

BACK TO THE FUTURE



Assessing Trump's Triumph & What's Next

KEY TAKEAWAYS

- 1. Mis-underestimated, Again.** How many times has Donald Trump been written-off? Access Hollywood, January 6th, conviction... Talk about a “comeback kid.” Trump clearly leads a movement for change & **movements are more powerful than money**. Critics pointed to alleged appeals to sexism, racism & intolerance, but **Trump won by improving with women, voters of color, younger voters & the middle class**.
- 2. We’re Still Divided & Stressed.** ~50% of the country voted for someone else in this **11th change election out of 13 this Century**. Republicans may have swept Washington, but **perceived disorder drove discontent**. Voters remain restless & could vote for change again in two years if the GOP can’t deliver.
- 3. It’s Year 5, Not Year 1.** Trump 2.0 may rhyme but it won’t repeat. 47 > 45. Trump understands the job & powers of the Presidency. He knows how to pick people & has stronger allies this time. **Expect a faster & surer-footed start**, deferring less to Congress. But note the world has also changed; it’s no longer at peace, more nationalist & inflationary.
- 4. Washington 2025 Is Biased Towards Action.** With **action-forcing deadlines, unified one-party control & a huge agenda**, Washington is poised to produce high-impact legislation & significant (de)regulatory action in 2025-26.
- 5. Activism Ahead?** Business leaders will again face pressure to speak out on social & cultural issues (e.g. mass deportation, ending ESG/DEI), but the political climate & **stakeholder engagement strategies have evolved**.
- 6. Our Democracy Is Resilient. It was the “Y2K Election”:** we expected the worst and made it through fine (either because risks were over-hyped risks or mitigated smartly). Despite the second highest voter turnout in a half century with passions & paranoia running high, there were few reports of voting fraud, violence, impactful foreign interference or reports of voter suppression.

I. 2024 ELECTIONS

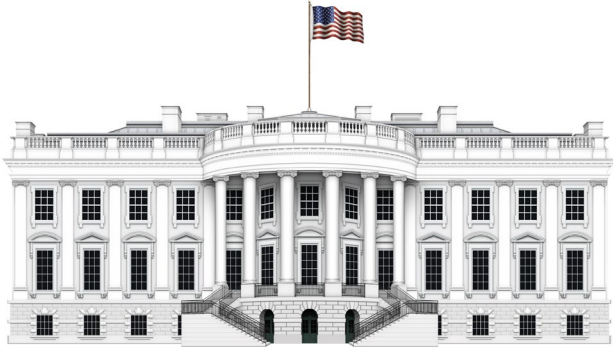
- **Context & Summary** *(slides 4-8)*
- **Why Trump Won** *(slides 9-14)*
- **Why Harris Lost** *(slides 16-20)*
- **Down Ballot Outcomes** *(slides 22-27)*

II. WHAT'S NEXT

- **Congress** *(slides 29-31)*
- **Trump 2.0 vs Trump 1.0** *(slides 32-36)*
- **Business & Global** *(slides 37-38)*

III. 8 RECOMMENDATIONS

- **How to Navigate an Age of Disruption** *(slides 40-47)*



PERCEIVED DISORDER DROVE DISCONTENT

Voters Were Angry & Afraid Heading into 2024 Elections

Economic



Global



Social

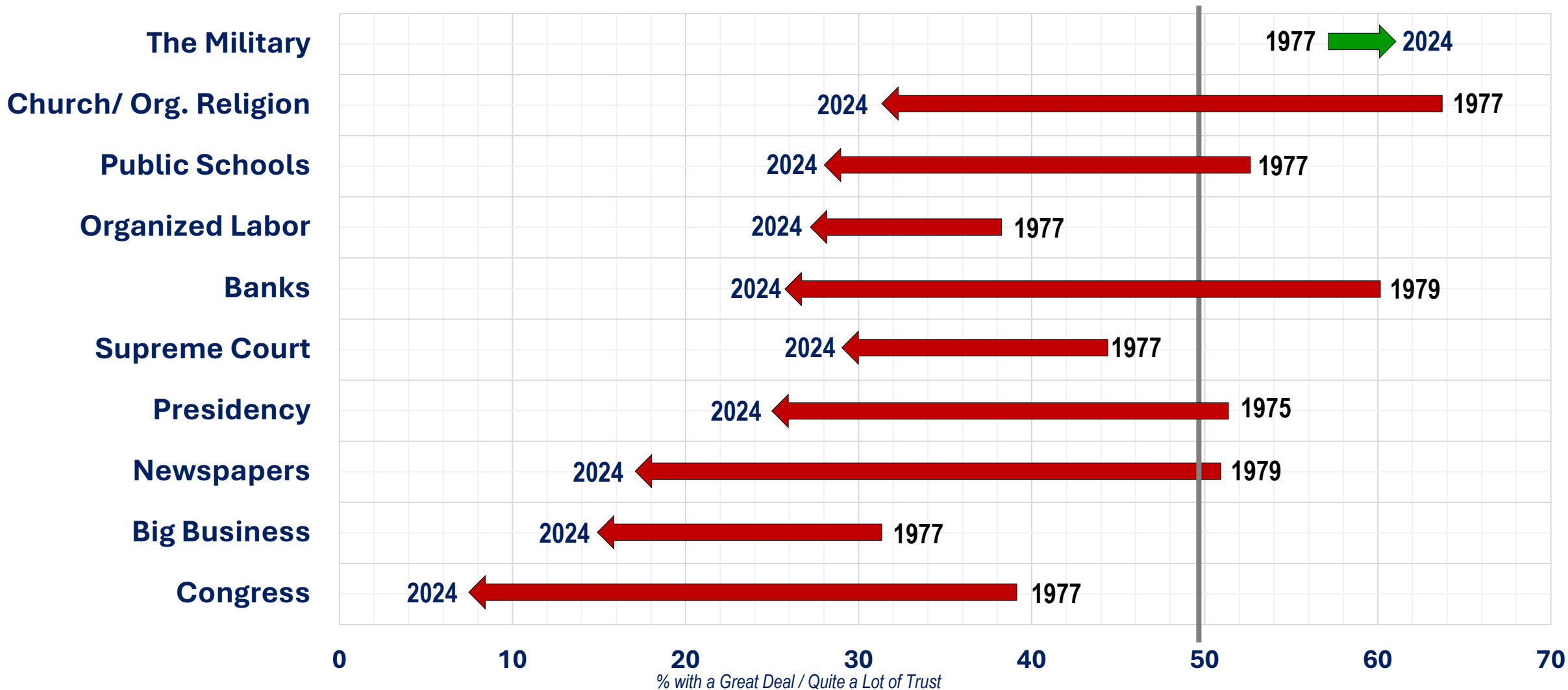


Political



A CRISIS OF AUTHORITY: INSTITUTIONS NOT TRUSTED

A Great Deal / Quite a Lot of Trust (1977 → 2024) (U.S.)



% with a Great Deal / Quite a Lot of Trust

UNHAPPY VOTERS KEEP OPTING FOR CHANGE

Change in Control of House, Senate and/or White House

<u>1960's</u>	<u>1970's</u>	<u>1980's</u>	<u>1990's</u>	<u>2000's</u>	<u>2010's</u>	<u>2020's</u>
1960	1970	1980	1990	2000	2010	2020
1962	1972	1982	1992	2002	2012	2022
1964	1974	1984	1994	2004	2014	2024
1966	1976	1986	1996	2006	2016	2026
1968	1978	1988	1998	2008	2018	2028

2024 SUMMARY: NATIONAL CHANGE ELECTION, STATE STABILITY

226

Kamala Harris

72,372,902 votes (48.1%)

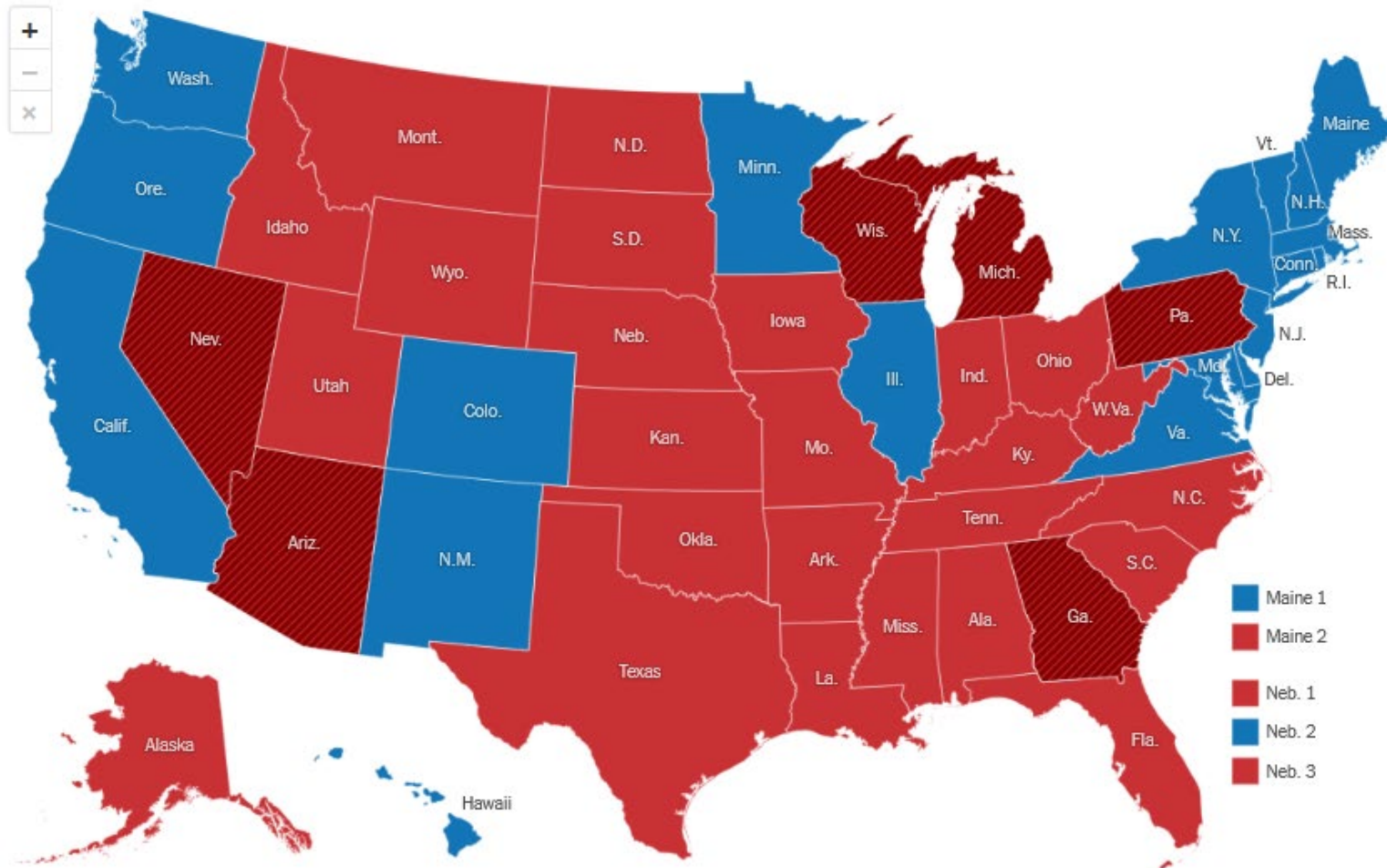
270
TO WIN

312

Donald J. Trump

75,519,179 votes (50.2%)

150.0 million votes so far (Estimated 95.9% counted)



Dem. Win
Rep. Flip

Maine 1
Maine 2
Neb. 1
Neb. 2
Neb. 3

Senate: **R+4**

	2024	2025
GOP	49	53
DEM	51	47

House: **TBD**

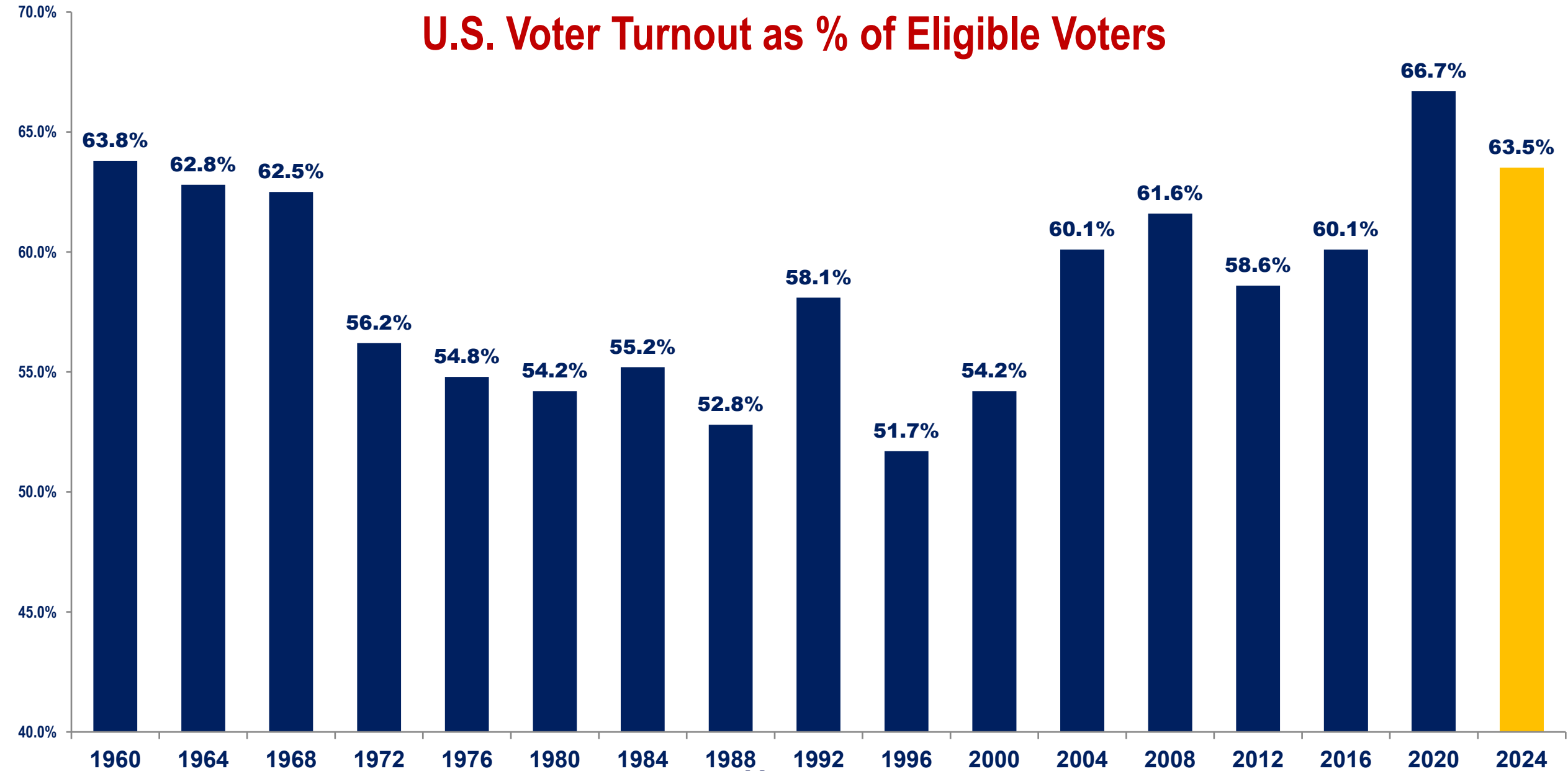
	2024	2025
GOP	222	218+
DEM	213	<217

Governors: No change

	2024	2025
GOP	27	27
DEM	23	23

VOTER TURNOUT 2ND HIGHEST IN PAST HALF-CENTURY

U.S. Voter Turnout as % of Eligible Voters

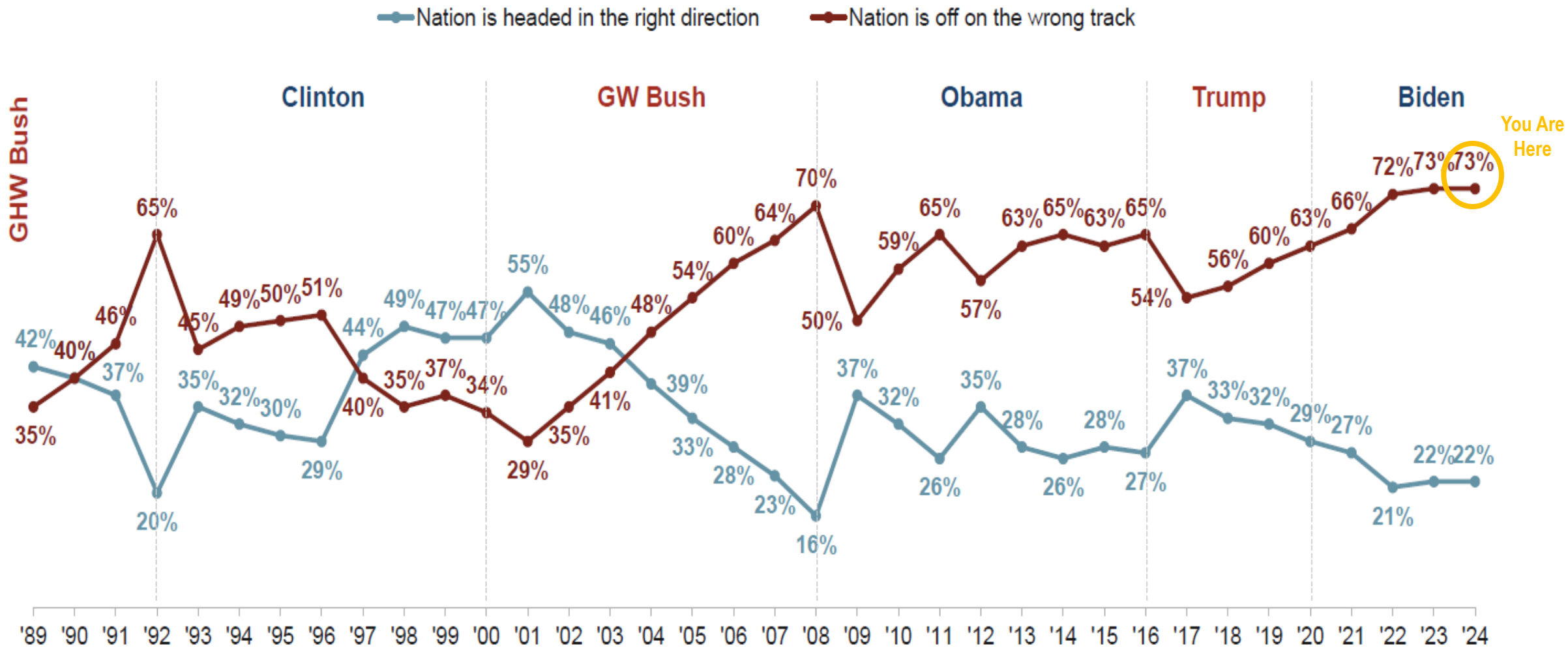


WHY TRUMP WON

Five Reasons

VOTERS WANTED CHANGE

When You're On the Wrong Track, You Change Trains



TRUMP SEEN AS STRONG IN THE FACE OF DISORDER

Voters Think Things Are Out of Control, Wanted a Strong Leader



What Candidate Quality Mattered Most? (2024 exit poll)

Quality (% choosing) **Trump** - **Harris**

Ability to lead (30%) 65 - 34

Can bring needed change (27%) 74 - 24

Good judgment (21%) 16 - 82

Cares about people like me (19%) 23 - 75

IT WAS “THE ECONOMY, STUPID” ... YET AGAIN

The Party Leading on Gallup’s Most Important Issue Always Wins...

... and It’s Usually “The Economy”

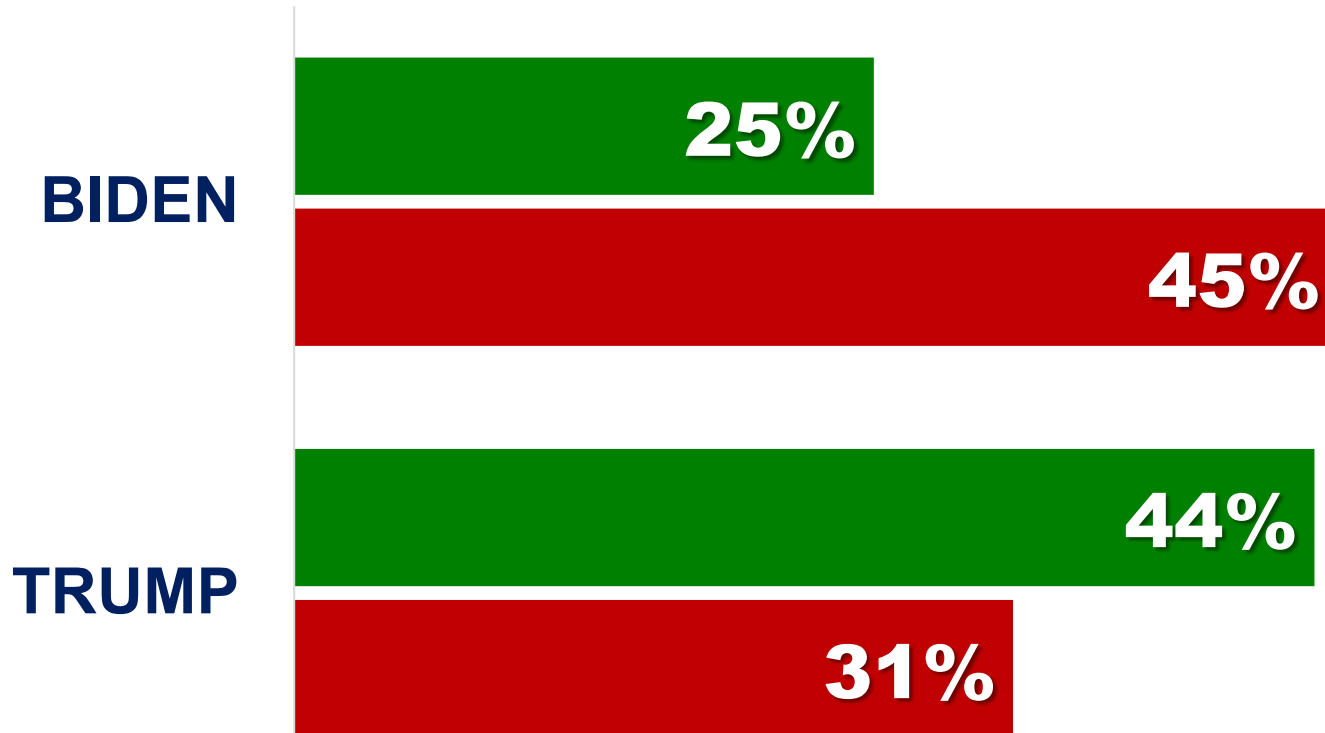
2024 Exit Poll
“better able to handle the economy”
Trump +9

Year	Most important problem(s)	Preferred Party	Winning Party
2024	Economy; Immigration	GOP +5	GOP
2020	COVID-19	DEM +8	DEM
2016	Economy	GOP+4	GOP
2012	Economy	DEM +10	DEM
2008	Economy	DEM +7	DEM
2004	Iraq War; Economy	GOP +3	GOP
2000	Education	Gallup did not ask the question in 2000	
1996	Crime	DEM +4	DEM
1992	Economy	DEM +6	DEM
1988	Economy; Deficit; Drugs	GOP +5	GOP
1984	Unemployment; Cold War	GOP +9	GOP
1980	Inflation	Parties tied on issue	
1976	Inflation	DEM +20	DEM
1972	Moral decline; Vietnam War	GOP +9	GOP
1968	Vietnam War	GOP +6	GOP
1964	Racism; International issues	DEM +27	DEM
1960	International Issues	DEM +6	DEM
1956	War / Peace	GOP +10	GOP
1952	War / Peace	GOP +12	GOP

Voters Remember the Trump Years as Better than Biden's

Poll Before the Election (Oct.)

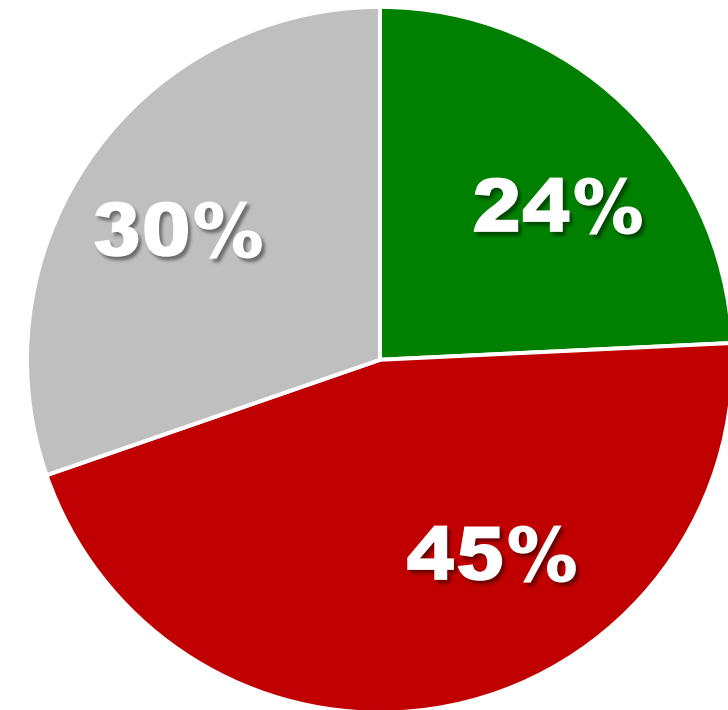
Did the Administration's policies help or hurt you & your family?



Exit Poll 2024

Family's Financial Situation Today

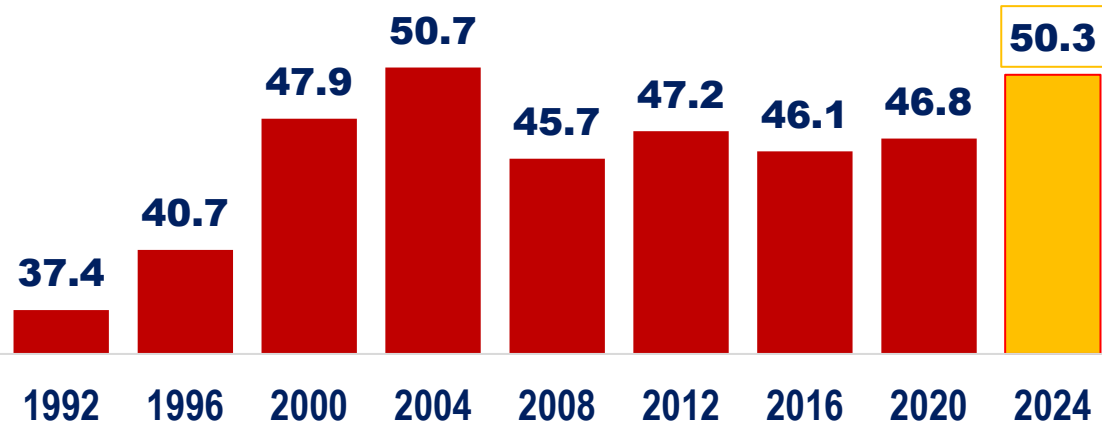
■ Better ■ Worse ■ About same



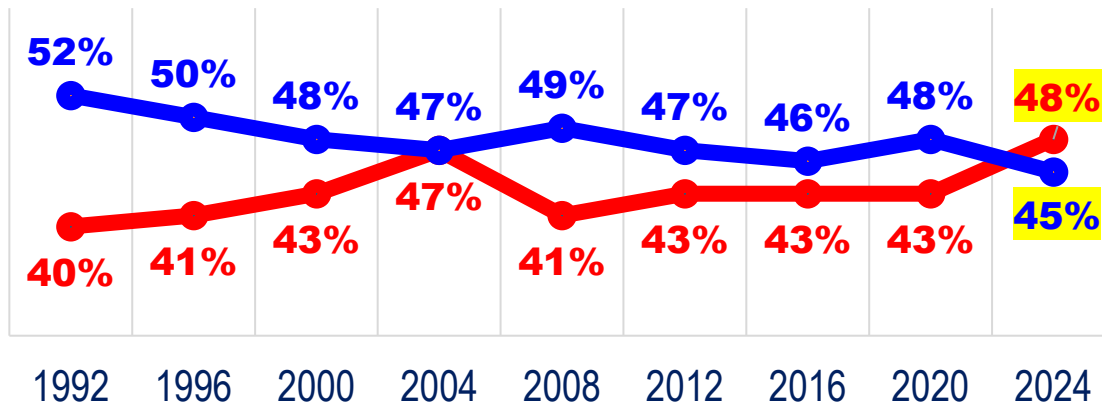
TRUMP EXPANDED GOP TENT

Could the Trumpian GOP Become the Majority Party?

GOP Share of Popular Vote



Voter Party ID, Q3 Election Year



If Trump only appealed to Sexists, Racists, Right Wingers & Old Billionaires...

Improvement in Trump Margin from 2020

Women (-12 to -7)	+5
Women 18-29 (-32 to -18)	+14
Non-White (-48 to -35)	+13
Latinos (-28 to -13)	+15
AA Men (-75 to -50)	+25
Income \$50-100k	+6
Moderates (-26 to -17)	+9
18-29 (-25 to -5)	+20

WHY HARRIS LOST

Five Reasons

HARRIS = FOUR MORE YEARS OF THE SAME

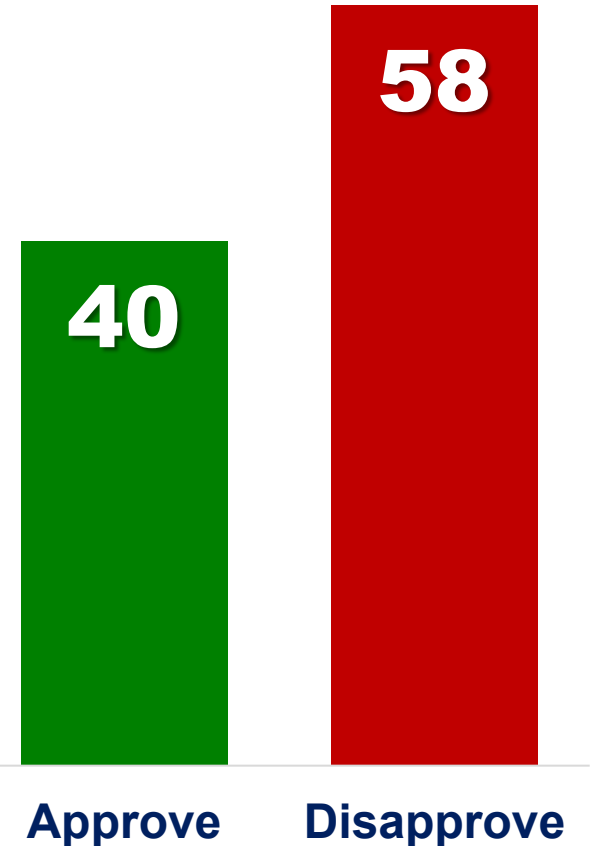
Failed to Differentiate... “Not Biden + Not Trump” = Not Enough

What would you have done differently from Biden?

“There is not a thing that comes to mind.”

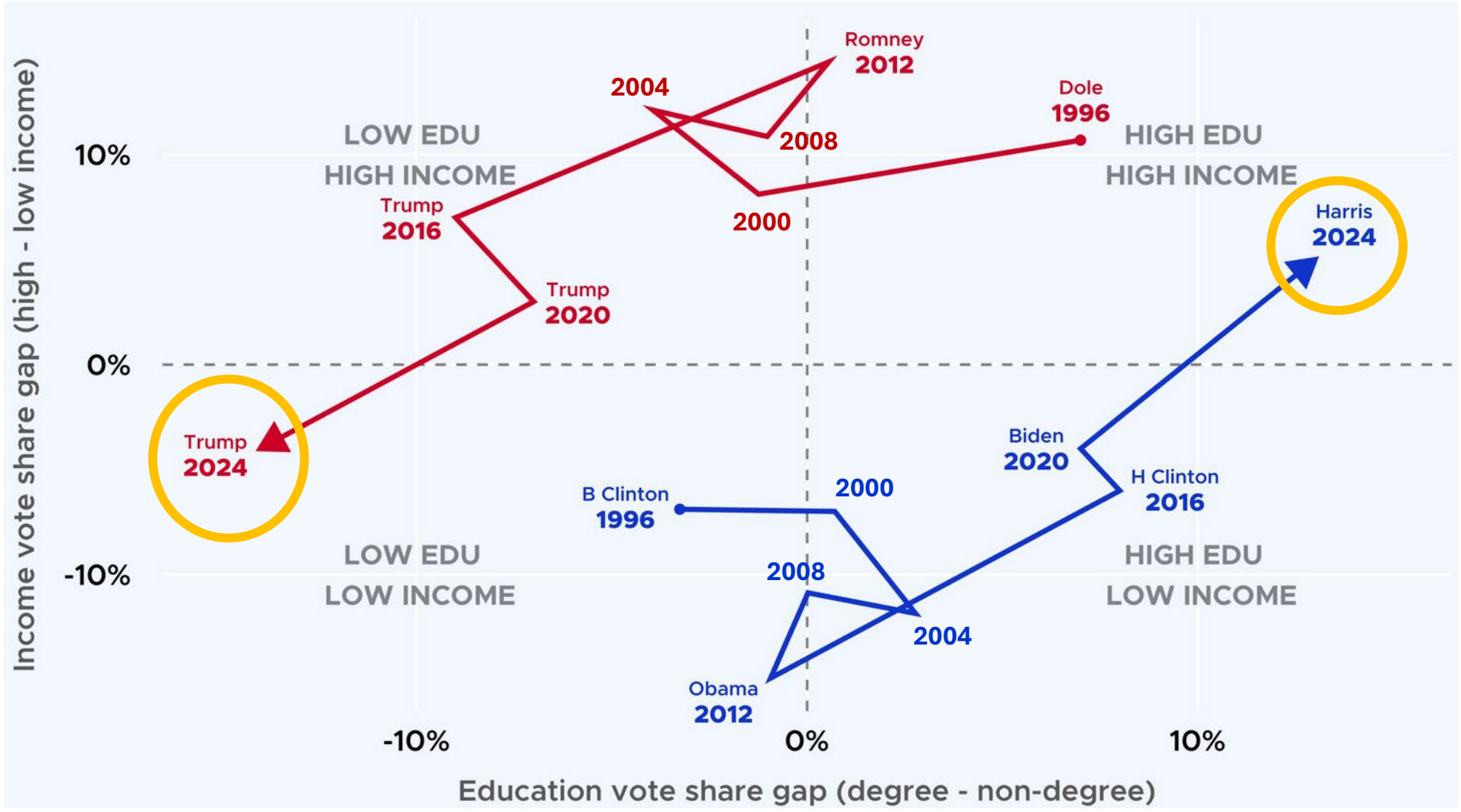


*Biden Job Approval
(exit poll)*



TRADING PLACES: DEMOCRATS LOST THE WORKING CLASS

Swapped the Factory Floor for the Faculty Lounge



Source: Data Journalist [Patrick Flynn](#) (I added labels for 2000, 2004 & 2008)



Structural Challenges & Candidate Weaknesses



Structural Challenges

- **Insufficient Time:** Harris had a mere **107 days** after Biden dropped out
- **No voter mandate:** Candidates who **earned nominations** via primaries **stronger** (*Obama, B. Clinton, Biden, Trump*)
- **Establishment “help” backfired:** Obvious **mainstream media bias** & aggressive government **lawfare** *strengthened Trump* (*Trump won “democracy in U.S. is threatened” voters 51-48*)
- **Biden Burden:** Unpopular Administration had misread 2020 mandate, gone too far left

Candidate Weaknesses

- **Leadership narrative:** No signature **accomplishments** from 8 yrs VP + Senator
- **Weak interviewee:** **Poor answers** to predictable questions, even from friendlies, came off evasive or empty
- **Unpopular too long:** Net neg favorability ratings past 1,176 of 1,204 days (98%) as VP; briefly positive but worsened over final weeks
- **Too many issue flip-flops:** Opportunistic this time or inauthentic last time?

INARTFUL DODGING OF PRIOR PROGRESSIVE POSITIONS

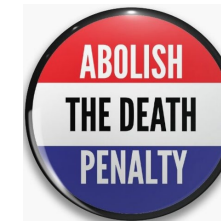
She Ran But Couldn't Hide from Past Positions

Previously-Held but Disclaimed in 2024

(but not always clear why)



Declined to Say Whether She Still Supports



INCUMBENCY IS A LIABILITY EVERYWHERE

Incumbents Losing Around the World Post-Pandemic



Democrats lost Presidency & Senate



Ruling Tories ousted from UK government after 14 years



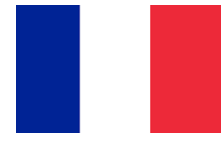
Governing LDP suffered its 2nd-worst result in history, losing lower house



Ruling conservatives landslide loss in parliament to liberal opposition



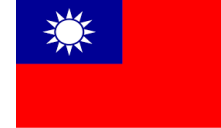
ANC lost parliamentary majority for 1st time since apartheid ended



Macron's centrist alliance failed to secure majority, new coalition TBD



Modi reelected but his BJP lost outright majority in parliament for 1st time in a decade



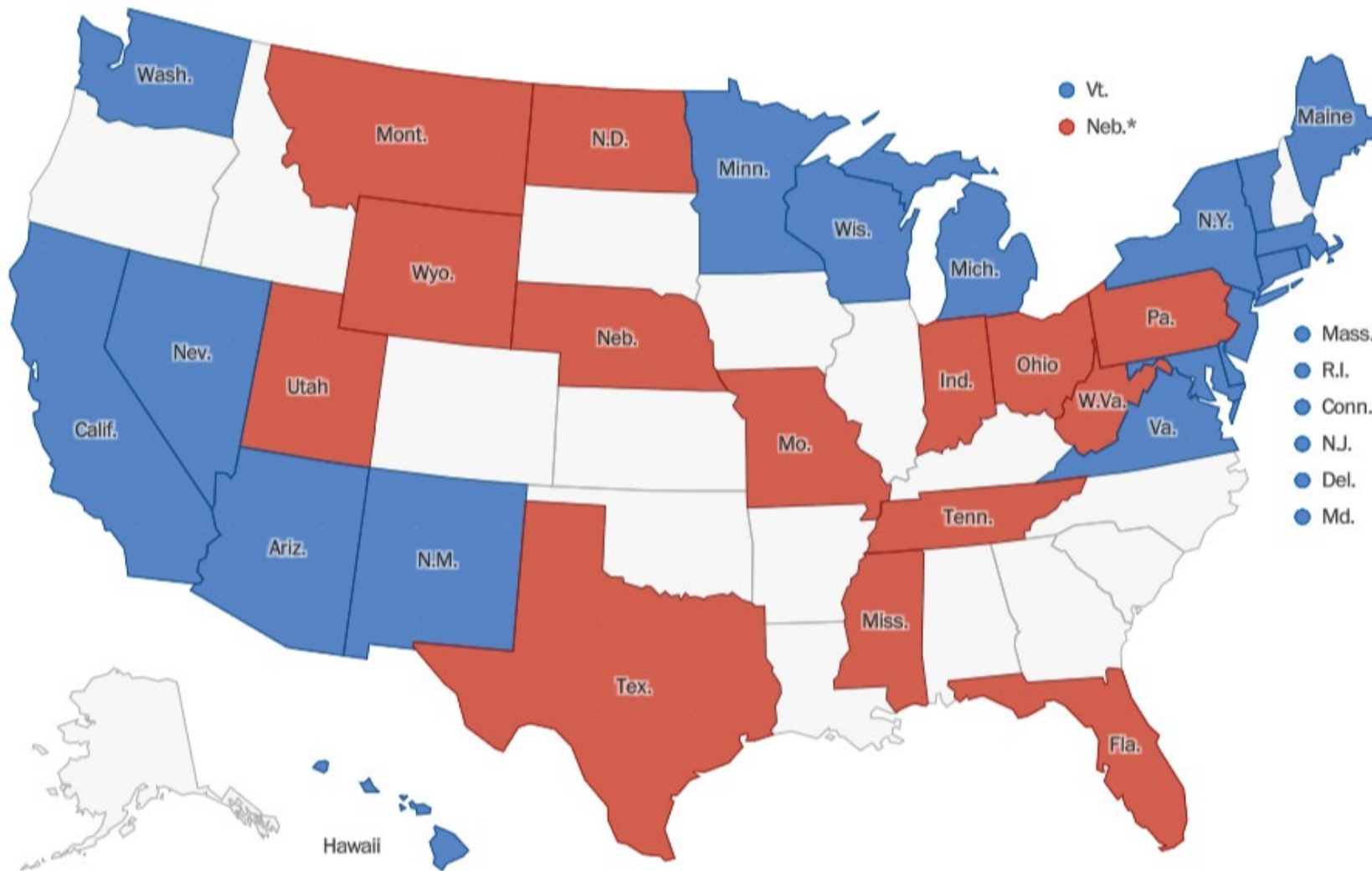
DPP held Presidency but legislative Yuan control flipped to Kuomintang

DOWN BALLOT OUTCOMES

Senate, House & States

TRUMP POWERED RED WAVE IN THE SENATE

GOP Defeated 3 Dem Incumbents in Trump States, Will Be 53-47



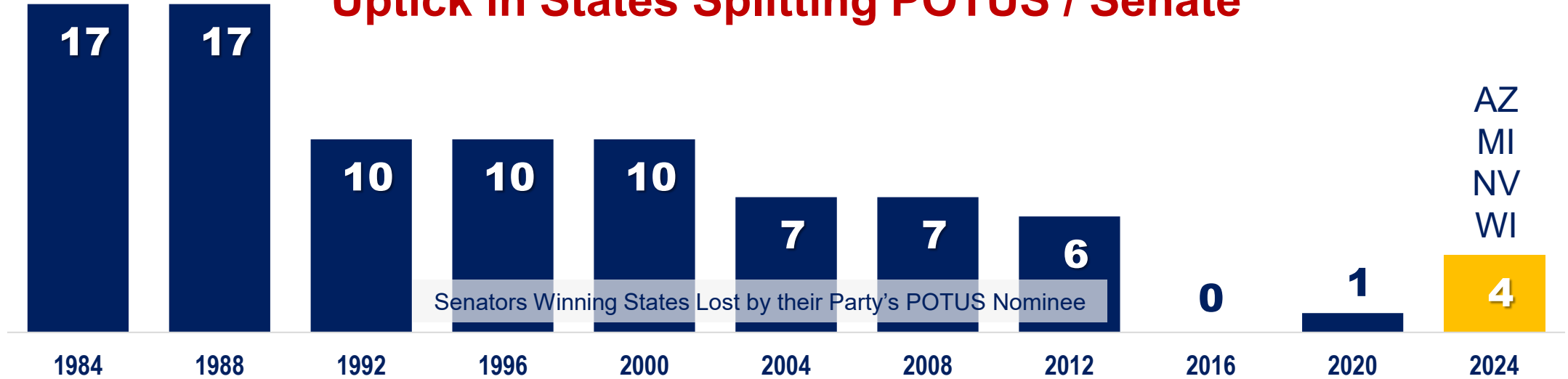
**Did Trump Have Coattails?
or Were Dem Incumbents
Tougher than Harris?**

	Trump margin	Senate margin
WV	+42	+41
MT	+20	+7.4
OH	+11.3	+3.8
PA	+1.9	+0.4
NV	+3.3	-1.6
MI	+1.4	-0.3
WI	+0.9	-0.9
AZ	+5.6	-2.2

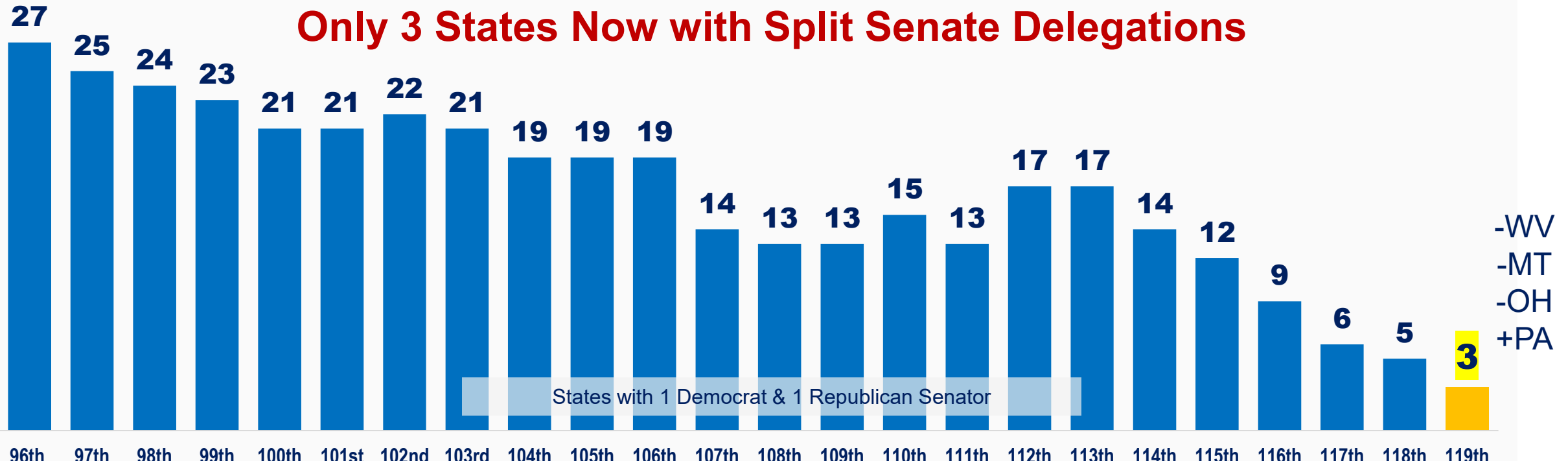
WaPo (11/12 at 8am)

MORE SPLIT VOTING IN 2025 BUT FEWER SPLIT DELEGATIONS IN 2025

Uptick in States Splitting POTUS / Senate



Only 3 States Now with Split Senate Delegations

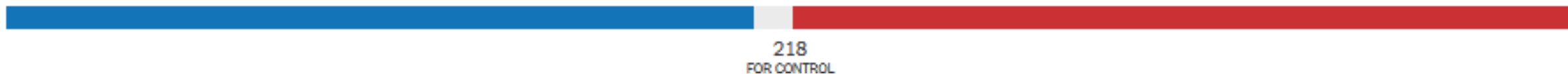


HOUSE: GOP EXPECTED TO RETAIN CONTROL

207
Democrats

11
Undecided

217
Republicans



Leading: **6**

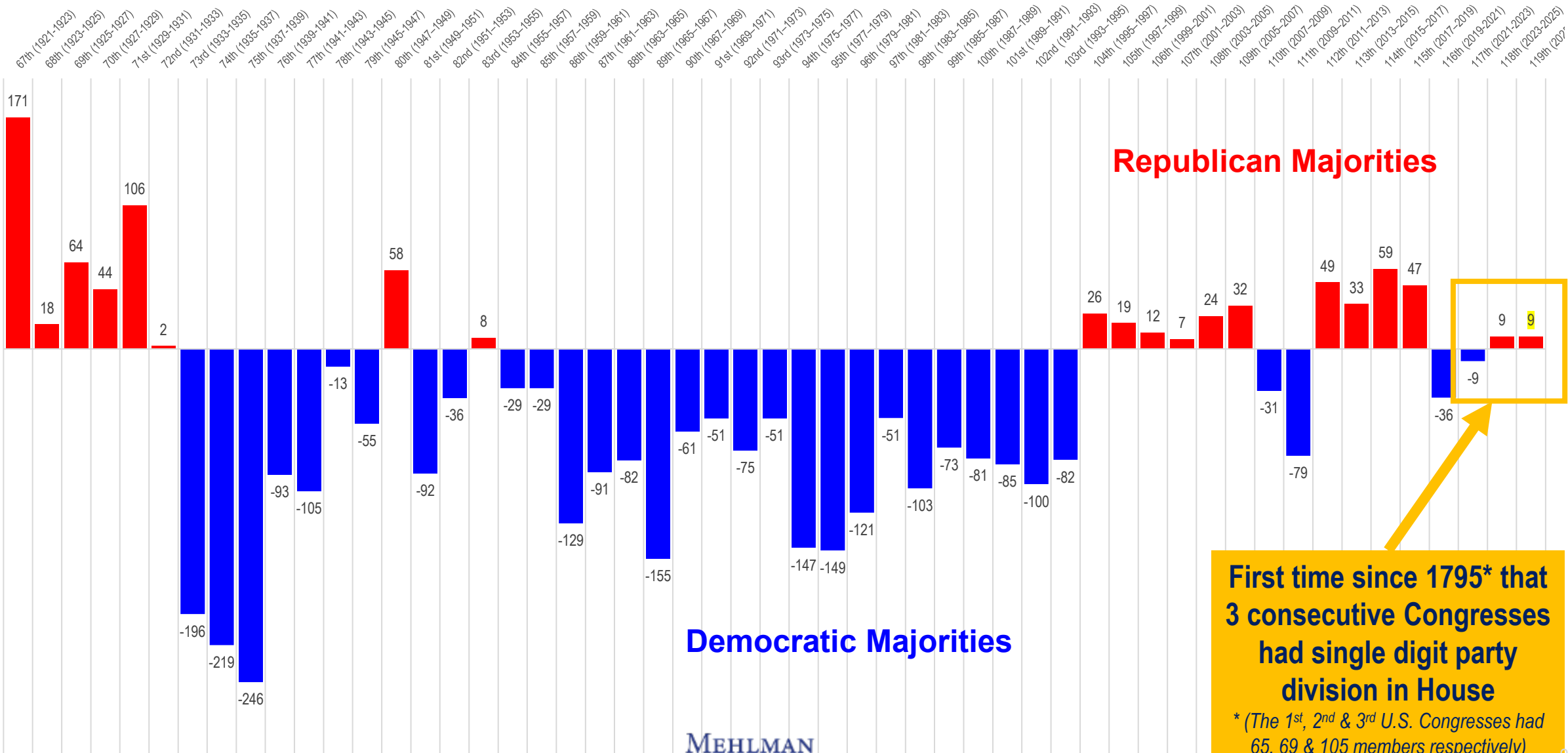
Leading: **5**

Maine 2* >	Golden +0.19	+726 votes	>95%	
Ohio 9 >	Kaptur +0.33	+1,193 votes	>95%	
Calif. 47 >	Min +1.8	+5,912 votes	89%	
Ore. 5 >	Bynum +3	+10,238 votes	92%	
Calif. 21 >	Costa +3	+5,223 votes	81%	
Calif. 9 >	Harder +4	+7,091 votes	74%	

Alaska 1* >	Begich +3	+9,550 votes	91%	
Calif. 13 >	Duarte +2	+3,122 votes	71%	
Ariz. 6 >	Ciscomani +1.7	+6,867 votes	90%	
Calif. 45 >	Steel +0.78	+2,272 votes	90%	
Iowa 1 >	Miller-Meeks +0.19	+802 votes	>95%	

119th HOUSE: 3RD TINY (SINGLE DIGIT) MARGIN IN A ROW

Party Control Margins in the U.S. House, 1921-2023



First time since 1795* that 3 consecutive Congresses had single digit party division in House

** (The 1st, 2nd & 3rd U.S. Congresses had 65, 69 & 105 members respectively)*

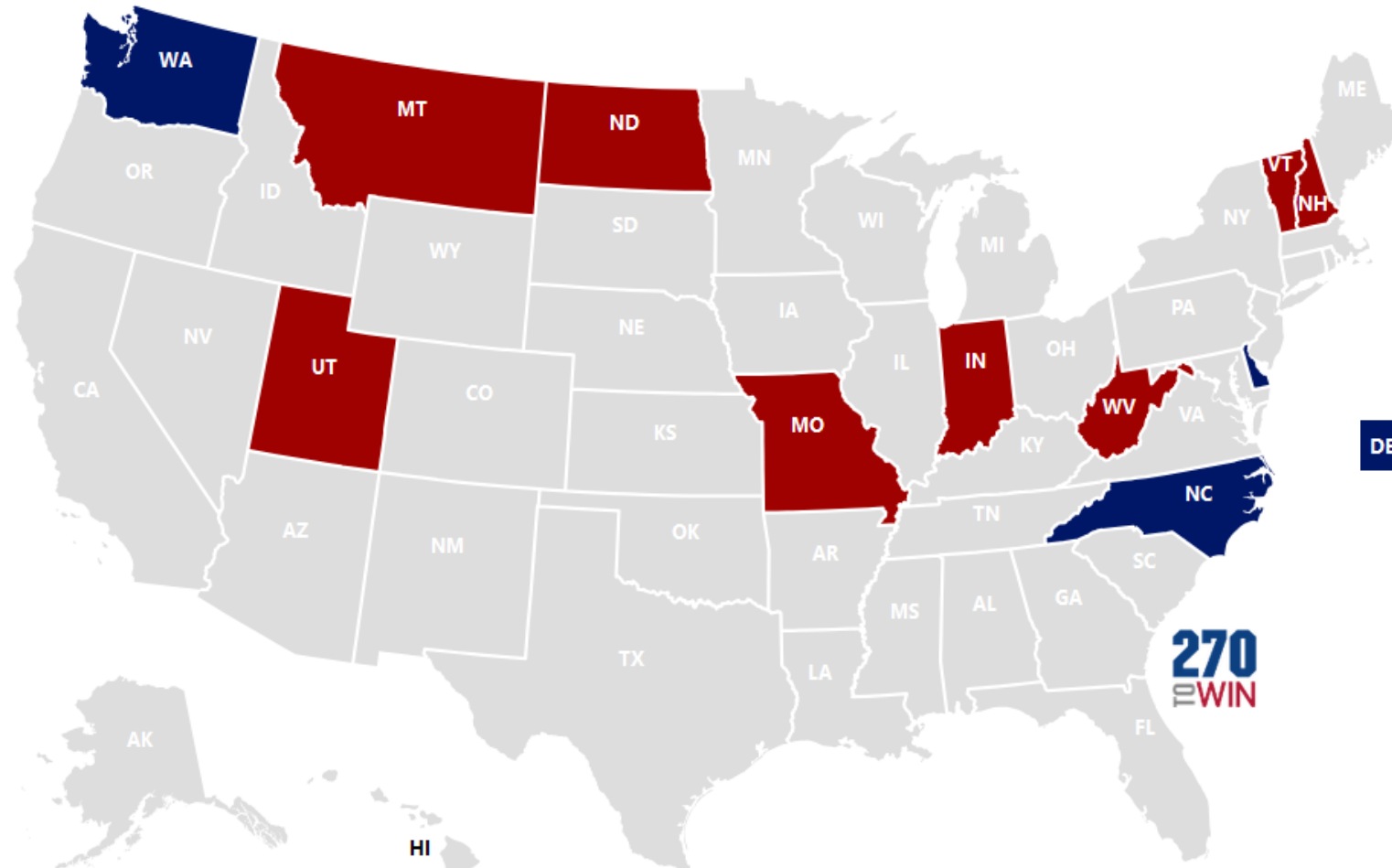
GOVERNORS: NO CHANGES IN PARTISAN CONTROL

Democrats 23

27 Republicans



*no 2024 election

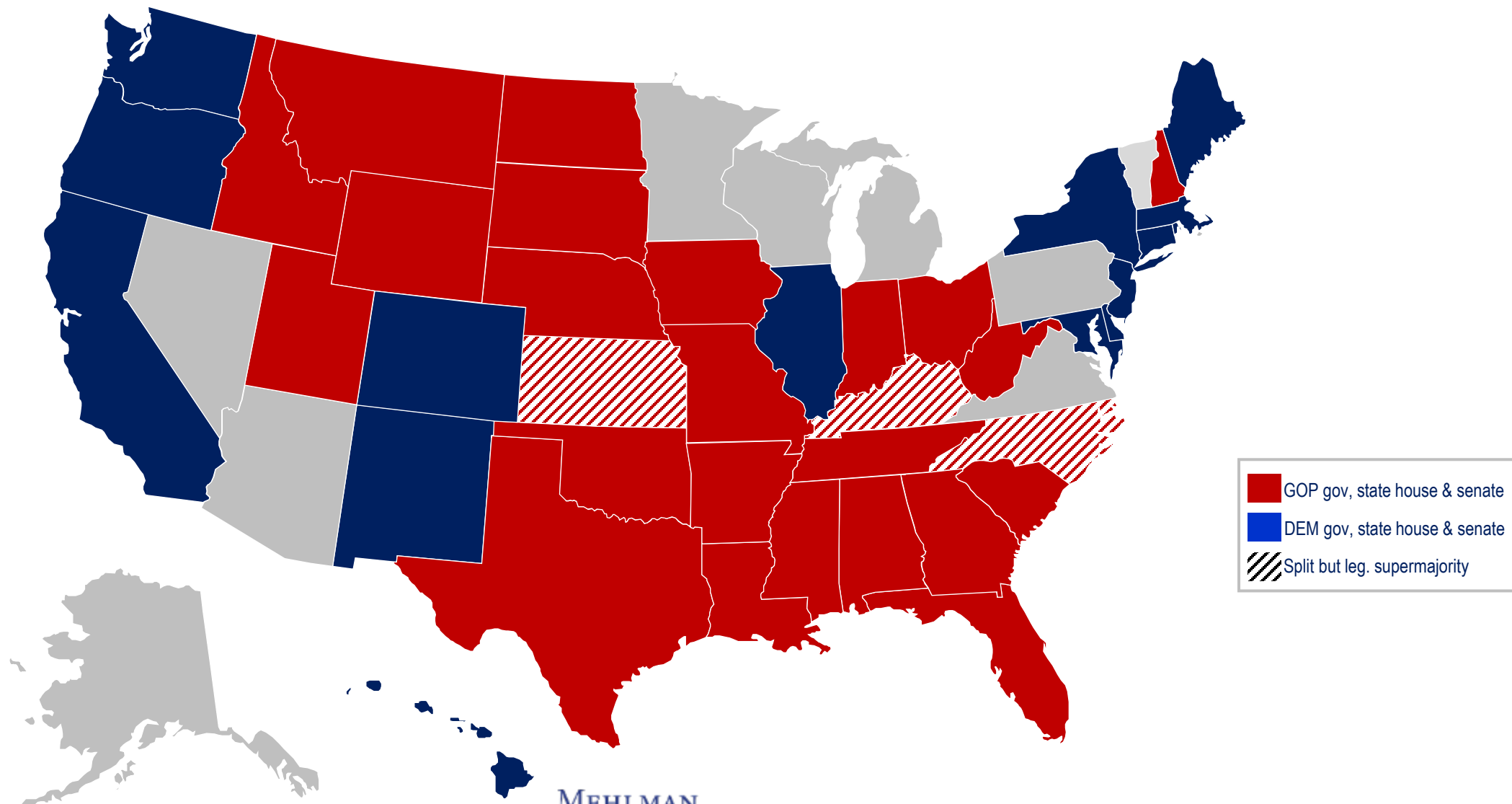


State Governors

	Dem	Rep
Current	23	27
No Election	20	19
Decided	3	8
Total (Live)	23	27
Remaining	0	
Safe	0	0
Likely	0	0
Leaning	0	0
Toss-up	0	
Forecast	23	27

STATE GOVERNMENTS: BIPARTISANSHIP REMAINS ELUSIVE

38 Trifectas (Down 2)*... **3 Split but Legislative Supermajority** (Down 1)*



* In 2024 Dems lost trifectas in MI & MN & lost legislative super-majority in VT

WHAT'S NEXT?
***10 Things to Watch in Congress
& Trump 2.0***

CONGRESS: END OF THE 118TH & START OF THE 119TH



Lame Duck & First 100 Days



MASSIVE POLICY BATTLES COMING IN 2025-26

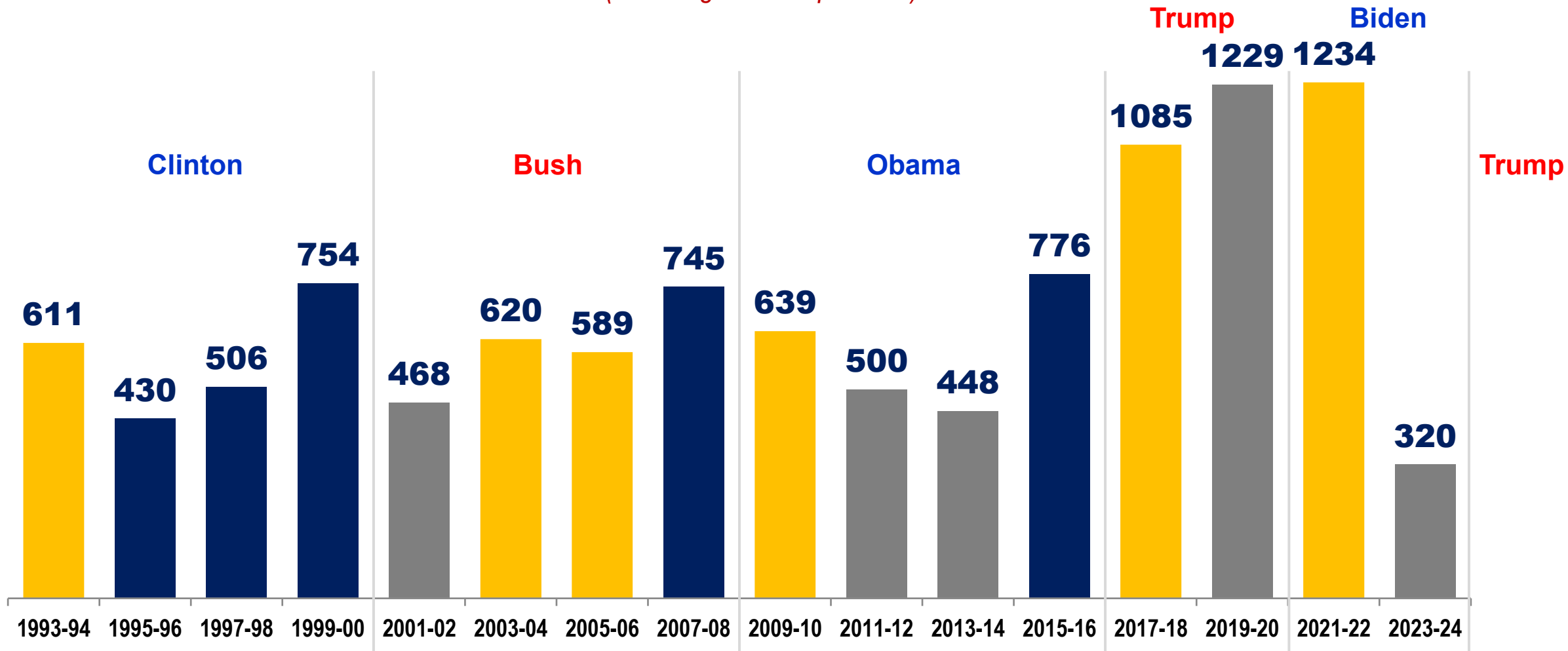
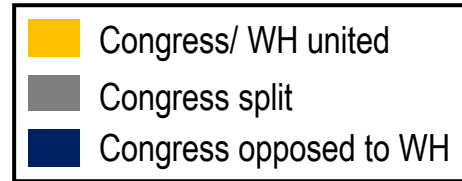
A Huge Agenda Awaits the 119th Congress



UNIFIED (ONE-PARTY) CONTROL OFTEN MORE PRODUCTIVE

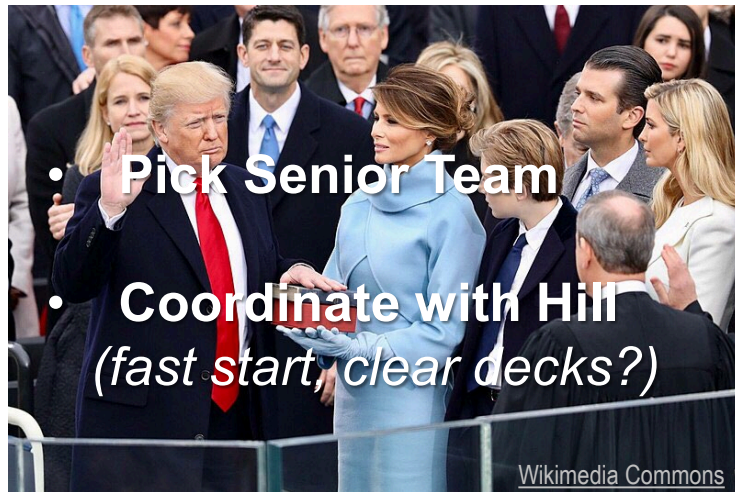
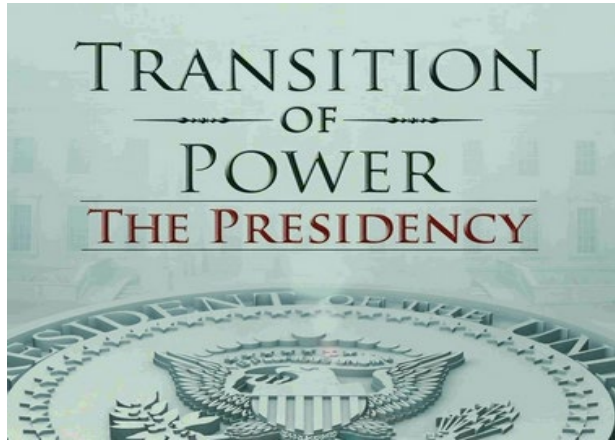
Enacted Legislation

(including via incorporation)



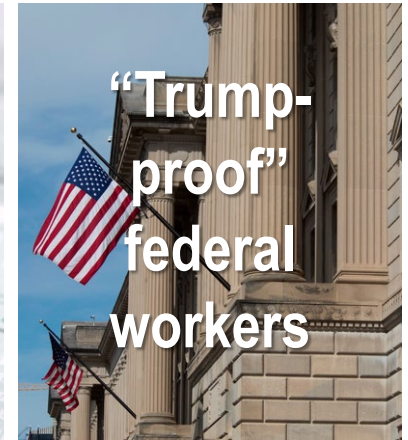
TRANSITIONS: THE SPRINT TO JANUARY 20, 2025

The Incoming Team



- Pick Senior Team
- Coordinate with Hill
(fast start, clear decks?)

The Outgoing Team



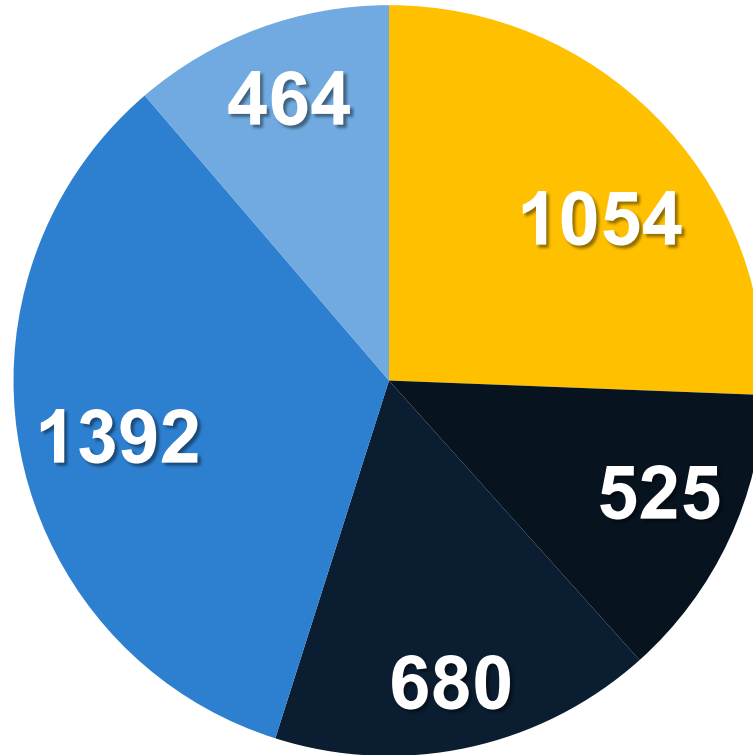
Invest outstanding \$\$\$ from Biden Bills

TRUMP'S SECOND FIRST HUNDRED DAYS

Overhaul Team, Set New Direction, Engage Leaders



Over 4,000 Hires Needed



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



TRUMP 2.0: MORE CHANGE THAN YOU THINK

More Similar to Trump 1.0



- 1. Experience**
(It's Year 5, not Year 1 again)
- 2. People**
(vetted, loyal & ready)
- 3. State of World**
(no longer peaceful & disinflationary)

Most Different from the Last Time



PRESIDENTS ACCOMPLISH MOST IN FIRST 2 YEARS



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

NAFTA; GATT

**Deficit Reduction Bill
(tax hike)**

AmeriCorps

Family & Medical Leave

**Reinventing Gov't
Initiative**



No Child Left Behind

2001 Tax 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

**Lilly Ledbetter Fair
Pay Act**



Tax Cuts & Jobs Act

**First Step Act
(Criminal Justice Reform)**

**16 CRAs (blocking
Obama regs)**

VA Mission Act

**No Surprises Act
(surprise medical billing)**



**American Rescue Plan
(\$1.9T)**

**Infrastructure Investment
& Jobs Act (\$1.2T)**

Inflation Reduction Act

CHIPS & Science Act

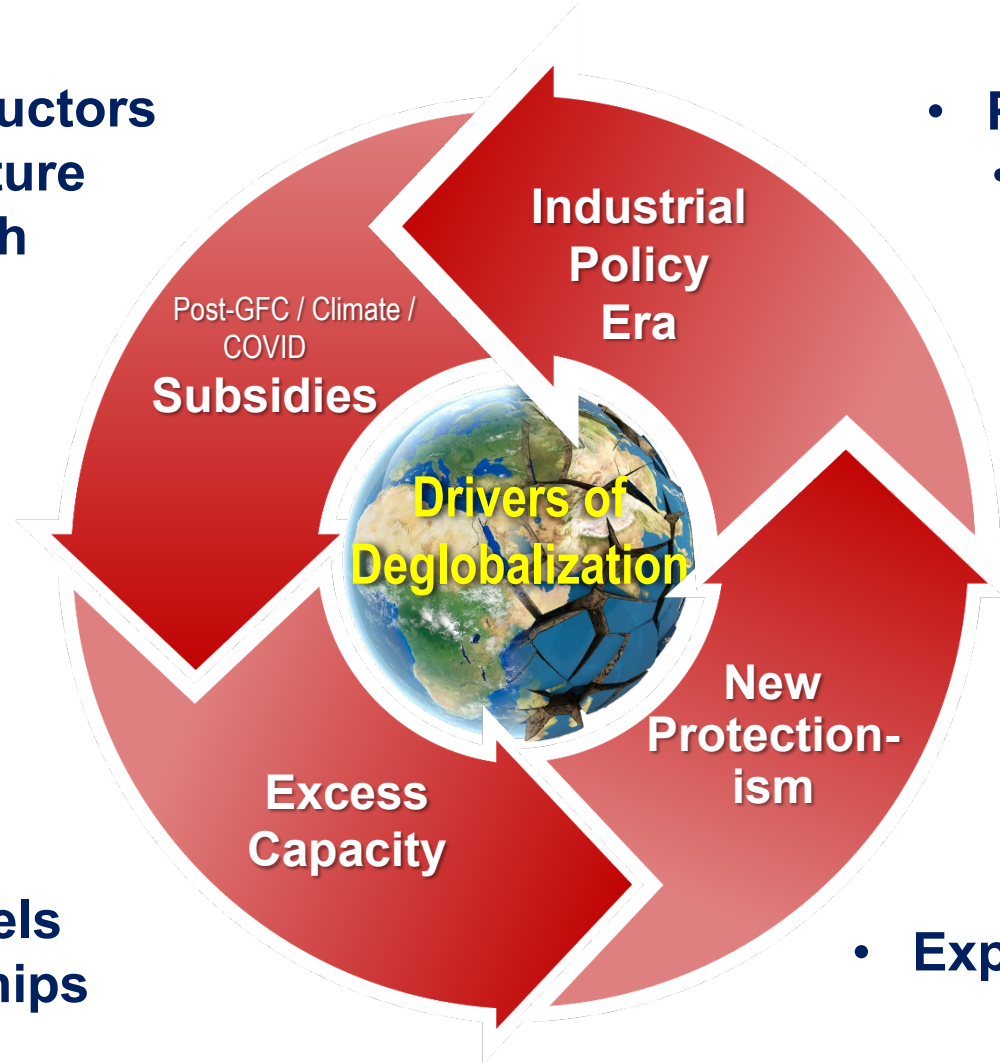
**Bipartisan Safer
Communities Act**

INDUSTRIAL POLICY WILL PERSIST & DEEPEN

The Free Markets Era is Over

- **Semiconductors**
- **Infrastructure**
- **Green Tech**
- **Currency**

- **Procurement**
- **Reshoring**
 - **Trade**
 - **Tax**



- **EV's**
- **Steel**
- **Batteries**
- **Solar Panels**
- **Legacy Chips**

- **Bans**
- **Tariffs**
- **Buy Local**
- **Export Controls**

BUSINESS CHALLENGES (AND OPPORTUNITIES) AHEAD



New Cold War Expands



Labor Shortage Risk



Energy Transition Unclear



Strategic Considerations for Succeeding in Trump's Washington



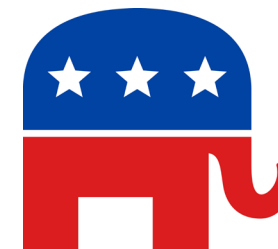
Democrats

- Pivot to the center or tack to the left to **win back the working class**?
- **Oppose** Trump every step of the way **or cut deals**?
- How to maneuver for a winning **midterm & viable 2028** nominee?



Business

- **How to support** efforts on tax, deregulation & labor **while pushing back** against tariffs, deportations & clean energy?
- How to **juggle business** priorities & **stakeholder** concerns?
- How to **maintain friends on all sides** in hyper-partisan environment?



Republicans

- When & how to stand up for institutional prerogatives (e.g. vs **filibuster** & impoundment)?
- Can leaders **cut own deals** with Dems **or leave** all negotiating to Team Trump?
- How to position for **2028** race / post-Trump world?

8 RECOMMENDATIONS

How to Navigate an Age of Disruption

BE BIPARTISAN – YOU’LL NEED FRIENDS ON BOTH SIDES

No Partisan Alignment Has Lasted More Than 2 Years

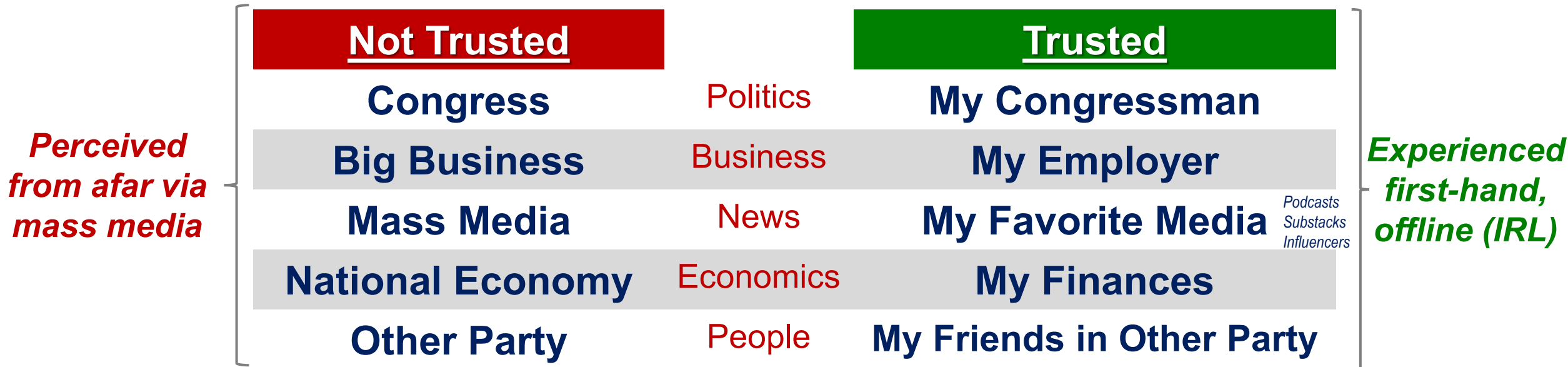
	113 th	114 th	115 th	116 th	117 th	118 th	119 th
POTUS							
SENATE							
HOUSE							
Change Election follow?	YES	YES	YES	YES	YES	YES	???

Average Duration of Control

	House	Senate
20 th Century	11.1 yrs	9.0 yrs
21 st Century	5.2 yrs	4.3 yrs

SHOW UP – ALL TRUST IS LOCAL

Define Yourself: Be Authentic, Present & Engaged



Expand Your Playbook, Channels & Strategies to Get Seen



9.48M

**viewers
combined**



11M

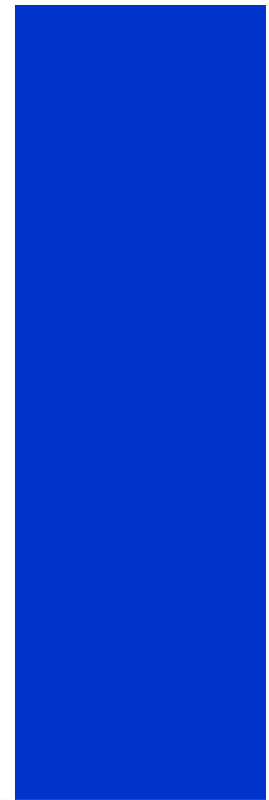
**listeners per
episode**

IMPROVE NARRATIVES – MOVEMENT BEATS MONEY

\$1,003,158,590



**Prioritize Your Sales Pitch
Over Your Sales Team**



Candidate
Committee \$\$

Outside Money:
\$649,163,464



More Paid Staff

More Field Offices

More Voters Contacted

More Money Raised

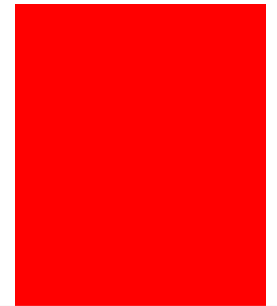
More TV Ads Run

Better Analytics

More Debate Prep

More Popular Surrogates

\$381,537,980



Candidate
Committee \$\$

Outside Money:
\$711,022,378

CONFRONT HARD TRUTHS – REALITY DENIED ≠ REALITY AVOIDED

Had Democrats (and Media) Addressed Difficult Truths Sooner...



President drops out earlier → debate debacle avoided



Real primary gives voters a say → possibly stronger nominee



Border controls implemented sooner → issue somewhat mitigated



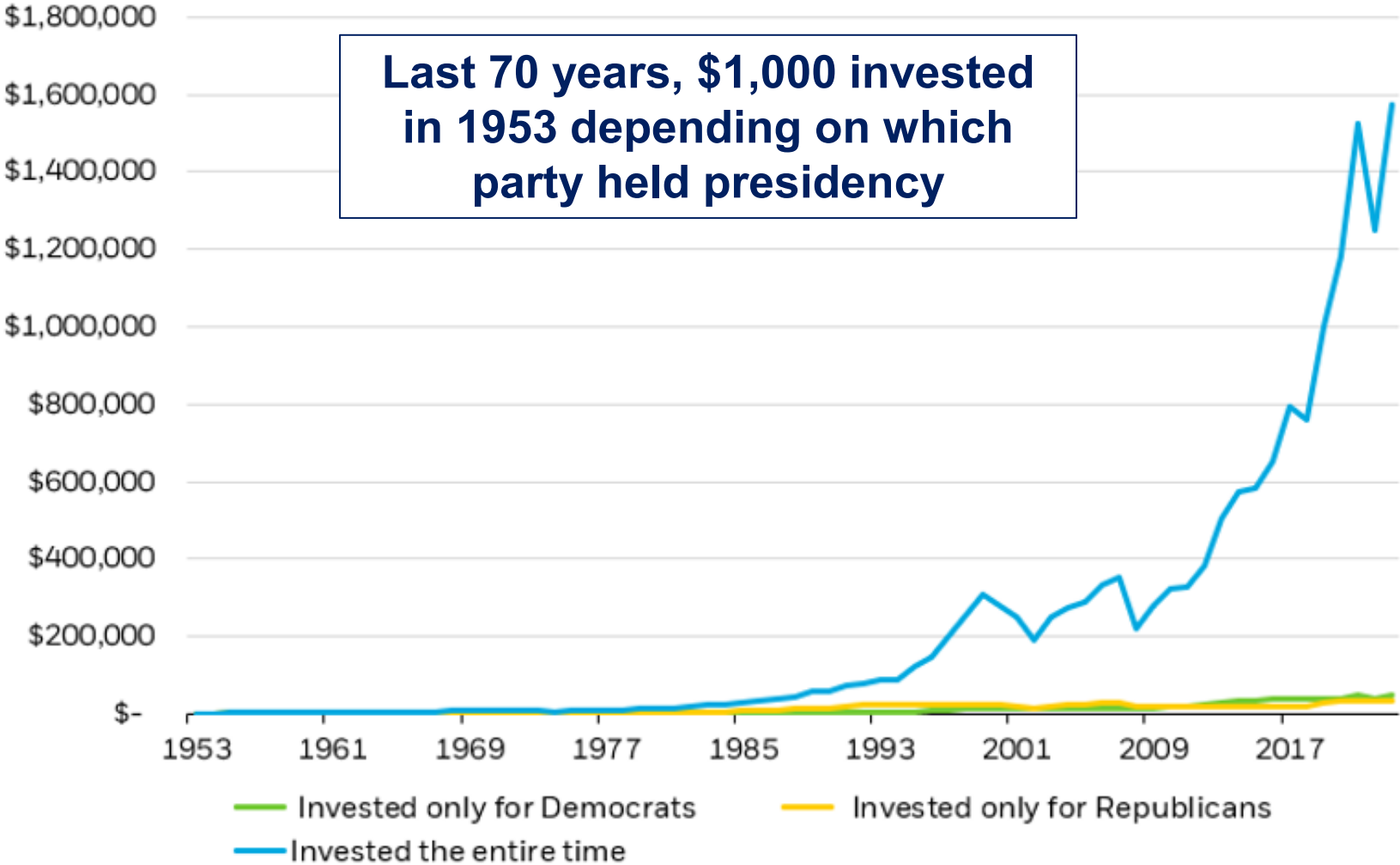
Less inflationary stimulus policies → reduced sticker shock



Focus on economic & cultural issues, not identity → possibly less non-white male support lost

MAINTAIN A LONG-TERM HORIZION

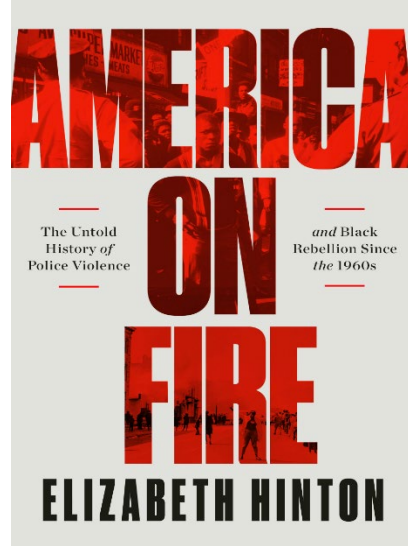
Roll With the Punches and Stay in the Game



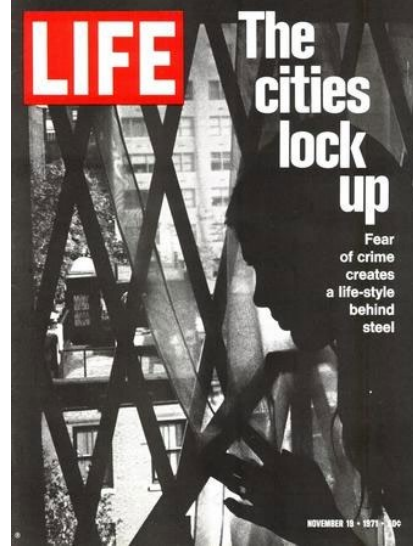
STUDY HISTORY – WE’VE BEEN THROUGH TOUGHER TIMES



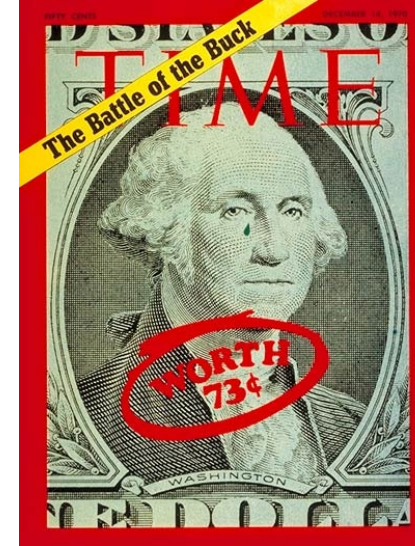
Nothing divides America today as much as the **Vietnam War** did 1968-1975



Some violence after murder of George Floyd... **Murders of MLK Jr. & RFK Sr.** saw widespread riots in multiple U.S. cities for weeks



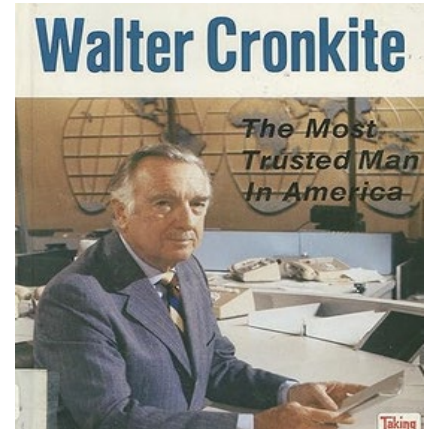
Pandemic high US **violent crime** rate (2020) still below rate every year 1972-2010 (FBI data)



Today’s consumers pay ~11% of wages for food & just over 7% for 30yr fixed home mortgage... both below **prices** for same things **every year** in the 1970s. (USDA & FRED data)

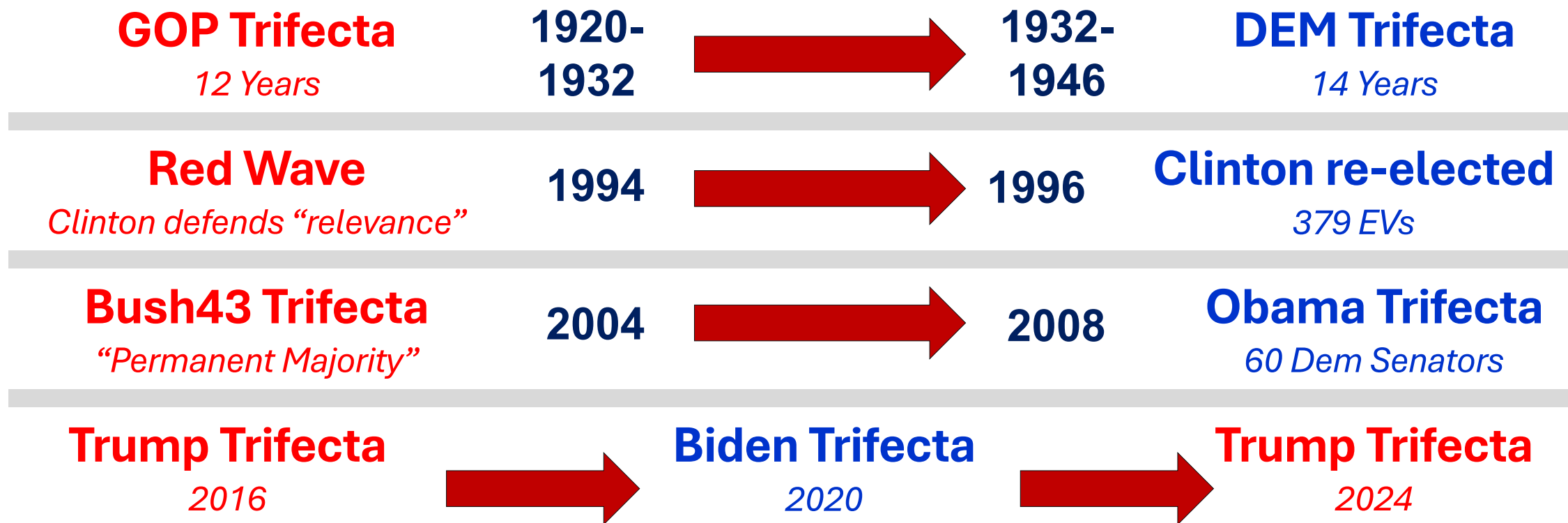
But, but, but...

We trusted the media to help us make sense of a scary world back then... today, not so much



Trust in Mass Media
(Great Deal / Fair amount)
1976: **72%**
2024: **31%**
(Gallup)

Nothing Is So Fleeting as a “Durable Majority”



LinkedIn: <https://www.linkedin.com/in/bruce-mehlman-51239136/>

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