

**Top Points: Biden May Win in November But Trump May Not Concede Until January**

M. Cary Leahey*

Biden “landslide” may not be known for some time. Models based on polling results and economic factors both suggest a major victory for Biden¹. Democratic takeover of the Senate is less assured.

- However, the winner is likely to be known for several days, as write-in results in many key “battleground” states, such as Pennsylvania, Michigan, and Wisconsin will only be counted after Tuesday. Trump could be the victor on Tuesday in those states only to lose when all the ballots are counted. (Trump has already called counting votes after election day “cheating.”) The opposite might happen in Florida where the early votes are counted before election day. Media outlets may confuse things by declaring an overall victor when there really is not one. No state has an official count done by election day.
- Investors remember most statistical models correctly predicted Clinton as the winner in the 2016 vote count but few predicted a Trump victory on the electoral college. Models erred as Trump enjoyed a surge in turnout among disaffected white voters while Clinton suffered from a low turnout among younger voters and minorities.

The election is not really over until someone concedes. Even if Biden is deemed the victor in the next two weeks, Trump is likely to contest the results in states that were close. He already promised to contest the results in Pennsylvania immediately if he loses. And he is a master at dragging things out legally.

- Presidential elections have been contested before, as early 1800 and as recently as 2000. In 2000, Gore conceded to Bush on election night, only to change his mind the next morning when Bush’s lead narrowed. While Gore eventually won the popular vote, he lost the electoral vote when the Supreme Court ruled in favor of Bush in Florida, allowing the electoral college to proceed on December 12. (In 2020, the key date is December 14). It was really not over until Gore conceded the next day, even though Gore could have taken his case to the Senate counting in early 2001. The S&P fell about 7% during that period of uncertainty.
- The results in a close race might be dragged again to the Supreme Court, which is now has 6 (of 9) conservative jurists, who may be sympathetic to his case. If the court does not rule in his favor, Trump can take his case to the Senate January 6. And if the formal count declares him the loser, will he have to be forcibly evicted on January 20? Sadly, worries about Trump adopting martial law and establishing a White House military bunker using the 60K troops from Homeland Security are not far-fetched.

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¹ See “Top Points: What Does a Biden Presidency Mean” *Comments*, October 20, 2020

*cleahey@decisioneconomicsinc.com

www.decisioneconomicsinc.com

+1 (212) 884 9449