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Should we expect divided US government after 2024?

Should President Biden be re-elected, historical precedent and current polling suggest he is unlikely to benefit from a Democrat-controlled Congress. This will impact his ability to implement his legislative agenda. In Trump’s case, there is no modern precedent for non-consecutive presidential terms, but his down-ticket effect will likely be weaker than usual.

Key Takeaways

- Recent elections show second-term presidents rarely benefit from a unified Congress. A second-term Biden administration would probably face divided government and would struggle to implement policy.
- If Trump wins the GOP primary and the presidential race, the rarity of non-consecutive terms makes predicting Congressional implications difficult. But Trump’s “coattail” effect down-ticket could be weaker than new presidents typically generate.
- Stepping back, divided government is becoming more common. The US has not experienced consecutive congressional terms with all three pillars under one party since 2007.
- Associated with this has been a faster turnover of majorities. Last century a party could on average expect to hold the House for 12 years and the Senate for 8.4 years after winning a majority. This century that average has fallen to 4.8 years in both chambers.
- Divided government has implications for how presidents implement their legislative agenda. The bulk of legislative action is likely to take place during a narrow window of unified government.
- Partisan, divided government raises political risks around ‘must pass’ legislation such as the debt ceiling and makes substantial fiscal response to major US challenges such as recessions less likely. The risk of one party overturning the legislative actions of its predecessors in government is also higher.

Unified control of government is unlikely after 2024

Recent elections show that second-term presidents rarely benefit from a unified congress. The last time this happened was following the 2004 election in which George Bush was re-elected, while retaining control of the House and Senate. Prior to this, the last president to achieve unified control of Congress in a second term was Franklin Roosevelt.

Figure 1: Modern presidents rarely preside over a unified government

Years	House	Senate	President
1999-2001	R	R	Clinton
2001-2003	R	D	Bush
2003-2005	R	R	Bush
2005-2007	R	R	Bush
2007-2009	D	D	Bush
2009-2011	D	D	Obama
2011-2013	R	D	Obama
2013-2015	R	D	Obama
2015-2017	R	R	Obama
2017-2019	R	R	Trump
2019-2021	D	R	Trump
2021-2023	D	D	Biden
2023-2025	R	D	Biden

Source: Federal Election Commission, abrdrn, August 2023



Based on historical precedent, Biden, if re-elected, is unlikely to benefit from a unified Congress.

But the outcome should a Republican win is less certain. The election of a new president would typically generate a coattail effect – the tendency for the winner of the presidential election to attract votes for other candidates of the same party – which might help Republicans take control of the House and Senate, as has happened in the past three presidential election cycles.

However, the clear frontrunner in the GOP primary, former President Trump, is not a new candidate, and may lack the ability to generate sufficient voter enthusiasm to recreate this effect in the event of a second, non-consecutive term.

Divided government is becoming more common

Since 1914 – the first time senators were elected directly – the party of the president has had unified control of Congress following 53% of elections, but the number has dropped in recent history. Since 2001 a single party has controlled the presidency, House, and Senate following 38% of all elections, and there has only been one consecutive congressional term with all three pillars under one party since 2007.

The party controlling the chambers of Congress is changing more frequently

But it is not just a divided government that poses challenges. Control of the House and Senate is also flipping more frequently. Since 1914, a single party has maintained control of the Senate for an average of 8.6 years, climbing to an average of 12 years in the House. In the 21st century however the number has fallen to 4.8 years in both chambers.

Shortened periods of control are likely to lead to spells of intense legislative activity in the event of a unified Congress, particularly if this occurs under the party of the president, as shifting majorities are becoming increasingly frequent.

Smaller majorities explain why congressional control is changing so frequently

The increased frequency of elections resulting in a change of congressional control is strongly linked to the smaller majorities both parties achieve. Large majorities have become extremely rare in modern elections, giving the opposition a greater opportunity to flip control in a single election. This is likely due to the increasing political polarisation among voters and politicians in the US, which has entrenched voting behaviours.

Narrow majorities amplify the importance of individual politicians

Under Biden's presidency, the views of more independent-minded senators like Joe Manchin have been amplified, increasing their influence over policymaking. Their veto power allows politicians to exact concessions that differ

from the broad policy trajectory of the presidential agenda. In Manchin's case, he has successfully lobbied for new fossil fuel projects and blocked the nomination of several officials he felt could not command bipartisan support.

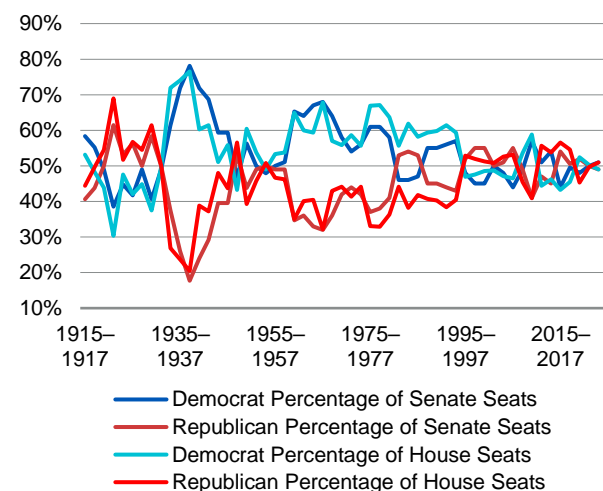
Narrow majorities can also complicate policymaking during periods of divided government. The current Republican House majority of four has increased the influence of the right of the party, whose views often differ markedly from those of their own party, as well as Democrats. This increases the complexity of passing fiscal legislation and raises the risk of missed deadlines in the forthcoming US budget appropriations process in September.

Political and policy risks will be heightened

If the trend of divided government continues, political conflict over 'must pass' areas of legislation, including budgets and the roll-over of key measures like the Farm Bill and Defence Authorisation Act will become more frequent. Increased instances of drawn-out negotiations over the debt ceiling are also likely.

A divided government is also less likely to agree to any new fiscal measures, making additional support in the event of recessions or other major events less likely.

Figure 2: Congressional majorities are narrowing, making it easier to flip control



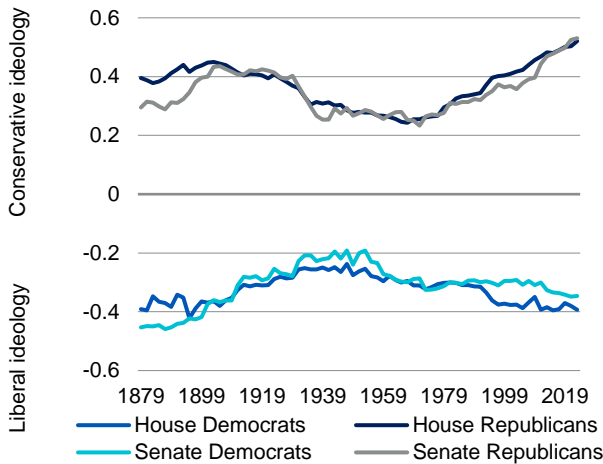
Source: Federal Election Commission, abrdn, August 2023

Narrow majorities are complicated further by increased political polarisation

Increased instances of divided government and narrowing congressional majorities are complicated by increased political polarisation among politicians. Analysis of voting patterns in Congress shows the political distance between both parties is at record highs.



Figure 3: Analysis of voting patterns in Congress shows politicians are moving away from the centre



Source: DW Nominat, abrdrn, August 2023

Greater political divisions reduce the likelihood of meaningful legislative activity during periods of divided government. Though bipartisan activity is possible, as demonstrated by Biden’s Bipartisan Infrastructure Bill, the potential areas of compromise are reduced in the current political environment.

Instances of split ticket voting have fallen

Because of this increased political polarisation and the entrenchment of voting behaviours, instances of split ticket voting (where a voter will chose candidates from both parties across multiple races) has declined. How a person votes in a Presidential race is now a strong indicator of how they will vote in other races.

In the 2022 midterm elections, the percentage of Senate elections won by a candidate of the same party as their state’s most recent presidential election winner was 97%, up from 78% in 2001. This trend is also occurring in the House, reducing the number of seats likely to ‘flip’ from one election to another and making landslide victories harder to achieve.

Control of Congress will have a material impact on the president’s ability to enact their policy agenda

While much of the focus in the run up to the 2024 election will be on the eventual victor in the presidential race, it is clear that a more volatile and divided Congress has significant implications for policymaking. With over a year to go until voters head to the polls, there are too many unknowns to make meaningful predictions about the probable outcome for Congress.

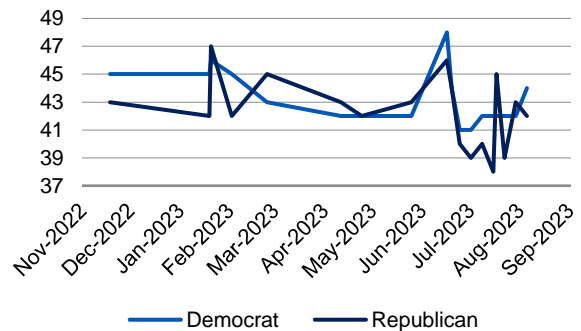
However, retaining control of the Senate presents a challenge for Democrats, who face an extremely difficult electoral map in 2024.

Of the 34 seats up for election, 23 are held by Democrats, or Independents who caucus with Democrats, while only 11 are held by Republicans. Three seats currently held by Democrats (Ohio, Montana and West Virginia) are in states won by Trump in the 2020 election, while a further five were won by Biden by less than three percentage points.

The pattern of people now voting for the party of their presidential candidate choice in all races would suggest seats won by Trump in 2020 will be extremely challenging for Democrats to hold on to unless Biden can win them in the presidential race.

This does not make retention of the Senate impossible for Democrats, but Republicans are the favourites to control it after 2024. Factors that may affect this are candidate quality in key battleground races, as demonstrated by the better-than-expected outcome for Democrats in the 2022 midterms, and overall political momentum around the eventual winner in the presidential race.

Figure 4: Democrats hold a very narrow lead of less than 0.5% in generic congressional polling averages

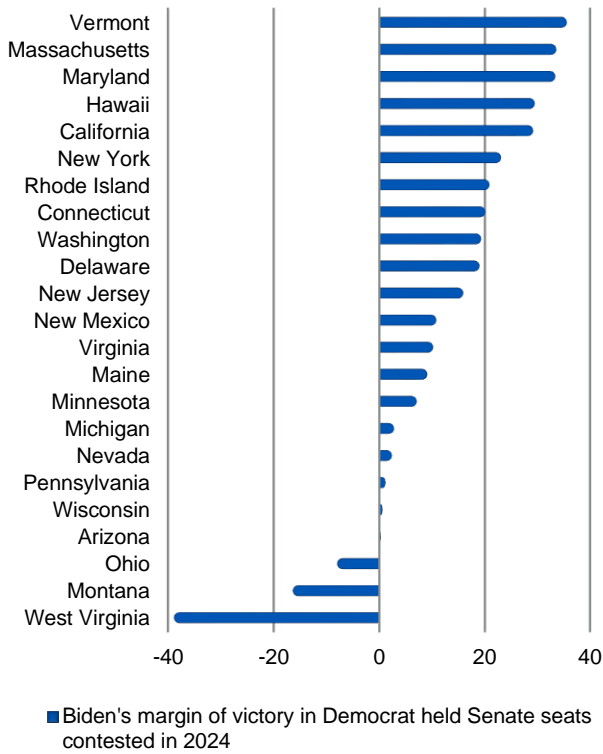


Source: Realclearpolitics, abrdrn, August 2023

Against this backdrop, Democrats may well find gaining seats in the House is a simpler task, as they maintain a narrow lead in generic congressional polling averages (see figure 4) though ongoing redistricting efforts in several states make forecasting House results this far ahead of the election extremely challenging. In any case, the decline of split ticket voting would make a narrow majority, regardless of the eventual controlling party, more likely.



Figure 5: Democrats will face many tough re-election battles in key Senate races.



Source: Federal Election Commission, abrdn, August 2023

Governance patterns have altered

The prospect of greater periods of divided government has implications for the ability of future presidents to enact

Author

Lizzy Galbraith

legislation. Presidents able to benefit from unified government tend to take advantage of this by timetabling an ambitious legislative programme, as Biden did by passing Covid recovery legislation, the Inflation Reduction Act, CHIPS Act and Infrastructure Bill in his first two years of office.

Since the Democrats lost control of the House in the 2022 midterm elections, the passage of legislation has slowed considerably, with Biden unlikely to further his legislative agenda before the 2024 election.

With bipartisan policymaking more challenging, second-term presidents lacking unified control of Congress tend to focus on foreign policy and international issues, as seen during Barack Obama's second term, in which the presidency focused on progressing the 2014 Paris Climate Agreement, and stabilising relations with Russia, Iran and Cuba.

A second-term Biden presidency would likely follow a similar path, focusing on the implementation of international cooperation agreements, particularly those related to de-risking supply chains.

Biden would also be likely to focus on key areas of foreign policy, including competition with China, support for Ukraine, and Pacific security. Legislative pledges made as part of his re-election campaign would be similarly hard to achieve. A Republican president without unified control of Congress would face the same challenges, likely resulting in a similar focus on foreign, security, and trade policy.



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