

Covid-19, George Floyd, the 2020 Election, and Beyond

David Schultz, Professor
Hamline University,
dschultz@hamline.edu
<http://schultzstake.blogspot.com/>

David Schultz is Hamline University professor in the departments of political science and legal studies and a visiting professor of law at the University of Minnesota and a adjunct professor of law at the University of St. Thomas. A three-time Fulbright scholar who has taught extensively overseas, Professor Schultz previously taught in the Hamline school of business and is the author of more than 35 books and 200+ plus articles on various aspects of politics, law, and economics.

I. Introduction

A. Main themes

1. How Polarized the US is
2. The importance of the 2020 Election
3. Polls
 - a. The polls are accurate but ignore the national polls: It is the Electoral College that matters
4. Covid-19 and George Floyd changed everything and nothing
5. Will 2020 look like 2016 or 2018?
6. The Four numbers you need to know: 10/11/7/270
7. Beyond 2020
 - a. Tax Policy, Planned Giving and the non-profit community

II. The Importance of 2020

A. Elections

1. Presidential
2. 35 US Senate races (23 held by GOP where they have a 53-47 lead)
3. All 435 House seats up (235-199 Democratic control)
4. Control of state houses

- B. First Post Baby-Boomer Election
- C. Census and subsequent redistricting
- D. Senate Impeachment trial (who remembers!)
- E. Covid-19
- F. Economy
- G. George Floyd
- H. Looking to the Future (2021 and beyond)

III. Covid-19's impact

A. Changed everything and nothing

1. Polarization before and after

B. Issues

1. Donald Trump still the issue for many

- a. Competence
- b. Personality
- c. Handling of the economy/Covid-19
- C. How we vote and run the elections

IV. George Floyd

- A. Race and policing a 2020 issue?
- B. Impact on voters?
 - 1. Mobilization and counter-mobilization
- C. Biden's vice-presidential selection

V. Presidential Election

- A. Remember to ignore all national polls: We do not elect presidents based on the on the popular vote
 - 1. Polls (for what they mean)
 - a. First week of June 2020 the WSJ and NPR polls have Biden up by 7 points.
- B. The Race for 270 (electoral votes) in a polarized political world.
 - 1. Based on recent elections, voting patterns, and polling, a Democratic Party candidate for president is nearly certain to win California, Colorado, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Maine, (overall state) Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont, Virginia, and Washington. This is a total of 19 states plus the District of Columbia. In the case of Maine, Democrats probably will overall win the state and three of its four electoral votes. The other electoral vote, which is for the Second Congressional district, goes to the Republican. **Democrats start with 222 electoral votes.**
 - 2. A Republican Party candidate will win 24 states plus part of Maine. These states are Alabama, Alaska, Arkansas, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, (Second Congressional District), Mississippi, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, West Virginia, and Wyoming. **Republicans start with 205 electoral votes.**
 - 3. Yet there are seven remaining states—Arizona, Florida, Michigan, Minnesota, North Carolina, Pennsylvania, and Wisconsin—totaling 111 electoral votes, which are too close to call and they are the swing states that will decide the presidency.
- C. Swing Counties
 - 1. Arizona
 - a. Maricopa
 - 2. Florida

- a. Hillsborough
 - b. Pinellas
 - 3. Michigan
 - a. Wayne
 - 4. Minnesota
 - a. Hennepin
 - b. Kandiyohi
 - 5. North Carolina
 - a. Wake
 - 6. Pennsylvania
 - a. Bucks
 - b. Lackawanna
 - 7. Wisconsin
 - a. Brown
 - b. Milwaukee
- D. Do the Swing State Math
 - 1. 10/11/7/270

VI. US Senate

- A. 23/35 held by Republicans
- B. 20 seats in states Trump won.
- C. 50/50 chance of flipping Senate

VII. US House

- A. 18 Republicans retiring
- B. Odds are against the House flipping

VIII. Importance of State Legislative Races

- A. Current balance
 - 1. 52% GOP), 47% Democrat; 1% other.
 - 2. Of the 99 state legislatures:
 - a. 61 GOP-controlled
 - b. 37 Democrat-controlled
 - c. 1 non-partisan
 - 3. In 22 states Republicans control both legislative chambers and the governorship
 - 4. In 14 states Democrats control both legislative chambers and the governorship.
 - 5. Minnesota as the only divided legislature in the country

IX. Minnesota as a Swing State

- A. Only divided legislature in the nation
- B. Geographic patterns here mirror national politically

- C. Minnesota most reliable Democratic state in presidential election
 - 1. 1972 Nixon
 - 2. Trump targeting Minnesota after being within 50,000 votes in 2016.
- D. State Legislature
 - 1. House 132/54 DFL (two vacancies)
 - a. Democrats retain House control)
 - 2. Senate 35/32 Republican
 - a. Will be hard for Democrats to flip
 - (1) vulnerable Democrats and Republicans, seven to ten seats)

- X. Census and Redistricting
 - A. Decides apportionment, Electoral vote, federal funding, and influence
 - B. Minnesota to lose a congressional seat
 - C. Importance of legislative races
 - D. Issue of partisan gerrymandering

- XI. Economy
 - A. Mixed picture on US economy (even before Covid-19)
 - 1. Longest record of growth in US history but slowing GDP
 - 2. Wall Street v wages
 - 3. High bond price (good sign for the economy?)
 - 4. Signs of real estate bubbles
 - 5. Low unemployment
 - 6. Falling consumer confidence for fourth straight month
 - 7. US consumer debt higher now than in 2008
 - 8. Total student loan debt is \$1.8 trillion
 - 9. Corporate debt is \$10 trillion or 48% of GDP (compared to \$6.6 trillion in 2008 and 44% of the GDP).
 - 10. Savings rate
 - a. Historic household savings rate is 9.8%
 - (1) End of 2019 the rate was 7.9%
 - 11. Domestic corporate profits flat or down
 - B. Impact of trade wars and tariffs
 - C. Job crunch and demographic issues in the future
 - D. Minnesota economy
 - 1. Job growth slower compared to other states
 - 2. Inability to fill vacancies
 - 3. Short term fiscal forecast good, longer term weak
 - E. Covid-19 impact?

- XII. Planned and Charitable Giving: 2020 and Beyond
 - A. Generally charitable donations go down during presidential elections
 - B. Covid-19 impact on non-profits

- C. Beyond 2020
 - 1. Tax changes?
 - 2. Wealth gap and giving for a new generation?

XIII. Conclusions and Policy Implications

- A. Likely policy gridlock at federal and perhaps state level in 2020 and beyond
- B. Credit Suisse 2019 Wealth Report
 - 1. Baby Boomer/Millennial wealth gap and what is going to happen in the next few years
- C. What will Baby Boomers do with money?
- D. What will tapped out Millennials and Gen Z do?