Policy Backgrounder: The US Political Outlook

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Insights for What’s Ahead:

CED’s recent Trustee Policy Summit included a series of sessions on the outlook of the US political landscape, characterized by heightened polarization, including the role of AI in politics and the important role of business in building public trust.

- The political climate is characterized by polarization. The economy is declining in importance as a campaign issue as Americans instead focus on hyperpolarized issues.
- It is too early to tell what the “main issue” of the 2024 campaign will be. A candidate who campaigns principally on that issue wins 80 percent of the time.
- AI deepfakes are becoming increasingly sophisticated, posing a major challenge to information in politics.

Today’s Political Climate: Polarization

Participants agreed that today’s political climate is characterized by polarization. Today, one cannot understand American politics without understanding polarization. While Western societies have grown increasingly tolerant and progressive, there are groups being left behind, heightening polarization. From a policy perspective, the US’ main problems would seem to be immigration, the economy, the environment and inequality. But it is too early to tell what the main issue of the 2024 campaign will be or whether it will be one of those issues. This matters because a candidate who campaigns principally on the popular side of the main issue wins 80 percent of the time.

Right now, the economy is tapering off in its perceived importance to Americans as a campaign issue despite many Americans still struggling to make ends meet as Americans instead focus on hyperpolarized issues. Elections have a certain logic, with incumbents holding a three-fold advantage over challengers. At his current 40 percent approval rating, the President is currently at a tipping point; he is in a relatively strong position, particularly compared to last year, a time of soaring inflation. Trump has a lock on his largely nativist, anti-immigrant base. Eighty-one percent of Republicans said they saw his indictment as politically motivated.

Accordingly, increasing polarization means that parties are ramping up their bases, with harsh rhetoric and more “tribal” voting patterns now than ever before. A participant said that voters are not stupid, but they are not informed. Recent polls show that the majority of Americans do not want Trump or Biden. In the last two elections, Trump threw out the playbook on predictability. Trump has a very dedicated base that has stood with him despite comments made that would have been assumed to be unforgivable. American voters are not always informed, but they usually eventually get it right; this sometimes takes several election cycles.
Al’s Role in Politics

AI is an incredibly powerful technology: There are largely two views of those studying the impact of AI, an incredible powerful technology, on politics. Some believe that the technology will take us soon to a “Jurassic Park moment,” in which the dangers lead to deleterious consequences; others do not foresee a detrimental impact. Eighty percent of organizations plan to increase investment in generative AI, which a participant termed the ultimate manipulation tool at scale. Deepfake is becoming increasingly sophisticated, posing a major challenge to information in politics. In 2016, there was the Cambridge Analytica scandal; however, this technology in social media was incredibly less powerful than AI, and the technology still caused a large amount of disinformation.

Business’ Role in Public Trust

The business community has a special role to play in trust; the public increasingly views business as trustworthy. Business leaders have an important role to play in rebuilding trust and should continue in this effort.

Public trust in government is very important, yet in the current circumstances, bad behavior often brings rewards. The increasing democratization of fundraising offers politicians less of a reason to behave in a manner consistent with support for the status quo. Additionally, the more extreme a politician is – on either side of the aisle – the more likely they are to be on television and gain public recognition. This affects the balance of party structure as the US is moving to a type of behavior more consistent with a parliamentary system; in this environment, the minority party does not view itself as minority shareholders in the current system, but as the opposition.

About the Author

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