

President Biden's 2023 State of the Union address

On 7 February 2023, the President of the United States, Joe Biden, gave his State of the Union (SOTU) address to a joint session of the 118th US Congress (2023-2024). Unlike in 2022, when the US had a 'united' government, with the President's party, the Democrats, holding the majority in both chambers of Congress, Biden now faces a 'divided' government, with a Republican-led House of Representatives, and has to decide on a potential second-term bid in 2024. While in 2022, Russia's then newly launched war of aggression against Ukraine featured prominently in the SOTU, references to US foreign policy in 2023 played only a marginal role. A key priority of Biden's speech was to make benefits of his legislative achievements tangible for US voters. In contrast to 2022, President Biden 'recycled' several proposals that have not (yet) materialised, rather than presenting new ones.

Background

The SOTU address is mandated by the US Constitution, which in Article II, Section 3, Clause 1 provides that the President 'shall from time to time give to the Congress Information of the State of the Union, and recommend to their Consideration such measures as he shall judge necessary and expedient'. From 1790 to 1946, the speech was referred to as the 'Annual Message', and since 1947, it has been known as the SOTU address. Over time, both its content and form have changed. Some US presidents presented the address in writing, albeit most of them in-person. President Biden gave his 2023 SOTU address against the backdrop of a challenging political situation for his domestic policy agenda in the wake of the 2022 mid-term election and ahead of the 2024 presidential elections. Since January 2023, the House of Representatives has a narrow (222-213) Republican majority, while the Senate is controlled by a razor-thin (51-49) Democratic majority. The Republican Party has been engulfed both in infighting over its future direction and in leadership issues, as was on full display during the marathon 15 voting rounds to elect the new Speaker of the House, Kevin McCarthy (R-California). The election process was marked by a group of far-right MAGA (Make America Great Again) and Freedom Caucus holdouts who extracted sweeping House rule concessions from McCarthy in exchange for abandoning their opposition to him. Democrats elected the first House Minority Leader of colour, Hakeem Jeffries (D-New York), unanimously.

Domestic policy

President Biden presented the US economy's positive trends as regards job creation, the unemployment rate, inflation, energy prices, the number of new small business set-ups, and the reduction of the federal deficit. The data he floated were quickly fact-checked by several media and variously found to be mostly true, to be lacking context and partly exaggerated, or to be inaccurate. Biden also recalled the major tenets of his transformative vision for the US economy. These include building an economy 'from the bottom up and the middle out, not from the top down', i.e. an economy that grows the American middle-class by creating new manufacturing jobs through industrial policy initiatives, and reverses a past trend of importing goods and exporting jobs. Biden was eager to show-case how the bills he signed into law would make a difference for individual Americans. The list of bills included, inter alia, the Infrastructure Investment and Jobs Act, the Chips and Science Act, the Inflation Reduction Act (IRA), the Bipartisan Safer Communities Act, the Election Count Reform Act and the Respect for Marriage Act. Biden elaborated extensively on the 'unfair' US tax system, stressing that he signed into law a minimum corporate tax of 15 %, 'less than a nurse pays', and highlighting the need to continue funding long-standing social security and healthcare entitlement programmes, such as Medicare for seniors. He proposed, among other things, to introduce a minimum tax on billionaires who should not 'pay a lower tax than a school teacher or firefighter'. He 'recycled' a laundry list of social policy proposals – including pre-school for 3- and 4-year-olds, paid leave, and restoring the child tax credit to halve child poverty - unlikely ever to get Republican buy-in. He took issue with large US companies, calling out Big Pharma's prescription drug prices, much higher than those



in comparable OECD countries (the IRA caps insulin prescription costs at US\$35 per month, but only for seniors on Medicare), and oil companies' <u>buybacks</u> of their stocks as opposed to investing in fixed assets to exploit more oil and thus reduce energy prices. On the consumer protection agenda, he made the case for a <u>junk fee prevention act</u> to rein in companies requiring excessive fees (<u>'junk fees'</u>) from consumers, and for adopting bipartisan Big Tech legislation not passed in the last Congress. He called for passing the Protecting the Right to Organize (<u>PRO</u>) <u>Act</u> that seeks to ban <u>'non-compete clauses'</u>, which limit job changes, from being imposed on workers. Against the backdrop of <u>rising crime</u> and <u>police violence</u> against people of colour, Biden called for police reform, a <u>reintroduced ban on assault weapons</u>, and more resources under his <u>new border plan</u> to address illegal immigration at the border with Mexico. Finally, he called for continued efforts on his four-part 2021 <u>Unity Agenda</u> on bipartisan issues: cancer, fentanyl, mental health, and veterans.

Foreign policy: Ukraine and China

In the presence of Ukrainian Ambassador Oksana Markarova, President Biden stated that 'America is united in our support for your country', adding, 'We will stand with you as long as it takes.' However, Biden did not go into details of past and future US support. Recent polls show that 47% of Republicans believe the US is doing too much for Ukraine, compared with only 10% of Democrats. Critics have argued that President Biden missed an opportunity to prepare Americans for a longer war in Ukraine. A Chinese spy balloon intruded into US air space a few days before the SOTU address, hovering over sensitive military facilities before being shot down over the Atlantic Ocean. Biden addressed Republican criticism that the balloon should have been shot down earlier, before completing its mission, and that US national security had been compromised. He stated, 'Today, we're in the strongest position in decades to compete with China or anyone else in the world. I am committed to work with China where it can advance American interests and benefit the world. But make no mistake: ... if China threatens our sovereignty, we will act to protect our country. And we did.' At least three such balloon intrusions had occurred under the Trump administration. On 9 February 2023, the House adopted a resolution in a bipartisan 419-0 vote condemning the intrusion.

SOTU address – A launch pad for Biden's potential presidential bid for 2024?

During his SOTU address, President Biden did not reveal whether he would run for a second term. Some commentators have pointed to hints that could suggest his intention to run again. They include not only Biden's focus on strong fundamentals of the US economy, legislative accomplishments, and unfinished business, but also his frequent efforts to reach out to his online audience (down 28 % from 2022) and explain in an unfiltered, unedited way how it would benefit from his agenda. His repeated direct appeals to Americans watching from home come as no surprise, as Biden's approval rating stands in the low 40 %. Six in 10 Americans fail to see how Biden's legislative wins benefit their daily lives. One reason, according to Biden, is that implementation of laws passed in 2022 has only just begun, and benefits will take time to materialise. A majority of Democrats consider Biden too old to run. However, the discovery of classified documents from his time as vice-president during the Obama administration – both in his former office at the Penn Biden Center for Diplomacy and the Global Engagement think-tank in Washington DC, and in his private home in Wilmington (Delaware) – does not appear to have affected him too much so far. In an ABC News poll of February 2023, 48 % of respondents stated that Biden 'acted wrongly but not intentionally', while 45 % said that Trump acted 'intentionally' and 'did something illegal'. Biden had criticised former President Trump in a classified-document case of different dimensions and circumstances.

Working across the aisle with Republicans

During the 2022 mid-term election campaign, Biden <u>warned</u> of MAGA Republicans being a threat to US democracy. In his 2023 SOTU speech, by contrast, he portrayed his 'Republican friends' as <u>partners in governance</u> during the first two years of his presidency, putting conciliation over division in line with his aspiration 'to restore the soul of the nation' and 'to unite the country'. In spite of Republican opposition in the House and looming House Oversight Committee <u>investigations</u>, including into his son, <u>Hunter Biden</u>, President Biden repeated his unwavering conviction that, despite their big differences, Democrats and Republicans could <u>come together</u> to craft compromise legislation in the next two years, stressing that he had signed some 300 bipartisan bills since taking office. A first litmus test for bipartisanship will be for President Biden and Speaker McCarthy to hash out an agreement on raising the <u>federal debt ceiling</u> by June 2023 at the latest, to avoid a US debt default either <u>with or without</u> government spending cuts.