al Office

Guest: Jeff Deist

WOODS: This is the topic we obviously have to cover on the first episode of Jeff Deist Week. Everybody wants to know about it. Of course, people, to some extent, just want to know the sheer nuts and bolts of how somebody becomes Ron Paul's chief of staff, but there are a lot of stories, a lot of things to tell.

But I want to start with you, and I know you're one of these people — in fact, let me tell a little story most people don't know. Dr. Paul, one time maybe about 10, 12 years ago, was approached about doing an autobiography. And he would have gotten a huge advance for this. There was big demand for it. And he just couldn't believe that anybody, you know, gave a damn about any of the details of his life. He just could not believe that, and his heart wasn't in it, so he decided no, no thanks. So the money did matter. He just couldn't bring himself to think people cared. And I know you're kind of the same way, but doggone it, Jeff Deist, there are some details that I want to wring out of you that people do care about. If you don't want to give me too long of a story, I want to know how somebody — did you grow up in California?

DEIST: Mostly, yes.

WOODS: Okay. You start off in California, and you have a successful career in things having to do with the financial world, and then somehow you're Ron Paul's chief of staff, and somewhere along the line, you become an Austrolibertarian. This is not the normal career path for most people. So we are curious about what were you reading, who were your influences, how did you — because I didn't — I mean, I knew you existed, but we didn't have any mutual friends. But all of a sudden, you just came out of nowhere. Who the heck were you?

DEIST: Yeah, that's interesting. You know, I come from mostly a background of libertarianism. I never went through a phase otherwise. And that's mostly attributable to my father and to my older brother. So when I was a kid, in high school, junior high, my dad had some copies of books like *The Road to Serfdom* laying around. My older brother, Steve, was getting a 1980s version of *Reason* magazine in the mail. So I had some influences like that. And of course, I had some Ayn Rand books that came into my possession, which are very dog-eared, which I still have today. And my mom was probably not as thrilled about the Randian stuff, because she thought it would make me an atheist or at least incline me that way. And I probably did go through a little bit of an obnoxious objectivist, atheist phase, to be frank, in my, let's say, late teens, early 20s. But for me, my love was always literature. I thought I was going to be an English professor.

WOODS: Oh my gosh. Thank God we saved you from that.

DEIST: Yeah, that's really what motivated me, and I particularly liked 20th century British satire, Evelyn Waugh, Graham Greene, stuff like that. So my plan was, hey, I'm going to go become a university professor and teach literature and that sort of thing. And at this point, we start to get into the early 1990s, and I started to become aware that there was a PhD glut, especially in California. And so I was going to school in San Diego at the time, and I started to rethink my path. And I said, you know, the idea of being a professor appeals to me, but I have to be realistic, and I don't want to be poor, and yada, yada, yada.

So at that point, I thought about going to law school and ultimately did, and from my perspective, it sort of dovetailed with my personal interests, because I was already a budding libertarian and felt that, as a lawyer, I might be able to help defend people against the state, whether that would be criminal or, I think, regardless of whether the person is factually guilty of the acts they are alleged to have committed, that doesn't mean the state has any moral, ethical, legal right to prosecute them. And I ultimately went into tax simply because I felt like the taxpayer was always in the right. There was no such thing as a just tax. There's no such thing as lying on your taxes or cheating on your taxes, that sort of thing.

And so in the early 1990s, I had a good friend, Joe Becker, who was a graduate student at UNLV because Murray Rothbard and Hans Hoppe were teaching there at the time, and that was the reason he was there. So I was living in San Diego, and he would occasionally say, *Hey, come on up to Las Vegas. You've got to see this guy, Murray Rothbard, this professor*. So I said, *Okay, I'll come up*. And I drove up a few different times, and Rothbard's courses were always at night. He was very much a night owl, so he taught his graduate sessions at night. And afterwards, they would all go to a little place, not on the Strip by any stretch. This is way off-Strip. I think it was on Sahara Avenue, a little place called the Stakeout, which is a little sort of grimy video-poker burger joint. And I think it's still there, actually. And Murray would come and talk to his students, and Hoppe I think would sometimes come.

So I didn't really realize in those one or two times that I might have met Rothbard, that I did meet Rothbard — I didn't really realize what he was. I knew he was a libertarian professor, and I had heard the term Austrian economics, but I was still at that point very much in that sort of generic libertarian camp. I thought things like legalizing pot, that was still edgy back then. Taxpayer funded stadiums are bullsh**, you know, that was the sort of level of my libertarianism. And we still find this today; in other words, libertarians who aren't rooted in economics are generally bad libertarians. And so thankfully, I found out through my friend Joe about the Austrian school and started reading that heavier, denser stuff, which I'm now in retrospect glad to have read.

But as far as Ron goes, Dr. Paul, just a few years earlier, when he ran for President 1988, I was just getting into undergraduate, I guess. Second year in undergraduate maybe. And so I went and saw him. And back then, of course, you had to know that he was coming. He came to a little Ramada Inn in Santa Ana, California. I believe it's no longer Ramada Inn, but the building's still there. And so I think through my local libertarian group we had a newsletter or something, and I mean a physical newsletter. And I found out about him coming, and I went and saw him, and that's where I met a couple people with whom I would stay in touch over the years. And so I have, in a sense, known Ron for that long and then stayed in touch with him.

But my intention was very much just to be a lawyer, and I never imagined I would be doing anything else with my life. I got into mergers and acquisitions, which is a very particular area of tax law, all the stuff dealing with buying and selling companies, which as you can imagine, there's a lot of complex tax structuring and a lot of cross-border international elements to this stuff. And so it gets very complex. And as a result, especially from, well, a little bit in the '90s with Alan Greenspan and into the early 2000s and then especially with Bernanke up until the crash really of 2007, the M&A market really, really went crazy in the United States — well, actually worldwide, but especially in the United States. And so it was lucrative at the time. It was very easy to have a job. You got a lot of calls from recruiters. So strictly from that perspective, it was a good place to be.

And so it was really just a call from a friend of mine who worked for Ron later on that sort of convinced me to end up working for him in his congressional office, and then through Ron, meeting Lew Rockwell and ultimately coming to the Mises Institute. So all of that is kind of I guess a quick and dirty version of how I came to be sitting here where I am today in this room in the Mises Institute.

WOODS: Geez, there's a lot of stuff that I could riff on, but I want to pick out one in particular: your kind of offhand remark that people who are not rooted in economics tend to be bad libertarians. And you hear that, I think some people in the audience here, and you think that can't be right. Economics isn't for everybody. But there are very few exceptions to this rule, it turns out. It's very strange.

And I have a theory as to why it is, but when I think of people who are kind of squishy in their libertarianism or they're more interested in appearing chic than they are in being really principled, almost none of them are rooted in economics, because in economics, we're looking at private property and the division of labor and all these clear-cut thing. There's nothing mushy about it. There's nothing flighty about it. And it roots you in something. It's not that libertarianism is about alternative lifestyles. I mean, obviously, libertarianism says you can't use violence against people because you disagree with their lifestyle, but that's not what it fundamentally is. It's fundamentally nonaggression, peace, and all these other things that I think flow naturally from economics.

But also, I think about some of the people I have to deal with who are sniping at me from the sidelines, and almost none of them are End the Fed people. Almost none ever talk about the Fed. It's always the same three or four issues that won't get them in trouble with *The New York Times*. It's almost like they're embarrassed to talk about the Fed, because that will embarrass them in front of *The New York Times*, and mainstream respectability is what these people crave. I don't know., but I think there's something to what you said. Why do you think that is?

DEIST: Well, first of all, depending on how you view it, economics is everything. We're talking about human action, so that encompasses things like family and relationships and charity. And it's not just the economic marketplace, it's not just your job and your finances and your bank account and your stocks. It's everything. Human action encompasses everything we do. There's choice and scarcity and tradeoffs and incentives, and all of these concepts work their way throughout life.

But more importantly, I think unless you're rooted in economics, you tend to be malleable. You tend to sort of flail around and say, well, maybe Iraq, we should go in there because Saddam Hussein is such a bad guy. Well, no, there's no distinction between so-called foreign and domestic policy, for example. That's an irrational distinction. That doesn't make a lot of sense. I mean, the same sort of choices are involved in each, and there's force involved or potential force involved in each.

So this is why when we look at someone like Tulsi — whom I like, I think she's a natural person, and I really believe in, to an extent, trusting your instincts and your gut when someone seems like a good person, that even if they're wrong on certain policies, we should give them some rope. But nonetheless, when we say she's good on war, but she's bad on Obamacare or whatever, well, Obamacare is just war at home. It's just domestic violence, right? I mean, so I don't like that distinction, and I just feel like people who don't have a firm grip on econ tend to be flighty because everything comes down to sort of social issues, whatever that means, or cultural stuff or whatever. And that generally leads to bad results.

WOODS: All right, what I always want to know when I talk to people who worked in his office — and I did a Ron Paul Week early on in the history of the show. I did Norm Singleton, Steve Bierfeldt, and several other people who worked for him at one time or another, and I just wanted to get something of the texture of what it was like to be in his office. I wanted to get anecdotes, I wanted to know stories, because I think that's — not so much what bills did he vote no on, but what was it like to work in Ron Paul's office as compared to, you know, the office of Congressman Schmo down the hall? So what can you share with us maybe that people haven't heard before?

DEIST: It's so funny, because he's such a nice guy. He really is. What you see is what you get. There's no different Ron behind the scenes or something. And most members of Congress are

really laughably mediocre in terms of what they've done in their lives, and they're mostly just self-important. It's unbelievable. Even the staffers, some of them become self-important. I mean, they say DC is Hollywood for ugly people. You know, it really is Hollywood in the sense that there's status and there's hierarchy and that you're the chairman of such-and-such, and that's higher than someone who's just a ranking member of such-and-such. So that stuff is just endless.

And of course, Ron had no interest in any of that. He came from being a medical doctor. He'd never run for office or held office before he was in Congress in the 1970s. And so most members of Congress, they've gone to Tuesday evening zoning meetings in their county for five years, and then become a state rep, and then ultimately had gotten their name out there and run for Congress. So they tend to be sort of the Tracy Flicks, for people who have seen the movie *Election*, which is a great movie, which I recommend. So they're the Tracy Flicks of the world, and Ron was nothing like that. And, you know, just a very nice, warm guy, and Carol would come up to the office, and his personality and demeanor is very unlike Rand. He is very, very sort of salt-of-the-earth in his approach.

And there's so many times I remember things that just stick out to me. 2012, I guess, during the second presidential campaign — and I didn't work on his campaigns. I worked in his congressional office, two very separate things. But nonetheless, there was a CNN debate, and it was held at the Constitution Town Hall, which is run by the Daughters of the American Revolution, and it's a very nice venue there in DC. And so Ron was in town for votes and was going to attend this Republican primary debate. And of course, Mitt Romney was still riding high at this point as the front runner in that primary. And Wolf Blitzer happened to be the host. And so this was going to be a big debate.

And I'm sure that Mitt Romney arrived several days in advance, and checked into some giant hotel suite with about 20 handlers, and sat there in front of a mirror testing out different phrases, and figuring out which necktie he was going to wear, and how much Brylcreem to put in his hair or whatever. And contrast this with Ron. We're still in the office, and about four o'clock he says, *Well, I'm going to run home to my condo and then we'll come back over. Why don't you come with me?* Of course, Ron's just wearing his same old sort of inexpensive suit that doesn't fit quite right and whatever tie. He doesn't worry about these sort of things. And we go over to his condo in Northern Virginia, which is very modest. I mean, it was a ‘70s condo that he'd bought the first time around in Congress.

And he's just in there, heating up some Campbell's soup or something, and this is about an hour before this debate starts. He just wasn't worried about it, because he felt like whatever they asked him, he would have to answer it, and he wasn't going to particularly worry about what he was going to say, and that his answer would be the same whether that was a CNN audience or a constituent in his office or speaking in front of some prisoners or speaking in front of a church group. It just didn't matter. And so that just struck me. And then, of course, just the two of us went over to the debate and it was no big deal, and he did his usual style. So I really enjoyed things like that.

And the idea that he I think suffered somewhat is interesting. Professionally, he had to give up being a medical doctor. He ultimately sold the building he owned for his medical practice. I think he made less money, certainly, being a member of Congress than he did being a medical doctor.

Just the idea that he held onto family with such a firm grip and that meant so much to him, and just the idea of being a kind person and being loyal. I mean, we see this. This is just so rife throughout the libertarian world, just these sort of sleazy people who aren't very accomplished, who are very disloyal. Lots of things matter far more than whether someone's a libertarian or whether someone changes from being a libertarian or whatever. I mean, just personal relationships are infinitely more important.

And I think Ron has really driven that point home in his personal life. He probably won't listen to this, and I won't embarrass him, but the fact that his eldest daughter, Lori, has had some cancer scares over the last few years has just absolutely racked him and Carol. It's been something that's so, so tough for them, because they have five kids, something like 17 grandkids, a bunch of great-grandkids, maybe 19 great-grandkids, a bunch of great-grandkids and counting. So really sort of an all-American family. Three of his five kids are medical doctors, and all five of his kids he made sure got through college with no debt. It's just a really remarkable story of a man who delivered so many babies, 4,000 babies. This is quite a remarkable life.

And it's probably too bad he didn't take someone up on that idea of doing a biography. I think it would have been interesting. I mean, if we're interested in Ross Perot's life or if we're interested in anyone else's life, surely Ron's — Ron's is an American story, and I think in many ways, that sort of down-home, aw-shucks, country-doctor thing A) was genuine, and his plainspokenness served him very well in Congress. You know, Carol's cookbook, that sort of thing, it wasn't jaundiced, it wasn't calculated. It was very natural, and I think people responded to that. I think people responded to the way he answered very plainly in debates without a lot of awful political speak.

And you take all that, and I think in a sense, that's why he was disliked by the DC libertarians, is because of that naturalness to him. He's sort of a natural person, and as completely nonjudgmental he is in his personal life towards others, he actually lived, I suppose, a conservative lifestyle, if you consider a married family guy with kids and pretty healthy and not much of a drinker or smoker and all that sort of thing. So it's interesting that a guy who was such a non-politician was actually a good, natural politician. I think Lew Rockwell has pointed this out. It all served him well. And some things can't be faked. I think that's what we have to take away from the Ron Paul years, is some things can't be faked.

WOODS: Here's what I want to know about your time in his office. He has a very even temperament from what I can see. And he has said, when people have asked him *How have you managed not to be profoundly disappointed and depressed in your career in Congress?* his response always is, "I have very low expectations." And we all chuckle at that, but it's a genuine, legitimate question. And so I'm kind of curious about him being angry, something that actually made him angry.

And I'm going to take just a second just to mention a little story. I don't think he'd mind me telling this, because this is eight or nine years ago now. It's water under the bridge. It was a quick thing and it passed. But I have the distinction, I think it's a rare distinction, of being a person that Ron Paul was genuinely angry at. Like he got on the phone and just lit into me. And I think not many people have had this experience, and I never want to have it again [laughing]. I'll just say that. But as I look back on it, I was 100% in the wrong. I really was. But I was so taken aback, because I couldn't believe this was happening.

So what I want to know is — and of course, people are dying to know what did I do. Well, I'll tell you, Jeff, but I'm not telling them. What I want to know is, was there ever anything that, despite his low expectations, he just got in the office and he slammed his keys down and said, "Son of a" — you know — "I can't believe this happened." Did you ever see that?

DEIST: Yeah, not really. I will say that he hates to wait. He's a nervous, impatient person. He walks fast. He wants to get onto the next thing, and he really hates to wait if somebody's scheduled a call or an interview or something like that with him. But I think it just comes from his years of being an OB. I mean, you are going from patient to patient, and sometimes those babies came in the middle of the night. You know, there were many, many times he drove on back country roads in the dark in South Texas at three in the morning to some regional hospital, because there weren't too many OBs around. So I think just being a doctor and having a really busy day.

This is not a guy who slows down. I mean, he is in absolutely remarkable shape, turning 85 next year. Other than double-knee replacement, which in typical Ron Paul fashion, he had both knees done at once over a December Christmas recess one time in the early 2000s. You know, stairs used to give him a little trouble before the knee replacements. This is just a guy — you know, some people are just wired that way. Just kind of has always been a thinner-framed guy and high energy and just ready to go. And so I've ever seen him *angry* angry, but I've certainly seen him impatient, not a guy who likes to wait. But I do want to know what the hell you did, Tom, because —

WOODS: Oh, I'm going to tell you as soon as we finish, and now, this will be one of these things that in my Supporting Listeners group, you'll have to be at the super-deluxe, like plutonium level of the Supporting Listeners group for me to disclose what it was. That'll be one of the benefits that you get. I also want to know, was there anybody else in Congress with whose office you were able to work somewhat cordially so that it wasn't entirely just enemy territory?

DEIST: Oh, sure. Jimmy Duncan from Tennessee —

WOODS: Who, by the way, has been a guest on *The Tom Woods Show* a couple of times.

DEIST: Yeah. He has the area where UT is. I can't remember, I guess that's Knoxville, Tennessee. And so his father held that seat before him, and so that used to be several counties surrounding Knoxville, and then as the population grew, the district shrunk to be I think mostly the city. So he was obviously great guy. And the late Walter Jones, who was just an absolute sweetheart of a man, also a very kind, genuine guy, kind of more in the Pat Buchanan, protectionist mode, but ultimately came around to be a very strong noninterventionist with regard to foreign policy. So I would say Walter Jones from North Carolina was our closest ally on the Hill.

And Ron had lots of personal friends. People in Congress generally liked him, because I think they didn't see him as competition for their committee assignments or for the limelight or for moving up into that next higher assistant whip position or whatever it might be, because Ron didn't care. So he had plenty of friends. It was cordial.

And to an extent, w, they left us alone. Lobbyists left us alone, and leadership left Ron alone a lot more than most offices. Most offices, you'd be getting a lot of pressure to vote a certain way when, let's say, a procedural vote was close or an amendment to an appropriations bill was going to be close. Whereas we had the luxury mostly a being left alone, because they just figured Ron was going to be Ron. But even amongst the Texas delegation, he was well liked. And of course, they flew back and forth to Houston a lot together so they got to know each other on the flights. Now, I'm not sure that he and Sheila Jackson Lee ever became bosom buddies, but certainly some of the Democrats in the caucus that he flew with a lot. So it wasn't like it was an acrimonious or combative atmosphere. It was just a stupid atmosphere. It's not like *House of Cards* with Kevin Spacey. People want to think it is and it really isn't. It's just a bunch of self-important dullards.

WOODS: [laughing]

DEIST: I mean, there are smart people in Congress. Don't get me wrong. And let me say something controversial: there might be an argument — obviously, I don't think we need a government, but there might be an argument for paying people 500 grand or 700 grand for serving in Congress, so then you'd actually get some higher quality people who are maybe retired from a serious career, or people who could still be earning that kind of money but actually choose to come to DC. Now, don't get me wrong. I don't want to make government more efficient. I don't want to run it more like a business, but you know what I mean. In other words, to just get a higher caliber people. Because I'm trying to remember, I believe it's $175,000 a year currently, and for most of them, that's the most they ever made. So that shows you that, you know, these are not high-achieving people, for the most part. And look,

there's plenty of millionaires in Congress. I mean, Nancy Pelosi probably makes more than 175 in interest in a month from her husband's fortune. But by and large, these are not impressive people, so it's not so much that it's combative.

But of course, it's gotten way worse since Ron Paul left at the end of 2012, because really, the rise of social media. And that's what shocks me sometimes. Like I'll see a staffer, I'll see, let's say, a chief of staff to a senator or a committee staffer tweeting acrimonious things about a member of Congress or a senator, and that is definitely a change. I mean, it would never have dawned on any of us as staffers to criticize another member or senator publicly or to do anything that would ever get Ron in trouble. I mean, your first rule as a staffer is do no harm. So the environment has really changed. And now, of course, you have impeachment, you have people like AOC, so I can't even imagine — I think we're moving in leap years now. I can't imagine what it's like on the Hill now, but it's a new era.

WOODS: Well, in a way, it's kind of comparable to thinking back to, let's say, when you and I were in college. And you know, things were rough, then but you could navigate it if you had to. But today, I'm sure, again, just as with politics, it's like night and day. I wouldn't touch it with a ten-foot pole. It would just be a nightmare to be there. And I think it's the same cultural phenomenon in both case.

There's so many more things I want to ask, but I want to respect your time given that we're doing five episodes. But I guess as we wrap up for today, can you just give me your elevator pitch for why it's wrong for people to say, oh, Ron Paul didn't matter because, look, he didn't get bills passed the way Rick Santorum did, or something like that?

DEIST: Yeah, not too many people get bills passed, and I'm not sure we need any more laws in this country [laughing].

WOODS: Yeah.

DEIST: He always saw it as an educational thing, no question about it. And he always saw it as a way to inspire people. And look, it's a lot like his family. It's a pyramid, right? Ron and Carol Paul created five people. Those people go out and create 17. And I think we have to view it that way, as well. Because this isn't a majority game. Libertarianism is not something where we want to get 51% of the electorate or the population or the voters or anything else. It's where we want a vanguard, and 10 or 15%, maybe even 5%, of any society can often make huge, sweeping changes while everybody else is kind of sitting there on a log. So I think that he brought libertarianism to the fore in a way that we really haven't been able to get back to since. So for that reason alone I think we owe him a debt of gratitude.

And also, what people don't understand, Tom — I'll finish with this is — they think, oh, it was great. Ron had his time in the sun, and he could go to the UC Berkeley campus and have 5,000 kids, and he could go to the Brigham Young campus and have 5,000 kids, and give the same talk to both, and isn't this nice, that here's this kind of older gentleman who's very soft spoken and is having this moment in the 2008 and 2012 elections to get his message out there? And yes, it didn't amount to huge electoral success — although I do think that there were hijinks in Iowa. I think he might have won Iowa actually. But you know, in New Hampshire and elsewhere, he didn't win. But nonetheless, it was a big moment for him.

But what they don't understand, what fans of Ron Paul don't understand is all the decades he spent in the wilderness. I mean, he had been poorly treated by everybody, by the party apparatus, by the leadership, by the media. I mean, you go back to the 1970s and '80s. He was working very hard to develop contacts in the sound money end of things and the precious metals industries. He was flying around — in the 1988 campaign when he ran as the LP nominee for president, I mean, he was flying terrible Southwest flights, and he was arriving in these towns alone, and hopefully the local LP guy would pick him up in his junky old car and show up on time, and then he'd go to some really budget hotel, and then go to speak to a

group of 15 or 20 people at a Denny's. There were a lot of years in the wilderness before he ever became the Ron Paul that we know.

So obviously, I'm exceedingly biased. I've known him for a long, long time. I consider him a friend. So if people don't like Ron Paul, that's fine. They shouldn't listen to me. But he has put a lot of blood, sweat, and tears into this over the years, and I think that we owe him for that.

WOODS: Yeah, I think simple gratitude is in such short supply in so much of the libertarian movement. Simple gratitude. You know, I may not agree with this or that strategic decision, or I don't agree with that particular policy you have, but gee, you sure have worked hard. You can't get that out of these people. Just simple common courtesy, you can't get out a lot of these people, which is why I agree with your point, that sometimes when all is said and done at the end of your life, were you a good person? Do you just have the basic qualities that go into making up a good person, should be reckoned maybe even higher than whether you wrote three essays on the nonaggression principle. But anyway, all right, we've got some great juicy topics to cover later this week, so Jeff, we're going to call it quits for today and resume tomorrow. Thanks so much.

DEIST: All right, thank you, Tom.