

FOREIGN AFFAIRS

MARCH/APRIL 2025 • VOLUME 104 • NUMBER 2

The Post- Neoliberal Delusion

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Although there are many explanations for Donald Trump's victory in the 2024 U.S. presidential election, voters' views of the U.S. economy may have been decisive. In polling shortly before the election, more than 60 percent of voters in swing states agreed with the idea that the economy was on the wrong track, and even higher numbers registered concern about the cost of living. In exit polls, 75 percent of voters agreed that inflation was a "hardship."

These views may seem surprising given various economic indicators at the time of the election. After all, unemployment was low, inflation had come down, GDP growth was strong, and wages were rising faster than prices. But these figures largely missed the lasting effects that dramatic price increases had on many Americans, which made it harder for them to pay for groceries, pay off credit cards, and buy homes. Not entirely unreasonably, they blamed that squarely on the Biden administration.

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Biden arrived in office in 2021 with what he understood as an economic mandate to “Build Back Better.” The United States had not yet fully reopened after nearly a year of restrictions necessitated by the COVID-19 pandemic, which had suppressed activity in the service sector. Biden set out to restructure the country’s post-pandemic economy based on a muscular new approach to governing. Since the 1990s, Democratic economic policy had largely been shaped by a technocratic approach, derided by its critics as “neoliberalism,” that

Biden’s post-neoliberal turn fell short of his lofty goals.

included respect for markets, enthusiasm for trade liberalization and expanded social welfare protections, and an aversion to industrial policy. By contrast, the Biden team expressed much more ambition: to spend more, to do more to reshape particular industries, and to rely less on market mechanisms to deal with problems such as climate change. Thus, the

administration set out to bring back vigorous government involvement across the economy, including in such areas as public investment, anti-trust enforcement, and worker protections; revive large-scale industrial policy; and support enormous injections of direct economic stimulus, even if it entailed unprecedented deficits. The administration eventually came to dub this approach “Bidenomics.”

Biden’s advisers and some prominent economists proclaimed that the Build Back Better agenda would herald the beginning of a post-neoliberal era in which massive public investment in infrastructure and the domestic economy would better position the country for inclusive growth and the clean energy future. In their view, they were turning the page on the economic policies pursued by Presidents Bill Clinton and Barack Obama, which the Biden team implicitly argued were too focused on free trade, too timid on deficit spending, and too reliant on the welfare state to fix the gaps left as a result. Instead, in order to gain an edge in the competition with China, the United States needed a transformative agenda to revive domestic manufacturing and power the transition to green energy.

But the Biden administration’s post-neoliberal turn, the predicted economic transformations of which prompted comparisons to Franklin Roosevelt’s presidency, fell considerably short of its lofty goals. In some respects, the macroeconomic outcomes have been impressive. The U.S. economy has bounced back much faster than it did after

previous recessions, and its post-pandemic performance has also outpaced that of many peer countries in terms of economic growth. But the recovery has been uneven, frustrated by inflation at least partly induced by the administration's own policies. Inflation, unemployment, interest rates, and government debt were all higher in 2024 than they were in 2019. From 2019 to 2023, inflation-adjusted household income fell, and the poverty rate rose.

Even before inflation doomed Biden's chances for reelection, it undermined the administration's goals. Despite efforts to raise the child tax credit and the minimum wage, both were considerably lower in inflation-adjusted terms when Biden left office than when he entered. For all the emphasis he placed on American workers, Biden was the first Democratic president in a century who did not permanently expand the social safety net. And despite signing into law an infrastructure bill that committed over \$500 billion to rebuilding everything from bridges to broadband, skyrocketing costs of construction have left the United States building less than it was before the law's passage.

There have been important successes, especially considering the slim congressional majority with which Biden was forced to operate. Massive legislation that he pushed to address climate change is already reducing emissions and likely will continue to do so even in the face of hostility from the Trump administration. Domestic semiconductor production is being revived. But a hoped-for manufacturing renaissance has not materialized, at least not yet. The proportion of people working in manufacturing has been declining for decades and has not ticked back up, and overall domestic industrial production remains stagnant—in part because the fiscal expansion Biden oversaw led to higher costs, a stronger dollar, and higher interest rates, all of which have created headwinds for the manufacturing sectors that received no special subsidies from the legislation he championed.

The Biden administration failed to seriously reckon with budget constraints and to contend with the effects of "crowding out," when a surge in public-sector spending causes the private sector to invest less. Both missteps reflected a broader unwillingness to contend with tradeoffs in economic policy and allowed Trump to ride a wave of discontent back into the White House. For Democrats, it would be a mistake to think their loss was due solely to a global backlash against incumbents—or worse, to conclude that American voters had simply been insufficiently appreciative of everything Biden did for them.

Truly building back better will require harnessing the Biden administration's ambitions for economic transformation without discarding conventional economic considerations of budget constraints, tradeoffs, and cost-benefit analysis—in other words, not giving in to the post-neoliberal delusion.

BIG SPENDERS

Biden entered the Oval Office at an especially uncertain time during the COVID-19 pandemic. Vaccines highly effective at preventing serious illness and death had become available in December 2020 and were being rolled out much more quickly than expected. But for the first few months of 2021, wait times for a jab remained long, and the virus was still wreaking havoc. Cases and deaths surged nationwide; January 2021 was the worst month for mortality of the entire pandemic. Nevertheless, the economy was holding up reasonably well. The unemployment rate was at around six percent and falling, well below its peak of roughly 15 percent earlier in the pandemic and much better than the dire forecasts of economists who had expected double-digit unemployment rates going into 2021. GDP growth remained strong even in the face of social-distancing measures that prevented in-person commerce.

The economy was also awash in pent-up demand from consumers, who had been unable to spend during the pandemic. In 2020, toward the end of the first Trump administration, Congress passed \$3.4 trillion in fiscal support; in December, \$900 billion was authorized to fund \$600 stimulus checks for most American adults. Despite the ravages of the pandemic on public health, many households had never been in better financial shape, with overall debt service payments representing the lowest share of disposable income in decades, delinquencies and defaults remaining low, and record amounts of money sitting in checking accounts across the income spectrum. Economists hoped that as the rollout of vaccines proceeded, so would the economic recovery. In fact, when Biden came to office, the \$1.5 trillion of excess savings that Americans had accumulated from the federal largess of 2020 and their suppressed spending was waiting to be unleashed by the reopening—perhaps obviating the macroeconomic need for yet another large stimulus bill. The economist and *New York Times* columnist Paul Krugman summed up this view in late 2020. “Once we’ve achieved widespread vaccination, the economy will bounce back,” he wrote. “On average

Americans have been saving like crazy, and will emerge from the pandemic with stronger balance sheets than they had before.”

Against these hopeful prognostications by many mainstream economists, however, the incoming Biden administration moved aggressively, proposing a \$1.9 trillion American Rescue Plan even before coming into office. With U.S. GDP three percent below pre-pandemic forecasts as of the fourth quarter of 2020, an additional \$650 billion in stimulus—about a third as much—would have been sufficient to fill the hole in the economy.

Money was needed for vaccination, testing, and other containment efforts. But the bulk of the spending was earmarked for items that clearly were not needed. Around \$900 billion, the single largest provision in the bill, was intended to support households through direct payments and other transfers. But by December 2020, monthly real compensation per capita was only about two percent below its pre-pandemic trend, and the gap was closing rapidly. (It returned to its pre-pandemic trend in April 2021.) Closing this gap would have cost less than \$100 billion—far less than the hundreds of billions in stimulus spending that Congress passed. Despite state and local revenue having fully recovered to pre-COVID levels by the end of 2020, state and local governments nevertheless received around \$500 billion more in the stimulus package.

There were several reasons for this supersized legislation. Uncertainty about the consequences of the January 2021 COVID surge was partly to blame. The bill was also an overcorrection of the Obama administration’s insufficient stimulus package in the wake of the global financial crisis in 2008, which contributed to the United States’ painfully slow recovery. In 2021, Biden administration officials failed to update their policies as the economic data turned out to be less dire than expected.

But economic ideas also played an important role. Policymakers decided to run the economy “hot”: that is, to support high demand to jump-start the economy even if it meant risking higher inflation. The Biden administration believed that the surfeit of demand this would produce would benefit a broad group of workers by increasing their bargaining power and, by extension, raising their inflation-adjusted wages. The administration dismissed dissenting voices who expressed skepticism about this approach, such as the economist Larry Summers, who warned that it would lead to high inflation.

The U.S. economy did continue to grow rapidly after the passage of the stimulus. The recovery was much faster than the long and difficult return from the 2008 financial crisis—a difference mostly attributable to the fact that financial crises tend to have persistent negative effects on output, whereas the pandemic produced only a temporary shutdown of the economy with fewer lasting effects. But the recovery began in mid-2020, and real GDP growth was a strong 5.6 percent in the first quarter of 2021, before much, if any, of the American Rescue Plan funds had worked their way through the economy. Most countries experienced quick recoveries after the initial shock of COVID, regardless of whether they passed large stimulus packages. Although Biden’s boosters argued that the economy’s growth was proof of the success of the stimulus (and thus, of the validity of the administration’s ideas), much of that growth can be explained by structural factors that predated the pandemic and the stimulus, including faster productivity growth and favorable demographic changes. Compared with other developed countries that are part of the Organization for Economic Cooperation and Development, the United States saw a post-pandemic recovery that was about average in terms of real GDP growth versus pre-pandemic forecasts.

PUMPED UP

Ultimately, the administration’s plans to transform the United States would be waylaid by a punishing bout of inflation. Beginning in 2021, the country experienced the most sustained inflation since the early 1980s. The rate of inflation soared from around two percent to a high of nine percent, with the price level—the average price of all goods and services—rising by about 20 percent over four years.

Biden’s defenders argued that the causes were external and not the result of the administration’s policies. The fact that rising inflation in the United States was mirrored in economies around the world was proof, they maintained, that Bidenomics was not to blame. They were partly right. Russia’s unprovoked invasion of Ukraine in 2022 dramatically raised energy and food prices, as did supply chain issues rooted in the pandemic. Indeed, the 2022 supply shocks were much worse outside the United States: the price of natural gas peaked at \$10 per million BTU in the United States but \$100 per million BTU in Europe because of European countries’ greater dependence on Russian energy supplies and the limited global trade in natural gas.

But the fact that inflation was a worldwide phenomenon does not let U.S. macroeconomic policy off the hook any more than the global nature of the Great Depression or the Great Recession exonerated U.S. policymakers then for their mistakes in managing the economy. The war in Ukraine and supply chain disruptions alone cannot explain what happened in the United States, where core inflation, which excludes food and energy, reached a peak of nearly seven percent in mid-2022. This was not simply the result of increases in energy and food prices being passed on to other goods, such as airline tickets. Energy prices do not necessarily lead to large increases in core inflation; when energy prices surged in 2005, core inflation stayed below two percent. Higher prices also proved more durable. By late 2022, oil prices had fallen back to where they were before Russia's invasion of Ukraine earlier that year, but overall price increases had not reversed, and, in fact, inflation remained elevated.

A hoped-for manufacturing renaissance has not materialized, at least not yet.

Supply chains, meanwhile, were less a source of strain than an underappreciated success. Real consumer spending on durable goods in the United States rose nearly 30 percent above pre-COVID levels in 2021, with no equivalent bump in countries that did not provide continued stimulus checks. Global supply chains were mostly able to accommodate the U.S. increase in spending, in part through large increases in imports. U.S. ports processed 19 percent more cargo by volume in 2021 than they did before COVID, an unusually large uptick that was responsible for the lineup of ships at U.S. ports that many apologists incorrectly attributed to supply chain slowdowns. Ports simply could not keep up with American consumers' increased appetites for spending. These were not supply dislocations but a huge demand shock stemming in part from the Biden administration's decision to provide another round of stimulus checks.

The increase in support for the economy resulted in a huge increase in nominal GDP, as spending is bound to go up when households have more money. Real GDP could not have gone up much more than it did given the constraints on the productive capacity of the economy. The excess took the form of higher prices. Factors such as consumer tastes and supply chains determined where those price increases showed up in the economy, but they did not drive the overall average price

increase. Had it not been for the large infusion of cash and the Federal Reserve's delayed response to the emergence of inflation (it did not raise interest rates until March 2022), higher goods prices would have led to cutbacks in services and lower price growth without much of an increase in overall inflation. Economists and pundits who claimed that inflation would prove transitory correctly predicted that the price of goods would stop increasing but wrongly expected that would mean an end to inflation. Instead, inflation migrated from goods to services, where it remains elevated to this day.

The Biden administration was not alone in missing the risk of inflation. Some Republican economists also dismissed the idea that the fiscal stimulus would be inflationary, and financial markets suggested that investors believed that inflation would be transitory. Nevertheless, the same technocratic macroeconomic models that recommended, to no avail, a larger fiscal stimulus during the Great Recession of 2009–10 now recommended a much smaller one in the wake of the pandemic. But the administration's desire to avoid repeating the mistakes of 2008 and its infatuation with the hot economy hypothesis cost the economy dearly.

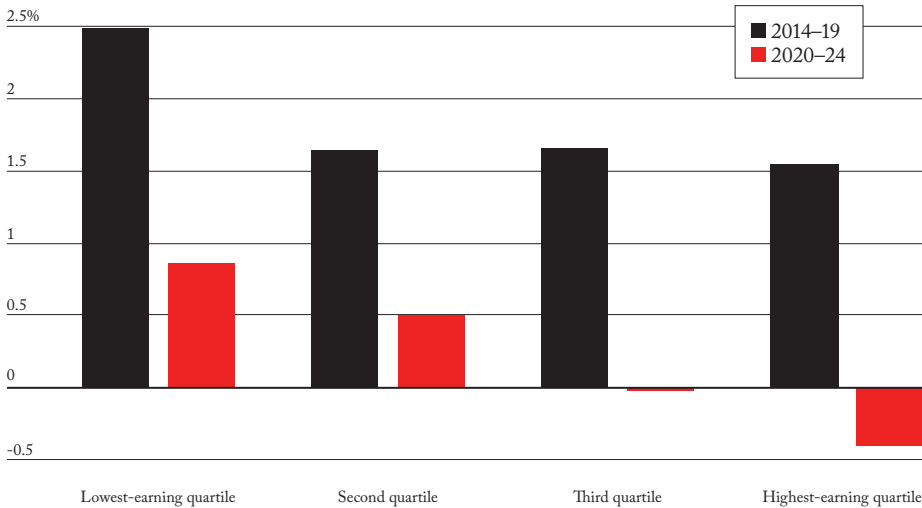
HARD HAT IN HAND

Biden hoped that a hot economy would benefit workers, especially those with low incomes, through higher employment and faster wage growth. This position found support beyond the left-wing advocacy groups that had long pushed for worker-friendly economic policies: officials at the Federal Reserve and even some right-of-center economists endorsed it, believing that experiences such as the wage boom of the late 1990s were evidence of its efficacy.

Unfortunately, the theory proved unsuccessful in practice. The overheating of the economy coincided with a second round of budget deficit increases—resulting from front-loaded spending tied to the infrastructure act, the CHIPS and Science Act, and climate bills, plus executive actions by Biden, such as student loan relief—that forced the Federal Reserve to dramatically increase interest rates. Although inflation was mostly brought under control by mid-2024, the effects were lasting. As of December 2024, the unemployment rate was roughly four percent, above the three and a half percent before COVID, and inflation remained slightly above target. More important, inflation-adjusted wages have barely increased above pre-pandemic

THE BIDEN BUST

Average annual rate of real wage growth in the United States across income quartiles



Sources: U.S. Bureau of Labor Statistics via Federal Reserve Economic Database; Federal Reserve Bank of Atlanta; author's calculations.

levels, and the entire increase in real wages took place in 2020; on net, real wages have fallen since January 2021.

Meanwhile, from 2020 to 2024, average real wage growth for workers in every income group was slower than it was from 2014 to 2019. Rapid real wage growth, especially for low-income workers, began in 2014, when the unemployment rate was around six percent, but diminished dramatically when the unemployment rate fell below four percent in 2022. That makes it hard to argue that Biden's policies contributed much to real wage growth. And although by keeping unemployment down, heating the economy did give workers more leverage to demand higher nominal wages, it also gave businesses more leverage to raise prices, undercutting the gains of many ordinary Americans.

Adding to the trouble, the administration's laser-like focus on the demand side came at the expense of addressing impediments to supply, such as excessive obstacles to permitting processes related to building infrastructure. As a result, infrastructure suffered an even worse fate than real wages. More than half the funds in the Bipartisan Infrastructure Law dispersed to states through early 2024 went to highway and

bridge projects, prompting a spike in highway spending, which rose 36 percent from mid-2019 to mid-2024. But the costs associated with construction, including asphalt, concrete, and labor, increased even more, leaving real infrastructure spending down 17 percent over the same period. In fact, the amount of federal investment in highways during every year of the Biden administration was lower than in any year from 2003 through 2020. Biden's putative building boom was in reality a building bust.

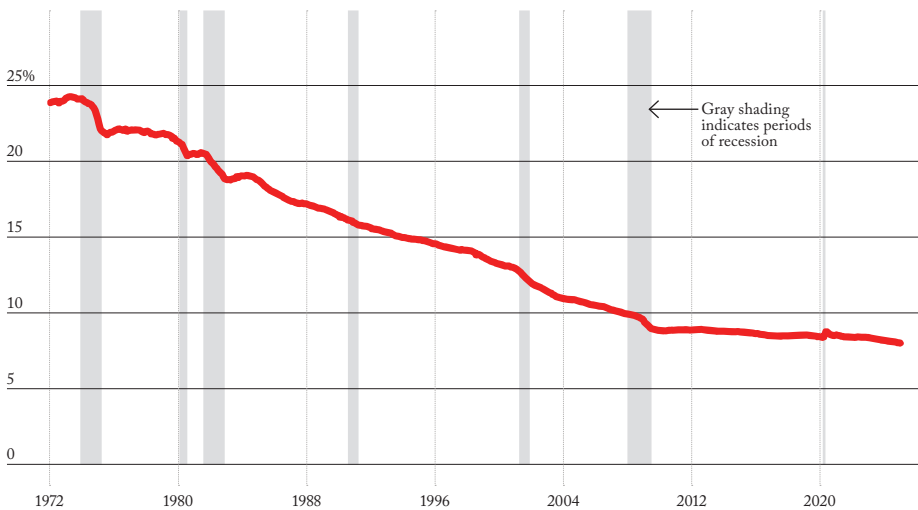
The Bipartisan Infrastructure Law did little to address the root causes of the United States' long-standing infrastructure unaffordability problem—excessive environmental reviews, labyrinthine permitting processes, and laws requiring that workers are paid prevailing wages—and, in some respects, worsened the crisis by adding new requirements. The permitting reform that was supposed to pass in parallel with the climate bill never became law because of Republican recalcitrance and Democratic fears of incurring the wrath of environmentalists. Spending such a huge amount all at once without any steps to increase construction capacity led to even higher cost increases for building materials than was reflected in the overall inflation rate.

INDUSTRIAL DEVOLUTION

In January 2021, Biden declared that one of his administration's main goals was “rebuilding the backbone of America: manufacturing, unions, and the middle class.” This focus drew on the work of critics of the old economic orthodoxy, who charged that the neoliberal emphasis on free trade without any supports for workers had hollowed out once thriving manufacturing communities and led to discontent with the deindustrialization that fueled Trump's rise. Biden aimed to revive manufacturing, especially in sectors he viewed as critical for national security and climate progress. He built on Trump's policies by retaining, reformulating, or expanding restrictions on trade to promote domestic production. He strengthened and more rigorously enforced “Buy America” rules for government procurement, offered subsidies for companies sourcing clean energy domestically, and expanded U.S. production of electric vehicle batteries. The process used by the Committee on Foreign Investment in the United States, which reviews bids for foreign investment in U.S. companies, was beefed up, culminating in the administration blocking the acquisition of U.S. Steel by Japan's Nippon Steel. The government provided tens

UNMADE IN AMERICA

Manufacturing as a share of total nonfarm employment



Sources: U.S. Bureau of Labor Statistics via Macrobond; author's calculations. Note: Adjusted for preliminary benchmark revisions for the period of March 2023 to March 2024.

of billions of dollars of direct support for manufacturing in an effort to boost private investment.

So far, however, this attempted revival of American manufacturing has achieved little success. Unionization rates fell below ten percent in 2024 for the first time on record. The share of workers in manufacturing has continued to fall at the same rate as it did during the Obama and first Trump presidencies. Manufacturing output has remained flat, as it has since 2014. It is possible that Biden's policies will start to work after a lag; one hopeful sign is an increase in factory construction, which has more than doubled in the last five years. But other indicators, such as investment in industrial equipment, have not risen, suggesting that manufacturing may continue to stagnate.

The manufacturing revival has run up against the problem of crowding out. By increasing subsidies for semiconductor fabrication and green technology innovation, for example, the government has encouraged their production. But these same policies, coupled with other fiscally expansionary policies, have driven up the prices of materials and equipment, wages for construction and factory workers, interest rates for entrepreneurs hoping to borrow, and the value of

the dollar, all of which have made it harder for nonsubsidized manufacturing to prosper.

Industrial policy has its merits, but it did not live up to Biden's hyperbolic claims that it would usher in a manufacturing renaissance along with millions of well-paying jobs. The CHIPS Act appears to be succeeding in its primary objective of shifting advanced chip production to the United States. And given that the national security benefits of domestic semiconductor production are not priced into markets, crowding out other industries with government subsidies for chip production is worthwhile. But industrial policy has not led to better or cheaper microchips or any net job creation. It has done little to revive manufacturing or create middle-class jobs. In fact, favoring some sectors while crowding out others likely increased the pace at which some companies have added jobs while others have shed them, leading to the very economic winners and losers that post-neoliberal critics complain result from expanded trade.

The administration also kept in place and even expanded tariffs, effectively pursuing foreign policy at the expense of the middle class by keeping the costs of imported goods high. Sometimes it is worth paying a cost for another goal; for example, sanctions on Russia ask Americans to pay a small cost for a worthwhile foreign policy objective. But policymakers should not fool themselves into thinking these policies are win-win, which the Biden administration seemed to do. Biden never did the hard work of explaining to the public, for example, that enforcing further limits on trade with China imposed real costs on Americans but that the national security gain was worth the economic pain.

IT AIN'T EASY BEING GREEN

Biden made climate policy central to his agenda, pushing a program grounded in industrial policy, regulation, and subsidies that proponents reasonably argued was more likely to pass through Congress than the carbon pricing preferred by many economists. But the rationale for this approach went beyond political feasibility; the administration and its defenders argued that a carbon tax could not curb emissions at the scale needed to blunt the effects of climate change and that their suite of policies could both address the climate crisis and create good-paying jobs by shifting the production of green technology to the United States.

Against all odds, the Inflation Reduction Act passed into law in August 2022, with extensive subsidies for renewable energy, electric vehicles, and the domestic production of green technologies. Government estimates have projected that U.S. emissions will be roughly 17 percent lower by 2050 than was forecast before the IRA was passed. Given the political constraints, Biden's administration could have done little more to fight climate change.

Supporters claimed that the industrial policy approach was the more progressive option, but it delivered large subsidies to corporations, whereas a carbon tax could provide rebates to households. Gross job gains are limited, and to an even greater degree than the CHIPS program, the IRA is likely to benefit certain industries at the expense of others. Shifting the focus of production from internal combustion engines to electric vehicles, for example, lends credence to the possibility that the U.S. economy will experience a "green shock" akin to the "China shock" that hit manufacturing sectors two decades ago.

More important, the IRA will not be any more effective at lowering emissions than the carbon taxes that post-neoliberals have criticized. Estimates vary, but one of the most sophisticated studies of the law, co-authored by two former Biden administration officials, concluded that a carbon tax of \$12 a ton would result in about the same emission reductions as the entire IRA.

The IRA's reliance on corporate subsidies should make it politically resilient. Lobbyists for the oil industry and the Chamber of Commerce have pressured the Trump administration to retain the law's key provisions even though Trump called for its repeal on the campaign trail. But that reliance on subsidies makes the law harder to scale up—subsidies cannot simply be made 20 times larger to address the full social costs of carbon, most recently estimated by the Biden administration at about \$200 per ton. In 2005, the European Union instituted a carbon pricing system starting at around \$10 per ton, but it has since risen to a little over \$80 as the EU tightened rules to rein in emissions. Biden's programs are promising, but it's doubtful they will be able to scale up as the need to restrict emissions becomes more urgent.

Biden's putative building boom was in reality a building bust.

Claiming that turning away from traditional economic approaches is the only way to address climate change, as some proponents of the Biden strategy have, will hinder the United States' ability to transition its economy. Policymakers need every tool in the toolkit to fight climate change—including “neoliberal” ones.

NET BENEFITS

Climate policy was not the only bedrock liberal issue on which the Biden administration valorized its unorthodox approach. Post-neoliberal enthusiasm for industrial policy, as well as stricter antitrust enforcement and labor market regulation—so-called predistribution policies—have blinded progressives to the fact that Biden did little to permanently redistribute income by building a stronger social safety net. The Build Back Better agenda did include the American Jobs Plan for infrastructure and energy and the American Families Plan, which would have provided paid leave for new parents and support for children. The former passed, but the latter did not. Some supporters of Biden, such as his top antitrust official Tim Wu, embraced the view that the policies that passed would transform the economy such that more traditional Democratic social policies would become unnecessary.

All the Democratic presidents since Franklin Roosevelt put their stamp on the social safety net in ways that endure to this day: establishing and expanding Social Security, expanding access to health insurance, providing subsidies for food, and providing housing assistance. Biden expanded premium tax credits for health insurance under the Affordable Care Act through 2025. But two of his priorities—expanding the child tax credit and raising the minimum wage—were set back by inflation. The child tax credit was temporarily expanded in 2021, contributing to a significant reduction in child poverty that year. But Republicans blocked renewal of the expansion; after a year, it returned to its previous value of \$2,000 per child, which was never indexed to inflation. As a result, its real value has fallen by 20 percent over the last four years, which amounts to one of the largest real cuts to family support or the social safety net that the country has ever seen—dwarfing much of the legislation passed by previous presidents hostile to these programs. At the same time, Republicans opposed a minimum wage increase, preventing it from winning a filibuster-proof majority in the Senate. So the minimum wage, too, has fallen by 20 percent in real terms and is now effectively

meaningless, barely binding in a world in which competition forces almost all employers to pay more than \$7.25 an hour.

BACK TO BASICS

Trump's 2024 presidential election victory was in no small part a harsh rebuke to the Biden administration's economic policy. Proponents of the Build Back Better agenda, in convincing themselves that the hot economy was transformative for workers, appeared oblivious to the genuine concerns of the electorate. Biden's supporters and policymakers, especially those who have denied the effects of inflation, insisted that voters grossly misunderstood the economy or attributed Vice President Kamala Harris's loss in the 2024 presidential election solely to a global rejection of incumbents. It is possible that just the portion of inflation caused by global shocks would have been enough to doom any incumbent party's reelection chances. But adding to that inflation with unnecessary spending, minimizing the suffering it caused, and touting an imaginary boom in infrastructure and manufacturing surely did not help Democrats.

The new economic philosophy that dominated during the Biden years emphasized demand over supply. It considered concerns over budget constraints overstated and placed its faith in redistribution as a way to change the trajectory of the macroeconomy. It promised policies that could simultaneously transform industries, prioritize marginalized groups in procurement and hiring practices, and serve broad social goals. Ultimately, this post-neoliberal ideology and its adherents did not take tradeoffs seriously enough, laboring under an illusion that previous policymakers were too beholden to economic orthodoxy to make real progress for people.

Rather than merely resorting to conventional approaches, however, what the country needs now is a renewal of economic policy thinking. The post-neoliberals were not wrong about the problems they inherited. Largely free labor markets have failed to deliver high levels of employment for prime-age workers in the United States for decades. National security concerns now shadow every question regarding trade and technology. And the transition to green energy will require dramatic action. New ideas about these old problems will never yield successful policies, however, if they dismiss budget constraints, cost-benefit analysis, and tradeoffs. It's fine to question economic orthodoxy. But policymakers should never again ignore the basics in pursuit of fanciful heterodox solutions. 🍷