

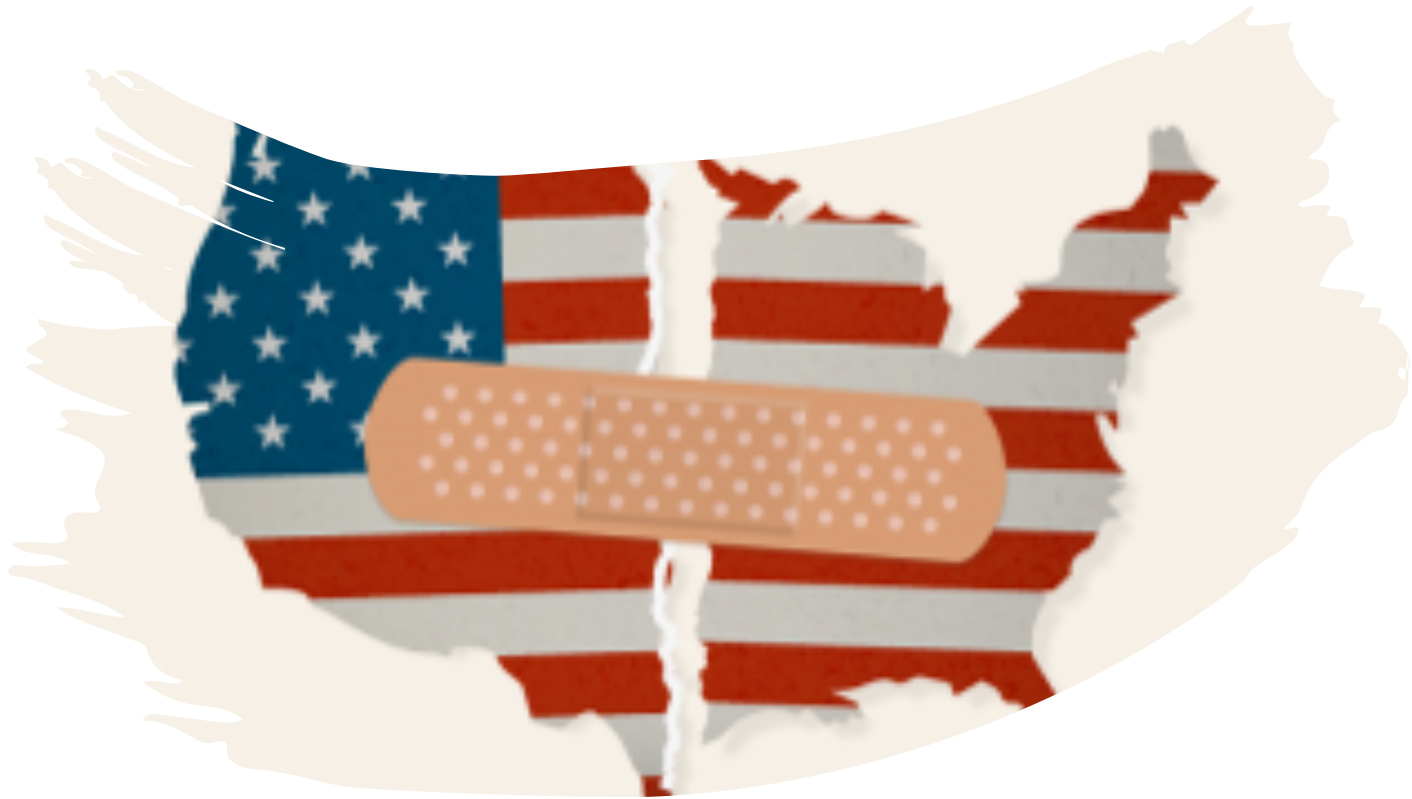
"The Election is Over: What Does It Mean for Public Policy in the US and NC

David B. McLennan, Ph.D.

NCEDA
November 13, 2020

MEREDITH
COLLEGE

GOING
STRONG



The Partisan Divide Continues

A Status Quo Election

| | Ike | JFK/LBJ | Nixon/ Ford | Reagan 1982 1984 1986 | Clinton 1994 1996 1998 | Bush 43 2002 2004 2006 | Obama 2010 2012 2014 | Trump 2018 | Trump 2020 |
|-------------------------|------|---------|----------------|--------------------------------|---------------------------------|---------------------------------|-------------------------------|---------------|---------------|
| Senate seats | -12 | -7 | -5 | -8 | -7 | -9 | -13 | +1 | -1 (up to -3) |
| House seats | -48 | -21 | -49 | -19 | -45 | -42 | -42 | -41 | +8 |
| Governors | -14 | -15 | -19 | -2 | -11 | -7 | -7 | -5 | +1 |
| State Legislative seats | -843 | -473 | -800 | +6 | -524 | -324 | -324 | -343 | -10 |
| State chambers | -21 | -12 | -31 | -7 | -18 | -13 | -13 | -6 | +2 |

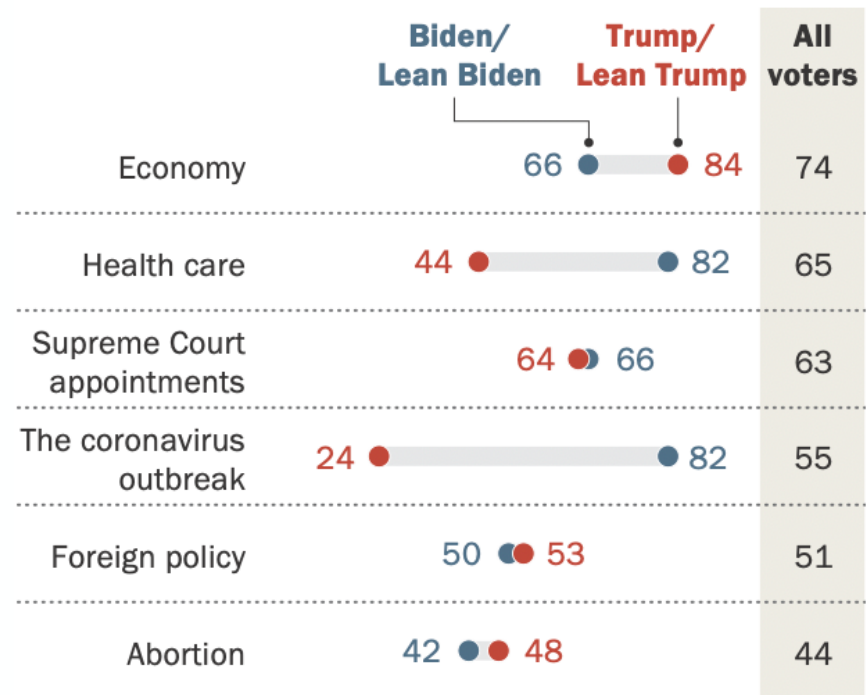
Also in North Carolina

| Year | 2020 | 2021 |
|--------------------------------|------------------------------|--|
| Governor | Cooper | Cooper |
| Council of State | 6 Republicans, 3 Democrats | 6 Republicans, 2 Democrats (1 undecided) |
| State Senate | 29 Republican, 21 Democrats | 28 Republicans, 22 Democrats |
| State House | 65 Republicans, 55 Democrats | 68 Republicans, 51 Democrats |
| Boards of County Commissioners | | |

No mandate
on policy
after a
closely
contested
election

Trump and Biden supporters differ over importance of the economy, health care – and particularly the coronavirus

% registered voters who say each is 'very important' to their vote in the 2020 presidential election



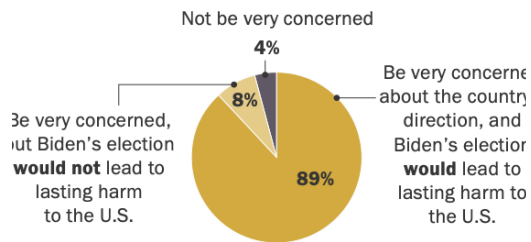
Note: Based on registered voters.

Source: Survey of U.S. adults conducted Oct. 6-12, 2020.

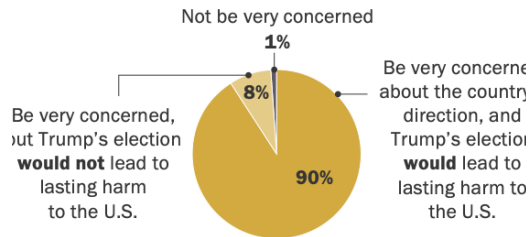
PEW RESEARCH CENTER

Both Trump and Biden supporters say if the other wins, it would result in lasting harm to the country

*of **Trump supporters** who say they would _____ about the direction of the country if Joe Biden was elected president*



*of **Biden supporters** who say they would _____ about the direction of the country if Donald Trump was elected president*



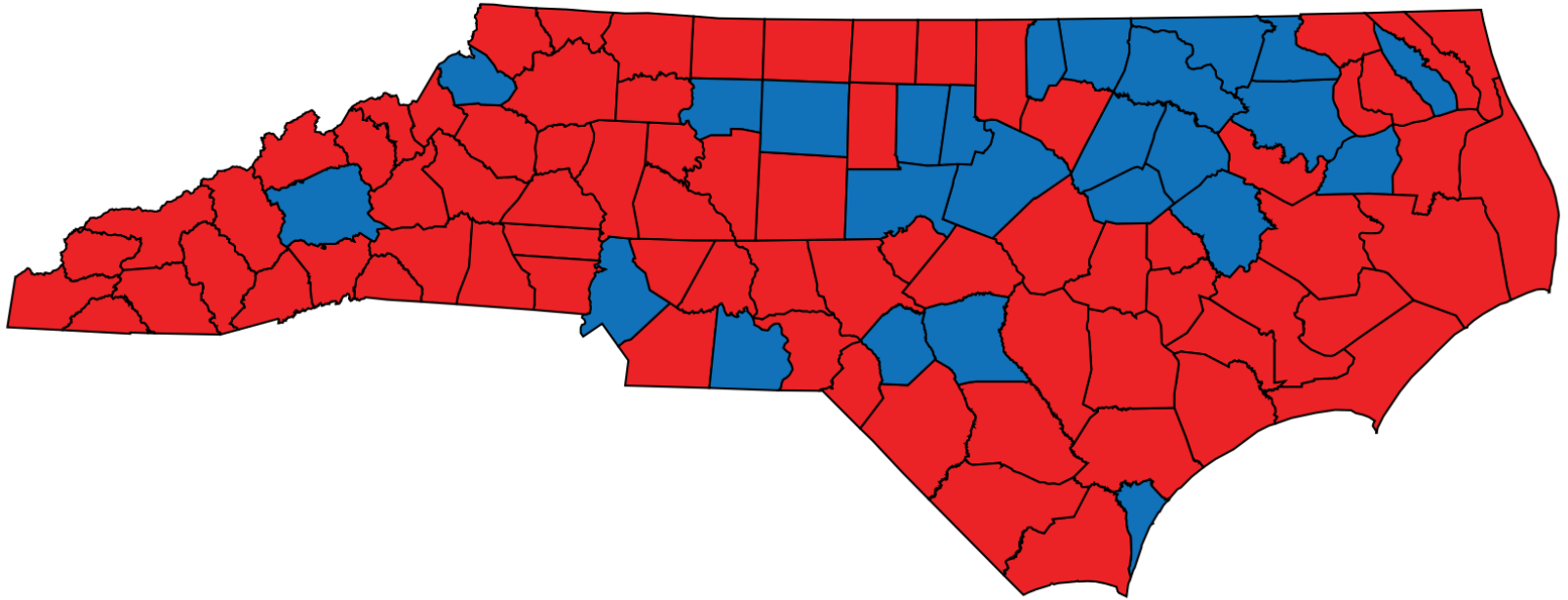
Note: Based on registered voters. No answer responses not shown. Source: Survey of U.S. adults conducted Sept. 30-Oct. 5, 2020.

Pew RESEARCH CENTER

Bitter—and negative—partisanship reigns supreme

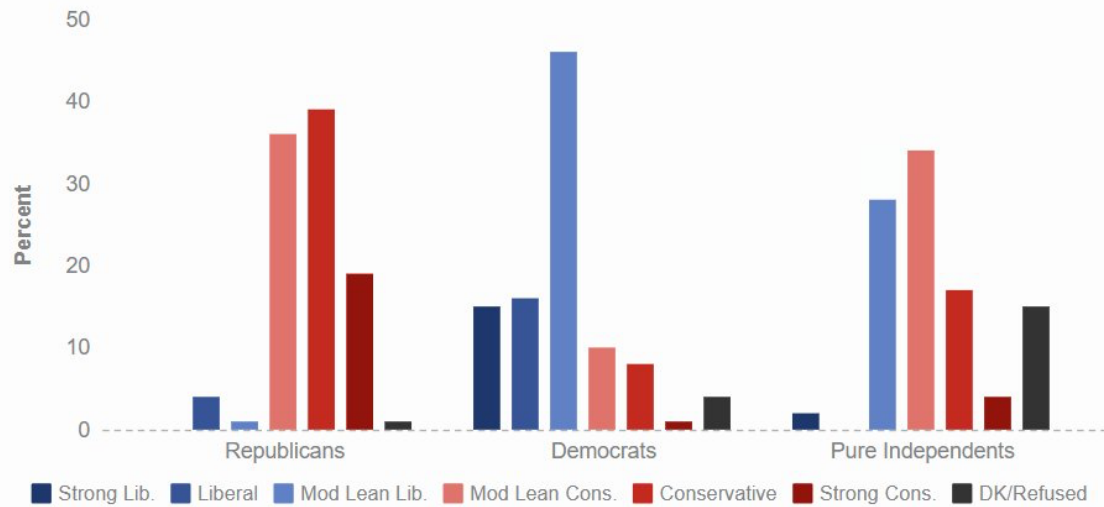


What do the election results tell us about NC?



NC—the Growing Urban- Rural Divide

Ideological Composition of Parties



NC is still a southern state



A graphic celebrating the election of Mark Robinson. On the left is a photograph of Mark Robinson, a Black man with a goatee, wearing a light blue button-down shirt, smiling. To the right of the photo, the text reads: "Mark Robinson" in white on a dark blue background. Below that, "ELECTED" is written in white on a red background, followed by a green checkmark icon. Underneath "ELECTED" is the text "Lieutenant Governor" in white. At the bottom, there are logos for "NORTH STATE JOURNAL" and social media icons for "www" (with the URL "northstatejournal.com"), "f" (Facebook), and "t" (Twitter).

Trumpism
doesn't
end with
Trump,
even in
NC



What to expect in Washington?

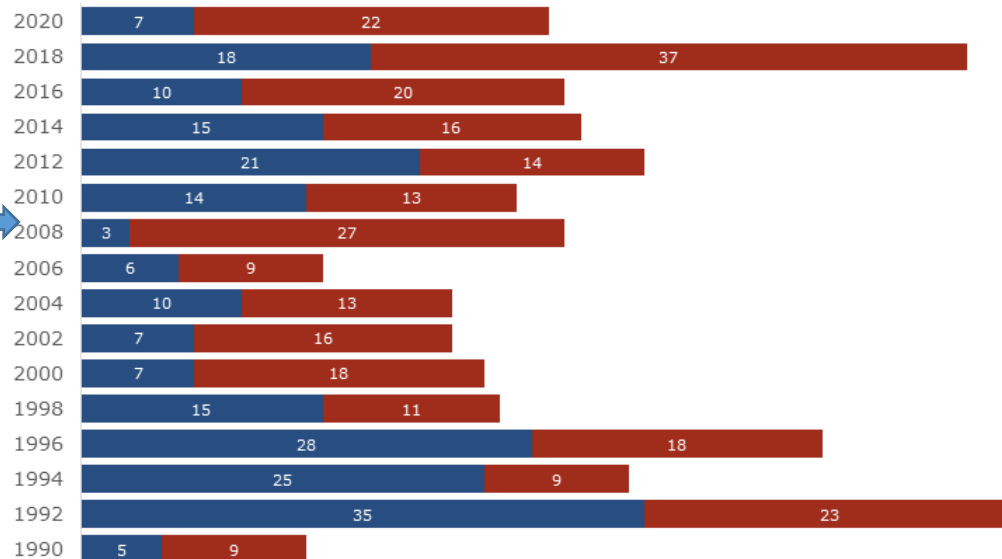
Divided Government in Washington

| Congress | House | Senate | White House | Year |
|----------|-------|--------|-------------|-----------|
| 94 | Blue | Blue | Red | 1975-77 |
| 95 | Blue | Blue | Blue | 1977-79 |
| 96 | Blue | Blue | Blue | 1979-81 |
| 97 | Blue | Red | Red | 1981-83 |
| 98 | Blue | Red | Red | 1983-85 |
| 99 | Blue | Red | Red | 1985-87 |
| 100 | Blue | Blue | Red | 1987-89 |
| 101 | Blue | Blue | Red | 1989-91 |
| 102 | Blue | Blue | Red | 1991-93 |
| 103 | Blue | Blue | Blue | 1993-95 |
| 104 | Red | Red | Blue | 1995-97 |
| 105 | Red | Red | Blue | 1997-99 |
| 106 | Red | Red | Blue | 1999-2001 |
| 107 | Red | Blue | Red | 2001-03 |
| 108 | Red | Red | Red | 2003-05 |
| 109 | Red | Red | Red | 2005-07 |
| 110 | Blue | Blue | Red | 2007-09 |
| 111 | Blue | Blue | Blue | 2009-11 |
| 112 | Red | Blue | Blue | 2011-13 |
| 113 | Red | Blue | Blue | 2013-15 |
| 114 | Red | Red | Blue | 2015-17 |
| 115 | Red | Red | Red | 2017-19 |
| 116 | Blue | Red | Red | 2019-21 |

More Republicans than Democrats have announced the retirement before the 2020 election

Retirements from Congress, by election cycle

■ Republicans ■ Democrats



*Data includes retirements; does not include members of Congress seeking a different office or members of Congress who resigned before the election
Sources: FiveThirtyEight; National Journal, Ballotpedia.

Slide last updated on: December 10, 2019

The Congress is not going to be the same Congress that Joe Biden Remembers



Public
Policy
Predictions
2021

Culture Wars Not Just in Politics

WHY ENGAGE? **STAKEHOLDERS DEMANDING**

“Wokeforce”



Consumers



Investors



Activists



HOW TO ENGAGE? **ACTIONS > WORDS**

Ad Spending



Advocacy



Partnership



Operations



Seeds of Chaos: Foreseeable Crises

PANDEMIC: UNPREPARED



ECONOMY: UNPROTECTED

53% lacked emergency savings



27.9M lacked health insurance



21.3M lacked adequate broadband



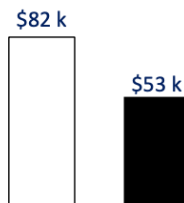
33.6M lacked paid sick leave



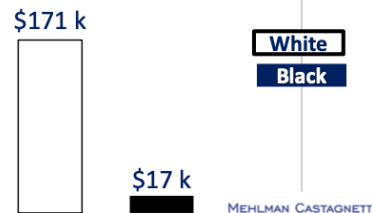
Sources: [Savings](#); [Leave](#); [Insurance](#); [Broadband](#)

SOCIAL JUSTICE: GLARING GAPS

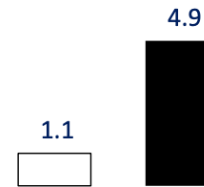
INCOME



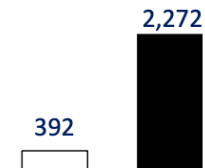
WEALTH



KILLED BY POLICE (Unarmed, per 1M)



IN JAIL (per 100k males 16+)



Sources: [Federal Reserve](#); [FRED](#); [Pew Research Center](#); [Bureau of Economic Analysis](#); [Mehlman, Castagnetti, Rosen & Thomas](#)

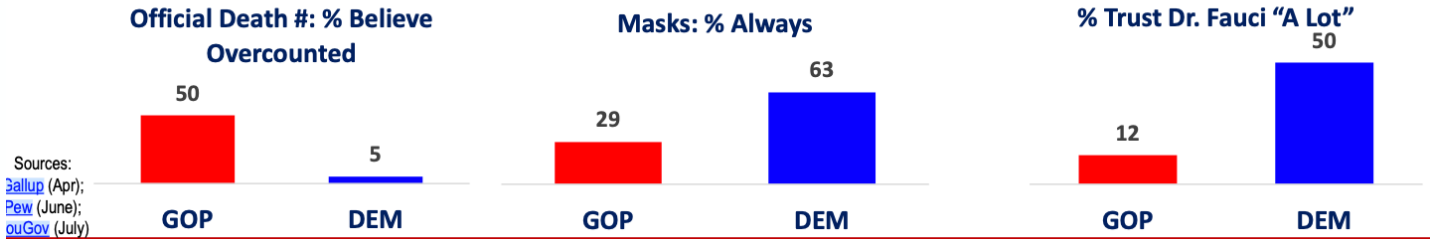
In Politics, the Center is Up for Grab

Who Will Occupy the Center? Both Parties Have Been Moving Away

| LEFT LOSING <i>(Too Politically-Correct)</i> | ISSUE <i>(Politically Exhausted)</i> | RIGHT LOSING <i>(Too Politically-Incorrect)</i> |
|---|--|---|
|  | IMMIGRATION |  |
|  | ENERGY & ENVIRONMENT |  |
|  | RACIAL JUSTICE |  |
|  | HEALTH CARE |  |
|  | TAXES & SPENDING <small>MEHLMAN CASTAGNETTI ROSEN & THOMAS</small> |  |

It is the Pandemic, Stupid

PANDEMIC: OUR POLITICS ARE KILLING US



ECONOMY: INABILITY TO CONTROL SPREAD PREVENTS RECOVERY

No Child Care?



-10% GDP
(U. Chicago)

No Masks?



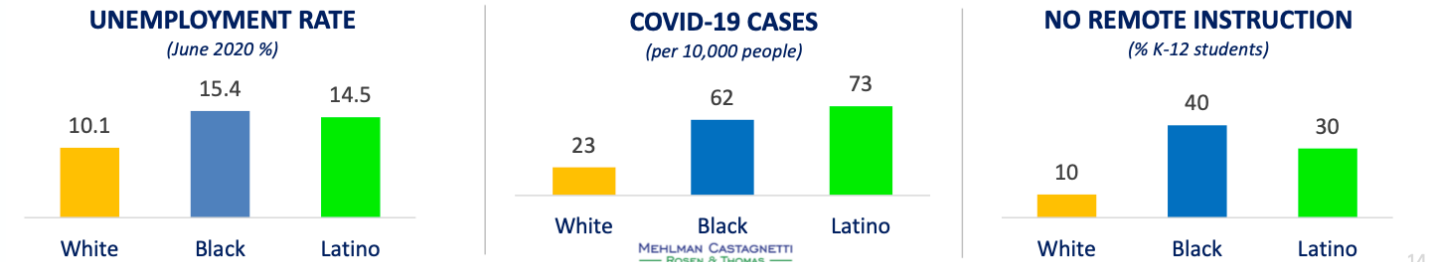
-\$1T GDP
(Goldman Sachs)

No State Govt Help?



-5.3M Jobs
(EPI)

SOCIAL JUSTICE: FIGHTING OVER STATUES WHILE...



How the election could affect policy



| ISSUE | BIDEN ADMINISTRATION | TRUMP ADMINISTRATION |
|---------------------------|---|--|
| Immigration | More; give health care; DACA | Less; no gov't benefits |
| Climate / Energy | Regulate & enforce; Paris Accord | Deregulate |
| Gun Control | Gun safety laws & enforcement | No new laws |
| Labor | PRO Act + \$15/hr | Deregulate; Fewer NLRB rules |
| Policing Reform | Black Lives Matter; Have Feds lead | Blue Lives Matter; Let States lead |
| Health Care | ACA+ public option; Lower age for Medicare; Lower Rx costs | Kill ACA but says he'll cover pre-existing conditions; Lower Rx cost |
| Tax | Repeal Trump cuts for wealthy, corps | Maintain / more cuts |
| Finance | Homeowner protection; undo regulatory rollback; enforcement | Relax Dodd-Frank |
| Foreign Policy | Lead multilateral groups | End old multilateralism |
| Trade | Cut "Fair" deals, TPP; re-shore U.S. supply chains; fewer tariffs | Cut "America First" deals; re-shore U.S. supply chains |
| Deficits | +\$8.6T from '09-'16 | +\$8.3T from '17-'20 |
| China | Confront with allies | Confront |
| Infrastructure | \$\$\$\$\$ + green incentives | \$\$\$\$\$ |
| Antitrust/Big Tech | Restrain "Big Tech" (Antitrust, §230) | Restrain "Big Tech" (Antitrust, §230) |

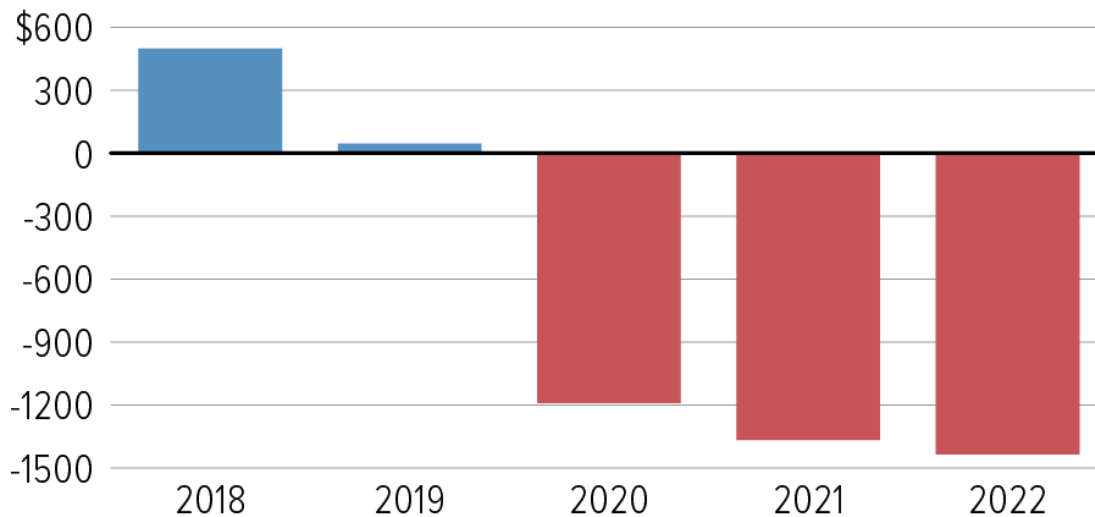
Opportunities for incremental change in policy



- COVID-19 Relief
- Infrastructure—no, really
- Coalitions in foreign policy

Large Budget Shortfalls Loom for North Carolina Due to Tax Cuts

Estimated end-of-year general fund balance, in millions

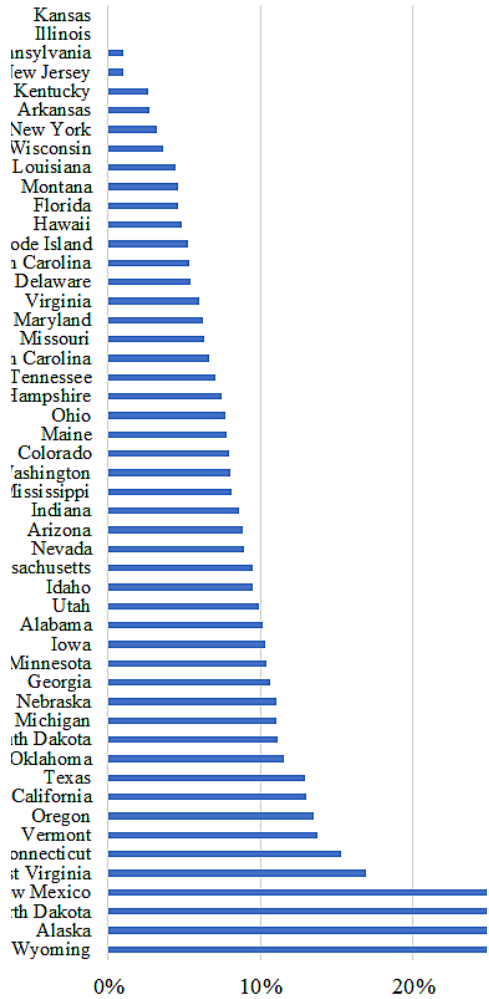


Note: Assumes that current laws remain in effect, including the tax cuts, and that policymakers fund current levels of services in programs, as adjusted by inflation and growth in enrollment. Estimate excludes one-time revenue, such as withdrawals from the “rainy day” fund or unused appropriations.

Source: Fiscal Research Division, North Carolina General Assembly

NC Budget

State Rainy Day Funds, Percent of Budget
2020 Pre-Crisis Level



Rainy Day Fund NC v. Other States

In NC (and yes, I am an optimist)



- Health care advancement
- COVID-19 economic help
- Broadband to rural parts of state

More of the same--\$440 million in 2020; more in 2021



\$18 million promised by Gov. Cooper and legislative leaders, plus \$3.5 million from One North Carolina Fund

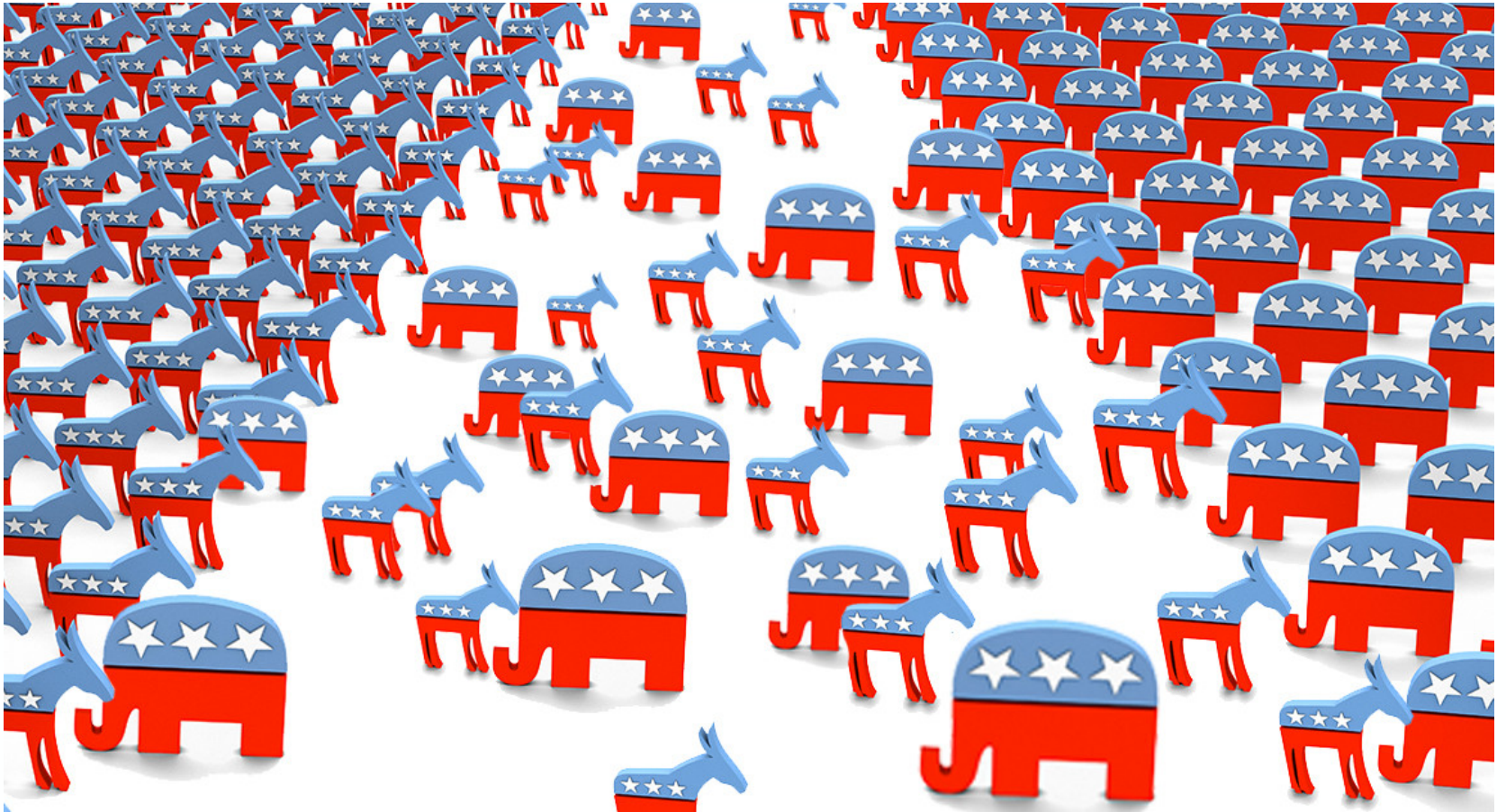


\$8.7 million to Eli Lilly



Unfortunately, redistricting does not
appear to be changing

Both Major Parties Have Real Issues (possible realignment)





Questions
or
Comments