



No, Joe Biden Can't Save Christmas

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No, America, President Joe Biden is not Santa Claus.

It is tempting, of course, to believe in an all-powerful character capable of uniting the country politically, getting everyone vaccinated, and delivering Christmas presents to all the good boys and girls through nothing more than his sheer goodwill and the flexing of state power. It's been a rough couple of years, and now inflation is taking off like a team of flying reindeer. We could all use a nice story about a kindhearted hero bringing joy to a weary world.

A story like this one: "President Joe Biden is rushing to relieve congestion across the nation's complex shipping supply chain as it threatens to disrupt the holiday season for millions of Americans."

That's the first sentence—yes, really—of an article published this week by *Politico* about the White House's jolly old elf apparently scampering off to America's ports in order to save Christmas.

In reality, what Biden did was far less dynamic. He gave a speech browbeating companies and port operators for logistical logjams, and made some vague threats about dropping a sack of coal in their stockings. "If the private sector doesn't step up, we're going to call them out and ask them to act," Biden said.

As president, Biden has to give the impression of trying to do something. That's mostly what the job entails. "If there is one universally recognized principle in American political life, it's that the president of the United States should want Christmas to come off without a hitch," writes Rich Lowry, editor of *National Review*. To appear indifferent or helpless in the face of something as terrible as a slightly-less-prosperous holiday season is to invite the disapproval of the masses—or at least the handfuls of them who aren't locked into voting Republican or Democrat no matter what. We've turned the presidency into an omnipotent office, and we expect that our gifts and government checks will be delivered on time.

But the problem with believing in an all-powerful government is the same as believing in Santa Claus. The logistics just don't work. He wasn't talking about Old Saint Nick, but F.A. Hayek might as well have been when he described the so-called knowledge problem. From high atop the Commerce Department or the North Pole, there's simply no way for one person (or a large bureaucracy) to know what strings to pull and buttons to push. Not even if they have elves to help.

And so Biden is left to give the appearance of doing something while pretty much everyone who actually has knowledge about these things says he's powerless to help.

"What the president's doing isn't going to really hurt. But at the end of the day, it doesn't solve the problem," Steven Ricchiuto, U.S. chief economist at Mizuho Securities, tells Reuters.

"There's no political intervention that's going to get this done, and there may not be a human intervention that gets this done because this issue is now going to last well into next year," Steve Pasierb, the president and CEO of the Toy Association, tells *Politico*. (In fact, Pasierb's quote appears *just four paragraphs* after the bit about Biden "rushing to relieve congestion" in the supply chain.)

That's not to say that Biden isn't offering any good ideas. The White House seems to have put enough political pressure on the Port of Los Angeles, where some 60 ships were reportedly waiting offshore last month for the opportunity to unload, that the port will begin operating 24/7 in the near future. It's pretty wild that the port wasn't already doing that—in light of, you know, the 60 ships that are reportedly waiting offshore, and the fact that most major ports around the world already operate around the clock.

The blame there seems to lie at least in sizable part with Biden's union pals—specifically the International Longshore and Warehouse Union, which represents workers at the Port of Los Angeles and others along the west coast. "A long history of toxic labor-management relations, particularly on the West Coast, has led to many of the issues at the heart of US container flow today," writes Peter Tirschwell in *The Journal of Commerce*, a trade publication. "Huge cost increases, limited ability to automate terminals, chronic avoidable disruption during contract negotiations, and far lower productivity and working hours compared with ports in Asia and elsewhere around the world are at the core of the issue."

As Scott Lincicome, a trade policy expert with the Cato Institute, noted in a recent newsletter published by *The Dispatch*, the U.S. does not have a single port ranked in the top 50 of the World Bank's Container Port Performance Index. Philadelphia's port ranks highest, at 83rd-best in the world. Los Angeles ranks 328th.

Automation could be a part of the solution, but of course the unions hate that idea. In 2019, the longshoremen's union secured an agreement that would keep automated terminals out of the Port of Los Angeles for at least six more years. So mark your calendars for Christmas 2025.

Biden has spent a good portion of this year trying to sell Congress on his proposed infrastructure plan, which would include a proposed \$16 billion for upgrading ports. But without concessions from unions, those upgrades might turn out to be less impressive than they otherwise could be.

But even if Biden could do away with those labor issues simply by laying a finger aside his nose (or leaning on his labor union allies), it's pretty unlikely that the fixes would be felt in the next two months. Even shifting to 24/7 operations at the port, which requires hiring more workers (which is tough to do right now), is not going to occur overnight. There are myriad other issues at warehouses, in the trucking industry, and elsewhere. Some are functions of the pandemic, while others are longstanding issues exacerbated by the pandemic. None will be resolved quickly, and government intervention is likely to make things worse, not better.

The miracle of the modern holiday shopping season is, as it turns out, not that one all-powerful dude delivers millions of gifts in a single night. It's that thousands of people working millions of hours move mountains of goods around the planet for weeks and months before December 25, so everything can be in the right places at the right times and in adequate supply. All without one person being in charge of the whole thing.

That also means there's not one person who can fix it all when there are problems. The Biden administration should focus on the long term by figuring out what regulations should be cut and what government policies (like counterproductive tariffs) can be scrapped to let ports operate more efficiently. That should be the task assigned to John D. Porcari, a former deputy secretary of transportation, who was tapped in August to be the administration's point person for the supply chain issues. Unfortunately, "Porcari's primary recourse has been to call meetings with companies at different steps along the shipping process and encourage them to extend their hours and share information about obstacles," according to *Politico*.

That's not the role of government, so no wonder months of phone calls and speeches have seemingly accomplished nothing. Meanwhile, retailers like Walmart, Target, Costco, and Home Depot are chartering their own cargo ships and sending them to smaller ports where there are fewer delays, *The Wall Street Journal* reported this week. It's those kinds of innovative, figure-it-out-as-we-go approaches that will save the holiday season, not top-down orders from the White House.

We don't elect a president to be America's gift-giver in chief, and anyone old enough to vote for president should be aware that Santa Claus isn't real.