



## **Ardavan Mobasher: Trump the deregulator? Au contraire.**

By Ardavan Mobasher  
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REPUBLICANS and their presidents have long been associated with deregulation and small government, if for no other reason than they both remain part of the platform of the party. History, and reality, though, have not been too kind to such generalizations.

In fact, this president didn't even campaign seriously on such promises. A populist from the moment he declared his candidacy, he even went so far as to say in an interview with Businessweek that: "Five, 10 years from now — different party. You're going to have a worker's party." Those are hardly the words of a candidate interested in leading a party claiming to be dedicated to reducing the role of government in the economy.

President Donald Trump, though, remains steadfast that he is committed to the platform. In a January speech at the World Economic Forum, he said: "I pledged to eliminate two unnecessary regulations for every one new regulation. We have succeeded beyond our highest expectations. Instead of two for one, we have cut 22 burdensome regulations for every one new rule." A month later at the Conservative Political Action Annual Conference, he said, "No president has ever cut so many regulations in their entire term ... as we have cut in less than a year."

A detailed review of executive orders and legislation passed since Trump's inauguration, however, reveals a far different story. A significant number of actions simply halted or unwound a series of Obama administration actions that were administrative and symbolic by design and primarily environmental in nature. Another set of actions provides bureaucratic relief from accumulating data and information for reporting purposes.

Deregulatory in theory? Yes. Economically impactful? Not in the least. And finally, a series of orders that actually do provide economic and operational relief target the ever-shrinking coal industry. Deregulatory in theory? Yes. Economically impactful? Barely.

On the other hand, Trump withdrew the United States from the Trans-Pacific Partnership during his first week in office. The agreement was going to reduce or eliminate tariffs on tens of thousands of America exports while easing the regulatory burdens of competing overseas. Regulatory in theory? Yes. Economically impactful? Of course.

This was later followed by increasing tariffs on Canadian lumber, South Korean washing machines and Chinese solar panels, among numerous others. A record number of foreign deals was reviewed by the Committee on Foreign Investment in the U.S., many of which were blocked. The free trade deal with South Korea was scaled back, tariffs on steel and aluminum have been introduced, a trade war with China seems imminent, a smaller, weaker NAFTA is the best hope at the moment, and significant

restrictions for technology related work visas are on the way. Regulatory in theory? Yes. Economically impactful? You bet.

The administration is also taking a heavy hand in approving domestic mergers and acquisitions, coercing American companies into relocating overseas jobs and operations, pushing them to back out of deals with Chinese firms, and planning for quasi-price controls on drugs. Regulatory in theory? Yes. Economically impactful? No doubt about it.

If on a net basis this is not meaningful expansion of federal government regulation, then quite frankly, I don't know what regulation is any more.

And what about the recently passed tax cuts which the president continues to tout as the largest in history? Aren't they deregulatory? Yes, but only if they are funded. Burdening a future generation with massive tax hikes or a huge debt load so the present generation can consume is not deregulation — it is passing the buck.

Still, popular beliefs and habits are tough to alter and align with the truth. However, whether Trump succeeds in turning the GOP into a “workers party” or merely convinces his electorate to finally admit that neither they nor the party is really interested in small government and genuine deregulation is secondary to the facts on the ground. The Trump administration is regulating the economy, and fast.

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