business activity tax might be difficult political terrain to defend, allowing progressives to build momentum toward anti-growth tax hikes on corporate income over the long-term.

Senator Paul has honed in on the economic burden posed by excessive federal regulation. Among his proposals, he has called for addressing runaway regulation by unaccountable "independent agencies" by subjecting them to the same regulatory review and cost/benefit analysis requirements that restrain executive agencies; for forcing most significant rules promulgated by agencies to pass through the formal rulemaking process and giving Congress an opportunity to override them; and for automatic two-year sunsets for regulations not reauthorized by Congress. Given the scope of the problem, far-reaching reforms of this nature are essential.

Although Senator Paul has said he sees the merits of environmental regulation, he has proposed reforms to promote domestic energy production, foremost among them the elimination of the Department of Energy and a major curtailing of the influence of the Department of the Interior, which currently uses its control over federal lands to limit energy exploration. He has voted to prevent the Obama Administration's effort to regulate carbon, has called for expediting approval and permitting on public lands including in the Arctic National Wildlife Refuge and the outer continental shelf, and has cosponsored a proposal to leave permitting on federal lands up to the states.



Growth:

Advocates pro-growth policies, particularly with regard to reining in the regulatory state holding down the economy.

Opportunity:

Advocates eliminating government-imposed barriers to opportunity.

Civil Society:

Generally defends civil society from government overreach, but his agenda would undermine the institution of marriage.

Limited Government:

Has proposed budget plans to eliminate bureaucracy and rein in spending, but he has also voted for significant increases in entitlement spending.

Favoritism:

His openness to amnesty mars his general commitment to fighting against the agenda of the Washington establishment.

National Security:

His effort to correct perceived problems with past Republican approaches to foreign military intervention has led to apparent contradictions in his past and present views and to a stated openness to containing rather than defeating America's enemies.



Paul advocates eliminating government-imposed barriers to opportunity.

Senator Paul recognizes the opportunity-crushing nature of federal overreach, and many of his policies seek to reverse that trend. Ranging from smaller scale initiatives such as repeal of counterproductive federal labor market requirements like the Davis Bacon prevailing wage rules to his support of more ambitious proposals to control aggregated welfare spending and integrate stronger work requirements throughout the federal welfare system, his agenda aims to help Americans do better for themselves by getting government out of the way.

Senator Paul recognizes that "For those striving to climb the ladder of success we must fix our schools. America's educational system is leaving behind anyone who starts with disadvantages." His vision on federal education policy is shaped by his inclination toward federalism and local control. An opponent of Common Core, Senator Paul has authored budgets that outright eliminate the federal Department of Education. During the most recent No Child Left Behind markup, he filed amendments to increase Title I portability and allow states to opt out of federal mandates. However, while he voted with conservatives against final passage of the No Child Left Behind reauthorization, he voted for the bill in committee, possibly because of his work as a cosponsor on an earlier draft with Education Chairman Lamar Alexander.

On higher education, Senator Paul has proposed making college tuition tax deductible, though it is unclear how such a plan would fit within his broader tax proposal. He has also rejected the left's vision on higher education in voting against progres-

sive student loan policies that exacerbate the college cost problem and proposing to <u>cap</u> Pell Grants below their inflated Obama-era levels.

CIVIL SOCIETY

Paul generally defends civil society from government overreach, but his agenda would undermine the institution of marriage.

Senator Paul has been viewed with skepticism by many social conservatives for his libertarian views. For a libertarian, Senator Paul's views are remarkably consistent with social conservatives'. Unlike many other Republicans whose social conservatism seems skin-deep, Senator Paul's beliefs seem genuine. That said, Senator Paul's views at times veer outside the conservative mainstream.

Skepticism is most warranted on marriage, an issue on which Senator Paul's libertarian inclinations lead him to downplay government's essential role. While Senator Paul echoes conservatives who have criticized the Supreme Court's decision in *Obergefell v. Hodges*, his position on the issue – "I've often said I don't want my guns or my marriage registered in Washington" – has radical consequenses, dictating that marriage be handled as a private contract rather than recognized by government as a sacrosanct union with significant public policy implications.

Senator Paul was conspicuously <u>silent</u> during the debate over Indiana's Religious Freedom Restoration Act, a time when his support for religious liberty as a prominent libertarian could have been crucial. Concerningly, he <u>supported</u> a Senate amend-

ment to a human trafficking bill empowering the federal government to discriminate against religious service providers. That said, Senator Paul has become a more vocal champion of the cause of religious liberty in the wake of *Obergefell*, <u>cosponsoring</u> the First Amendment Defense Act.

Senator Paul is pro-life but has <u>said</u> that he would focus his efforts on legislation embodying consensus on the issue. Consistent with that position, he <u>supports</u> a 20-week abortion ban and has been a vocal proponent of defunding Planned Parenthood. As Senator Paul has already demonstrated a strong ability to address abortion when confronted by a hostile <u>media</u>, he could continue to demonstrate presidential leadership to persuade the country to embrace even more significant pro-life legislation than the current national consensus would allow.



Paul has proposed budget plans to eliminate bureaucracy and rein in spending, but he has also voted for significant increases in entitlement spending.

Unlike most candidates running on budget-cutting platforms, Senator Paul has actually laid out concrete proposals to address the rise in federal spending. His congressional budgets included a wide array of discretionary spending cuts and wholesale elimination of government agencies like the Department of Commerce, the Department of Housing and Urban Development, the Department of Education, and the Department of Energy. Additionally, Paul's budgets have called for reforming and reducing spending on agricultural programs, eliminating programs like LIHEAP, and cutting budgets for agencies like the FDA in many cases by double digit percentages.

Paul has also proposed several serious reforms to mandatory spending programs. He has supported increasing the retirement age and reforming the indexing of Social Security, sunsetting traditional Medicare and replacing the program with a reformed premium support model, and block granting programs like Medicaid and the State Children's Health Insurance Program. Senator Paul also supports making all health expenses tax deductible as an alternative to Obamacare.

However, Senator Paul has not always voted in a manner consistent with the principles and policies put forward in his budgets. Earlier this year, Paul <u>voted</u> in favor of a "doc fix" bill that will likely increase America's debt by \$500 billion over the next two decades. While some lawmakers felt burdened by the near-annual

doc fix debate, it was a process that led to a small but steady stream of reforms that helped slow federal health care spending. This year's "permanent" doc fix did no such thing and took crucial leverage away from lawmakers looking for substantive reforms.

Beyond the doc fix, though, there is further reason to believe Paul may not be willing to take major political risks to fight for his limited government principles. Though ostensibly a supporter, he was revealed to have opposed the 2013 effort to defund Obamacare and later referred to the fight as "a stupid idea."

FAVORITISM

Paul's openness to amnesty mars his general commitment to fighting against the agenda of the Washington establishment.

Generally speaking, if Senator Paul were given the opportunity to implement his broad limited-government agenda, the opportunities for big-government favoritism toward well-connected interests would be greatly reduced. The <u>sentiment</u> he has expressed that "We will not cut one penny from the safety net until we've cut every penny from corporate welfare" reflects his generally conservative attitude on these issues.

Senator Paul has been critical of agribusiness favoritism. His Fiscal Year 2013 budget would have means tested commodities payments and ended government-funded agricultural research that should appropriately be financed privately by the agribusiness firms that would benefit from it. Senator Paul also opposes the Renewable Fuel Standard.

Senator Paul has also targeted corporate welfare agencies like the Export-Import Bank. However, he has taken some positions that have put the people of Kentucky ahead of the common good. For example, he worked with Senate Majority Leader Mitch McConnell to introduce a bill for a special tax break for bourbon producers. Also, in order to help finance a massive infrastructure project in Kentucky, Senator Paul has worked with liberal Senator Barbara Boxer to bail out the highway trust fund with repatriated tax revenue that should instead be returned to taxpayers through tax reform.

Senator Paul has acknowledged that "You can't have open borders and a welfare state," but he calls himself a "moderate on immigration," has endorsed a path to legalization for illegal immigrants, and appears to leave the door open to those immigrants' eventual citizenship. During the debate over the Gang of Eight amnesty bill, he aimed to paper over his support of amnesty by introducing the "No New Pathway to Citizenship Act," but the amendment was in fact a form of amnesty that would have allowed illegal immigrants to apply for citizenship from within the United States without returning to their home countries. After House Majority Leader Eric Cantor's 2014 primary defeat ended the prospects for an amnesty bill in the 113th Congress, Senator Paul <u>complained</u> about the state of the immigration debate, saying, "We've been somewhat trapped by rhetoric and words, and amnesty's a word that has kind of trapped us."



Paul's effort to correct perceived problems with past Republican approaches to foreign military intervention has led to apparent contradictions in his past and present views and to a stated openness to containing rather than defeating America's enemies.

More than on any other set of issues, Senator Paul deviates sharply from the conservative mainstream on foreign policy.

He has framed his views as a correction of the excessive interventionism of the George W. Bush Administration, <u>describ-</u> <u>ing</u> himself as "a realist, not a neoconservative, nor an isolationist," and has fiercely criticized interventions like the Iraq War. The question for voters is whether President Rand Paul's foreign policy would amount to an overcorrection of the foreign policy of the past and whether, when necessary, he truly would be committed to the use of American military might to confront foreign threats.

As reported by the Washington Post, "For Paul, advisers say, being a realist means he is skeptical of every possible military action, until he is convinced that there is a crucial U.S. interest at stake and that the action will succeed." This raises the question of how as president, Senator Paul would define "crucial" interests and of the degree of inevitable risk he would tolerate in any intervention. Specifically, he has suggested that threats like radical Islam can be addressed non-militarily rather than through war: "To me, containment is not a dead letter. I look at the worldwide menace of radical jihad and I think we need a long-term vigilance like containment." He has specifically floated the

possibility of containment with regard to a nuclear Iran, though he has been careful to avoid explicit endorsement of that approach.

His efforts to outline a nuanced foreign policy vision have at times led to seeming contradictions, suggesting either that he is not genuinely committed to his public statements or that he has not carefully thought through his positions on key issues. For example, in the early days of the Islamic State's emergence, Senator Paul was skeptical about intervention on the grounds that there was no "clearcut American interest." But although he admitted at that time, "What's going on now, I don't blame on President Obama. ... Maybe there is no solution," he later claimed, "If I had been in President Obama's shoes, I would have acted more decisively and strongly against ISIS." Such apparent contradictions suggest that discerning Senator Paul's genuine foreign policy views based on his public statements will not be easy.



SENATOR MARCO RUBIO

GROWTH

Rubio is pro-growth, though his commitment to growth is limited by other priorities.

Senator Rubio has offered a detailed tax reform proposal that would represent a major simplification of the current tax code and substantially reduce the tax burden faced by families and business owners. The plan would lower the corporate tax rate to a top rate of 25 percent, shift the U.S. to a territorial system and allow the repatriation of foreign profits at a one-time 6 percent rate, end double taxation of shareholder income by eliminating dividend and capital gains taxes, and allow full expensing for business investment. The individual side would be simplified to a three-rate structure with a top rate of 35 percent and lower rate of 15 percent.

On the whole, the plan is very pro-growth. Notably, Senator Rubio recently improved the plan relative to an earlier draft in response to concerns about the cutoff for its top income rate, suggesting he is open to further improvements. Unfortunately, the plan's pro-growth components are still constrained by an expensive expansion of the Child Tax Credit, a program that is already rife with fraud. As a consequence, its top individual income rate is considerably higher than some competing proposals. Senator Rubio has also separately proposed providing a tax credit for businesses offering paid family leave, an unnecessary effort to tinker with labor markets.

Senator Rubio has outlined a pro-growth regulatory agenda. Among other changes, he would impose a national regulatory budget, allow foreign export of oil and gas, and allow market-based allocation of wireless spectrum, which would facilitate the growth of the still-emerging wireless market. Senator Rubio has been vocal about the danger that federal regulation of the Internet might stifle growth in one of the most promising sectors of the domestic economy and has opposed policies like the Internet sales tax and net neutrality.



Growth:

Pro-growth agenda, though his commitment to growth is limited by other priorities.

Opportunity:

Has innovative ideas on opportunity, though not all are consistent with limited government principles.

Civil Society:

Promotes a robust civil society.

Limited Government:

Supports limited government, but the policy agenda he has offered is restrained on some issues by political considerations.

Favoritism:

His openness to policies like amnesty mars his efforts to take on the Washington establishment.

National Security:

Places a high priority on defending the nation's security interests.



Rubio has innovative ideas on opportunity, though not all are consistent with limited government principles.

Promoting economic opportunity for all Americans is a central theme in nearly every policy proposal offered by Senator Rubio. His premise is that "the American economy has changed significantly in recent decades and our policies must change with it."

His most promising idea is to reform the higher education accreditation system, which currently limits the flow of federal aid to institutions approved by self-interested accreditation bodies. Under Senator Rubio's proposal, all schools meeting federal requirements for student outcomes would be eligible for aid, potentially expanding student options to a wide array of more cost-effective nontraditional solutions. The effect on the higher education market could be transformational.

That said, in its emphasis on government-determined metrics, Senator Rubio's proposal is more prescriptive than some alternative accreditation reform proposals. This reliance on government-set criteria also carries through to his proposal to increase federal involvement in publicizing data on student outcomes. While consumers today have a multitude of private scorecard options to evaluate college performance, each emphasizing different sorts of priorities, government scoring could crowd out private evaluations by dictating to the market what does and does not constitute good performance. No doubt the higher education lobby would do all it could to lobby government to focus on metrics that play to the strengths of the institutions that benefit from the status quo. Also concerning is Senator Rubio's support for automatic income-based repayment of student loans, an inflationary loan repayment model that would to some degree <u>undermine</u> the efficiencies achieved through Senator Rubio's accreditation changes.

Senator Rubio has also proposed a number of innovative solutions to improve opportunity in the labor market such as the RAISE Act, which would prevent union leaders from vetoing employer efforts to give employees merit-based raises. However, as with his higher education reforms, some of his ideas leave the federal government significant discretion to tilt the scales of the market. For example, he has proposed transforming the Earned Income Tax Credit into a wage enhancement credit disbursed monthly by the federal government for workers with "qualifying low-wage jobs." While the change in credit design could improve the program's work incentives and reduce fraud, allowing the government discretion to define qualifying jobs could lead to unforeseen labor market distortions.

CIVIL SOCIETY

Rubio promotes a robust civil society.

Senator Rubio understands that a strong America is built on the strength of its civic institutions – and that those institutions are increasingly threatened by a government that seeks to impose its values on society. "You see, [traditionally,] it was institutions and society that assumed the role of taking care of one another," he explained in a 2011 speech at the Reagan Library. "We took these things upon ourselves and our communities and our families and our homes and our churches and our synagogues. But all that changed when the government began to assume those

responsibilities. ... And as government crowded out the institutions in our society that did these things traditionally, it weakened our people in a way that undermined our ability to maintain our prosperity."

With civic pillars like religious institutions under increasing threat today, Senator Rubio has been outspoken in defense of the freedoms they depend on. During the heated debate over Indiana's Religious Freedom Restoration Act, Senator Rubio not only endorsed protections for religious liberty but publicly spelled out the specific nature of those protections at a time when many Republicans attempted to obscure the specifics for political expediency.

Senator Rubio has also stood up for life and the rule of law. As a senator, he has supported a federal 20-week ban on abortion and defunding Planned Parenthood. And in the wake of the Supreme Court's decision in *Obergefell v. Hodges*, Senator Rubio condemned the ruling and declared that "The next president and all in public office must strive to protect the First Amendment rights of religious institutions and millions of Americans whose faiths hold a traditional view of marriage."

Senator Rubio has highlighted the damage that incarceration has done to families left fatherless due to felony convictions and harsh mandatory minimum sentences. However, he has also made the point that any reforms should be approached with caution, warning, "I personally believe that legalizing drugs would be a great mistake and that any reductions in sentences for drug crimes should be made with great care."



Rubio supports limited government, but the policy agenda he has offered is restrained on some issues by political considerations.

While Senator Rubio has produced ambitious and detailed proposals to promote opportunity for Americans struggling in the twenty-first century economy, he too often pairs sound ideas with policies that unnecessarily retain or enhance the federal government's involvement in areas beyond its proper sphere. From his support for allowing government to set key higher education metrics to the set of expensive tax credits his otherwise pro-growth reforms would introduce, this tendency mars what is an otherwise impressive reform agenda.

Still, Senator Rubio has supported a number of serious policy changes to shrink the federal government's footprint. Among the boldest are his plans to refashion Medicare into a premium support system, reduce the growth rate of Social Security benefits, and implement a sequestration-enforced cap limiting the debt-to-GDP ratio. In the Senate, he has opposed bailouts of the highway trust fund and cosponsored the Transportation Empowerment Act, which would limit wasteful infrastructure spending by returning transportation dollars directly to the states. However, Senator Rubio has been unwilling to endorse carve-out private accounts for Social Security, arguing that such reform would need to be accomplished by "future leaders" more willing to take on the political risk.

In 2013, Senator Rubio <u>publicly</u> supported the effort to defund Obamacare. As for the <u>proposal</u> he has offered to replace Obamacare, the specifics of its design, while promising in some respects, raise important questions with significant

implications for the size and scope of the post-Obamacare federal government.

The plan would phase out the existing employer exclusion for health insurance and replace it with a refundable tax credit for insurance available to all regardless of employment. Such reforms would increase insurance portability and promote individual cost-consciousness in the insurance market. The key question left unresolved is whether those credits going to non-taxpayers - arguably a new spending program replacing Obamacare's subsidies for non-taxpayers – would be financed partly by the elimination of the employer-sponsored insurance exclusion or entirely through spending cuts. Depending on the math, this could represent a tax increase on some taxpayers to pay for a welfare state expansion for non-taxpayers.

FAVORITISM

Rubio's openness to policies like amnesty mars his efforts to take on the Washington establishment.

Senator Rubio was <u>criticized</u> by some during his run for the U.S. Senate for having made significant use of earmarks early in his time in public service, but since his run for the U.S. Senate, he has been an <u>opponent</u> of the practice, joining then-Senator Jim DeMint's effort to ban earmarks against the will of leadership.

In the Senate, he has tackled government favoritism toward the higher education accreditation cartel, led the effort to end government <u>bailouts</u> for the insurance industry, and opposed the permanent "Doc Fix" <u>boondoggle</u> authored by the medical industry and the <u>unnecessary</u>

taxpayer-backed Terrorism Risk Insurance Program. He has also taken on the corrupt Export-Import Bank, <u>demanding</u> that the bank prepare for liquidation due to the expiration of its authorization earlier this year.

While Senator Rubio has been an opponent of agribusiness favoritism as embodied by the farm bill, he has also said, "If there's ever an area where I've been willing to use government to assist an industry, it's been agriculture because it's an industry that faces unfair global competition, and if we lose the industry you can't get it back.' While he has opposed ethanol subsidies and supports eventually phasing out the Renewable Fuel Standard, it is not clear how long he would have RFS remain in place. Perhaps more tellingly, Senator Rubio diverges from his general anti-favoritism stance when it comes to an important Florida interest: the sugar lobby. He has been a consistent defender of sugar subsidies on the grounds that the U.S. sugar industry faces unfair competition by subsidized foreign farmers.

During his U.S. Senate campaign, Senator Rubio distinguished himself from his opponents through his strong stand against amnesty. In his words, "earned path to citizenship is basically code for amnesty." But subsequently, Senator Rubio enthusiastically endorsed the Senate Gang of Eight amnesty bill that provided just that. Senator Rubio has since acknowledged the misguidedness of the Gang of Eight's approach, but he supports work permits for illegal immigrants and remains committed to a path to citizenship long-term, albeit after other reforms have taken place. These views remain at odds with Senator Rubio's past commitments to voters.



Rubio places a high priority on defending the nation's security interests.

Rethinking America's national security strategy has been a central pillar of Senator Rubio's vow to build the foundation for a new American century. His vision begins with three objectives: first, maintaining the stability of the international system by "oppos[ing] efforts by other nations to infringe upon" free international spaces, including cyberspace; second, reaffirming the moral foundations of our foreign policy, including commitments to alliances and the principles of freedom; third, reestablishing U.S. strength by rebuilding America's hollowed-out military.

Senator Rubio has laid out specifics on his plans to accomplish the latter objective: building a replenished navy with at least 323 ships; modernizing the air force; reversing the trajectory of decline to pre-9/11 end-strengths for the Army and Marine Corps. Unlike some of his colleagues, though, Senator Rubio has not insisted that any shift from sequestration levels of funding be offset with other cuts to discretionary spending.

Senator Rubio has <u>spoken</u> with particular clarity on the issue of restoring diplomatic relations with Cuba, addressing not just the misguidedness of establishing ties with the Castro government but also the underlying strategy that has driven so many missteps in the Obama era. "When we make engagement with the odious leaders of these countries our foreign policy," he argues, "we make a Faustian bargain that is contrary to our national values and also to our strategic interests."

Senator Rubio has also been outspoken about the need for the proper tools to secure the home front. But while he is correct about the need for a strong intelligence community, his prioritization of security over civil liberty concerns on issues like the NSA's metadata collection has led him to oppose common sense reform efforts like the USA Freedom Act, which maintains the government's access to telephone metadata while transferring control of the records from government's hands to the private sector.



SENATOR RICK SANTORUM

GROWTH

Santorum supports many pro-growth ideas but limits the potential impact of his agenda with his preference for manufacturing.

The growth-related centerpiece of Senator Santorum's 2012 platform was his tax plan. That is true for his 2016 platform as well. Under his 20/20 Flat Tax, individuals and businesses would pay a flat 20 percent individual rate. The plan would eliminate the marriage penalty, death tax, alternative minimum tax, and all but two itemized deductions – charitable and mortgage interest. It would not prevent double-taxation of business profits since it leaves both the corporate tax and the capital gains tax in place. However, it does include several very pro-growth changes, allowing full expensing for business investment, establishing a 10 percent rate for repatriated foreign profits, and removing various tax loopholes to ensure, in Senator Santorum's words, "No more special deals and favors for the rich and powerful and their lawyers and lobbyists."

Unfortunately, though, there is a major special deal contained in the plan: A two-

year tax break for manufacturers, whereby they would pay no taxes at the start of the plan's implementation. While the carveout is significantly smaller than the one contained in his 2012 plan, it is a classic example of government favoritism and would create a manufacturing "sugar high" shortly after its after enactment, generating a political feeding frenzy on Capitol Hill by manufacturing lobbyists fighting to preserve the zero percent tax rate before its expiration. Like most "temporary" policies that play favorites in the economy, this carve-out would likely survive beyond its initial expiration date.

On energy policy, Senator Santorum is generally in favor of reducing anti-growth restrictions on the energy industry imposed by the federal government. Santorum supports approval of the Keystone XL Pipeline, elimination of on- and off-shore drilling bans, repeal of EPA rules governing greenhouse gases, and changes to the EPA's mandate to limit its coercion of industry into adopting expensive technology to limit carbon emissions. These reforms would help promote economic growth, though Senator Santorum's commitment to free energy markets is undermined somewhat by his support for the Renewable Fuel Standard, which he claims is good policy because it provides "market access" to a fuel few would choose to purchase freely.



Growth:

Supports many pro-growth ideas but limits the potential impact of his agenda with his preference for manufacturing.

Opportunity:

Focuses on expanding opportunity, though not all of his ideas have been consistent with limited government principles.

Civil Society:

Committed to promoting a robust civil society.

Limited Government:

His support for entitlement reform stands in contrast to his record of supporting Bushera government expansion.

Favoritism:

Has shown favoritism toward "blue collar" industries, leading him to support industrial policies that benefit wellconnected businesses.

National Security:

Places a high priority on defending the nation's security interests.



Santorum focuses on expanding opportunity, though not all of his ideas have been consistent with limited government principles.

Senator Santorum has made addressing the barriers to opportunity generated by poorly designed welfare programs a central mission of his career. His role in the 1996 welfare reform package helped achieve perhaps the most important conservative policy victory since President Reagan. He has since proposed reforming other programs in the means-tested welfare system, such as food stamps, along similar lines to further encourage work, mobility, and opportunity.

Aside from welfare, though, Senator Santorum's record on promoting opportunity is a mix of strong stands for conservative principles along with instances of severe violations of those same principles.

On education, for example, Senator Santorum has been one of the most vocal opponents of Common Core and President Obama's education agenda. As a member of the Senate, though, Santorum voted for the No Child Left Behind education overhaul that paved the way for Common Core, a vote he admitted in 2012 was "against the principles I believed in."

On higher education, Senator Santorum has been critical of prevailing elite assumptions regarding the necessity of traditional higher education for parts of the workforce that would receive a better return on investment through options like technical training, and he has also defended for-profit colleges. However, in the Senate, Santorum argued, "I believe that there needs to be an active federal role in higher education because institutions of

higher learning constitute a nationwide educational infrastructure." He also <u>bragged</u> about his record of supporting the expansion of the very system of bloated "loans, grants, and tax incentives" that has helped drive the cost of higher education upward.

CIVIL SOCIETY

Santorum is committed to promoting a robust civil society.

In his book It Takes A Family, a rebuttal to Hillary Clinton's It Takes A Village,
Senator Santorum outlined a direct relationship between the progressive agenda and the erosion of America's civil society and the values it has long promoted:
"[L]iberal economic policies have not only been devastating to the poor and the middle class economically, but have actually undermined the basic structures of our society," Santorum wrote, highlighting the influence of the "Bigs" – big business, big media, big cities, big education – for their role in imposing the progressive agenda on America's culture.

Senator Santorum has been an outspoken opponent of the left's assault on American values. A vocal opponent of abortion, Senator Santorum famously prompted a prominent Democrat to suggest on the Senate floor that the right to life only begins "when you bring your baby home" and was the sponsor of the Partial-Birth Abortion Ban Act of 2003 signed into law by President Bush. He is one of the most visible defenders of marriage in politics and has promised to "use the Office of the President to begin a national discussion on reclaiming marriage - so that all children can be assured of their birthright of having the love and support of both a mother

and a father in a stable healthy home." He has also endorsed the First Amendment Defense Act to protect believers in the one-woman, one-man definition of marriage from government discrimination and has pledged to sign an executive order implementing similar protections on Day One of his administration.

However, despite Senator Santorum's strong stances on core issues and accurate diagnosis of many of the challenges facing our culture, he appears far too willing to view the federal government as a mechanism to prop up civil society. Santorum was a vocal supporter of former President George W. Bush's "compassionate conservative" agenda, which led to the proliferation of various government programs. In Senator Santorum's own words, compassionate conservatism "require[s] a role for government that some conservatives find disquieting." What's more, Santorum lamented that President Bush's efforts on this front did not go far enough, writing in It Takes a Family that "In spite of the president's good work" he had "long believed that no one [had] yet laid out a coherent and comprehensive theoretical argument for this apparently new type of conservatism."



Santorum's support for entitlement reform stands in contrast to his record of supporting Bush-era government expansion.

Senator Santorum's record on reining in government is mixed. He has at times demonstrated a willingness to take significant political risks for the sake of reforming entitlements. However, he has also been a willing participant in Republican-led expansions of government.

Senator Santorum's most impressive effort to promote entitlement reform was his championing of President Bush's proposal to privatize Social Security. This position was courageous, as the left fomented significant opposition to Santorum over the issue in his home state. Even during his election year, after the proposal had already been defeated, he was working to convince constituents of the need to address the challenge. That passion for entitlement reform carried over to the 2012 presidential election, when Senator Santorum was one of the most vocal presidential candidates to back the House budget's reforms to Medicare.

This record stands in stark contrast to Senator Santorum's willingness as a rank and file member of the Senate to support the Republican majority's proposals to expand government. Santorum, then a supporter of procedures like earmarking that greased the skids for big-government Republican priorities, supported No Child Left Behind because "it was the principal priority of President Bush ... When you're part of the team, sometimes you take one for the team, for the leader, and I made a mistake. You know, politics is a team sport." Similarly, Santorum supported Medicare Part D, and although he has since changed his view on the legislation, he argues the

main problem was that the entitlement was unpaid-for – not that it was unnecessary for government to take on the function of paying for prescription drugs in such a manner.

FAVORITISM

Santorum has shown favoritism toward "blue collar" industries, leading him to support industrial policies that benefit well-connected businesses.

Senator Santorum has shown a strong inclination toward favoring so-called "blue collar" American industries at the expense of conservative principles.

In his last presidential campaign, for example, Santorum compromised on making his pro-growth reforms as broad-based as possible in order to provide special tax treatment to the manufacturing industry. The tax plan he has unveiled this year has made smaller concessions on this issue, as its main manufacturing incentive is time-limited, but Senator Santorum's ongoing desire to promote manufacturing at the expense of other industries suggests he would be amenable to similar policies that play favorites in the economy.

Beyond taxes, Senator Santorum supports various other policies that grant special treatment to politically significant special interests, particularly manufacturers. For example, Senator Santorum supports the Export-Import Bank, a corporate welfare agency that serves primarily to provide financing to clients of big businesses like Boeing, General Electric, and Caterpillar. As a senator, he also supported anti-growth protectionist policies like

steel tariffs. This vision of promoting Americans' economic standing may on the surface appear to be a winner for some workers, but in the long run it disadvantages other industries and makes protected businesses less competitive.

Still, Senator Santorum is an ardent opponent of one of the more significant policies advocated by Washington special interests: amnesty for illegal immigrants. While Santorum's arguments against amnesty focus more on protectionist themes such as the wage effect of immigration on domestic workers than on the fundamental unfairness of favoring those who have broken the law over those who have not, his has been an important voice in combating bad immigration policy.



Santorum places a high priority on defending the nation's security interests.

Senator Santorum has been an advocate of an assertive U.S. foreign policy since his time in the Senate.

As he has mentioned on the campaign trail, Senator Santorum was a leader in establishing the foundations of the sanctions regime that had, until President Obama's disastrous negotiations began, crippled Iran's economy. He has said that he would walk away from the Obama Administration's Iran deal on Day One of his presidency and has long argued for using the threat of military force to extract genuine concessions out of the Iranian regime.

Senator Santorum has also been willing to commit to applying American military might to a potentially more immediate conflict with ISIS. "I'm not talking about a massive invasionary force," he explained, "but many of the generals who have commented on this have suggested that we have to double or triple the 3,000 that we have there on the ground right now to provide effective support for those that are fighting."

As a member of the U.S. Senate at the time of the Patriot Act's passage, Senator Santorum has recognized that counterterrorism efforts cannot be constrained by the typical limits placed on law enforcement investigations. Though he has somewhat downplayed civil liberties concerns raised by critics of the NSA's metadata program, he was supportive of the modifications made by the USA Freedom Act to improve the civil liberties protections of the surveillance program.



MR. DONALD J. TRUMP

GROWTH

Trump's pro-growth tax plan stands in contrast to his support for massive tariffs that would damage the American economy.

The most detailed element of Mr. Trump's growth agenda is his comprehensive tax reform proposal. The plan would lower individual rates, reduce the number of brackets, cap deductions depending on earnings, cut business taxes relative to today's uncompetitive rates, and promote repatriation of overseas business profits at a discounted tax rate. This represents a marked improvement from some of the ideas Trump has <u>outlined</u> in the past, which have included a proposal for a massive confiscatory tax on accumulated wealth.

The plan is not perfect. It would leave in place several anti-business elements of the current code, retaining the capital gains tax (which it slightly reduces) and the flawed system for expensing business investments, while failing to shift the United States to a territorial tax system. More-

over, the class warfare rhetoric Mr. Trump has used to promote it cedes significant ground to those on the political left who seek massive tax increases. Nonetheless, it is a pro-growth outline, and although Mr. Trump claims it is designed to be revenue neutral, he does not appear to have made major anti-growth concessions to boost revenue in pursuit of that goal.

Mr. Trump's pro-growth tax plan is undermined, however, by his anti-growth approach on another key issue: trade. Mr. Trump has proposed imposing double-digit import taxes to increase the cost of offshoring U.S. jobs, an idea he hopes would encourage countries like China to end policies like currency manipulation that favor their own exports. Should those countries not relent, these taxes could boost the United States to the fourth-highest tariff rates in the world, increasing prices for consumers and preventing America's economy from taking full advantage of the trade inefficiencies caused by other countries' protectionist policies. High tariffs could even cause some U.S. companies to ship more jobs overseas, as input-intensive industries would have more difficulty importing needed supplies from foreign countries if they remained in the United States than if they relocated to more progrowth business climates.



Growth:

His pro-growth tax plan stands in contrast to his support for massive tariffs that would damage the American economy.

Opportunity:

Supports some conservative ideas to promote opportunity but appears sympathetic to left-wing rhetoric on issues like higher education.

Civil Society:

Despite his rhetoric, Trump's history suggests a reluctance to engage in debates over protecting civil society from the imposition of left-wing values.

Limited Government:

Despite limited government rhetoric, he has supported a variety of big-government programs.

Favoritism:

Although his candidacy has exposed and undermined the corrupt Washington establishment's hold on power, his support of policies like eminent domain abuse is an example of favoritism.

National Security:

Has suggested he would project American strength abroad, but his unconventional foreign policy prescriptions raise more questions of significant consequence than they answer.



Trump supports some conservative ideas to promote opportunity but appears sympathetic to leftwing rhetoric on issues like higher education.

Mr. Trump appears to have developed some fluency with the most basic talking points about conservative education policy. He strongly opposes Common Core and believes that the funds currently administered by the Department of Education could be better spent if sent back to the states. He has also spoken in general terms about the need for school choice and the pernicious effects of teachers' union influence on local education.

But in areas where the talking points are less obvious, Mr. Trump veers far off script in ways that suggest he is not a conservative. For example, he has said previously that the federal government should not make money on student loans because so many students face crushing debt. This argument is frequently invoked by progressives such as Elizabeth Warren even though setting rates further below what the free market would bear would only exacerbate higher education inflation. Mr. Trump might do well to shift his focus on higher education to issues like accreditation reform, an area Mr. Trump should be quite familiar with given his experience running a for-profit unaccredited school that faced heavy regulatory scrutiny.

Though an issue with limited federal implications, Trump's <u>statement that</u> "collective bargaining doesn't bother me so much," suggests that he is unlikely to be a strong advocate for workers in states without right-to-work laws.

One area where Trump has <u>promoted</u> sound ideas is his support for embedding work requirements throughout the welfare system. He has also supported time-limiting benefits such as food stamps.

CIVIL SOCIETY

Despite his rhetoric, Trump's history suggests a reluctance to engage in debates over protecting civil society from the imposition of left-wing values.

Although Mr. Trump stresses the importance of a strong family – "the happiest people I see are the people that have great families," he says – he does not seem to recognize that an ever-expanding government that seeks to impose its values on society is threatening America's civic institutions. Of the Supreme Court's decision in *Obergefell v. Hodges*, which has undermined religious liberty by legitimizing discrimination against the religious for practicing their faith, he has said, "You have to go with it. The decision's been made, and that is the law of the land."

Mr. Trump says he is pro-life. However, in the past he has <u>described</u> himself as "very pro-choice" and opposed banning partial birth abortion. Mr. Trump <u>claims</u> that his current perspective is informed in part by personal experience with an individual who was almost aborted and went on to live a fulfilling life.

Given his lack of experience as a member of the pro-life movement, some of his rhetoric on Planned Parenthood has been

troubling. Regarding the effort to defund Planned Parenthood, Mr. Trump has said that while the organization's abortions should not receive taxpayer dollars, "I would look at the good aspects of [Planned Parenthood], and I would also look because I'm sure they do some things properly and good for women. I would look at that, and I would look at other aspects also, but we have to take care of women." This argument lends credence to the dubious suggestion by the left that the organization's abortion practices can be walled off from the other federally financed expenses on its balance sheet. However, Mr. Trump has more recently been clear in his support for defunding the organization, telling one interviewer, "Planned Parenthood should absolutely be defunded. I mean if you look at what's going on with that, it's terrible."



Despite Trump's limited government rhetoric, he has supported a variety of biggovernment programs.

Although today Mr. Trump opposes Obamacare and decries runaway spending, there is reason to doubt Mr. Trump's commitment to limited government principles.

Mr. Trump remains a vocal opponent, for example, of reforms to address the insolvency of federal entitlement programs like Social Security and Medicare, arguing that he will make the country "so rich" that entitlement reform will become a secondary issue. While Mr. Trump is correct that a pro-growth climate would reduce the stress on the nation's finances, his downplaying of the need for reform over the long term undermines the effort to build consensus for timely action on this issue. This position also represents a significant shift in the wrong direction for Mr. Trump, who once called for raising the retirement age for Social Security to 70.

Mr. Trump has in the past endorsed universal health care funded by higher corporate tax rates. Accounting for the change in his views over time, he has signaled that his current opposition to the concept is rooted not in principle but in changing circumstances. "As far as single payer," he explains, "it works in Canada. It works incredibly well in Scotland. It would have worked in a different age." Today, while Mr. Trump supports market-based reforms like opening up cross-state insurance purchasing, he also advocates a government-subsidized system whereby hospitals would "take care of people" without insurance, a system that, depending on the details, could prove costly and inefficient.

Additionally, Mr. Trump has spoken positively about some elements of the Obama Administration's agenda of government overreach, having <u>called</u> the wasteful 2009 stimulus package "what we need." He also <u>praised</u> the appointment of the activist former Obama EPA Administrator Lisa Jackson.

FAVORITISM

Although his candidacy has exposed and undermined the corrupt Washington establishment's hold on power, his support of policies like eminent domain abuse is an example of favoritism.

Mr. Trump has been outspoken against political elites who manipulate the system in Washington. As a well-connected businessman who understands how to take advantage of government policy to benefit his bottom line, he argues that he is well-positioned to address the problem of Washington cronyism. But despite these assurances, there is little reason based on his record or his current policy platform to believe that he would do much to rein in government favoritism.

In the past, Mr. Trump has supported efforts to boost growth through government intervention like the costly Bring Jobs Back to America Act, which would have tilted the scales of competition arbitrarily toward the manufacturing sector while empowering cronyists in the federal government to provide funds to the favored projects of well-connected special interests.

Such policies are in keeping with Mr. Trump's record of seeking personal gain at taxpayer expense. For example, he once attempted to convince lawmakers to allocate hundreds of millions of taxpayer dollars to move a highway to benefit the view of a property he owned. As has been widely documented, he frequently takes advantage of big-government policies like eminent domain and preferential tax treatment to benefit his enterprises. According to the *LA Times*, "In New York, Trump was the first developer to receive a public subsidy for commercial projects under programs initially reserved for improving slum neighborhoods."

That said, Mr. Trump has rejected the business community consensus in favor of special treatment for illegal immigrants. He has promised vigorous border enforcement measures including construction of a border wall, replacement of the Obama Administration's "catch and release" policy with swift deportation of criminal illegal immigrants, and national e-verify. Yet despite his reputation as a strong opponent of amnesty, he has expressed support some "path" to legalization for illegal immigrants, maintaining that illegal immigrants in the country should be allowed to stay based on some "merit system" and adopting the pro-amnesty talking point that these immigrants would otherwise be forced to live their lives "in the shadows." More recently, he suggested this system might require immigrants to leave the country before being allowed re-entry.



Trump has suggested that he would project American strength abroad, but his unconventional foreign policy prescriptions raise more questions of significant consequence than they answer.

Mr. Trump's foreign policy approach at this stage is best defined by a strong rhetorical posture and a far greater commitment to project American power than has been demonstrated by the Obama Administration. This would be an improvement, but it is difficult to assess what it would mean in practice given Mr. Trump's lack of experience on these issues.

Some of Mr. Trump's stated views raise complicated questions about their longterm implications for the United States and its allies. He has said, for example, that it is a mistake to attempt to defeat ISIS in Syria because ISIS and the Assad regime would otherwise naturally focus on fighting each other with the United States left to "pick up the remnants." Mr. Trump has not explained how he would maintain American leverage to influence the final outcome of such a conflict or how he would avoid ceding influence in the region to Russia, which has stepped up its presence in Syria in the face of the power vacuum left by the United States.

Mr. Trump, like a handful of other candidates, suggested earlier in the campaign that although he opposes the Obama Administration's Iran deal, he would allow it to stand and focus on aggressive enforcement of its terms rather than withdraw from it. "I'm really good," he explained, "at looking at a contract and finding things within a contract that, even if they're bad,

I would police that contract so tough that they don't have a chance." Subsequently he has <u>declared</u> that he would renegotiate the deal. It is unclear what terms Mr. Trump would pursue during such a renegotiation.

Mr. Trump has suggested that his approach to diplomacy would generate a new dynamic in adversarial relationships that have vexed past presidents. He has <u>said</u>, for example, "I think I would get along very well with Vladimir Putin." Mr. Trump's comments conjure memories of George W. Bush's now-infamous assertion that he "looked [Putin] in the eye" and "found him to be very straightforward and trustworthy. ... I was able to get a sense of his soul."

