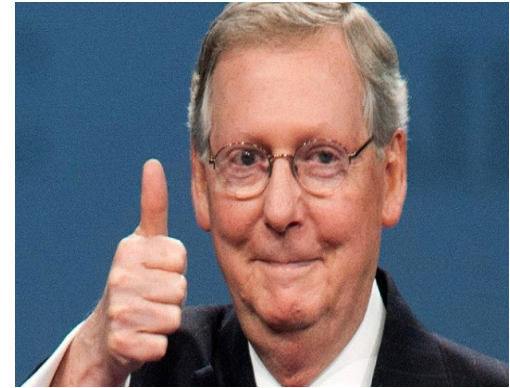




How the West Wing Was Won, 2016



Outcomes & Implications

CONTENTS

I. SUMMARY: Results, Turnout, Electorate *(Slides 3-5)*

II. HOW TRUMP WON: 5 REASONS *(Slides 6-11)*

III. WHY CLINTON LOST: 5 REASONS *(Slides 12-17)*

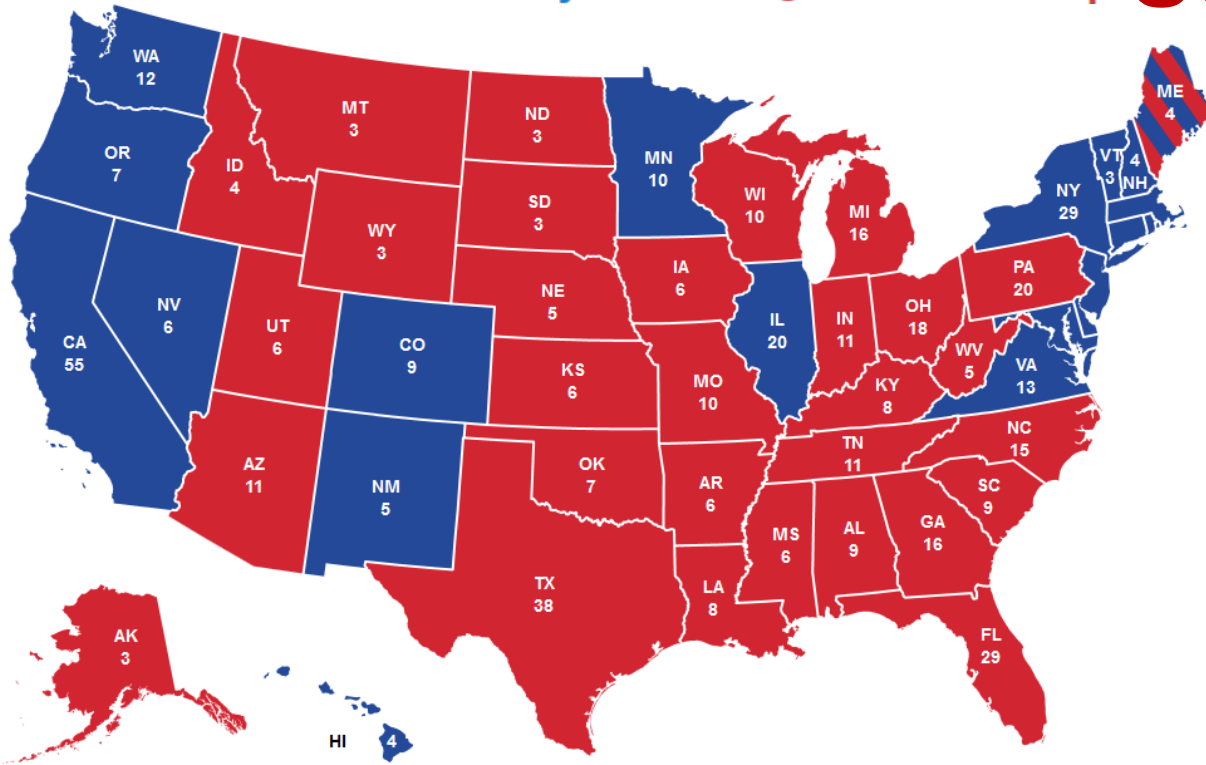
IV. CONGRESSIONAL ELECTIONS *(Slides 18-22)*

V. ELECTION CONCLUSIONS *(Slides 23-30)*

VI. THE ROAD AHEAD: POLICY & PROCESS *(Slides 31-39)*

RESULTS: Big Night for the GOP

232 Hillary Clinton  **Donald J. Trump** **306**



Candidate	Popular Vote	Percent
TRUMP	62,979,636	46.1%
CLINTON	65,844,610	48.2%
JOHNSON	4,488,912	3.3%
STEIN	1,457,038	1.1%

<http://uselectionatlas.org/RESULTS/index.html>

HOUSE: D+7

	114 th	115 th
GOP	247	241
DEM	188	194

SENATE: D+2

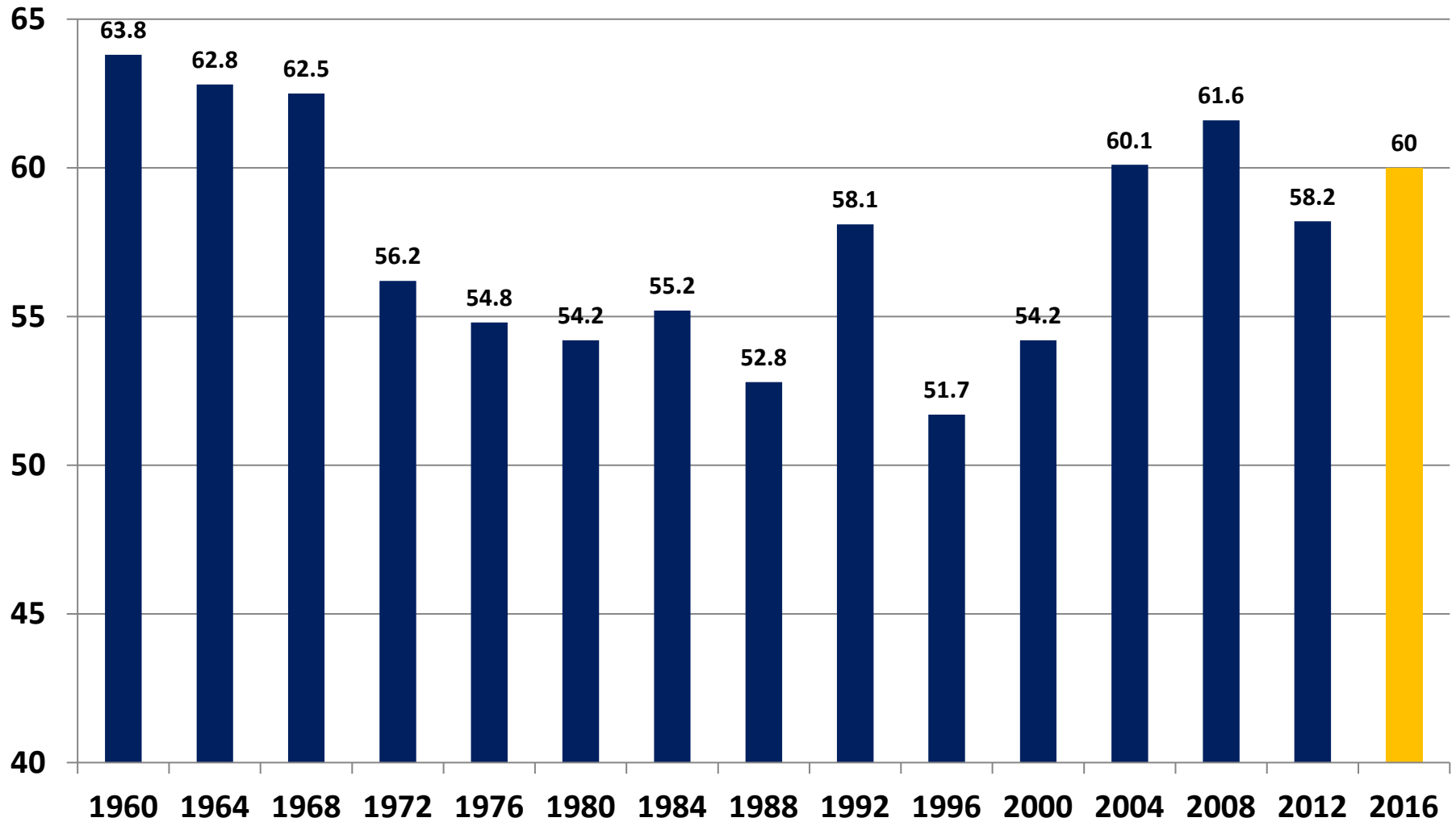
	114 th	115 th
GOP	54	52
DEM / IND	46	48

GOVERNORS: R+2

	2016	2017
GOP	31	33
DEM	18	16
IND	1	1

TURNOUT: Above 2012, Below '08 & '04

U.S. Voter Turnout as % of Eligible Voters



ELECTORATE: Younger, Better Educated, Less White

Demographics Were Not Destiny

	SHARE OF THE ELECTORATE			
	2004	2008	2012	2016
White	77%	74%	72%	70%
African Americans	11%	13%	13%	12%
Hispanics	8%	9%	10%	11%
Asian Americans	2%	2%	3%	4%
18-29	17%	18%	19%	19%
65+	24%	23%	16%	15%
Not College Grad	58%	55%	53%	50%
College Grad	42%	45%	47%	50%
Male	46%	47%	47%	48%
Female	54%	53%	53%	52%



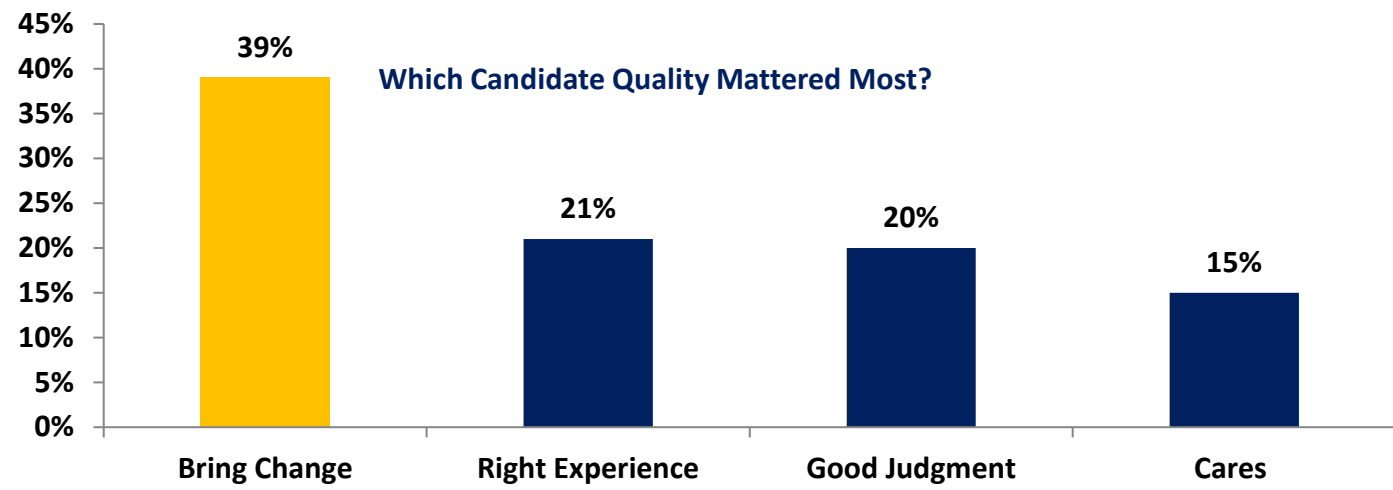
HOW TRUMP WON

5 Reasons



#1. Americans Want Change

Change Mattered Most



TRUMP Dominated Change Voters

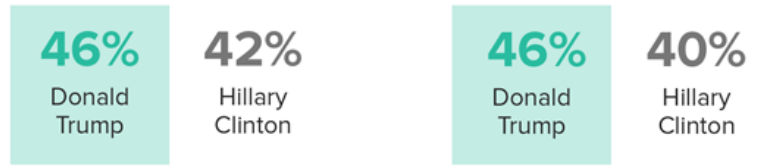
Can Bring Needed Change	Right Experience	Good Judgment	Cares About People Like Me
T+69	C+82	C+40	C+23

#2. Trump Favored on Key Issues

Trump Did Best on Issues That Mattered to Voters, According to 25K-Voter Exit Poll

ECONOMIC ISSUES

Who will do more to grow the economy? Who will do more to create jobs?

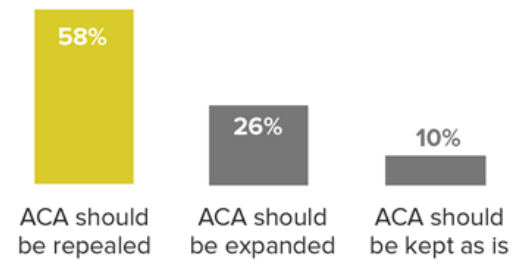


SECURITY ISSUES

Who do you trust more on defense? Who do you trust more on terrorism?

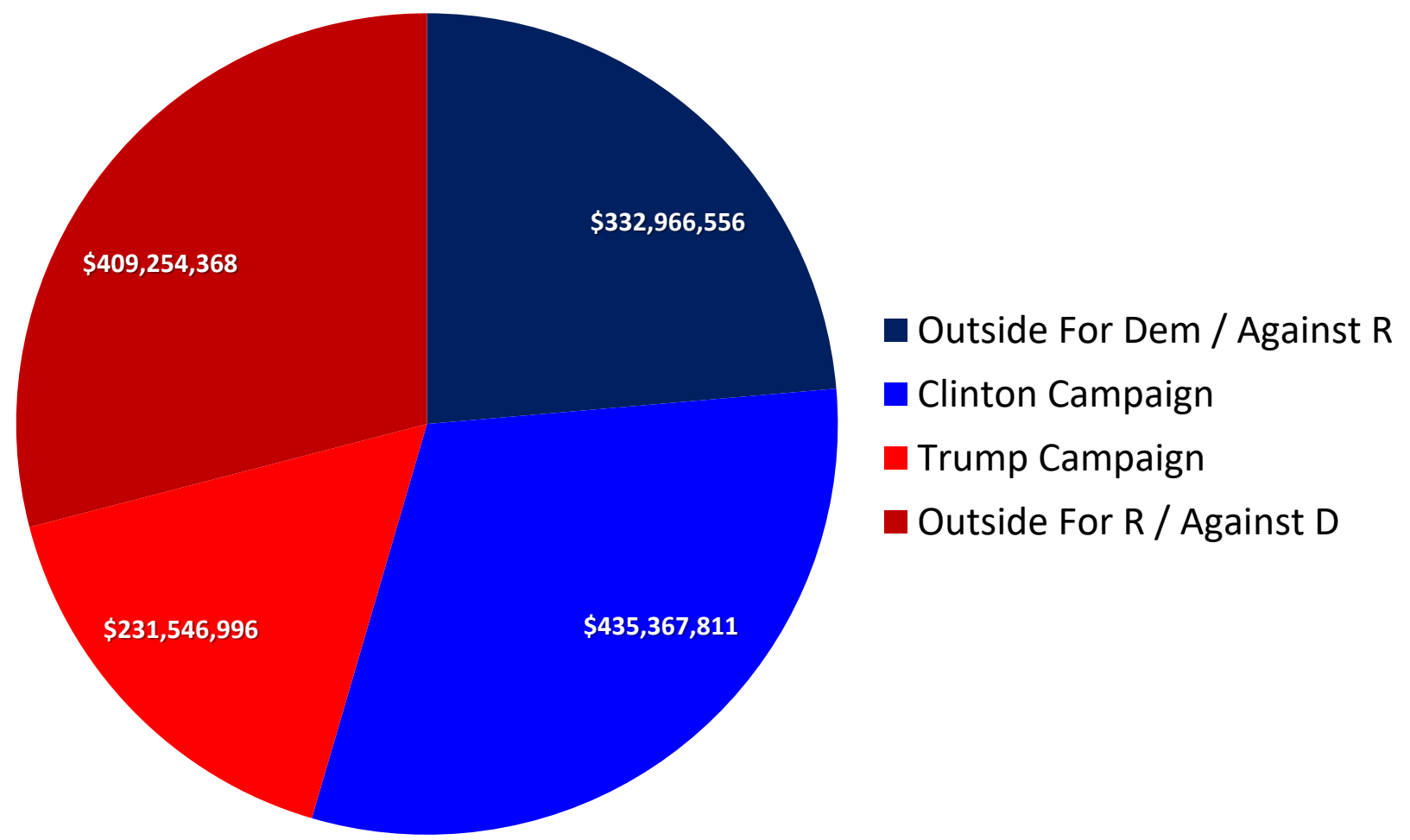


DISCONTENT WITH THE AFFORDABLE CARE ACT



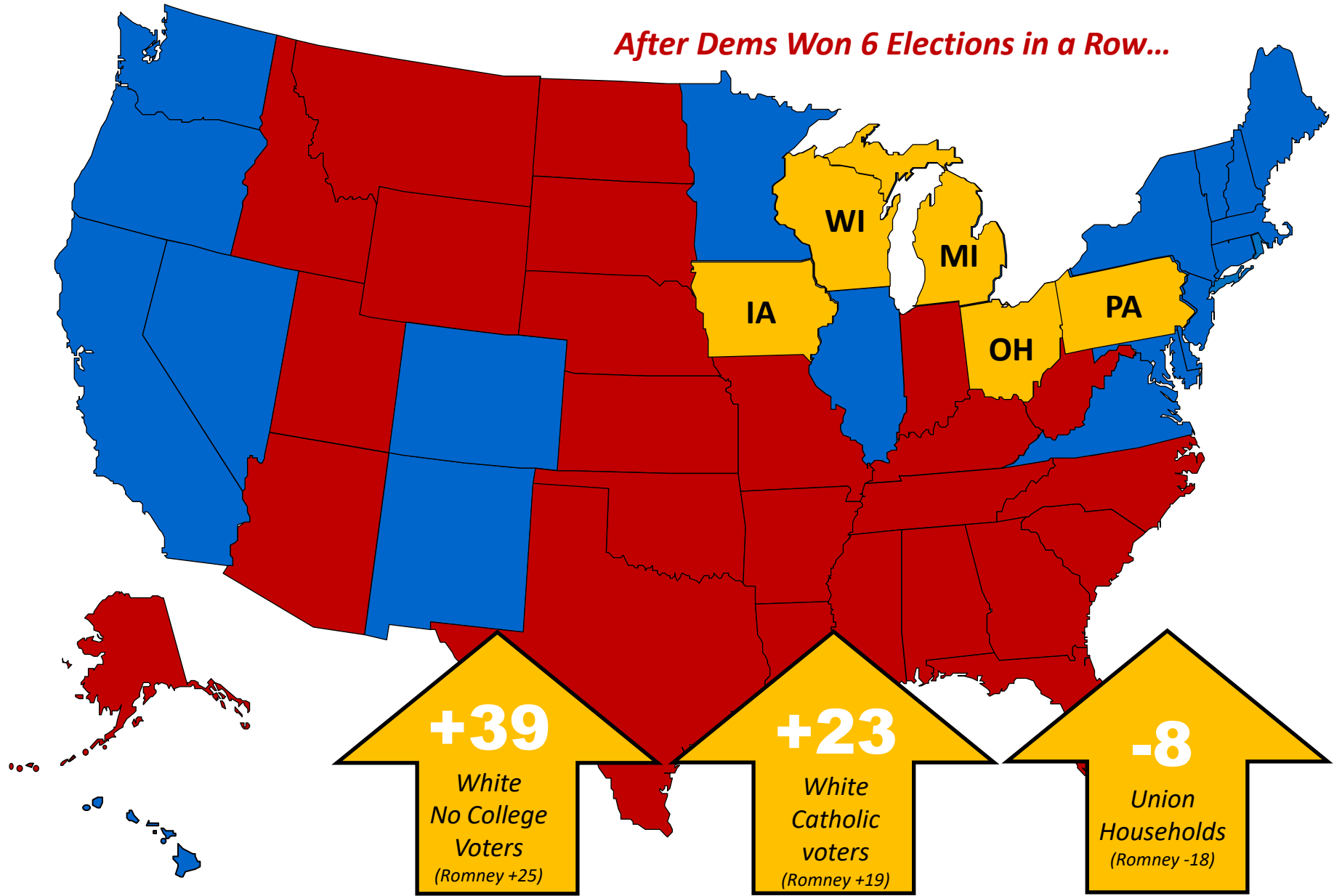
#3. More Outside \$\$ Offset Less Campaign \$\$

Share of Disclosed Outside Spending (Presidential)



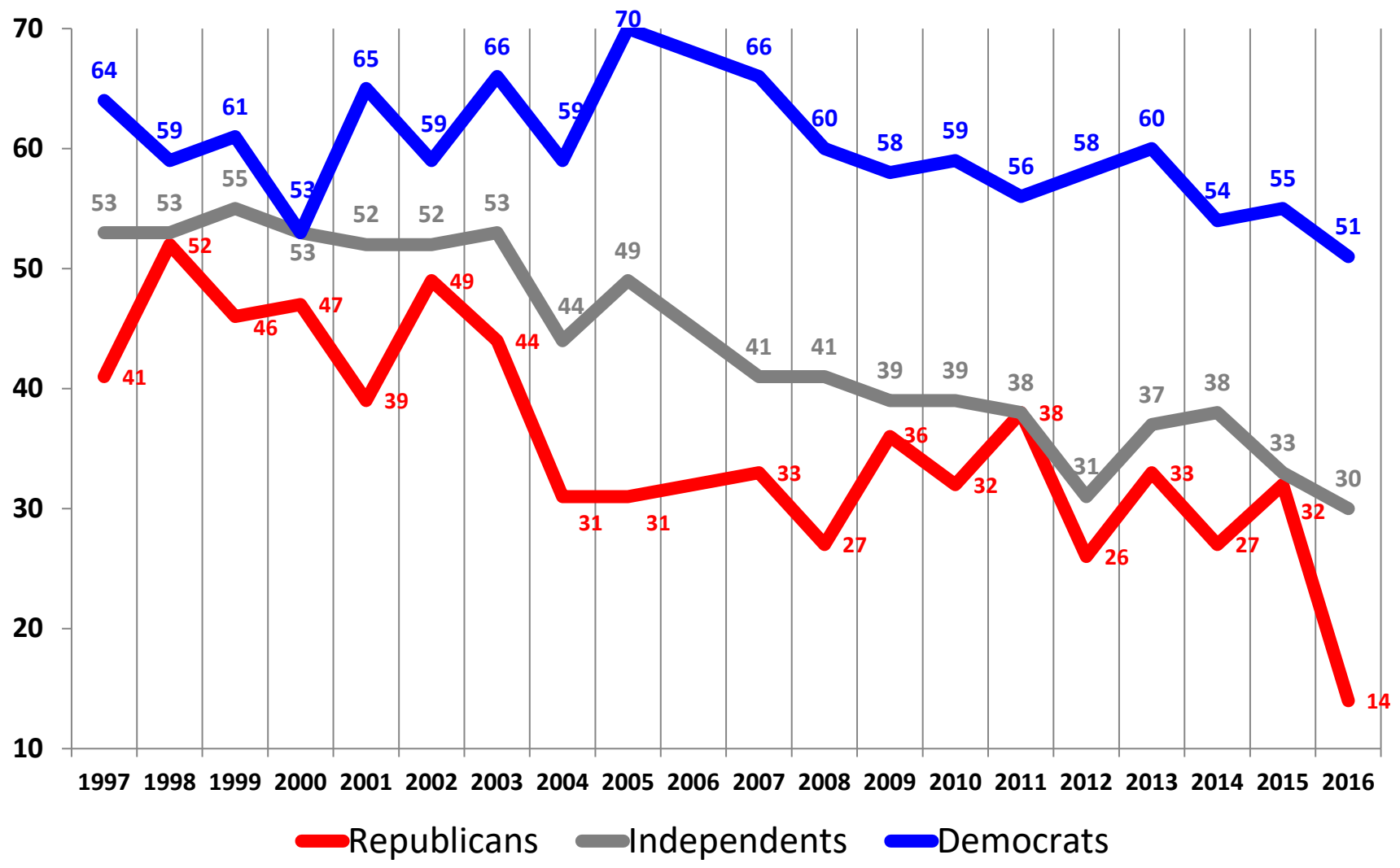
#4. Trump Coalition Breached "Big Blue Wall"

After Dems Won 6 Elections in a Row...



#5. Ran Against the Media Establishment

Great Deal/Fair Amount of Trust in Mass Media by Party





WHY CLINTON LOST

5 Reasons

#1. "Obama Coalition" Less Committed

Weaker Support for Clinton '16 than Obama '12



Demographic	Hispanics	Unmarried Women	Asian Americans	Millennials	African Americans
Dem Share vs 2012					

Drop-Off in Pro-Dem Turnout

Obama 2008 69.5M

Obama 2012 65.9M

Clinton 2016 65.8M

#2. Too Much Baggage



FBI



61%
 say Clinton not
 "honest &
 trustworthy"
 (though Trump was 63%)

#3. Americans Don't Like "Third Terms"

After 8 Years Americans Usually Seek a Rebalancing

Incumbent President	Year	Election Eve Incumbent Approval	Intended Successor's Fate
Truman	1952	32%	Lost
Eisenhower	1960	58%	Lost
Johnson	1968	42%	Lost
Reagan	1988	51%	Won
Clinton	2000	57%	Lost
George W Bush	2008	25%	Lost
Obama	2016	56%	Lost

#4. Trump Message Clearer



In the campaign's closing weeks of ads...

10.2%

*of **Trump** ads
featured **Clinton***

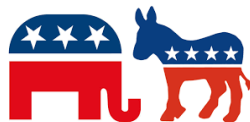
100%

*of **Clinton** ads
featured **Trump***

#5. Third Parties Absorbed Critical Votes

Spoiler Alert!

STATE	CLINTON DEFICIT / LEAD	JOHNSON	STEIN
MI (16)	-10,704	172,136	51,463
WI (10)	-22,748	106,674	31,072
PA (20)	-44,292	146,715	49,941
FL (29)	-112,911	207,043	64,399
AZ (11)	-91,234	106,327	34,345
<i>3rd party impact cut both ways</i>			
NH (4)	+2,736	30,694	6,465
CO (9)	+136,448	144,083	38,418
NV (6)	+27,202	37,384	N/A



CONGRESSIONAL ELECTIONS OUTCOMES & ANALYSIS



No States Split WH-Senate Vote (1st time ever)

State	Trump 2016	Senate Outcome
IL	-16	DEM Pick Up
WI	+1	GOP Hold
NV	-2	DEM Hold
PA	+1	GOP Hold
CO	-2	DEM Hold
NH	-1	DEM Pick Up
IA	+10	GOP Hold
OH	+8	GOP Hold
FL	+1	GOP Hold
NC	+4	GOP Hold
IN	+19	GOP Hold
MO	+19	GOP Hold
GA	+5	GOP Hold
AZ	+5	GOP Hold

Did Trump Have Coattails?

Contested States Where Senate Republican Ran *Ahead* of Trump

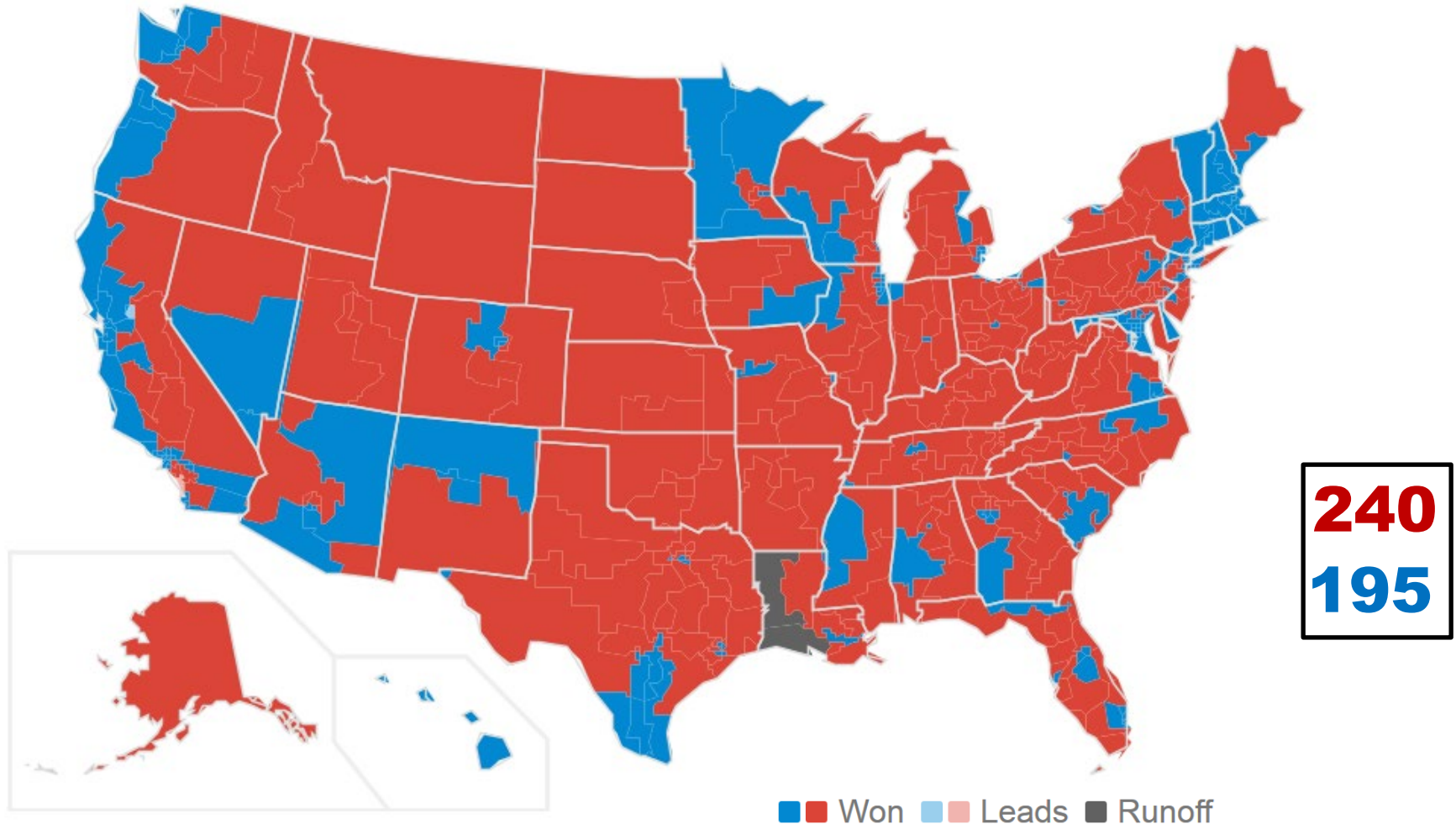
Senate Margin	State	Trump Margin
+24.5	IA	+9.6
+21.4	OH	+8.6
+14.2	GA	+5.7
+12.3	AZ	+4.1
+7.7	FL	+1.3
+5.8	NC	+3.8
+3.4	WI	+1.0
+1.7	PA	+1.2
-0.1	NH	-0.4
-14.2	IL	-16.0

Contested States Where Senate Republican Ran *Behind* / Tied Trump

Senate Margin	State	Trump Margin
+9.7	IN	+19.3
+3.2	MO	+18.6
-2.4	NV	-2.4

GOP Retained Control of House, Lost Net 7

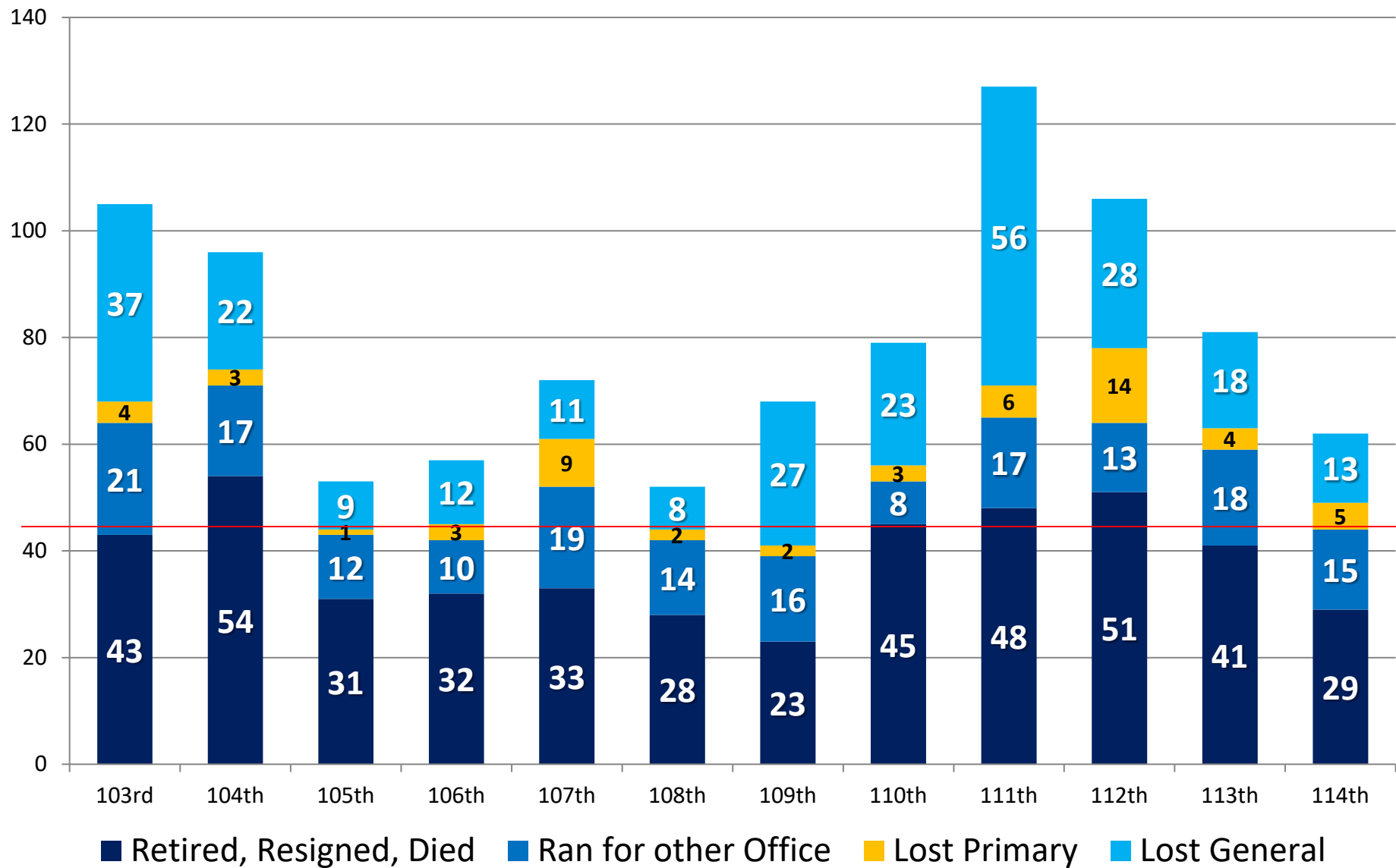
GOP Ran Uncontested	GOP Incumbent Won Reelection	GOP Open Seat Held	GOP Captured Dem Seat	DEM Captured GOP Seat	DEM Open Seat Held	DEM Incumbent Won Reelection	DEM Ran Uncontested
29	206	25	3	10	15	136	35



240
195

House GOP Helped by Fewer Retirements

Fewest Voluntary House Departures Since 2006





7 ELECTION CONCLUSIONS

#1. Education is the New Cultural Divide

States Where More Voters Have Advanced Degrees Go Dem, Fewer GOP

State	% Advanced degree	Rank
District of Columbia	28.00%	
Massachusetts	16.40%	1
Maryland	16.00%	2
Connecticut	15.50%	3
Virginia	14.10%	4
New York	14.00%	5
Vermont	13.30%	6
New Jersey	12.90%	7
Colorado	12.70%	8
Illinois	11.70%	9
Rhode Island	11.70%	9
Delaware	11.40%	11
New Hampshire	11.20%	12
Washington	11.10%	14
California	10.70%	15
Oregon	10.40%	16
New Mexico	10.40%	16
Minnesota	10.30%	18
United States average	10.30%	--
Kansas	10.20%	19
Pennsylvania	10.20%	19
Hawaii	9.90%	21
Georgia	9.90%	21
Maine	9.60%	23
Missouri	9.50%	24
Michigan	9.40%	25

State	% Advanced degree	Rank
Arizona	9.30%	26
Utah	9.10%	27
Alaska	9.00%	28
Florida	9.00%	28
Nebraska	8.80%	30
North Carolina	8.80%	31
Ohio	8.80%	32
Texas	8.50%	33
Kentucky	8.50%	33
Wisconsin	8.40%	35
South Carolina	8.40%	35
Montana	8.30%	37
Indiana	8.10%	38
Wyoming	7.90%	39
Tennessee	7.90%	39
Alabama	7.70%	40
Nevada	7.60%	41
Idaho	7.50%	42
Iowa	7.40%	43
Oklahoma	7.40%	43
South Dakota	7.30%	45
Mississippi	7.10%	46
Louisiana	6.90%	47
North Dakota	6.70%	48
West Virginia	6.70%	48
Arkansas	6.10%	50

#2. Everything We Thought We Knew About Campaigns...



More Paid Staff



More Field Offices



More Voters Contacted



More Money Raised



More TV Ads Run



Better Analytics

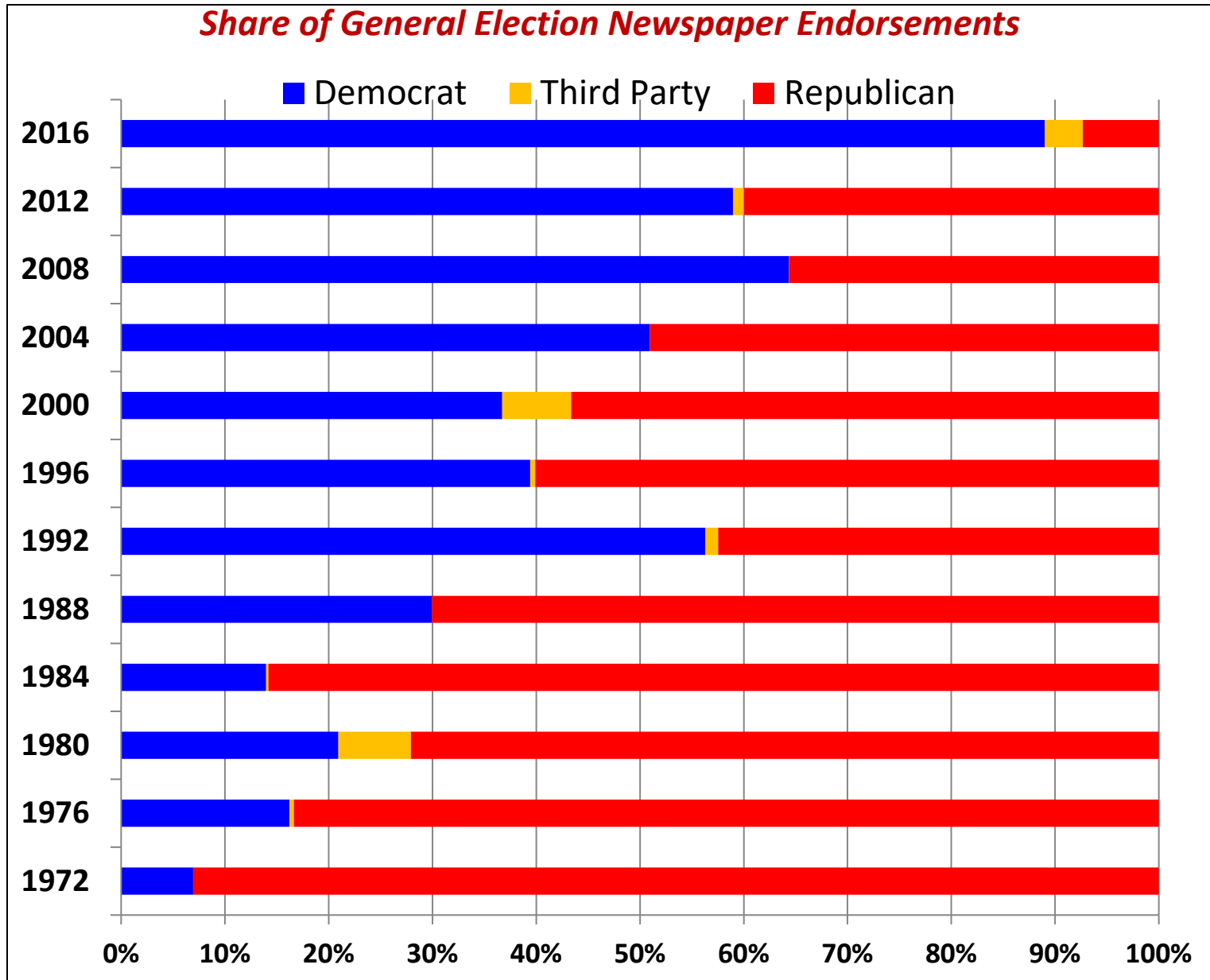


More Debate Prep



More Popular Surrogates

3. Newspaper Endorsements Don't Matter



#4. This Ain't Your Father's GOP

Trump Changing the GOP Agenda

Leftward

within GOP mainstream

Rightward

Oppose Trade Deals



Broad Tax Cuts



Crack Down on Immigration



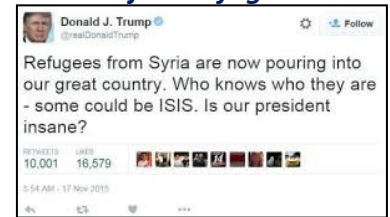
Punish Wall Street



Unfettered 2nd Amendment



Reject Refugees



Reject Entitlement Reforms



Muscular Military



Resist Criminal Justice Reforms



#5. Populism Is the New Normal

Skepticism Towards "Big Business"

More aggressive oversight



Tougher Antitrust Oversight



Anti-Crony Capitalism Meets
Too Big To Fail



Globalization "Re-Think"

More aggressive trade enforcement



Tougher reviews of in-bound M&A



Existing Relationships at Risk



Push for Systemic "Reforms"

Alternative media empowered



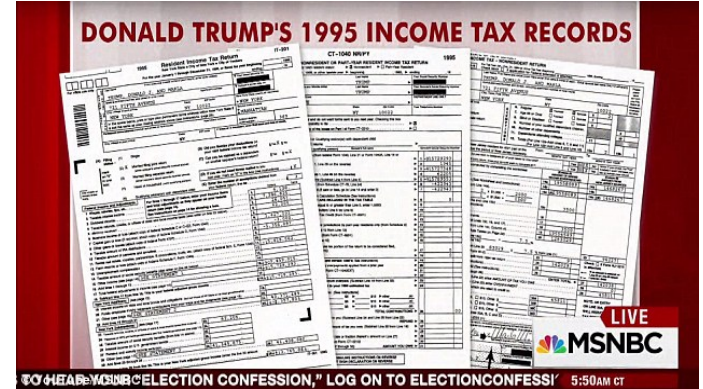
"Tax-the-rich" / Fair Share



Restrict Lobbying by ex-
Members



#6. Everything is On the Record



#7. Why This Election Will Leave a Mark

Annus Horribilis, By the Numbers

62% have unfavorable view of incoming President, highest in history (Gallup)

8 in 10 voters say campaign left them repulsed rather than excited. (NYT/CBS)

81% of Evangelicals embraced a candidate who committed each of the “seven deadly sins” (greed, lust, gluttony, hubris, wrath, vainglory & sloth) during the campaign. (Exit poll)

84% of Liberals championed a candidate who intentionally frustrated transparency in government & made millions from Wall Street, multinationals and foreign entities weak on human rights. (Exit poll)

A majority of elected officials in both political parties believes the **FBI** inappropriately politicized its investigations.

82% of voters believe the Mainstream Media was biased in its coverage (Suffolk)

75 ongoing lawsuits involve President-Elect Trump (Media Matters)

2017

The Road Ahead



Key Periods Between Elections

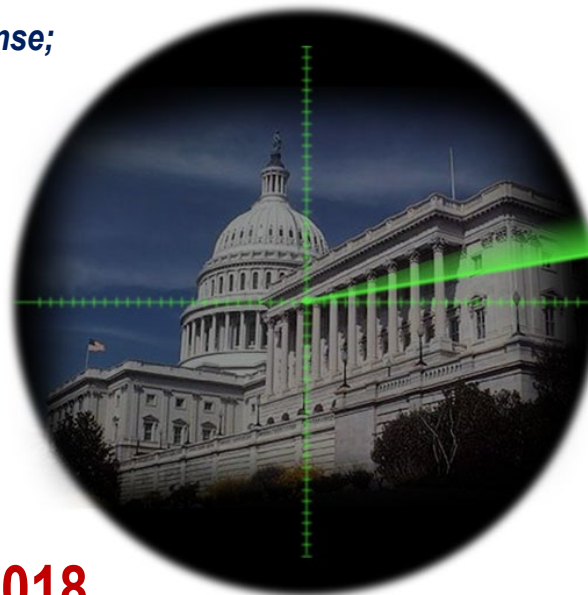
Nov. 8 – Dec. 9

Lame Duck Session

*Fund government into 2017; Defense;
rest TBD*

“First 100 Days”

*Roll out Cabinet & SCOTUS nominations; Undo
Obama Executive Orders & Regulations;
Introduce signature legislative initiatives*



**695 Days Until the 2018
Midterm Elections**

(from 11/30/16)

115th Congress

*Major early actions include March 15th Debt
Ceiling & Budget Reconciliation process*

Lame Duck: What Gets Done?

16 Legislative Days scheduled post-election

(Nov. 14-17; Nov. 29-Dec. 8; Dec. 13-16 tbd)

Must Do	Strong Chance	Possible	
FY17 funding (CR into Q1 2017)	Pick Committee chairs & member assignments	Water Resources Development Act + Flint	Mine workers' pension reform
Leadership elections	National Defense Authorization Act (NDAA)	Energy Bill (+CA wild fire relief)	Veterans Administration reform
	Defense supplemental / Emergency spending	Fix JASTA (passed over veto)	"Orphaned" tax extenders
		Mental Health	School Nutrition
		Cures / Innovation health research	Post Office reauthorization
		Privacy: Block Rule 41 change; ECPA & ECTR	Medicare reforms (HOPD, Pt. B)



First Two Years Are Critical



Crime Bill; Brady Bill; Assault Weapons Ban; 100,000 cops

NAFTA; GATT

Reinventing Gov't Initiative

Deficit Reduction Bill (tax hike)

AmeriCorps

Family & Medical Leave Act

No Child Left Behind

2001 Tax Cuts (10-year cuts)

Patriot Act; DHS Bill

US-Russia Nuclear Arms deal

**FTAs launched/concluded:
Singapore, Chile, Australia,
Morocco, CAFTA**

\$787B Stimulus package

Affordable Care Act

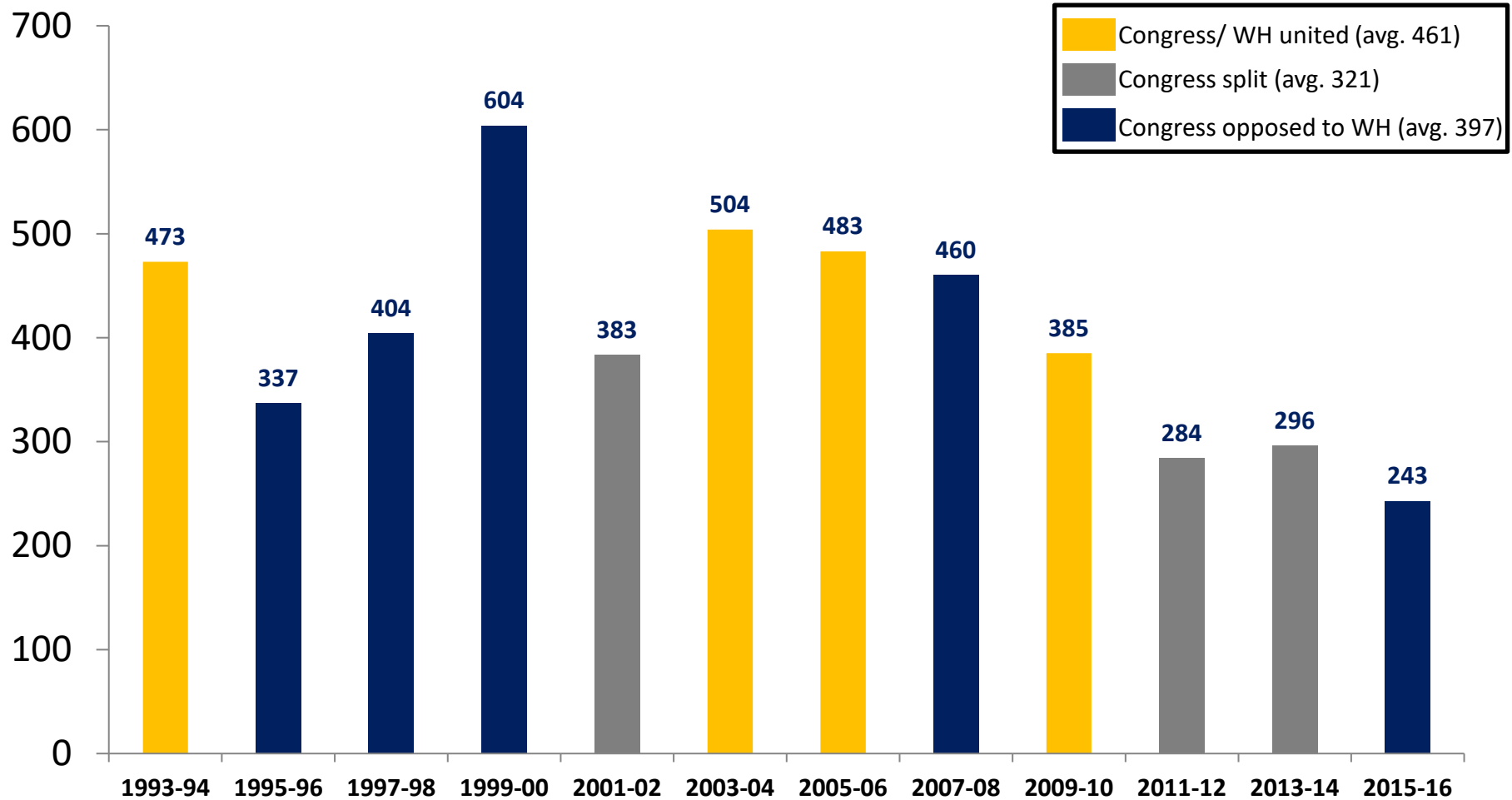
Dodd-Frank

2010 Tax Deal

Lily Ledbetter Fair Pay Act

Unified Control Usually Means More Legislation

Number of Laws Made by Congress



Trump Regulatory Agenda = Reversing Obama Regs+

Live by the Phone & Pen, Die by the Phone & Pen

OBAMA ACTIONS AT RISK

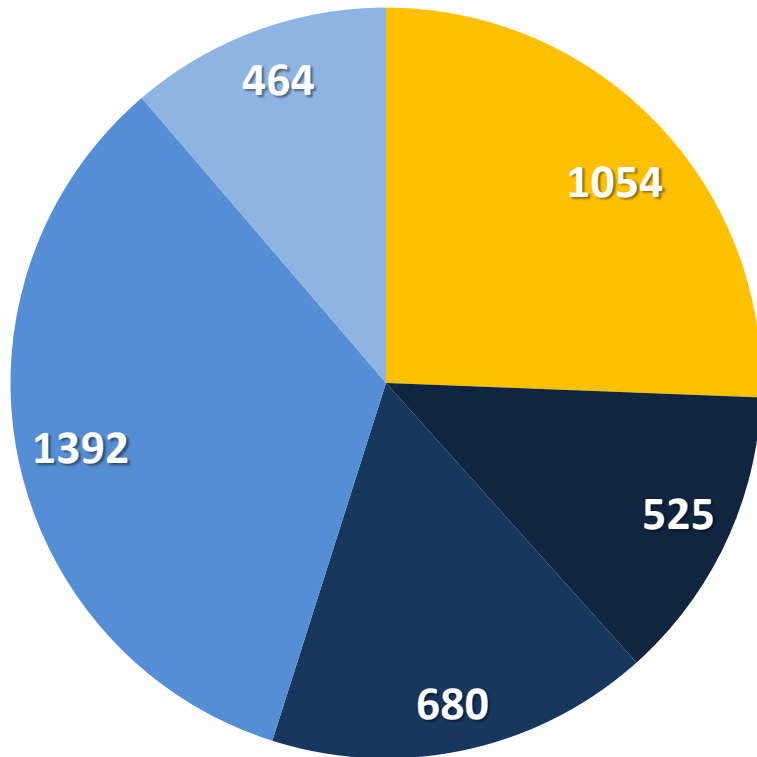
- ✓ **ENERGY & CLIMATE**
 - ✓ Paris Climate Accords
 - ✓ EPA Clean Power Initiative
 - ✓ Keystone pipeline
- ✓ **TAX & FINANCIAL SERVICES**
 - ✓ Treasury §385 regulations
 - ✓ Fiduciary Rule
 - ✓ Volker Rule
- ✓ **LABOR**
 - ✓ NLRB /DOL – Overtime Rule
 - ✓ Joint Employer Liability Standard
 - ✓ Persuader Rule
 - ✓ Contractor disclosure
- ✓ **HEALTH CARE**
 - ✓ ACA implementation delays
- ✓ **TELECOM & TECH**
 - ✓ Net Neutrality
 - ✓ Business Data Services re-regulation
- ✓ **OTHER**
 - ✓ DHS enforcement & deportations
 - ✓ Gun control
 - ✓ LGBT rights

TRUMP ACTIONS EXPECTED

- ✓ **TRADE**
 - ✓ Import tariffs
 - ✓ New thresholds for countervailing & anti-dumping duties via
 - ✓ Declare currency manipulation
- ✓ **IMMIGRATION**
 - ✓ Accelerate deportations ~2x (to 500k)
 - ✓ Cut-off fed'l grants to sanctuary cities
 - ✓ Slow pace of legal visas
 - ✓ Increase prevailing wage via new formula
- ✓ **HEALTH CARE**
 - ✓ Move towards premium support model, possibly thru CMMI authority
 - ✓ Expedite state Medicaid waivers
- ✓ **ENERGY & CLIMATE**
 - ✓ Expedite leasing on fed'l lands
 - ✓ Reform RFS
- ✓ **TAX & FINANCIAL SERVICES**
 - ✓ Overturn Estate Tax regulations
 - ✓ Replace CFPB director; change in enforcement

New Players Guarantee Energetic Action

4,115 New Policy Makers



- President-Appointed, Senate-Confirmed
- President-Appointed, No Confirmation
- Non-career Executive Service
- Confidential or policy-determining role
- Non-competitive positions by law

Key Changes in the House of Representatives

- ~60 Freshman Members
- New GOP Chairs: Appropriations, Ed & Workforce, Energy & Commerce, Veterans Affairs Committees
- New DEM Ranking Members: Budget & Veterans Affairs

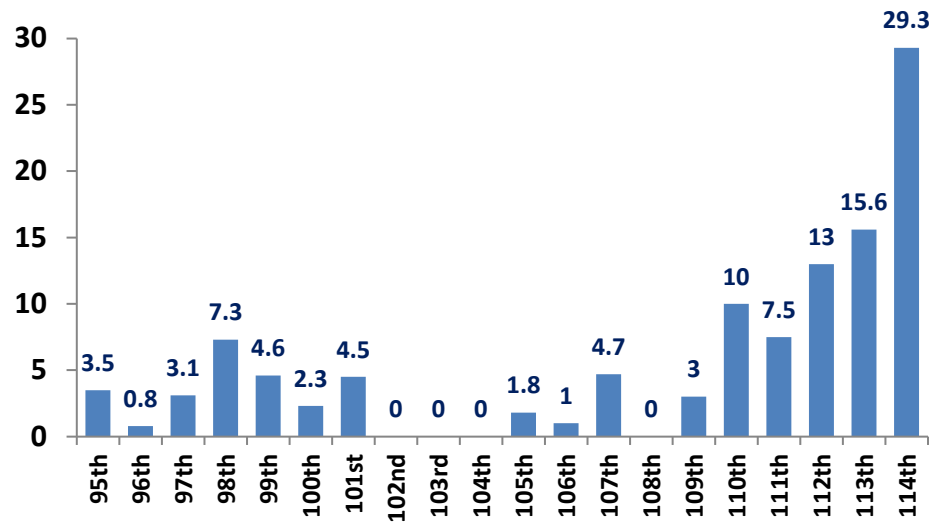
Key Changes in U.S. Senate

- 6 Freshman Senators
- New GOP Chairs: Banking, EPW, (more as Senators join Administration)
- New DEM Ranking Sens: Appropriations, Budget, EPW, HELP, Homeland Security

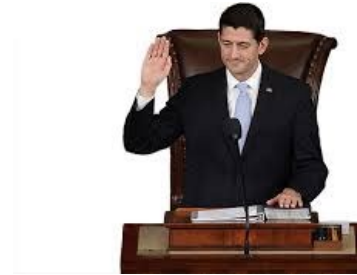
Key Congressional Dynamics in 2017

Confirmation Crisis Coming?

Avg. # "nays" cast per Cabinet confirmation vote

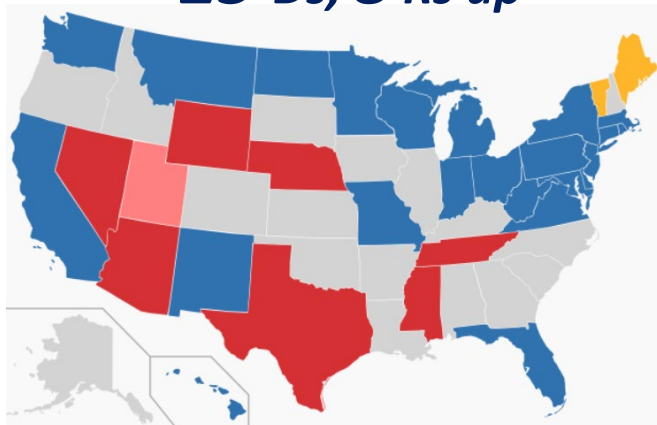


GOP Civil War Resolved (for now)



2018 Battlefield Favors GOP

25 Ds, 8 Rs up



Dem Civil War Commencing



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