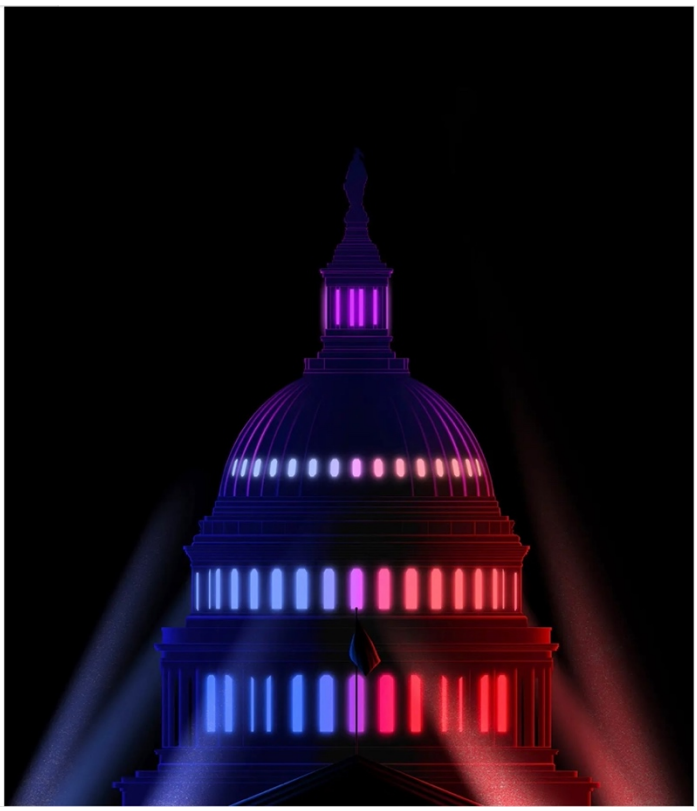
The New York Times Account

A New Centrism Is Rising in Washington

Call it neopopulism: a bipartisan attitude that mistrusts the free-market ethos instead of embracing it.



By David Leonhardt

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It may be the most discussed fact about American politics today: The country is deeply polarized. The Republican Party has moved to the right by many measures, and the Democratic Party has moved to the left. Each party sees the other as an existential threat. One consequence of this polarization, politicians and pundits often say, is gridlock in Washington.

But in a country that is supposed to have a gridlocked federal government, the past four years are hard to explain. These years have been arguably the most productive period of Washington bipartisanship in decades.

During the Covid pandemic, Democrats and Republicans in Congress came together to pass emergency responses. Under President Biden, bipartisan

majorities have passed major laws on infrastructure and semiconductor chips, as well as laws on veterans' health, gun violence, the Postal Service, the aviation system, same-sex marriage, anti-Asian hate crimes and the electoral process. On trade, the Biden administration has kept some of the Trump administration's signature policies and even expanded them.

The trend has continued over the past month, first with the passage of a bipartisan bill to aid Ukraine and other allies and to force a sale of TikTok by its Chinese owner. After the bill's passage, far-right House Republicans tried to oust Speaker Mike Johnson because he did not block it — and House Democrats voted to save Johnson's job. There is no precedent for House members of one party to rescue a speaker from the other. Last week, the House advanced another bipartisan bill, on disaster relief, using a rare procedural technique to get around party-line votes.

This flurry of bipartisanship may be surprising, but it is not an accident. It has depended on the emergence of a new form of American centrism.

The very notion of centrism is anathema to many progressives and conservatives, conjuring a mushy moderation. But the new centrism is not always so moderate. Forcing the sale of a popular social app is not exactly timid, nor is confronting China and Russia. The bills to rebuild American infrastructure and strengthen the domestic semiconductor industry are ambitious economic policies.

Representative Hakeem Jeffries of New York, the House Democratic leader, with Representative Mike Johnson of Louisiana after Johnson was elected speaker last October. This month, Jeffries led Democrats in helping save Johnson's job. Credit...Kenny Holston/The New York Times

A defining quality of the new centrism is how much it differs from the centrism that guided Washington in the roughly quarter-century after the end of the Cold War, starting in the 1990s. That centrism — alternately called the Washington Consensus or neoliberalism — was based on the idea that market economics had triumphed. By lowering trade barriers and ending the era of big government, the United States would both create prosperity for its own people and shape the world in its image, spreading democracy to China, Russia and elsewhere.

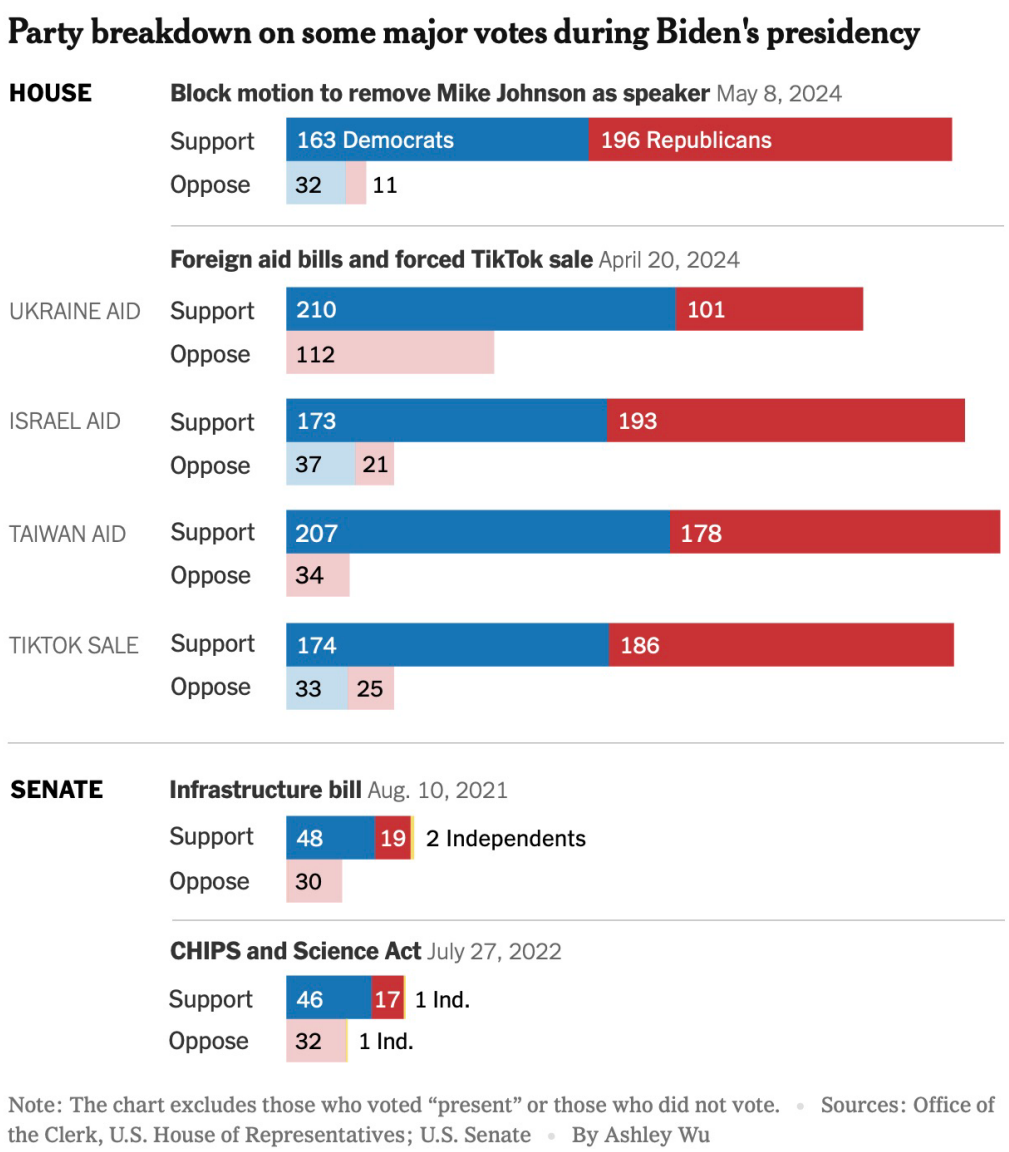
That hasn't worked out. In the U.S., incomes and wealth have grown slowly, except for the affluent, while life expectancy is lower today than in any other high-income country. Although China, along with other once-poor countries, has become richer, it is less free — and increasingly assertive.

The new centrism is a response to these developments. It is a recognition that neoliberalism failed to deliver. The notion that the old approach would bring prosperity, as Jake Sullivan, Biden's national security adviser, has said, "was a promise made but not kept." In its place has risen a new worldview. Call it neopopulism.

Both Democrats and Republicans have grown skeptical of free trade; on Tuesday, Biden announced increased tariffs on several Chinese-made goods, in response to Beijing's subsidies. Democrats and a slice of Republicans have also come to support industrial policy, in which the government tries to address the market's shortcomings. The infrastructure and semiconductor laws are examples. These policies feel more consistent with the presidencies of Dwight Eisenhower or Franklin Roosevelt than those of Ronald Reagan or Bill Clinton.

Party breakdown on some major votes during Biden's presidency

A chart shows congressional votes by party for several major bills that have had bipartisan support during Biden's presidency in the House and Senate. These include blocking the motion to remove Mike Johnson as speaker, the foreign aid and forced TikTok sale package, the infrastructure bill and the CHIPS and Science Act.



The term neopopulism is apt partly because polls show these new policies to be more popular than the planks of the Washington Consensus ever were. Decades ago, politicians of both parties pushed for liberalizing global trade despite public skepticism. In retrospect, many politicians and even some economists believe that Americans were right to be skeptical.

"There is a sense on both the left and right, and among many independents, that the economy hasn't been working in many places," Ro Khanna, a progressive House Democrat whose district includes Silicon Valley, told me. Daniel DiSalvo, a senior fellow at the Manhattan Institute, a conservative think tank, said that more Republicans "have woken up to the fact that neoliberal policies didn't work out so well for a large coalition of working people."

As was the case during the 20th century, another important factor is an international rivalry. Then, it was the Cold War. Now, it is the battle against an emerging autocratic alliance that is led by China and includes Russia, North Korea, Iran and groups like Hamas and the Houthis.

“China is a unifying force, absolutely,” Senator Susan Collins, a Maine Republican, told me. Senator John Fetterman, a Pennsylvania Democrat, compared the rise of artificial intelligence to the Soviet Union’s launch of the Sputnik satellite in 1957, which led to bipartisan legislation on education and scientific research. Anxiety about A.I., Fetterman added, made possible the passage of the semiconductor-chips bill. “We are most able to come together when we acknowledge the risks we have to the American way of life,” Fetterman said. “Whose side are you on — democracy or Putin, Hamas and China?”

There are certainly limits to the new centrism. The Republican Party has a large isolationist wing, and some progressives question whether American power is a good thing. The Supreme Court, dominated by Republican appointees, largely supports laissez-faire economics. On some divisive social issues like abortion, the prospect of bipartisan federal legislation is scant.

Then there is Donald Trump. He is in some ways part of the new consensus, but he is also hostile to basic democratic traditions, including an independent judiciary and the peaceful transfer of power. If he becomes president again, his promised agenda is sufficiently extreme that it may chill bipartisan cooperation.

Still, the forces that have created neopopulism are unlikely to disappear. They reflect enduring economic and international trends, as well as public opinion.

“I don’t mean to suggest everything is fine, because it clearly isn’t,” said Collins, a longtime advocate for bipartisanship. “But I do think the pendulum is starting to swing back.”

The decline of Reaganism

The rise of partisan polarization occurred over decades, and it had many underlying causes. The two major political parties of the mid-20th century were ideologically inchoate, with conservative Southern Democrats and liberal Northern Republicans. Once the parties sorted themselves more rationally, bipartisanship was destined to become harder.

Personalities played a role, too. Republicans say that the Senate's rejection of Robert Bork's Supreme Court nomination in 1987, despite his legal qualifications, changed Washington. Democrats blame Newt Gingrich, the House speaker in the 1990s, for making Congress a less collegial place.

The apotheosis of the partisan era arguably took place in 2009, shortly after Barack Obama's election as president. Obama had risen to prominence as a champion of compromise and hoped to pass bipartisan bills on health care and clean energy. But Mitch McConnell, the Senate Republican leader, believed that allowing Obama to sign such bills would strengthen him, and McConnell persuaded other Republicans to oppose Obama on almost every big policy. "It's either bipartisan or it isn't," McConnell said at the time.

Senate Minority Leader Mitch McConnell attacking the Democratic health care plan in 2009. He opposed President Barack Obama on almost every big policy.
Credit...Stephen Crowley/The New York Times

McConnell and his allies also had principled objections to the Democratic agenda. They were laissez-faire Republicans who tended to oppose government intervention in the economy, which meant that they and Obama often struggled to find common ground on policy.

The ascent of Trump changed this dynamic. He won the Republican nomination in 2016 while discarding key parts of Reaganism. It can be difficult to think of Trump as a centrist because of his outlandish comments and far-right views on some subjects. Yet he did move his party toward the middle on

several big economic issues. Unlike the Reaganites, Trump criticized free trade and praised government programs like Medicare. He once described himself as "a popularist."

To the shock of other Republicans, his rejection of free-market economics did not hurt him politically. It helped him win the nomination, and in the general election he won working-class voters who had previously backed Obama. Trump's victory made both parties recognize that the Washington Consensus was less popular than they had thought. "Donald Trump has widened the aperture for policy discussions in the United States," Neera Tanden, then the president of the Center for American Progress, a liberal think tank, and now Biden's domestic policy adviser, said in 2018.

Trump himself remains inconsistent on many policy questions. Even as he talked like a populist president, he installed pro-deregulation cabinet secretaries, and his signature domestic legislation was a nearly $2 trillion tax cut skewed toward the wealthy. If re-elected, he has promised to extend it. He recently reversed his support for a forced sale of TikTok shortly after speaking with a Republican campaign donor whose firm owns a stake in TikTok's parent company.

Nonetheless, Trump's heresy on trade and government intervention has made it easier for other Republicans to moderate their own positions. Daniel Schlozman, a political scientist at Johns Hopkins University, notes that Trump's Republican Party demands loyalty on some topics, such as his false claims of election fraud. But the party is less homogenous on other issues than it used to be.

"That is the very weird paradox of this," said Schlozman, co-author of "The Hollow Parties: The Many Pasts and Disordered Present of American Party Politics," published this month. "There is more wiggle room to do ordinary policies like chips and infrastructure even as the party has moved right on the core democracy, will-we-count-the-votes-type questions."

Biden's bipartisan instincts

The final development that has made possible neopopulist bipartisanship is Biden's presidency.

He has long styled himself as more blue collar than many other Democratic politicians. He has also made it a priority to stay close to the ideological center

of his party, and he became the party's leader in 2020, when many policy experts had soured on neoliberalism. And Biden has maintained an almost theological belief in bipartisanship, stemming from a Senate career that began in 1973 — another era. When he entered the White House vowing to pass bipartisan legislation, many political analysts scoffed. The country, they said, was too polarized.

But Biden persisted, often working in the background. A bill's chance of passage was higher, he believed, if he could avoid becoming the face of the bill. "He has been patient and helpful in either stepping back when he needs to or stepping in when he needs to," Senator Amy Klobuchar, a Minnesota Democrat, said. Whatever Biden's weaknesses as president, his record of signing bipartisan legislation exceeds that of any recent predecessor. On infrastructure, for example, 19 of the Senate's 50 Republicans voted for the bill, including McConnell.

President Biden's record of signing bipartisan legislation exceeds that of any recent predecessor. Credit...Doug Mills/The New York Times

As that breakdown highlights, most congressional Republicans have still not signed onto the neopopulist agenda. The bipartisan majorities have tended to include nearly all Democrats and a minority of Republicans. "Until they're ready to say no on $2 trillion of tax cuts, I don't see them as economic populists," Senator Elizabeth Warren of Massachusetts told me, referring to Trump's original tax cut. "But it is true that there are now some Republicans who are willing to question the deregulated markets that have ripped off consumers for decades."

Warren herself has worked with Senator Josh Hawley, a Missouri Republican, on legislation that would force airlines to reimburse passengers for canceled flights and with Senator Roger Marshall, a Kansas Republican, on a bill to regulate cryptocurrency.

Another neopopulist moment occurred in February when Senator J.D. Vance, an Ohio Republican, praised Lina Khan, the antimonopoly crusader whom Biden appointed to run the Federal Trade Commission, for "doing a pretty good job." Vance is a right-wing Republican whom Trump is considering as his 2024 running mate, while Khan is among the progressive stalwarts of the Biden administration. Yet Vance chose Khan as the one member of the administration he was willing to praise.

In part, this fusing of right and left is a sign that politicians are reacting rationally to voters' views. Many political elites — including campaign donors, think-tank experts and national journalists — have long misread public opinion. The center of it does not revolve around the socially liberal, fiscally conservative views that many elites hold. It tends to be the opposite.

Americans lean left on economic policy. Polls show that they support restrictions on trade, higher taxes on the wealthy and a strong safety net. Most Americans are not socialists, but they do favor policies to hold down the cost of living and create good-paying jobs. These views help explain why ballot initiatives to raise the minimum wage and expand Medicaid have passed even in red states. They also explain why some parts of Biden's agenda that Republicans uniformly opposed, such as a law reducing medical costs, are extremely popular. "This is where the center of gravity in the country is," Steve Ricchetti, a top White House official, told me.

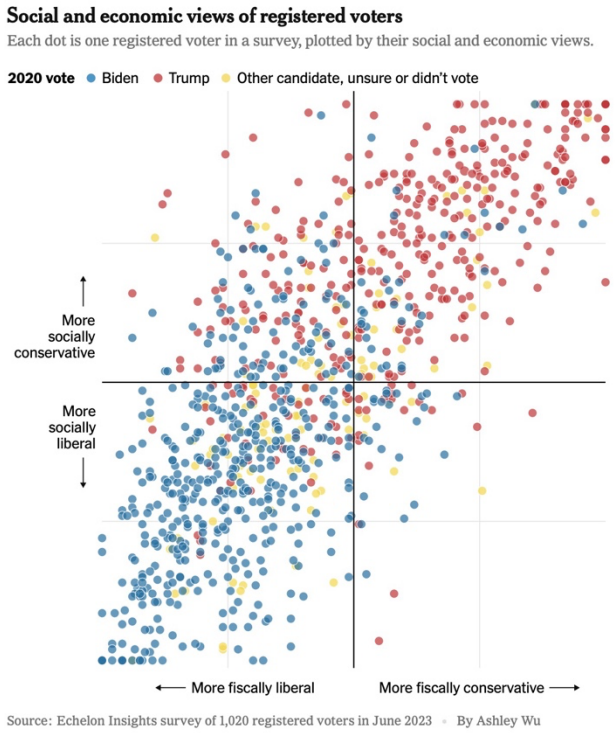
The story is different on social and cultural issues. Americans lean right on many of those issues, polls show (albeit not as far right as the Republican Party has moved on abortion).

Social and economic views of registered voters

Each dot is one registered voter in a survey, plotted by their social and economic views.

A chart plots 1,020 registered voters, who responded to a survey by Echelon Insights in June 2023, on a matrix of social and economic views. Each voter is represented by one dot, color-coded by who they voted for in the 2020 presidential election. Most voters who voted for Trump are both socially and

fiscally conservative; most who voted for Biden are social and fiscally liberal. Vote patterns in the other two quadrants are more mixed.



The clearest example in the Biden era is immigration. A core tenet of neoliberalism, once supported by both parties, is high immigration. Along with the freer movement of goods and capital, neoliberalism calls for the freer movement of people.

Most voters, especially working-class voters, feel differently. The soaring level of immigration during Biden's presidency, much of it illegal, has become a political liability, and it nearly led to another piece of neopopulist legislation this year. Senate Democrats and Republicans put together a plan to strengthen border security. It was the mirror image of Republicans' agreeing to support the semiconductor and infrastructure bills: This time, some Democrats abandoned a policy stance that was out of step with public opinion.

The immigration proposal never became law because Trump viewed it as politically helpful to Biden and persuaded congressional Republicans to kill it. But in 2025 or beyond, whether Biden or Trump is president, a version of the bill may come up again. Polls show that the plan's policies remain very popular.

A more responsive politics

What other neopopulist policies might lie ahead? More legislation to address China's rise and more industrial policy are possible. A bill to ensure that the United States has access to critical minerals like lithium and copper would qualify as both.

Policies to help young families are plausible, too, predicted Oren Cass, who runs American Compass, a conservative think tank that is critical of laissez-faire economics. In January, a large bipartisan House majority passed an expanded child tax credit, although it has not passed the Senate.

There are elements of populism that make many people uncomfortable, of course. Populism can veer into authoritarianism, as Trump often demonstrates. If he returns to the White House, his second term may be so chaotic and radical that it will halt the bipartisan productivity of the past few years. But Trump is not the only threat to the American political system.

For decades, Washington pursued a set of policies that many voters disliked and that did not come close to delivering their promised results. Many citizens have understandably become frustrated. That frustration has led to the stirrings of a neopopulism that seeks to reinvigorate the American economy and compete with the country's global rivals. As polarized as the country is, its two political parties are at least trying to respond to that reality, and they have found an unexpected amount of common ground.

Ian Prasad Philbrick contributed reporting.

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The elitist hypocrisy of the neoliberal "free trade" ("investor rights" according to Jim Stanford) global economy was apparent from the beginning, as was the facetiousness of "the Reagan Revolution." If America's "leaders" had recognized this—or rather, resisted and refused it—we would not be in the mess we are in with China ascendant and Trump in the middle of it all exploiting the fall-out. But then Dick Cheney and the "W" gang knew that the Iraq war was primarily about Americans corporations getting Iraqi oil, damn the fall-out. George Shultz did so many high profile, consequential things for Republican presidents all while we knew it was the likes of Bechtel Corporation and other multinational "construction" companies profiting in the wake of international war carnage that he served before, during, and after being in office. TJB