— Georgia Power, Pacific Gas & Electric and Indiana Michigan Power — have all linked data centres to lower bills. Meanwhile, 30 states have approved or proposed “large-load” tariffs designed to ensure that big customers such as data centres pay for infrastructure upgrades.

The question is whether public opinion is still malleable. A poll this month by Echelon Insights found that opposition to data centres could be reversed if respondents were told about just one potential benefit, such as lower property taxes or more spending on schools. “Voters are open to making a deal on data centres,” argues Patrick Ruffini, a Republican pollster who runs Echelon. They also seem open to bribes. Another poll, by the University of Virginia, found that most people would accept a few thousand dollars to support a local data centre, with a median acceptable payment of $10,000. Paying every resident of a median-sized American county would cost around $240m — pocket change for the tech industry. It is already showering gifts on communities.

Still, the backlash shows few signs of abating. “We’re going to see the same thing happen in 2028,” says Darrell West of the Brookings Institution, a think-tank. Governors who escape the issue this year will face it in two years’ time, he argues, when they come up for re-election.

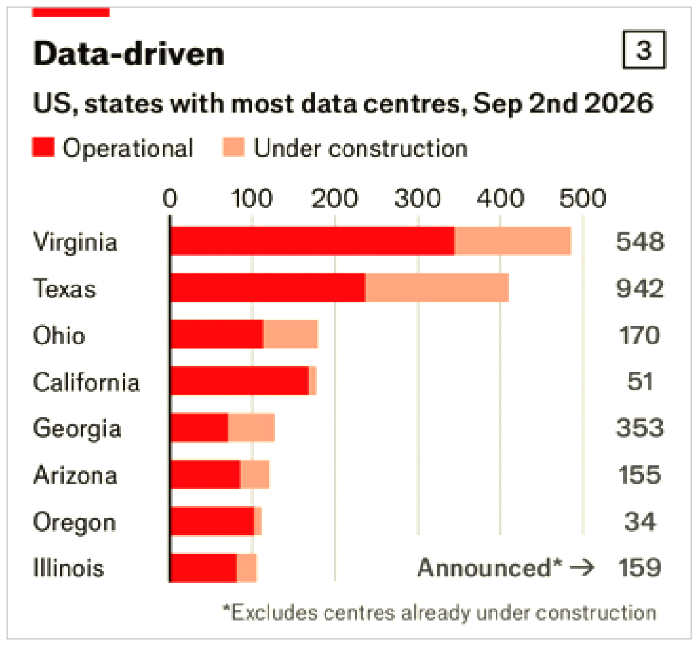
The politics of data centres is topsy-turvy in other ways, too. The backlash could prove especially awkward for Democrats in Illinois, where trade unions are powerful. Many unions are enthusiastic supporters of data centres. After Mr Pritzker’s decision in June, a group of union leaders issued a critical statement. The move, they said, “will send billions of dollars in investment and thousands of union jobs to Indiana, Kentucky and Ohio”. Tim Gillooley, a local union official, is even more emphatic: “These data centres are going to be built! Let’s get them built here.”

Path of least resistance

The growing opposition is sand in the wheels of the industry. Sales-tax exemptions for computer chips — the biggest cost of building a new data centre — remain in place in most states, including Texas. But they have been paused in others, including Arizona and Ohio, or made conditional, as in Pennsylvania. That, along with satisfying local demands, will inevitably increase the cost of new data centres. Even so, a handful of states still wield outsize influence. Texas alone has more data centres under construction than Georgia, Arizona and Pennsylvania combined (see chart 3).

Data-centre investment may simply flow to more permissive states. “Enough of these data centres are going to find a home in a community willing to work with them in return for the tax revenue and other benefits,” says Jack Painter, an energy analyst at Capstone, a strategy firm. As Mr Trump put it: “Let Data Reign.”

The article first appeared on The Economist.



ATERIO

What US midterms could mean for Trump’s power

By Max Yoeli
Senior research fellow at Chatham House

OPINION


LINCOLN AGNEW/THE BRENNAN CENTER

President Trump gathered Republicans last week for their first-ever midterm convention, and election campaigning is in full swing. The results of the November midterm elections will shape Trump’s remaining tenure and the 2028 presidential cycle.

As it stands, Democrats are projected to take the House of Representatives, while the Senate is a closer call. Either way, Republicans will likely lose the governing trifecta — House, Senate and presidency — that has enabled Trump’s agenda and removed constraints on his authority.

But that will not automatically result in durable guardrails or clear policy shifts. Even with control of one or both congressional chambers, many Democratic efforts to frustrate administration policies or impose oversight will run into structural hurdles. Instances of hard leverage are few, predominantly around funding the government, but they can be used to extract concessions — even as Republicans rally to defang them before the new Congress takes office in January.

Areas of potential Democratic leverage

With a majority in either or both houses, Democrats can block Republican legislative moves. This would likely push the White House to double down on its executive authority claims, including executive orders, emergency declarations and regulatory actions. But the inverse is not true. Even with both chambers, Democrats would struggle to drive policy through legislation. A war powers vote to curtail military engagement in the Persian Gulf or resolution disapproving of a foreign arms sale, for instance, would face presidential vetoes and Democrats would not have the supermajorities needed to overcome them.

Another area of potential leverage is withholding approval for presidential appointments — especially for a Supreme Court or Federal Reserve vacancy. However, this only works if Democrats retake the Senate, which confirms nominees.

An area where Democrats have real leverage is fiscal matters — even if they only take the House. President Trump needs congressional action to fund the government and raise the debt ceiling, which limits government borrowing. Congress raised the debt ceiling by $5 trillion in 2025 and the limit is now expected to be reached by mid-2027, after which Treasury Department accounting manoeuvres to avoid default — known as extraordinary measures — could buy an additional six to nine months. Failure to raise the limit in time to meet the government’s debt obligations could trigger a calamitous market shock. How Republicans navigate the period after the midterms and before the new Congress takes office will determine whether the debt limit remains as a negotiating lever.

Trump is pushing Republicans to use the budget reconciliation process — which requires only simple majorities in both houses — to lift the debt limit by another $5 trillion through the remainder of his term, and secure funding including $60 billion for defence and $12 billion in aid for farmers hit by tariff retaliation and Hormuz disruption. But time is of the essence as reconciliation requires a budget resolution adopted by both chambers, so a Democratic House alone would rule it out.

Ironically, Republicans themselves might provide the most immediate obstacle to Trump’s wishes. Rapid debt accrual — some $2.9 trillion of the $5 trillion added to the debt limit in 2025 had evaporated by June — has made fiscal hawks like Senator Rand Paul unwilling to proceed without spending cuts. Failure to extend the limit would yield a negotiation in 2027 or early 2028, with presidential primaries in sight and little incentive to compromise.

Unlike the debt limit, reconciliation cannot be used for regular appropriations, the annual bills that fund federal agencies. As it stands, Republicans will need Democratic support to find a solution before funding expires on December 11. This negotiation will set the timing and parameters for starker confrontations in the new year, including opportunities to attach conditions for how funding is spent. But as the Trump administration asserts unilateral authority over spending, such conditions may have less relevance.

For their part, Democrats must weigh their negotiation priorities and appetite for a potential government shutdown — during which the federal government withholds services, data and paycheques — which will inevitably raise the question of blame.

Investigations and impeachment 3.0?

Any change of control in the US Congress would also precipitate widespread investigations, including into Trump family business dealings and the Iran war. However, the levers of Congress — for instance, the power to subpoena testimony and documents — will quickly run into enforcement challenges.

This Trump administration is more capable of resisting scrutiny than the version Democrats confronted after retaking the House in 2018. It has used non-compliance, taken advantage of slow-moving court proceedings, and expanded claims of executive privilege to resist disclosing certain documents and communications. In August, Justice Department lawyers issued a non-binding advisory opinion stating that executive privilege extends to presidential communications with private individuals if they relate to his decision-making, which could vastly expand the scope of privileged information. Nevertheless, there are signs that the White House is preparing for Democratic investigations by hiring lawyers and briefing staff.

> Presidential impeachment is another potential flashpoint likely to resurface. Congressional Democratic leadership may try to resist a third attempt to impeach Trump but pressure from individual members could build. Although any impeachment — whether of Trump or alternative targets like cabinet secretaries or judges — would energize the Democratic base, it could also invite criticism of overreach. Both oversight and impeachment can be costly and time-consuming but may fail to deliver concrete results.

And Americans see ample cause for such investigations. A Gallup poll found that 89 per cent of Americans, including lopsided majorities in both parties, believe government corruption is widespread. But the challenges of reaching into the executive branch may change the shape and targets of investigations, with spillover falling onto Trump’s family members, business associates and outsiders who lack similar procedural tools and protections. Some corporate leaders could find themselves squeezed between a White House claiming privilege and Congress demanding cooperation.

Presidential impeachment is another potential flashpoint likely to resurface. Congressional Democratic leadership may try to resist a third attempt to impeach Trump but pressure from individual members could build. Although any impeachment — whether of Trump or alternative targets like cabinet secretaries or judges — would energize the Democratic base, it could also invite criticism of overreach. Both oversight and impeachment can be costly and time-consuming but may fail to deliver concrete results.

Ultimately, the most significant constraints on Trump’s remaining tenure may be practical rather than political. In a combative political environment, a crisis would put serious pressure on an outgoing presidency and diminished state capacity. A financial shock or recession would stress already strained fiscal capacity, perhaps alongside contentious negotiations; an additional military operation would draw on waning munitions stocks and a burdened force; and a natural disaster or health emergency would call on a severely depleted civil service to act. This is to say nothing of the disruption stemming from artificial intelligence, which Congress and the White House remain poorly positioned to address.

For US allies and partners, there is an uncomfortable asymmetry. A president who has made it his business to be a shock to the system retains the capacity to deliver one. Meanwhile, America itself is less capable of repair and resilience. Whatever happens in November will not change that.

US President Donald Trump arrives at the Republican convention in Dallas on September 9, 2026.
JULIA DEMAREE NIKHINSON/AP

The article was first published by Chatham House.