

US policy update: The Biden/Harris ticket and what it means for the US election

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This US election cycle, GC team members in the Washington, DC and London offices are holding a series of conversations on the elections and wider US policy issues, and how each might impact investors and companies on both sides of the Atlantic. Below is a brief extract from the tenth conversation in the series, which unpacked yesterday's long-awaited announcement that US Senator Kamala Harris will be Joe Biden's vice president should he be elected in November. The speakers are [Joe Palombo](#) (Practice Lead, Global Investor Services) and [Erin Caddell](#) (Director, GC US). To access the full recording, email m.milne@global-counsel.co.uk

Biden's choice of Kamala Harris as his VP nominee

JP: What does the announcement say about Biden's strategy, and how might it impact the Democrat policy platform and the overall outcome in November?

EC: In selecting Harris of California as his running mate, Biden performed the political equivalent of a short drive to the middle of the fairway. Ahead of President Donald Trump in the polls both nationally and in a number of battleground states, Biden took the safe route. Harris has already been subject to the scrutiny of high-profile campaigns, limiting the potential for unwelcome surprises. Biden also steered clear of candidates who support more progressive policies than Harris, notably fellow Senator Elizabeth Warren. So, it appears that Biden felt he is unlikely to lose the support of the party's progressive wing. At the least, he is confident that even if they do not love him, they hate Trump more.

But Harris is no moderate. Her positions as a Senator and a presidential candidate were unmistakably progressive. She supported \$10 trn in public and private spending over 10 years to address climate change. Her stated healthcare plan aimed at widening government-sponsored coverage, even if not at eliminating private insurance. And so on. So, Harris arguably is to the left of Biden. But as we have said on these calls in the past, Biden's platform is also fairly progressive. Harris' experience as a District Attorney and a state Attorney General was also surely part of her appeal to Biden given the importance of racial-justice issues in the US right now and in the presidential campaign. If Biden wins, it is almost inevitable that there will be a significant effort to enact criminal-justice reform, particularly if the Senate flips, and Harris would likely be a key part of that effort.

But in the end, we do not think Harris's nomination as VP will change the electoral math all that much. Indeed, there is a theory that, for all the hype, vice presidential selections hardly ever change the calculus much.

Kamala Harris on China

JP: We have had a question come in from a listener, asking a bit more on Harris' positions on US-China tech decoupling. It seems like she has largely managed to dodge these issues on the public record, but what might we expect from her?

EC: We have not seen any specific statements on Huawei or US-China tech decoupling. But interestingly, she did support the CHIPS Act amendment to the National Defense Authorization Act - aimed at incentivising semiconductor manufacturing in the US - a few weeks ago. But this is perhaps not too surprising given that the industry is important to California, which Harris represents.

More broadly, to the extent that Harris has spoken about China it has been focused on human rights and climate issues. She has spoken a lot about China's treatment of ethnic minorities. She has also given fairly standard comments on the trade war, criticising Trump for conducting "trade policy by tweet" and for adopting a strategy that impacts farmers - a big constituency in California - significantly. Overall, it does not seem like China is a key issue for her. This makes it likely that she will fall into line behind Biden's position. As we have been saying for many months, there is actually not a lot of daylight between the Democrat and the Republican views on China. Both are pretty hawkish, whether on trade, human rights or other issues.

On US tech, Harris has previously called on Twitter to block President Donald Trump's account. But this was likely mostly a political move. Given that California and its tech community make up a big portion of her constituency, and her potential fund-raising base should she run for president in 2024, she has to be careful how she walks the line on regulation of big tech.

If you would like to be added to our invite list for the bi-weekly call, please email Matilda at m.milne@global-counsel.co.uk