

US Midterm Election Turnout to be Driven by Sentiment More than Economics

BY SEAN EVERS, MANAGING PARTNER, GULF INTELLIGENCE

The US mid-term elections on Nov. 6th will help define the rest of Donald Trump's presidency, and ipso facto, the result will shape all our lives worldwide for the next two years and beyond.

Americans will vote for members of both chambers of Congress – the Senate and the House of Representatives -- as well as for the governors in 36 out of 50 states, and typically on average only 40% of those eligible to vote -- 240 million American citizens -- show-up on the day to participate in mid-term elections.

One wonders how the results would differ if indeed all Americans were obliged to vote, as is the law in Australia. Given that it isn't, the U.S. election battle will boil down to which of the two major political parties can compel more of the silent 60% to show-up on election day and vote for them – which group of voters are the most energized?

If the ability to raise more than \$1 billion in campaign finance donations, a record, is any guide for enthusiasm, then the Democrats may have their nose out in front. But one must acknowledge that Republicans generally have a better record at closing an argument.

There are many local, state, national, and even some international, issues being debated on the campaign trail for this upcoming election, but given the size of the shadow that Trump has cast over the American landscape for the last two years, this election will boil down to how the 240 million eligible voters answer one basic question – Should President Trump's powers be curtailed?

People always say that Americans vote with their wallet, and that can quite often be the case every four years for Presidential elections, but one of the things that has struck me the most from spending a few days last week in the U.S. capital Washington DC, is how much emotional engagement is trumping, no pun intended, economic well-being in determining how people may vote in less than three weeks-time.

By all accounts the U.S. economy is roaring along, as measured by second quarter GDP growth of over 4%, national unemployment near record lows below 4%, and the great American bell-weather of economic health – the Dow Jones stock market index is hitting new highs every other week.

Yet despite this, the mood on the street is that "American values are on the ballot," as one taxi driver told me.

There is a lingering guttural embarrassment, even anger, held by many of the people I spoke with, on how the Trump Administration has behaved on behalf of Americans – one case that was cited on a number of occasions by people, was the Department of Homeland Security's policy earlier this year to forcibly separate young children from their parents at the Mexican border-crossing.

As of Sept. 1st, more than a month after a court deadline passed for the U.S. government to reunite families divided by President Trump's border crackdown, nearly 500 children remained in U.S. government-funded shelters without their parents, according to court papers.

"It is just not right -- we all have children, we are all human beings," said an Ethiopian American who has been a citizen for 16 years.

The reality is of course that there are many Trump supporters who support the President's hardline stance on immigration, and indeed so much so that Trump takes every opportunity presented to him to double down on reminding people on how ruthless he is on illegal immigrants.

The question on Nov. 6th will be which group will be more motivated to come to the polls to express their disgust or to express their support of President Trump's policies. And while those opposed appeared to have the momentum in recent months, the core Trump voter that propelled the New York billionaire to power two years ago, appears to have been re-awoken from their slumber by the recent battle to get Brent Kavanaugh appointed on the Supreme Court as he faced multiple charges of sexual assault.

In the same way that most people have an emotional understanding that ripping infants from their illegal immigrant parents "is just wrong", the #metoo movement for the empowerment of women in America has caught the emotional zeitgeist as every voter has a sister, a daughter, a mother, and far too often the Trump Administration and associated entourage appear to have fallen on the wrong side of this issue – it is clearly a battle line of this election.

More women candidates than ever will contest US governorships and House seats in November's mid-term elections. A total of 256 women have qualified for the November ballot in House or Senate races so far -- 197 Democrats and 59 Republican candidates, according to an analysis of election results.

It's clear that Democrats are nominating more women than Republicans and making it a priority to position them as candidates as a part of their platform in midterm election races – whether this is a successful strategy or not will be revealed shortly. ■

US economy under President Trump

4.2%

GDP growth
(annual rate for 2018
second quarter)

3.7%

Unemployment rate
(September 2018)

2.9%

Rise in average hourly
wages (August 2017 –
August 2018)

2.7%

Inflation rate
(CPI August 2018)

Source: US official data, Bloomberg