

Wednesday, November 4th, 2020

To Hawthorn Family & Friends -

President --

Like you, we await final counts (and litigation) on **presidential** votes in **Wisconsin** (which CNN and the AP have called for Biden), **Michigan** and **Pennsylvania**. We're already counting **Arizona** (perhaps prematurely, with some 600,000 votes still to be counted) and **Nevada** in the **Biden** column and **Georgia** (also perhaps prematurely) and North Carolina in the Trump column. But if we're right about Georgia, as we noted election eve, it essentially all comes down to Pennsylvania. What was NOT a surprise to us – thanks to Ryan Tyson's early and consistent warnings – was Trump's performance in **Florida**, cutting his losses in Miami/Dade enough to carry the state.

Electors meet – pending litigation (and more than 230 suits of various election challenges had been filed two weeks ago) and potential state executive/legislative action – in the 50 state capitals on **Monday, December 14**. The new Congress meets to certify their returns on **Wednesday, January 6**. And should the Electoral College fail to produce a winner the choice of president will go to the **U.S. House** where early returns suggest that while the Democrats still have (diminished) control, the **majority of STATE congressional delegations** – each of whom will cast one vote per state for president – remains **Republican**.

U. S. Senate --

It appears the **U.S. Senate** will stay, narrowly, in **Republican** control. Democrats LOST a seat in **Alabama**. We THINK late vote counts will hold the Democrat seat in **Michigan**. Democrats won GOP-held seats in Colorado and (as of this writing) Arizona. Democrats FAILED to win GOP seats in **Maine, Montana, South Carolina**, (where Sen. Graham won re-election, by current count, by more than 11 points, despite Jaime Harrison's raising more than \$108 million against him), **Iowa** (where last weekend's Iowa Poll was exactly right), **Texas, Kansas, Alaska** and **Mississippi**.

As we write, it appears the **Republican** senator will hold on – albeit narrowly – in **North Carolina**. There will be a classic runoff January 5 in **Georgia** between appointed GOP Sen. Loeffler and the pastor of Ebenezer Baptist Church, Rev. Raphael Warnock. There MAY, pending vote counting underway, also be a runoff in the Perdue seat in Georgia, although Sen. Perdue could barely get above the 50% required to avoid a runoff.

U. S. House --

Consistent with the NON-appearance of the predicted (by some) “blue wave,” the **U.S. House** did NOT see Democrats add their predicted 5 – 15 seats, but, rather saw Republicans GAIN, not lose, a net of at least five seats, perhaps as many as ten, still leaving the **Democrats** and their octogenarian leadership **in (diminished) control**.

Typical of the LACK of “blue wave,” was the Democrats’ failure to defeat Congresswoman Ann Wagner in suburban **St. Louis County**, expanding GOP congressional margins in **Texas**, the loss of Democrat Xochitl Torres Small in **New Mexico**, the defeat of Cameron Webb, M.D., in **Virginia**, where Congresswoman Abigail Spanberger’s re-election is still too close to call, but where she is trailing, along with a seat in New Jersey still too close to call, as well as Democrat losses of House seats in **South Carolina, Minnesota, Oklahoma, New York, Florida** (three, including Donna Shalala’s), and **North Carolina**.

Governors --

There were no surprises among **governors**, although the Democrat in **North Carolina** won by a SMALLER margin than expected and the Republican in **Missouri** won by a larger margin. As we predicted, **Republicans gained one governor’s office, Montana**.

State Legislatures

Among **state legislatures**, NONE of the rumored flips happened: **North Carolina, Michigan, Texas, Arizona**, etc. The GOP majority leader of the **Missouri** state senate survived re-election (in Boone County, again as four years ago, one of only three Missouri counties the Democrats carried for president) while in **Rhode Island** the Speaker of the House was defeated for re-election.

Ballot Issues --

Among **ballot issues**, **marijuana** (and “magic mushrooms”) did well around the country, Uber’s and Lyft’s 10-to-1 spending (\$200+ million to \$20 million) served their **gig industry** well in **California**, as did the overwhelming spending by the **dialysis industry** there. Still too close to call on the “Left Coast” is the **commercial real estate** tax issue. In Illinois, a major **tax issue** was defeated. **New Mexico** passed appointment (instead of election) of its state utility regulator commission. There was a slight shift (to Democrats) in the utility commission in **Arizona**, but with significant policy implications.

The Phantom “Blue Wave” --

What happened to the “**blue wave**” . . . and how did so many pollsters/prognosticators – with the notable exception of Trafalgar (in most of the battleground states), IBD-TIPP and the Iowa Poll– miss it? It was not only flawed **polling** by traditional pollsters, but cries for a **fundamental change in how we have to “read the tea leaves” of election predicting.**

The **fundraising** advantage was, by staggering proportions, to the Democrats. And the **advertising** it paid for gave the Democrats almost a 2-to-1 advantage. Of course, massive spending does not always guarantee victory. Jaime Harrison’s \$108 million this year broke the previous record for U.S. Senate spending: Beto O’Rourke’s in Texas, who also lost. And Michael Bloomberg spent more than \$1 billion this year to NOT be the presidential nominee of the Democratic Party. That did him about as much good as his recent contribution of \$ 39 million to Biden in Florida and Texas (both states Biden proceeded to lose) and his “investment” of \$2.625 million in a Texas Railroad Commission race on behalf of a candidate who lost.

In addition to fundraising and advertising, massive **turnout** – and this year’s was the highest percentage since 1900, 120 years ago – apparently broke “the rule” that higher turnout always favors Democrats.

In all our predicting, we did note the **voter registration** advantage to the GOP, especially in **Florida, North Carolina, and Pennsylvania**, as well as the GOP’s more effective “**ground game**,” the President’s classic **rallies**, and his absolute dominance of **social media**. There is no question “**enthusiasm**” of the base favored President Trump and the Republicans.

One thing is clear: we all have to learn to read better the likely voting intention of the public, in their individual states in our republic (for we are not a democracy) as they consider (or chose to ignore) the fundamental question in a race like this: *Whom do you fear/trust more, Trump or Biden?*

Despite all the challenges, confrontations and disappointments we’re still to face in this election year and its enduring aftermath, I, for one, think it marked great success for a **voting system that largely worked** – albeit not without distressing flaws – to accommodate, during a pandemic, the largest turnout of voters in American history, more than 160 million, with more than 100 million of those votes being cast prior to election day. Whatever the wisdom – or lack thereof – of the voters’ decisions, there IS hope for our election process.

John

PS: A tribute and an enormous thank you to our team. None of this analysis could be prepared or shared without the dedicated and insightful support of our team. Here at Hawthorn, our research group is headed by **Frank Klepadlo**, and includes **Andrew Bemus, Liam Goodwin, Charlie Olafsson, and Olivia Watkins** and supports our client service team of **CEO Suzanne Hammelman, Vice Chairs John McGrath, M.D. and Larry Walsh, Senior Vice Presidents Jared Dubnow, Scott McClintock, Henry Rubin, and Ellen Scotti Belli, Senior Counsellors Angie Howard, Rex Kelly, Bryant Kinney, Lyndsey Medsker, Sloan Rappoport, John Stinson, and Adam Wood, Associate Amanda Wade, IT Director (and resident technical magician) Anthony Sowah and Executive Assistant Charles Petrosky.**

We are also blessed to have regular input from a world class and cherished network of political colleagues and friends across America. None of them bear any blame for our conclusions, but all should be thanked for taking our calls (often at very inconvenient times) and sharing their insights. So, thanks for years – in many cases, decades – of wise counsel to **David Q. Bates, Frank Bickford, Sandy Braden, Kelly Calkin, Tom Clark, James Comerford, Dave Cooley, Jack Corrigan, Steve Crisafulli, Tom Dalzel, Fred DuVal, Graham Gillette, Kevin Gunn, Josh Harlow, Jan Hodgson, Keith Lee, Craig Lesser, Nick Mitropoulos, David Nassar, Scott Nelson, Joe Perkins, Richard Perkins, T. J. Rooney, Tom Sansonetti, Eric Sapirstein, Phil Scaglia, Scott Scanland, Nathan Sproul, Darry Sragow, Bill Sweeny, Brian Treece, and Ryan Tyson . . .** along with pollsters who generously share their insights, **Michael Meyers and Mark Allen . . .** as well as two dear friends who do this – far better than I ever will – professionally and to great national acclaim: **Charlie Cook and Larry Sabato**, along with their able teams.