Tuesday, July 30, 2024 / Why we’re all populists now

[HALF SECOND OF SILENCE]

[BILLBOARD]

SCORING <Slow Down Seahorse – BMC>

NOEL KING (host): Donald Trump would probably rather be doing anything other than defending his would-be veep, as he had to do last night:

*<CLIP> LAURA INGRAHAM, FOX NEWS: What can you say to our viewers tonight to reassure them that this was an excellent pick?*

*FORMER PRESIDENT DONALD TRUMP: He’s not against anything, but he loves family. It’s very important to him <fade>*

NOEL: Trump could have picked Doug Burgum. Or Li’l Marco. But he wanted Vance because Vance is selling POPULISM: attacking the elites, the ruling class in DC, NAFTA, Jen Aniston, Wall Street:

*<CLIP> VP NOMINEE JD VANCE, RNC: We need a leader who’s not in the pocket of big business, but answers to the working man, union and nonunion alike. <fade>*

NOEL: Is Vance for REAL? It may not matter. A lot of us seem to like it. Coming up on *Today, Explained*: why we’re all populists now.

[THEME]

*<CLIP> FORMER TEX ENGINEER DAVID HERMAN: This is Today, Explained.*

JEFF STEIN (*Washington Post* White House economics reporter): My name is Jeff Stein. I'm the White House economics reporter for *The Washington Post*.

NOEL: All right Jeff, the 2024 election is between guys who have seized the populist mantle: Donald Trump, JD Vance, versus guys who arguably DID populism: Joe Biden, and his VP Kamala Harris who didn’t get much credit for it. What is economic populism, and why are Americans so excited about it?

JEFF: Economic populism, I think, typically is defined along two axes. One is sort of taking on the elites…

*<CLIP> ANN COULTER, FRONTLINE: Both Republicans, elected Republicans and Democrats are fine with bailing out the rich. I’m not. I didn’t get to share in the profits.*

JEFF: The idea of an economic program that is against sort of the 1% and trying to grow or distribute the gains to a much broader set of the population than the elites would prefer. That's one idea of economic populism. And I think another axis on which it's viewed, at least among economists, is the degree to which the proposed set of measures is anti-technocratic, anti-expertise and sort of anti-elite consensus. And so whether this is even a pejorative idea or not, I don't know. But I think it's become a label that both candidates are eager to associate themselves with and we can sort of get into who and… you know, deserves credit for that mantle.

NOEL: Even a decade ago, we didn't talk very much about populism outside of college classes. What happened in that time?

JEFF: I think really starting with Trump's election in 2016, you saw a growing recognition among reporters and the media broadly that the set of economic policies that had really dominated Congress and American politics for really 30, 40 years… that those set of solutions had proved sort of woefully inadequate to respond to a set of economic frustrations, particularly in the Rust Belt, particularly among the deindustrialized parts of the country. And we saw this explosion, really, of economic anger.

SCORING <Clutch Blackwater – BMC>

*<CLIP> FRANCE24: The only part of the labor force that’s actually increased is government employees. And that’s sendin’ it in the wrong direction, because little guys like me are bearing the burden of paying the taxes that support all these massive government programs.*

*<CLIP> AL JAZEERA ENGLISH: They’re makin’ their pockets rich. That’s about it. And these presidents and all …they’re not millionaires when they get in. They become millionaires. Of course, that’s the way it is. Ain’t gonna change that.*

JEFF: Some people will still maintain – I think, credibly – that that anger was fueled in large part by racial animus towards the first Black president, but there was a consensus, at least, that the sort of free trade consensus that had emerged after Reagan and had persisted, really, through Obama, that that consensus was broken and that something had to change in how the set of American governing institutions treated the economy. And I know I'm speaking in sort of frustratingly broad generalities, but, for instance, on trade and industrial policy, really in both parties for 30 years, American presidents really eschewed and did not embrace protective trade barriers, you know, intended to protect domestic industry. And both Trump and Biden embraced that – I think it's fair to say – as a manifestation of a consensus that economic policy was not populist enough and did not respond enough to working class frustrations. And so you had a group of academics and economists in DC who thought that those solutions were economic populist in a pejorative sense: that that these were bad ideas that sort of responded to frustrations that, that working class people had and in counterproductive ways. But that I think, from the perspective of Trump and Biden, were necessary to show that the presidents were responding to that sort of set of anger.

SCORING OUT

NOEL: We now have the Republican platform. Where do we see populism in the policies that Trump and Vance say they're going to pursue if they're elected?

JEFF: Trump kind of straddles the two factions of the Republican Party on economics in a really interesting way – where he is deeply committed, in a way that Democrats are quite grateful for, to a set of policies that I think will strike most of your listeners as anti-populist. And by that, I refer to the tax cuts of 2017 that Trump is committed in the in the policy platform of the Republican Party to deepening. The most prominent example of that was the dramatic cut of the corporate tax rate from 35% to 21% that Trump approved in 2017. This is a measure that is not economically populist by any measure. It deeply reflects a Reaganite consensus, a free trade consensus, of sort of conservative economic orthodoxy. And Vance sort of personifies the, the part of Trump's mind that is economically populist, and that Vance has really defined himself as someone who believes in protective trade barriers on tariffs on China…

*<CLIP> VANCE: We will protect the wages of American workers, and stop the Chinese Communist Party from building their middle class on the backs of American citizens!*

JEFF: That set of policies also is Trump. So Trump has these sort of like warring parts of himself.

*<CLIP> TRUMP, RALLY ST. CLOUD: Today I spoke to Bitcoin Crypto, so I went from Christians to Bitcoin, and now I’m with you in Minnesota <applause> We cover a lot of territory.*

NOEL: Talk a bit about entitlements and where you see a change, an evolution, in Republican – at least this Republican ticket's – thinking on entitlements from the old way.

JEFF: The old guard Republican establishment – think Paul Ryan, think Mitt Romney – they were really committed to cutting Social Security, cutting Medicare. They saw them as huge threats to the nation's fiscal health. And they thought that, you know, government spending was running out of control, and as a result, we needed to cut these huge retirement programs. And partly in response to that, Trump saw an opportunity in 2016 to sort of drive a wedge between the Republican base, the Republican voters, and the Republican donor class that Romney and Ryan were very close to, who saw those programs as needing to be cut. And Trump, in part because he didn't need donor support when he first ran, Trump was able to say, ‘I am against cutting your Social Security and your Medicare,’ in a way that sort of enabled him to appeal to the Republican Party base. And that trend has continued where you see the sort of vestigial part of the Republican Party still committed to those cuts. But increasingly, the Trump wing has derided and gone to war with the remaining Republicans who are still committed to those cuts as necessary for fiscal responsibility.

NOEL: I want to ask you about a moment at the RNC that I think shocked a lot of people. And it was when, when the Teamsters president, Sean O'Brien, stood up and gave a speech.

*<CLIP> TEAMSTERS PRESIDENT SEAN O’BRIEN, RNC: When President Trump invited me to speak at this convention there was political unrest on the left and on the right. <laughter> Hard to believe…*

NOEL: Why was everybody so surprised that, that a union president was talking at the RNC? And how does that speak to what Donald Trump and JD Vance, as a ticket, want to telegraph to the American people about their populist bona fides?

JEFF: Yeah. We had a long story about this, um… because it was really a moment where the frustrations of Democratic policymakers over the term “economic populism” really crystallized, because if you look at what Biden has done for the Teamsters, even specifically – Biden approved as part of the American Rescue Plan Act of 2021, a measure that preserved the pensions of hundreds of thousands of Teamsters specifically…

*<CLIP> WMURTV: The New England Teamsters pension fund is getting a major cash infusion from the American Rescue Plan Act, 5.7 billion dollars to guarantee the retirements of over 72,000 union members. The White House ARPA coordinator says they were facing pension cuts of 50-75%.*

JEFF: This was a measure that the Teamsters had fought bitterly for, for literally decades. And in one bill, Biden and Democrats secured the pensions of hundreds of thousands of teamsters in a bill that every Republican opposed. And beyond that, Biden has taken dozens of measures that aligned so firmly with unions that would be shocking even under Obama.

*<CLIP> CBS NEWS: Wearing a union ball cap and armed with a bullhorn, President Biden told the striking United Auto Workers to keep fighting for higher wages.*

*PRESIDENT JOE BIDEN: Unions build the middle class. That’s a fact. So let’s keep going. You deserve what you’ve earned, and you’ve earned a hell of a lot more than you’re making now. <fade>*

JEFF: For the union perspective, for a union boss or union leader, I should say, like Sean O'Brien, he sees the potential of bipartisan support. And for any constituency, if you can get both parties on your side, of course, that's so much more appealing than just one party. So he went to the RNC and gave the speech, and while he was giving this speech, my phone was blowing up from union people and Democrats…

NOEL: <laughs>

JEFF: … [who] were saying, ‘What is this guy doing? We're the ones who have had his back this whole time. Why would he be going out there and sort of giving a bipartisan veneer of union support?’ Their response, of course, is that, you know, every Democrat is essentially aligned with the union priorities. And so why are you giving, you know, sort of union support to the very few Republicans who, who have taken steps in that direction? But it was this fascinating moment where a lot of these frustrations have sort of sort of came together on a national stage.

SCORING <Gum GMT, APM>

NOEL: In just a minute, Jeff Stein of *The Washington Post* will be back to answer the question: are we ALL populists now? Wither the Democratic Party?

[BREAK]

[BUMPER]

*<CLIP> “24” THEME, THEN AMANDA’S DAD: Explained. 2024, Explained.*

*<CLIP> KAMALA’S LAUGH*

NOEL: Jeff Stein is back with us. He’s the White House economic reporter at *The* *Washington Post*. Jeff, historically, what’s been the relationship between the *Democrats* and economic populism?

JEFF: Boy, what a big question.

NOEL: Mm!

SCORING <Lazy Limp Dancing>

JEFF: I think it's fair to say, you know, from the 30s and 40s on, Democrats defined themselves as the New Deal party, the party of workers’ rights, of aligning with unions, of major expansions of unemployment benefits and farm protections and everything we saw in the New Deal that was aimed at providing a baseline of government role in the economy for… for protecting workers and for protecting vulnerable people outside the workforce.

*<CLIP> FORMER PRESIDENT FRANKLIN DELANO ROOSEVELT, FIRESIDE CHAT: I believe, with Abraham Lincoln, that the legitimate object of government is to do for a community of people whatever they need to have done but cannot do at all – or who cannot do so well for themselves in their separate and in their individual capacity…*

JEFF: And that really continued through the 60s. And this is, summarizing, you know, decades of contentious historical debates here, but starting in the 90s – and depending on, you know, who you want to listen to – through the Clinton era, we saw a Democratic Party that was much more business-friendly, that embraced a more free trade consensus, that Clinton signed legislation to cut welfare benefits and to deregulate Wall Street. And that represented really the apogee of the sentiment that sort of the Reagan era had won on ideas and the Democrats had to become more business-friendly to survive, politically.

*<CLIP> FORMER PRESIDENT BILL CLINTON: Because the Internet has such explosive potential for prosperity it should be a global free trade zone. It should be a place where a government makes every effort // not to stand in the way: to do no harm. We want to encourage the private sector to regulate itself as much as possible…*

JEFF: Since that era, there's been sort of steps away from the Clinton consensus: Obama started, I think it's fair to say, that move in embracing Obamacare, which expanded especially through Medicaid expansion, more government intervention in the economy to help low-wage workers.

*<CLIP> FORMER PRESIDENT BARACK OBAMA: Government has the capacity – the federal government! – has the capacity to help open up opportunity and create ladders of opportunity and to create frameworks where the American people can succeed.*

SCORING OUT

JEFF: Biden has really even gone further to the left and embraced not just additional expansions of the safety net – though very few of those have passed, because of Joe Manchin and others in the Senate –

*<CLIP> SEN. JOE MANCHIN (I-WV): This is a no.*

JEFF: But Biden has articulated a vision on trade, a vision on the safety net, a vision on entitlement spending, you know, not even entertaining cuts to Medicare and Social Security, asort of return, some would say, to the FDR, LBJ conception of, of the government's role in the economy and a Democratic Party that sees its political opportunity to more firmly align with the working- and lower classes through a more heavy government role in the economy.

NOEL: What is vice president, Democratic nominee Kamala Harris's messaging around the economy? What do we know about the Democrats’ platform?

JEFF: So one thing I've been writing about with respect to the vice president that she has talked a lot about: something called the care economy. This is an idea that, you know, Biden did run on in 2020. And as I mentioned, he was unable to pass it into law…

*<CLIP> VP KAMALA HARRIS: We believe in a future where every person has the opportunity not just to get by – but to get ahead. <duck under>*

JEFF: Harris has talked a lot about a set of proposals that would really benefit parents, working-class parents…

*<CLIP> HARRIS: We believe in a future where no child has to grow up in poverty…*

JEFF: …families, kids…

*<CLIP> HARRIS: …and where every person has access to paid family leave and affordable child care…*

JEFF: …and elderly people who are under tremendous stress with the inability to afford caregivers and others to allow them to sort of age without being put on the street or facing massive financial headaches.

*<CLIP> HARRIS: And where every senior can retire with dignity. <crowd agrees>*

JEFF: We're also seeing her take some steps – and I want to be careful in how I phrase this, because it's become very controversial recently, but – she's taken some steps to signal to the business community that she might be more friendly to them than Biden was. Lina Khan, who I mentioned earlier, Biden's pick to the FTC. There was some reporting by *The New York Times* that Harris had some gentle criticisms for Lina Khan and her interpretation – her very broad interpretation – of the FTC's antitrust authority that has provoked so much consternation among sort of the business elite. Now, I've heard some, some people close to Harris who have told me that they don't really buy this, that they think the reporting behind this is a little weak, and that…

NOEL: Hmm.

JEFF: … maybe what Harris is doing is sort of trying to signal that, you know, people from pro-business, friendly groups don't need to worry about her, that she might be more friendly to them because, you know, this is an election and you're trying to broaden your appeal to as many people as possible. And yet, you know when it comes to actually governing that's going to be obviously a lot tougher. But maybe there's nothing wrong with politically sort of signaling support to both groups. So I think you know, Harris has this challenge in that many Americans blame Biden for inflation.

NOEL: So let's bring this back to the union vote. The Republicans are tapping the Teamsters. We've talked about why that's unusual. Will Harris be able to activate unions in a similar way? Are unions a part of her strategy at all?

JEFF: Before President Biden had announced that he would no longer be seeking reelection, I called some of the union leaders in the building trades, in particular in Michigan, and this is a set of unions that have really benefited from Biden's policies. Specifically, Biden has spurred the biggest increase in domestic manufacturing in decades. And so these guys really saw themselves as aligned with Biden, and they were really excited to mobilize their, their members to support him. And these are places where the membership is quite evenly divided – 60-40, 65-35 – between Biden and Trump. And so for them, having this white old guy with a centrist sensibility, a centrist reputation in Biden was something that they thought that they could sell their members. And though there's been so much excitement from the Democratic Party broadly about Harris, these sort of Democrats in these white working class – potentially, you know, without super enlightened views on race and gender – they're worried now about how they're going to sell a Black woman to their memberships. And so I think this will be a real test of Harris. Can she persuade those, those people to vote for her at the same time? I don't want to characterize those sort of voters as the only union representatives. Union members are not our sort of mythical idea of the lunch-pail, Reagan Democrat, white-working- class constituent from the 60s and 70s. Unions are much more diverse racially now. And many of them work in the service sector: Black, Latino, immigrant, women… you know, so this is a much this is the new face of the union movement. And a lot of people are saying that Harris might actually be much better than Biden has been among them. And Harris, to her credit, has also worked very hard to cultivate the support of white working class union membership, such as the building trades that lean that way.

NOEL: Populism is a dirty word in a lot of quarters, and I understand why that is. There's some, some very troubled history, right? That said, we have a two-party system in the United States, and we have both parties acknowledging that the American economy has not worked for millions of Americans for a generation-plus now. And they're telling us they're going to do something about that. Should Americans – should ordinary Americans, working Americans, working class, middle class – Should they be excited about this populist shift? Or should we just call it something else maybe? <laughs>

JEFF: Yeah. It's like, gah. It's very frustrating as a reporter because just words are like, so hard to define.…

NOEL: <laughs>

JEFF: …And people have different definitions of them. Like, I had a story where I talked about Kamala Harris's plans to expand the welfare state. And, like, I didn't mean that even in the most slight derogatory or derisive term. But, like, for days, hundreds of people have been yelling at me on Twitter about how I'm secretly trying to stab Harris's team in the back by using a term that's derogatory. And to me “welfare state” is just… you know, it’s just a description. It’s not anything derogatory or not. And so I feel like the semantic quibbling here becomes really important in ways that are frustrating because we're like arguing about definitions instead of a thing. You know, in terms of your question, I mean, I think, you know, we've written about how Trump has this idea to basically spark a global trade war by taking the tariff ideas we've seen and imposing 10% tariffs on every single U.S. trading partner, essentially, you know, shutting off the US from trade with the global economy. That could send inflation through the roof because we are so dependent on cheap Chinese imports. What's the impact of that on the American working class? Is that something we still want to call economically populist, even though tariffs are economically populist traditionally, but the impact of that policy would be to drive prices through the roof for working class people? So, like, these definitions get very tangled up. And whether the overall shift in economic policy is good or bad for the working class rests on so many variables that it's hard to give you a straight answer. Maybe that seems like I'm wriggling out of a clear explanation, but, um… but yeah, I'm going to wiggle out.

SCORING <Cosmic Beach Interlude>

NOEL: There’s a reason you're the White House economics reporter…

JEFF: <laughs>

NOEL: <laughs too> It is not because you give bad answers!

SCORING BUMP

NOEL: Jeff Stein, giving good answers from *The Washington Post.*

Today’s show was produced by Amanda Lewellyn and Victoria Chamberlin, who is in Ohio! Made in Ohio. It was fact-checked by Laura Bullard with help from Peter Balonon-Rosen, and it was edited by Matthew Collette. Patrick Boyd and Andrea Kristinsdottir are our engineers.

I’m Noel King. It’s *Today, Explained*.

[10 SECONDS OF SILENCE]