

ECONOMIC NEWS

Joe Biden: The 46th President of the United States

A Republican majority in the Senate may limit his ability to implement his platform

It is now certain: Joe Biden will receive a majority of the Electoral College votes. Unless the outcome is overturned after the legal challenges, he will become president of the United States on January 20, 2021.

Without a doubt, a Biden presidency will be quite different from that of his predecessor if for no other reason than their different personalities. Furthermore, their [platforms](#) are a study in contrasts. During the campaign, Joe Biden proposed a major reversal of the policies implemented during Donald Trump's one and only term.

What can we expect from President Joe Biden? First, the fight against COVID-19 is expected to intensify, which includes stricter policies on wearing a mask and new lockdown measures if the experts feel that these are required. Second, an economic recovery plan should quickly be prepared. Measures to assist the unemployed and businesses affected by the coronavirus may be passed before the end of Donald Trump's term. Still, the Biden administration will probably want to go further, especially when it comes to investing in infrastructure. Third, there is no doubt that federal policies will be redirected in the battle against climate change. Investment spending mentioned earlier may target clean energy. We can also expect federal aid to electrify transit. And Donald Trump's efforts to deregulate may be reversed.

There are a number of other measures proposed in Joe Biden's electoral platform. However, any chance of implementing them may be hampered by the political makeup of the Senate. At the time of writing, the Republicans appeared to be on track to hang on to their majority, although the second round of senate elections in Georgia could be a game changer. Without a Democratic majority in the Senate (or at least parity, which would give Vice President Kamala Harris the deciding vote), it will be difficult for Joe Biden to move forward on some of his more ambitious measures. These include enhancing Obamacare, offering partially free university programs, introducing major immigration reforms and, in particular, hiking taxes on wealthier

households and businesses. The Republicans in Congress are likely to make cleaning up public finances a priority after "forgetting" this principle during Donald Trump's presidency.

Also expected is a change in tone in trade policy. There is certainly a protectionist side to Joe Biden's platform, especially when it comes to China. Still, the platform also mentions that a concerted effort involving "allies" may be used to put pressure on China. This is a complete break from the unilateral measures imposed by Donald Trump. Joe Biden's approach on the international scene should be much less confrontational.

IMPLICATIONS

The economic program that Joe Biden proposed during the campaign is ambitious and expensive. Some parts may end up being implemented, which would help the U.S. economy. However, the possible need to reach some middle ground with the Republicans in Congress threatens to limit their scope.

Francis Généreux, Senior Economist

François Dupuis, Vice-President and Chief Economist • Mathieu D'Anjou, Deputy Chief Economist
Benoit P. Durocher, Senior Economist • Francis Généreux, Senior Economist • Hendrix Vachon, Senior Economist

Desjardins, Economic Studies: 514-281-2336 or 1 866-866-7000, ext. 5552336 • desjardins.economics@desjardins.com • desjardins.com/economics

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