Ron Paul's Chief of Staff
Guest: Jeff Deist
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WOODS: I want to talk about the time you spent as Ron Paul's chief of staff. I can't imagine that could be dull. So first of all, what was that like, and how would you compare it to what the likely experience of other politicians' chiefs of staff would be?

DEIST: It was amazing, and in part simply because over time Ron had risen up to become such a national figure that the political class in D.C. had to start to begin to give him grudging respect. Because if there's one thing that they respect, it's fundraising ability. So as much as they might disagree with Ron, these poor congressmen were all plagued in their home districts by people coming up to them and going, oh, I'm a huge Ron Paul fan, or can you get me Ron Paul's autograph? Or can you vote more like Ron Paul? They all hate it. And one of my favorite, favorite parts of the job was, again, in D.C. there's this ludicrous hierarchy of absolute, absolutely unaccomplished nobodies sort of strutting, feeling their oats, and so there is this unspoken rule among chiefs of staff or members of Congress that when they want something, they reach out to the other member's chief of staff. In other words, you can't just talk to the receptionist or something. Absolutely pathetic. So I would sometimes get these calls or emails from other chiefs of staff shyly saying, hey, I've got some Ron Paul books. Can you get them signed for me? Or stuff that their constituents had requested.

WOODS: Funny. (laughs)

DEIST: Yeah, it was funny, and the other thing I always loved was when these—oftentimes members of Congress themselves or their lowlife political operatives would come to me as a channel seeking Ron's endorsement for their candidate. I would always ask very innocently or innocuously, "I am just curious: did he or she endorse Ron against Romney and the others?" Of course, I knew the answer was an abject, resounding, no. But yeah, so we stuck it to them, but Tom, what people need to understand is if you go back to the '70s, when Ron first decided to run for Congress and got in there, and then late in the '80s ended up running for the Libertarian Party presidential nomination, he was flying around on horrible Southwest flights, and he was talking to 30 or 40 people in some back room at a Denny's restaurant somewhere, and there

was no way to coordinate all this via email and websites and Twitter and social media. He was in the wilderness. He was all alone.

Okay, so now you fast forward 30 years, and he goes to Berkeley. He goes to Utah. Wherever he goes, he's treated like a rock star. People have to understand that there were years and years in the wilderness, and the degree to which he was treated shabbily by folks in Washington and by the Republican Party. He is finally getting, in my view, what he deserves, which is admiration and adulation, because he carried the banner of liberty for so many years and was just mocked and derided and belittled for it. So young people today, especially the millennials, college kids, they see him as a star, but what they don't see is all the years that he had to work and be away from his family and be away from his wife and be away from his medical practice and give up income he could have made as a physician. So God bless him. I certainly love the guy, but I am a little biased, to put it mildly.

WOODS: To me that's what made him a star, were all those years, those thankless years, pouring in all that energy, doing everything he could and not caring, frankly, if people listened or not. That's not his concern. He has no control over that. What he does have control of is how hard he fights, and he fought, and fought, and fought. And I tend to think, and maybe I am being unfair here, Jeff, but I tend to think that some of his more, I don't know, pygmy detractors—if they were in a similar situation, where year after year they got no recognition—when all these people in the libertarian world who attack him, thrive on attention—could you imagine them year after year getting no attention? Could you imagine them sticking to their guns and not compromising? To the contrary, they would all be rationalizing in their minds why it's okay to co-sponsor Santorum's bill in the Senate if they were working for senators or whatever. They would all have some reason that being part of the machine was probably the best thing for liberty. They would have all rationalized their absorption into the machine years earlier. And he didn't. I can't even be absolutely confident that in that situation I would have held out. Maybe I would have had some way of having mental reservations that it's okay to be part of the machine just this once, and he resolutely refused to do it year after year.

Now let me talk about what life was like in his office. Now, he's got—the people I know, or three of the people I know and really respect from his office—were Paul-Martin Foss doing monetary policy. Talk about—I don't want to say that he was superfluous, but that's the only congressional office I could think of that the candidate could probably have gotten away without one, because he knew the stuff. But Paul-Martin did fantastic research. Then you've got Daniel McAdams—civil liberties, defense policy, etc. And then Norm Singleton—just overall legislation. What a dream team he had. What was it like working in there?

DEIST: Yeah, well, Norm really deserves a lot of credit. He's been in this and been behind Ron for decades, and Norman is really one of those unsung heroes of Washington, a stalwart, stand-up guy, and also beloved, really, in his own way. But it was so interesting working there because during the time when Ron chaired the domestic monetary policy subcommittee, I thought some of those hearings that he had were epic.

WOODS: Oh, absolutely!

DEIST: He had this ability to have these incredible guests as witnesses, and then, of course, a couple of chances every year to speak directly to Greenspan, previously, but then Bernanke. A lot of that stuff, thanks to YouTube, will go down in history. If nothing else, he was sort of laying down historical markers as we went along, and you got to think back. We got serious calamities from a monetary policy perspective and from a financial perspective during Ron's tenure. We had the tech stock collapse in the early 2000s. We had the Enron accounting scandal issue. We had the housing collapse. We had a disastrous war in Iraq and all the deficit spending it entailed. So these were all bad things, and I think it's very important—people discount this—how important it was that Ron was there making the case for posterity, to say, look, these are the grave errors, the grave sins of our time, because if we just sort of keep repeating the mealy-mouthed stuff about monetary policy that both the demand-side Keynesians believe and the supply-siders, the Chicago—the monetarists—believe, then it's awfully hard for future generations to do it better and to understand what went wrong. Certainly, there's a whole generation of young people out there who not only were introduced to, let's say, Rothbard because of Ron, but were also introduced to monetary policy generally because of Ron. And you've got to remember, monetary policy was considered this boring, wonkish, backburner issue that wasn't really political and that egghead economists would sort of—even amongst economists it was considered sort of a dull niche. So for Ron to bring monetary policy to the floor and to put it in the news and put it in the lexicon of average folks who read *End the Fed*, or whatever, that is an enormous service to America, in my view.

WOODS: Jeff, I have thought the same thing about those hearings—that libertarians, for instance, in the future will look back on those hearings almost with disbelief: I can't believe there was a congressman who invited Jim Grant and Joe Salerno, for example, to come in and talk about this stuff! Or who invited Jeff Herbener. Professor Herbener comes in and gives a systematic, step-by-step overview of why it is that government should be out of the money business entirely, and it should be left to the market. Talk about pearls before swine. But fantastic! Astonishing to me that this occurred.

What about day-to-day life in the office? What kinds of stories do you recall that you find most endearing and most characteristic of Ron when you look back?

DEIST: Well, just the fact that he was so accessible. We had thousands upon thousands of just drop-by visitors. People would be walking down the hall—and I hate to say this, but people actually spend their time, their vacation time and their hard-earned money, and they bring their kids to Washington. But people would just be walking down the hall, and they would say, "Oh, Ron Paul!" And they would just come in, and of course, Ron would be in his office, we'd let them in, and half the time Carol would be in there working on a cross-stitch piece or something, and he was just as natural, and as friendly, and as Texas as you can get, and Ron is such a sweet and genuine person. I also remember being privileged to meet so many incredible people just by virtue of working for Ron. I got to meet people like Peter Schiff and Jim Grant, and Pat

Buchanan, you name it—just the people who would come into our office over the years, and just the hilarious, anecdotal stuff. A female member of the Financial Services Committee—which used to be called the Banking Committee, when we actually used language in this country accurately—this woman on the Financial Services Committee came up to Ron after a hearing one time. I won't name her name, but she's an abject moron. She said, "I don't understand. Do you mean that we don't have a gold standard?"

WOODS: (laughs) I remember. I heard this!

DEIST: And people have this delusion that members of Congress sit on a particular committee because they have some expertise in the underlying subject matter for that committee, and it is preposterously not true. You sit on a committee because a committee is better or worse, and you've raised more or less money for the party, and becoming the chair of a committee, that basically means you've given at least $500,000 to the National Republican Congressional Committee, and you do that by having a gerrymandered district where you're very safe, and so you never have to spend any of your campaign cash on your own election. And so you continue raising lots of money, but you just give it all to the National Committee, so it's this sort of catch—it's the opposite of a catch-22. In other words, you have lots of money as a member of Congress, so you give it to the committee. The committee gives you a chairmanship, so then you have lots of power, so since you have lots of power, special interests give you more money because you can affect legislation. So it's this incredible spiral that occurs. Of course, Ron was completely outside of all that. It was so fun because we just—

WOODS: What special interest is going to give him money sitting on the subcommittee he sat on when he's saying the opposite of what the whole special interest connected to that subcommittee would want him to say?

DEIST: Nah, they never bothered us, and what was so great was that all the other members of Congress had to go across the street like little schoolboys, dutifully go to the NRCC, the National Republican Congressional Committee, which is right across the street, and they would have to get lectured. There's sort of a whiteboard in there, almost like used car salesmen tallying up their sales. There's a whiteboard in there, and everyone can see who's behind on their dues and their fundraising, and so they go over there and they get lectured and scolded about how they need to raise more money. They have phones over there, because you're not allowed to make fundraising calls from the halls of Congress, and they'd get on the phone and make their calls. Ron never had to do this. So yeah, we never had to sweat a vote because we always knew how Ron was going to vote, and in other offices, of course, staffers worry about their bosses ever voting differently from leadership because they are concerned about their jobs and their upward mobility.

WOODS: Jeff, Ron seems stoic and unflappable in the face of, well, unpleasant events. Even when it looks as if everything is lost and the country is in the toilet, he just fights on and he

doesn't seem to give in to despair. But he is a human being, after all. Was there ever a time that you can recall in the office when he just seemed dejected and frustrated?

DEIST: Well, he's got such a friendly, outgoing disposition. I think it served him well as an OB/GYN in terms of bedside manner. I never really—I certainly saw him get physically tired, to where just the flights and the campaigning and everything, and I certainly saw him get frustrated by the demands on his schedule, because what he really loves is taking his boat out on the San Bernard River out to the Gulf of Mexico, and what he really loves is sort of fussing with his tomatoes in his garden or riding his bicycle. So I certainly saw the drain on his energy, and I saw the impact on his life and his free time that he could have been spending with his family, but he never wavered. He believes that this is worthwhile, and he also believes, I think, just because his Austrian outlook makes it such that because the current system cannot continue that it will not continue, and as a result, I think, he just has an underlying optimism. It's kind of a mixture of country doctor but also his Protestant Pittsburgh roots, where his dad was a dairy farmer, and young Ron ran around helping to deliver the bottles from the wagon as a young boy. And I think there was just something in him from the get-go that was just an innate, reflexive, cheerful libertarian. That's the best explanation I can give you.

WOODS: Well, one last thing about Ron. I always wondered about this. I never got to see him on a daily basis, so I wouldn't know, but it's a double-edged sword in a sense, the popularity that he enjoyed. Now, the one edge of the sword is more significant than the other, but the other edge is that now you're going to get attacked a heck of a lot more than you used to be when you were more obscure. And some of the attacks that he had to endure were really, really horrifyingly evil. Did that ever seem to wear on him?

DEIST: Well, it made him sad, but they *were* horrifyingly evil, and I think in large part it's because he'd threatened certain interests, especially foreign policy interests, which is, of course, related to defense contracting itself. And apart from the financial interest, there's a huge segment of the American population that is psychologically wedded to the notion that American foreign policy is benign and that the American military is an unquestionable force for good and that all the wars we've ever fought have been moral and good. And there's just something about that that hits people in the gut in a way that makes them react viciously and makes them react emotionally. So yeah, Ron is not the kind of guy who ever threw sharp elbows, but he certainly was on the receiving end of a lot of them.

WOODS: Jeff, let's talk about the Mises Institute. What do you see as the role of the Mises Institute?

DEIST: Well, it's really the same role as Ron's campaign for president. First and foremost we're educational, but beyond that, I want people to see the institute as their intellectual home. Let's face it, some of the underpinnings and the foundations of Austrian economics, and libertarianism more generally, are not easy reads. They are not sound bites. They are not things that necessarily just lend themselves to quick digestion via social media. Sometime you have to

really roll up your sleeves and dig in and read through a difficult book or to really understand and to be a good debater and a good arguer and a good advocate for liberty. So certain people are not—you're not going to necessarily visit our website or view our scholars the same way you're going to consume social media for instance. I want us to be more of an incubator, more of a touchstone—just like Stanford and MIT incubate entrepreneurs in the tech world, I want to incubate, especially young people, but not only. Lots of people come to Mises at a much later age. I want to be a place where people go for their really foundational work of the Austrian School and of libertarianism, and then they go out and apply that in their lives in any kind of way, whether that's their personal life, whether that's their business life, whether that's their public life. So I want us to always be the North Star, always be here, always be the place where people can hang their hat and say, hey, at the end of the day that's my intellectual home, and Mises is where I go to find out the truth, the unvarnished, unbridled truth, but also to access a whole panoply of libertarian scholarship, and mostly for free. Basically, you can spend a lifetime reading free PDFs and e-books on our website.

WOODS: Absolutely! I have said that to people. If you want to be a recluse, here's something that you can spend your time doing for an awfully long time. What do you see in the Institute's future? What are your plans?

DEIST: Well, we're constantly looking for new ways to bring the message to people. I categorically reject the idea that technology changes everything. No, it doesn't. There's no new economics. There's no third way. No matter what technology does, there's the essential choice between laissez-faire and statism. In other words, we can organize a society and deal with each other via political means or via economic means. So that's never going to change. That's why I am a little suspicious of people who say, now, because of technology, we're going to be free. The technological advances of the last 30 years are staggering, and they make it possible for us to communicate, especially across borders, instantaneously, and that's a tremendous good, and that's a tremendously beneficial thing to the libertarian movement. But you'd be crazy to say we're freer than we were 30 years ago in terms of the growth of states. That's preposterously untrue. We're less free than we were 30 years ago. We're far less free than we were 100 years ago.

So we can't view technology as a panacea. We have to use technology to spread the message of Austrianism in ways we never could before. So that's really the future. The future is treating the Austrian movement as a global movement rather than necessarily a Western or American-centric movement. I think the appetite for what we're doing in the Middle East and Asia is huge, and I think we're going to see that in the next 10 years. I think we're going to start to have Mises Circle events in places like Dubai, in places like Singapore, and I think as the fiat disaster of central banks unravels around the world, we're going to see more and more interest in real money. I think that, more than anything else, more than methodology, I think the issue of money as a commodity, the Austrian perspective on money and central banking is what sets us apart from all the neoclassical schools. It sets us apart more than any other aspect of

Austrian economics. And I think that is where, you know, we're going to see over the next 10, 20 years, that the Austrian school prevails. And that doesn't necessarily make me happy. I certainly don't want anyone out there suffering financially because of it. But we know that the fiat models of the ECB and the U.S. Fed can't continue. And I think that's really where the Austrian School and the Mises Institute are going to make huge strides, because we're going to finally see the endgame for the U.S. dollar, the endgame for the euro, and something new is going to rise in its stead. Is it going to be gold and silver or a private cryptocurrency, or is it going to be some monstrous invention of the IMF or the World Bank? So that's coming, and it's coming sooner than we think.

WOODS: Jeff, I tell every audience that will listen that the Mises Institute played an absolutely fundamental role in my own intellectual development. It played a tremendously important role in my own life, and there wouldn't have been a *Meltdown*, well, there probably would have been a meltdown, I am talking about my book. There wouldn't have been a book called *Meltdown* in 2009, giving an Austrian overview of the financial crisis, if I hadn't had the training I got from the Mises Institute. There's just no question about that. My life would have taken a completely different path if it hadn't been for the Mises Institute. What you guys are doing really does change people's lives, and it really does affect the national conversation, so to speak, for the better. And when you are a lone truth-teller you are going to be besieged from all sides—from your obvious enemies, yes, but from people who aren't quite as sound as you are. If there's one thing people like that can't stand, it's somebody who holds aloft the pure banner as you guys do, and you guys, just like Ron Paul, you let those slings and arrows go right past you, and you just carry on with your work. It's very, very important what you're doing, and I am very grateful for your time today. Best of luck, and I look forward to seeing you this summer.