

Biden Echoes Libertarians' Call on Occupational Licensing

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The economy is up and unemployment is down but former Vice President Joe Biden insists American workers “have been getting the shaft.”

Speaking before the International Brotherhood of Electrical Workers before declaring his third bid for the presidency, Biden settled on one example in particular: occupational licensing reform.

“You know if you are a hair braider, you braid people’s hair, you have to get a license to do something like 400 hours of training,” he said before pausing, admitting he should be “more careful” with his words, and concluding that licensing requirements were part of a greater unseen effort “not to help the worker.”

The union crowd in Washington, D.C., gave the gaffe-prone politician a laugh, and three weeks later at his presidential campaign kickoff, Biden recycled the talking point.

“Why should someone who braids hair have to get 600 hours of training? It makes no sense,” he told another labor crowd, this one packed into a union hall in Pittsburgh. “They’re making it harder and harder in a whole range of professions, all to keep competition down.”

Why, Biden continued, should unionized pipefitters, firefighters, and steelworkers care about “getting rid of these unnecessary hoops out there? Because we have to restore America’s ability and individual American’s ability to fight for their own dignity.”

The union members in the crowd and the workers standing behind the candidate applauded again -- reliably Democratic voters all cheering the kind of government deregulation that has been the pet project of libertarian billionaires like Charles and David Koch for half a decade. It was a moment of pragmatic centrism.

Biden, the blue-collar anti-Trump, hopes to make this sort of thing his brand as the rest of the primary pack continues to sprint farther and farther to the left.

Well known to limited-government types, occupational licensing reform is the sort of thing discussed by wonks at libertarian think tanks. Until now, the issue hasn’t been fodder for presidential politics. This could change, thanks to Biden, and it could begin a larger national discussion about state and local licensing rules that govern everything from hair braiding to pet walking.

According to the Bureau of Labor Statistics, roughly half of U.S. workers hold an occupational license, a dramatic increase since 1950 when just 5% of the workforce held such permits.

Attorneys, construction contractors, and surgeons are all expected to obtain legal certification to ensure quality and public safety. But critics complain that licensing requirements have gone too far when hairdressers and interior decorators have to obtain permission from the government to do their jobs.

“Requiring a government license to work in certain jobs helps to keep all of us safe,” Pennsylvania Gov. Tom Wolf said last summer, “but those requirements should be fair.”

A Democrat and close Biden ally, Wolf pushed to eliminate licensing requirements for more than a dozen jobs. For instance, Pennsylvania barbers were required to train for 1,250 hours, pass written exams, and spend thousands of dollars just to legally give a buzz cut.

And anyone who wants to auction off antiques, manage a campground, or even sell cemetery plots in his state had to obtain legal certification to do so. Critics like Wolf argue that those hoops do more to harm workers looking for opportunity than they do to protect consumers.

“We must cut the red tape, reduce the bureaucracy and ensure overly burdensome rules and fees do not block hard-working people — especially our military spouses — from getting a good job, supporting their families and growing our economy,” Wolf argued.

Biden agrees and the longtime liberal is getting rare accolades from an unusual source for making the argument: the conservative Koch network.

Four years ago, when the Koch brothers publicly took aim at job licensing laws, only a handful of wonks cared about the issue and even fewer reporters. Erica Jedynak, director of employment initiatives at the Koch-funded Americans for Prosperity, told RealClearPolitics that Biden’s comments show the “issue is now coming to the forefront.”

Jedynak even hears echoes of Donald Trump’s economic populism in Biden’s pitch on occupational licensing reform: “What we have seen with Trump is that caring about how regular people put food on the table is a winning message.”

And that Biden speech to the electrical workers union -- “that’s real America,” Jedynak continued. “That is speaking to their profession, their livelihood, and we need to be talking about reducing barriers so that more folks can go into successful professions.”

This is not the first time Biden and the Koch network have crossed paths. The two camps made an unlikely alliance toward the end of the Obama administration targeting the issue and developing the first-ever database on state and local licensing requirements. “Our interests are pretty much aligned,” a spokesman for the Kochs said at the time.

The Trump administration has continued much of that work. The president signed legislation that encourages states to eliminate overly burdensome occupational licensing requirements last year and his daughter, Ivanka, has become an outspoken critic of how these rules hamper upward mobility.

With Biden, advocates for reform see a breakthrough. It means the issue wouldn’t be “pigeonholed to just policy nerds,” Shoshana Weissmann, a fellow at the conservative R Street Institute, told RCP.

“Bringing that thinking to the campaign trail and seeing it not just as good policy but good and relatable messaging is a BIG DEAL, especially for a Democrat,” Weissmann wrote in an email.

“A lot of the interest in reform is still on the right, but some on the left are championing it now. This is a big win, because it's a no-brainer bipartisan issue.”

Advocates liken occupational licensing to criminal justice: two rare issues where conservatives and liberals overlap on the ideological Venn diagram. Both sides agree generally that there is a problem, and now, as with the criminal justice reforms that were passed into law last year, they hope the left and the right can come to an agreement.

Clark Neily, a vice president at the libertarian CATO Institute, is normally no fan of the former vice president. Biden has his faults, Neily told RCP, but Biden is a persuasive politician who has grasped onto “something that is fundamentally true, namely that occupational licensing is destroying the engine of American prosperity.”

“If he is prepared to translate that into terms his constituency can understand and respond to, it’s going to be a winning message,” Neily said. If Biden backed the libertarian case for further criminal justice reform, the CATO scholar added, “heck, I might even vote for him.”

In all likelihood, the libertarian vote won’t count for much in the Democratic primary. All the same, Biden seems well suited to make the argument for this particular issue. Occupational licensing reform dovetails well with his appeal to union workers.

The late Alan Krueger, formerly Obama's top economic adviser, noted in a 2011 paper that as unions atrophied, occupational licensing expanded. Both create barriers to entry into the workforce and shield workers from increased competition from newcomers. But a worker with an occupational license doesn’t benefit from the collective bargaining of a union.

This could provide a ready-made pitch for Biden. He said workers are getting “the shaft.” He might be borrowing rhetoric from the conservative right to make his argument.