

POLITICS

The Fakest Populism You Ever Saw

The Trumpian GOP is in a battle over which wealthy faction will win, not a class war.

By David A. Graham



Illustration by The Atlantic. Source: Win McNamee / Getty.

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Reading America's major outlets this week is an invitation to confusion. *The Washington Post* writes that J. D. Vance's selection as vice-presidential nominee "reflects the ascendancy of the party's populist economic wing—and the choice is alarming traditional conservative policymakers and elite donors who opposed the pick." A Yale faculty member known for his networking with executives tells *Semafor* that "CEOs are shocked as this is quite an odd choice to try to balance the ticket with [someone] so hostile to business."

Yet at the same time, *The Wall Street Journal* reports on "a brewing cultural change in traditionally liberal Silicon Valley, as investors and executives

announce their support for Trump,” and that Vance’s pick is “likely to fuel momentum from tech leaders frustrated with [the] Biden administration.”

None of these reports is wrong, exactly. But too much discussion of Vance’s selection has accepted the supposed worker-friendly orientation of the Ohio senator and the Trump-era Republican Party, taking their bashing of elites at face value. What is actually happening within the GOP right now is a battle among different factions of the extremely wealthy over who will benefit most if Donald Trump returns to power. Workers are a distant afterthought.

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Both Vance and Trump premise their claims to populism on knowledge of the inner workings of privileged circles. Trump was born into wealth; Vance has a genuine claim to having been both an impoverished middle American and a wealthy Silicon Valley venture capitalist. Each of these shapes his political identity, but the latter has particular salience at the moment, because it helps explain the divide among executives.

Leaders of old-line companies, as well as those of entrenched tech giants, tend to be Trump-skeptical. They find him personally gauche, and they are offended by his bigotry. They hate his penchant for chaos, which could negatively affect their companies, and they don’t like his protectionism or opposition to immigration. Even so, some may appreciate his support for lower corporate and personal taxes and dislike the heavier regulation that Joe Biden or any other Democrat would pursue. (JPMorgan Chase CEO Jamie Dimon has warmed up to Trump for these reasons; Trump, in response, mentioned him as a potential Treasury secretary in a recent interview.) But these CEOs are also wary of Vance, who has worked with Senator Elizabeth Warren, the progressive Democrat, on regulation bills, and praised trust-busting Federal Trade Commission Chair Lina Khan as “doing a pretty good job.”

Some tech CEOs, such as Elon Musk, David Sacks, and Peter Thiel, Vance’s patron and former employer, have been more sanguine. My colleague Ali Breland notes that the prominent venture capitalists Marc Andreessen and Ben Horowitz are also poised to give to Trump’s campaign. Thiel has been a donor to extreme conservative causes for some time; his former PayPal colleague

Musk is a more recent convert. Both come from a more venture-capital orientation than the more traditional CEOs. They like disruption. They don't care if the old companies get turned upside down. Thiel doesn't mind supposedly populist assaults on giants such as Google, not because of any ideological concern about monopolies—in fact, he likes them—but because he wants competitors wounded.

The venture-capitalist donor class likely suspects that Vance might be a traitor to parts of the privileged class, as some admirers have it, but that he won't go after them. He's a fan of tech innovations such as cryptocurrency, too—in contrast to the Biden administration, which has cracked down on crypto. As for Trump, his desire to ban TikTok vanished shortly after a meeting with a major investor who happens to be a huge Republican donor.

Another reputed indicator of GOP worker-friendliness is a new openness to organized labor. The Teamsters president, Sean O'Brien, spoke at the Republican National Convention on Monday, where he did not endorse Trump but did bash Big Business. It's striking to see even that on the stage of the RNC, but the question is what it actually produces. Both Trump and O'Brien have something to gain from O'Brien being there—Trump bolsters his own populist credentials, and O'Brien caters to members of his union who might like Trump, even if other labor officials are appalled. Vance has said that he supports collective bargaining, and he visited a UAW picket line last year. But Trump criticized the UAW for striking and visited a nonunion auto-parts shop, at the invitation of its managers, during the strike. (Biden, who marched on the picket line, has been perhaps the most pro-labor president in history.) No Republican senators, including Vance and his ally Josh Hawley, voted for the PRO Act, which would make union organizing easier. Project 2025 recommends undercutting union protections, and the odds that a Trump-Vance administration would actually have a labor-friendly National Labor Relations Board are very slim.

David A. Graham: Why isn't Trump helping the autoworkers?

The naive tendency to unquestioningly accept Trump's populism is not new. During his 2016 campaign, Trump said he wanted the Republican Party to be a "workers' party," but then did little to make that real. His signature push for border security is arguably to the benefit of American laborers, but little else

qualifies. Trump cut taxes for nearly all Americans, but the wealthiest, and the largest corporations, benefited most. He sought unsuccessfully to repeal the Affordable Care Act. He sometimes suggested that he'd support a higher minimum wage, but didn't do anything about it. Yet people keep falling for the feint.

Tariffs, another signature Trump idea, show how Trumpian populism works in practice. (Trump has promised far more extensive tariffs if reelected, and Vance is also a backer.) A working paper published earlier this year found that Trump's trade war "has not to date provided economic help to the US heartland: import tariffs on foreign goods neither raised nor lowered US employment in newly-protected sectors; retaliatory tariffs had clear negative employment impacts, primarily in agriculture; and these harms were only partly mitigated by compensatory US agricultural subsidies." Nonetheless, the authors noted that the tariffs were popular with voters in this area: "Residents of regions more exposed to import tariffs became less likely to identify as Democrats, more likely to vote to reelect Donald Trump in 2020, and more likely to elect Republicans to Congress."

In short, Trumpian populism is an expression of political and cultural allegiance, rather than an actual program of government helping workers improve their relative standard of living. Trump and his new running mate are adept at presenting one set of elites as a scapegoat to the non-wealthy—and using that to aid a different clique of elites.

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Forgive me, but this has been obvious from the beginning of this sprawling, mounting mess, a fissure opened up and sucking more societal firmament into it. Yet so many people so "wise" have fallen for it. Shysters like Trump—so long on the fringes of the ruling elites, snubbed by them for being gauche, making him feel like he has an actual affinity for the neglected "ordinary man"—develop an instinctive feel for how to charm, manipulate, and exploit them. TJB