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Biden is selling his economic policy to the wrong crowd

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President **Joe Biden** wants to forge a new global consensus on the importance of industrial policy – large-scale subsidies for domestic manufacturing.

The intent was **made clear** by Biden’s national security adviser Jake Sullivan in the run-up to **the G20** meeting in New Delhi. In August, he told reporters that the administration was “seeking to enhance its value proposition” to developing nations “through investments in the kinds of things that these countries are looking for” – namely infrastructure and clean energy.

It's an ironic episode for the countries of the developing world, represented in force at last week's conference. For over a generation, many have been denied the right to subsidise domestic manufacturing by none other than the 'Washington Consensus' – the American-led global crusade to ensure free markets and tariff liberalisation.

But the President might be getting ahead of himself. It's American citizens that still need convincing about the virtues of industrial policy – not the G20. He and his colleagues spent the summer touring the country promoting "Bidenomics" – a series of bills designed to promote domestic investment in bridges, semiconductors, electric vehicles and much else. "Trickle down" is out, Biden recently declared. "Middle out, bottom up" is in.

On the surface, it seems like a smart strategy. Biden wants to convince America that he's getting done what **Trump** couldn't. In the post-industrial mid-west – in states like Ohio – global economic liberalism isn't so popular. Democratic politicians such as former congressman Tim Ryan and former governor Sherrod Brown clung on here by emphasising local jobs and decrying free trade.

Except it's not remotely clear how American citizens are responding to "Bidenomics". It may well be that voters aren't as grateful to Biden as he hopes.

For starters, voters aren't necessarily giving Biden the credit despite federal funds contributing to **thousands of projects** across America. In Ohio, for instance, Republican governor Mike DeWine has fronted promotions for Intel's new semiconductor complex, Ohio One, despite \$20bn in subsidy from the CHIPS and Science Act.

"Biden is looking to co-opt a Republican sentiment", says Mike DeWine's Lieutenant, John Husted. "But it's important to note that both parties can claim a stake in it."

Second – and more importantly – American pollsters are in the dark on whether voters care about industrial policy at all.

I asked local Democrats in Pennsylvania about local polling on Bidenomics. They say federal subsidies for infrastructure are working wonders. Neither when pressed could point to any data on what voters thought about it, though. "We've never been asked that particular question", says a Pittsburgh official.

Even in Licking County, Ohio – home to Intel's mammoth new chip factory – voters seem despondent. Biden toured the county before the mid-terms last year, declaring "**the industrial mid-west is back**". But a local election official, who lives five miles from the site, is less enthusiastic. "You need to think about what happens when property investments go really high. Property taxes are going to go up," says Brian Mead, who lives five miles from the Ohio One site. "Some hardship stories will come out here in the next few years."

It's hardly a comprehensive poll. But you would expect a better local response from Ohio One – the state's largest ever private investment, and one secured because of legislation pioneered by this White House.

It indicates what *Washington Post* columnist Catherine Rampell **has called** 'the real problem with Bidenomics': industrial policy's fixation on a sector with little relevance to ordinary Americans' lives. Professional pollsters, **such as FiveThirtyEight**, point out that Biden's economic approval ratings have flatlined (but, again, no one is asking voters *specifically* about their views on industrial policy).

The Democrats aren't fools. Another Pennsylvania senator put it well: "ordinary folks are not looking at statistics, they're noticing what's happening in their daily lives – gas prices, grocery prices." With a year until polling day, the party still has time to improve its economic record with voters.

But with so much committed to 'Bidenomics' at this point, the administration seems out of touch with what ordinary voters want from economic policy.

The developing world, saddled with high debt burdens and urban poverty, will be eager for American support for job-boosting industrial subsidies. But the G20 hardly needed convincing. It's his own voters that Biden still needs to persuade.

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