

# **DONALD TRUMP'S PATH TO THE AMERICAN PRESIDENCY: WILL IT BE GOOD FOR TEXAS?**

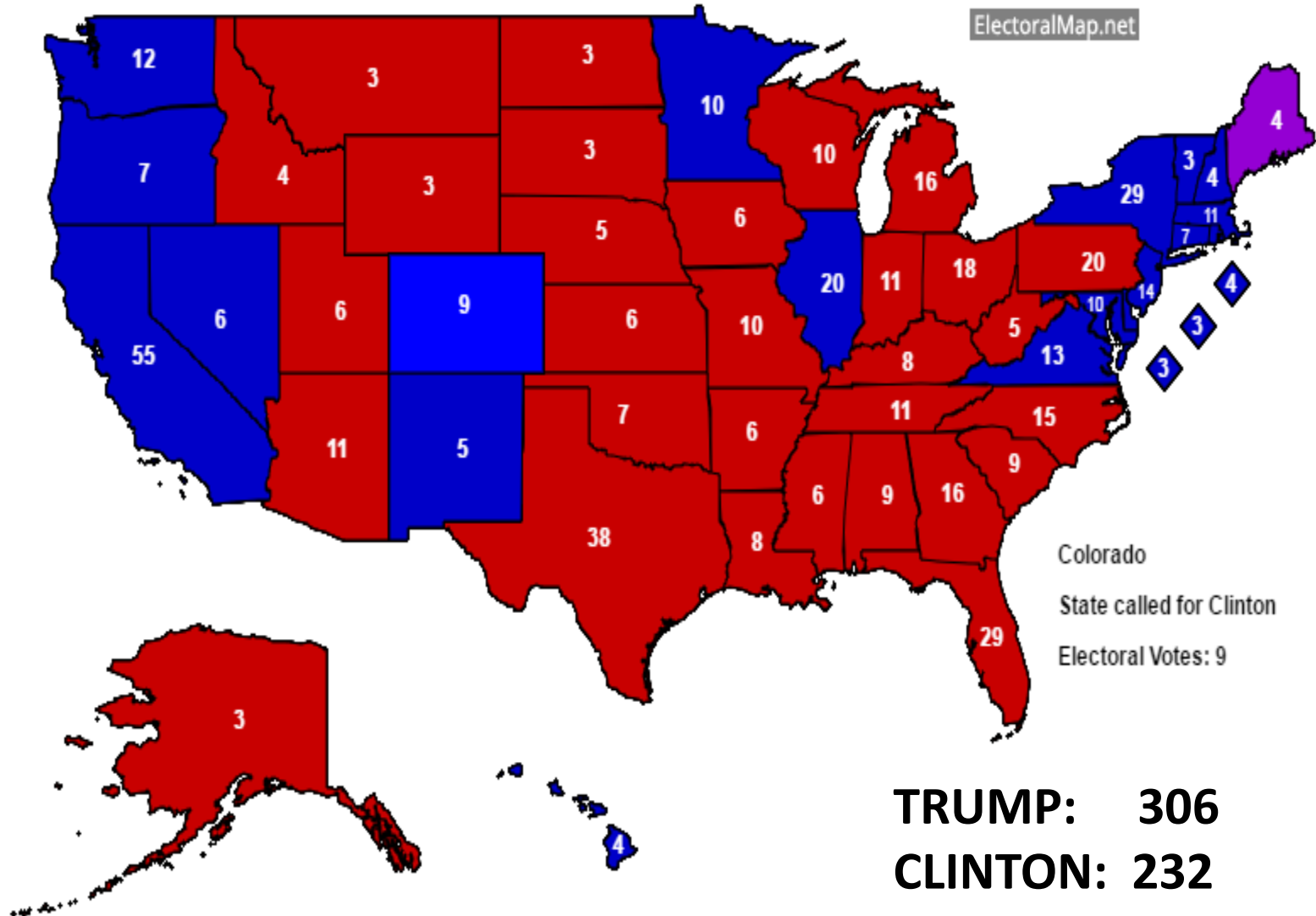
**Presentation to North Dallas Chamber of Commerce  
Economic Outlook Breakfast**

**By**

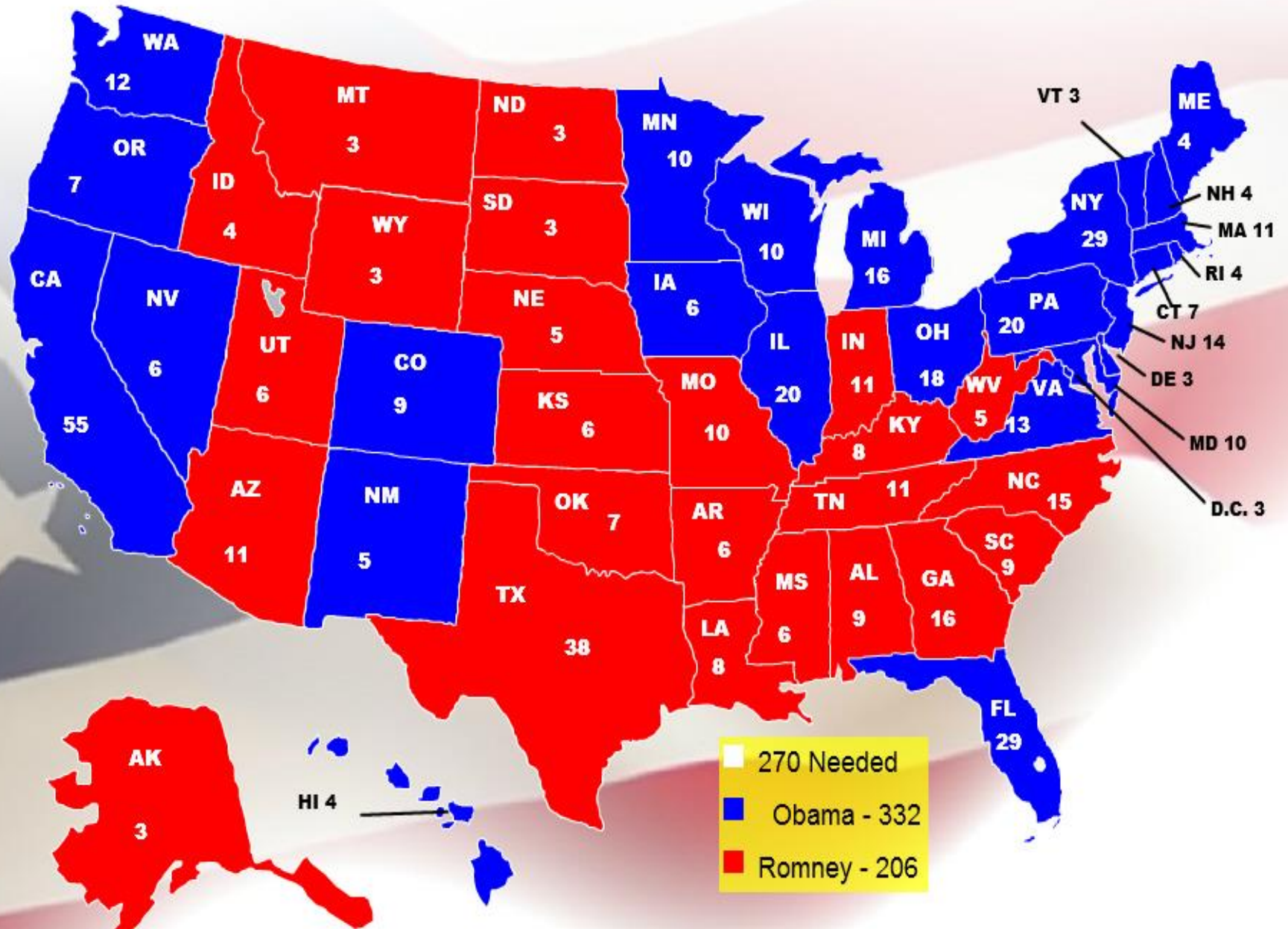
**Bernard L. Weinstein, Ph.D.  
Associate Director, Maguire Energy Institute  
Cox School of Business  
Southern Methodist University  
Dallas, Texas**

**January 27, 2017**

# 2016 ELECTION RESULTS BY STATE

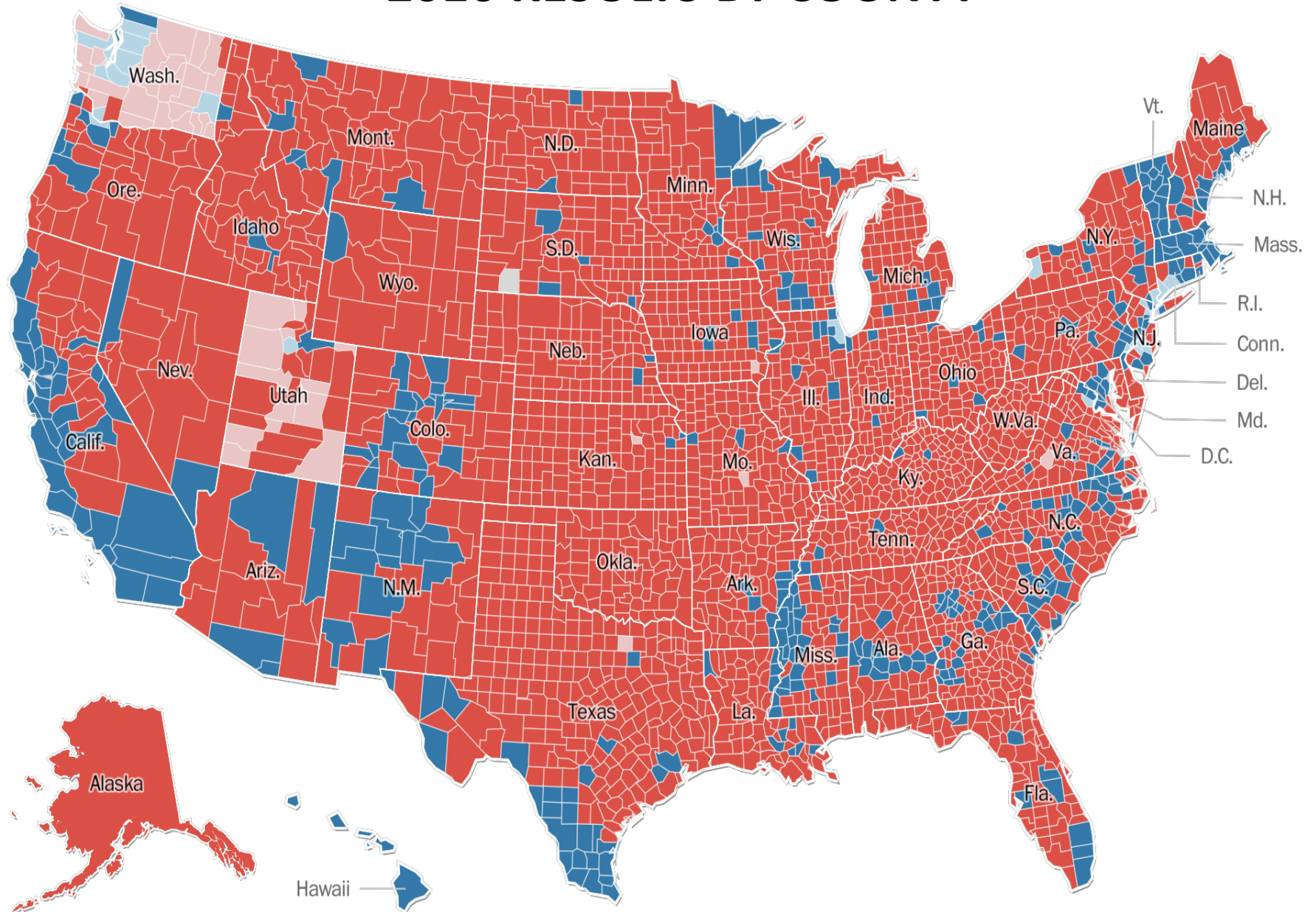


# 2012 Presidential Election Electoral Vote Results



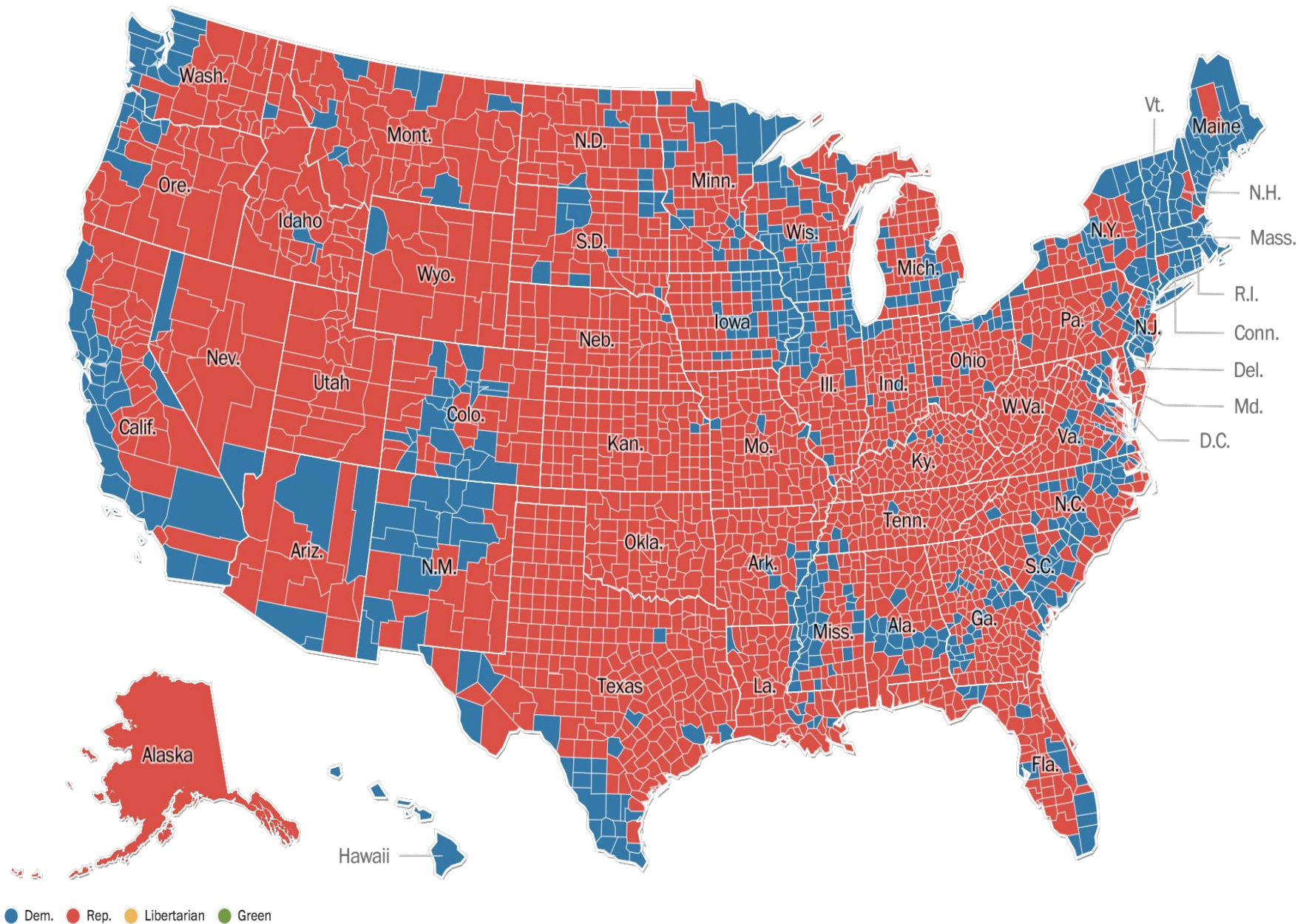
270 Needed  
Obama - 332  
Romney - 206

# 2016 RESULTS BY COUNTY

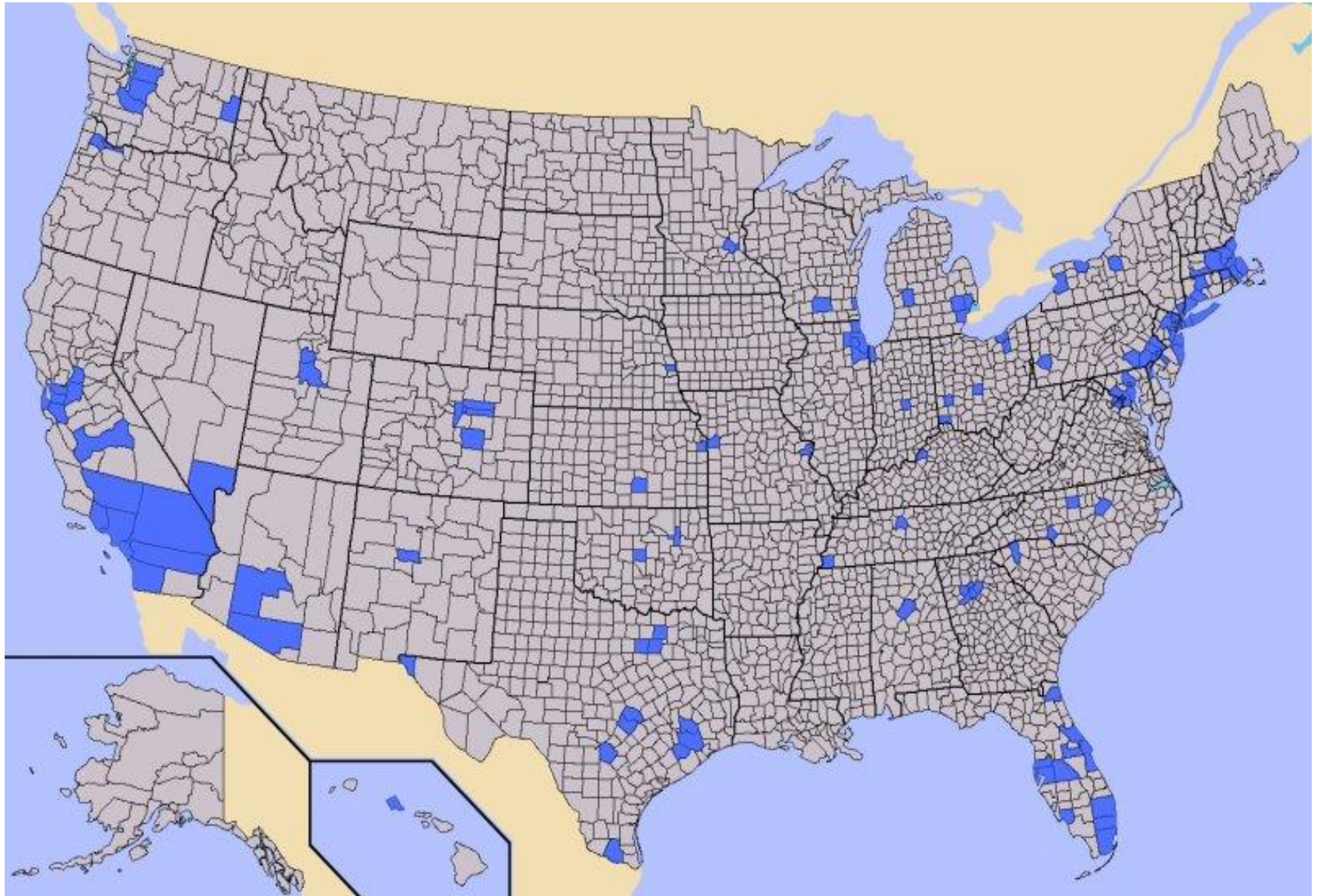


● Dem. lead, win   ● Rep. lead, win   ● Libertarian   ● Green   ● Independent   ● No results yet

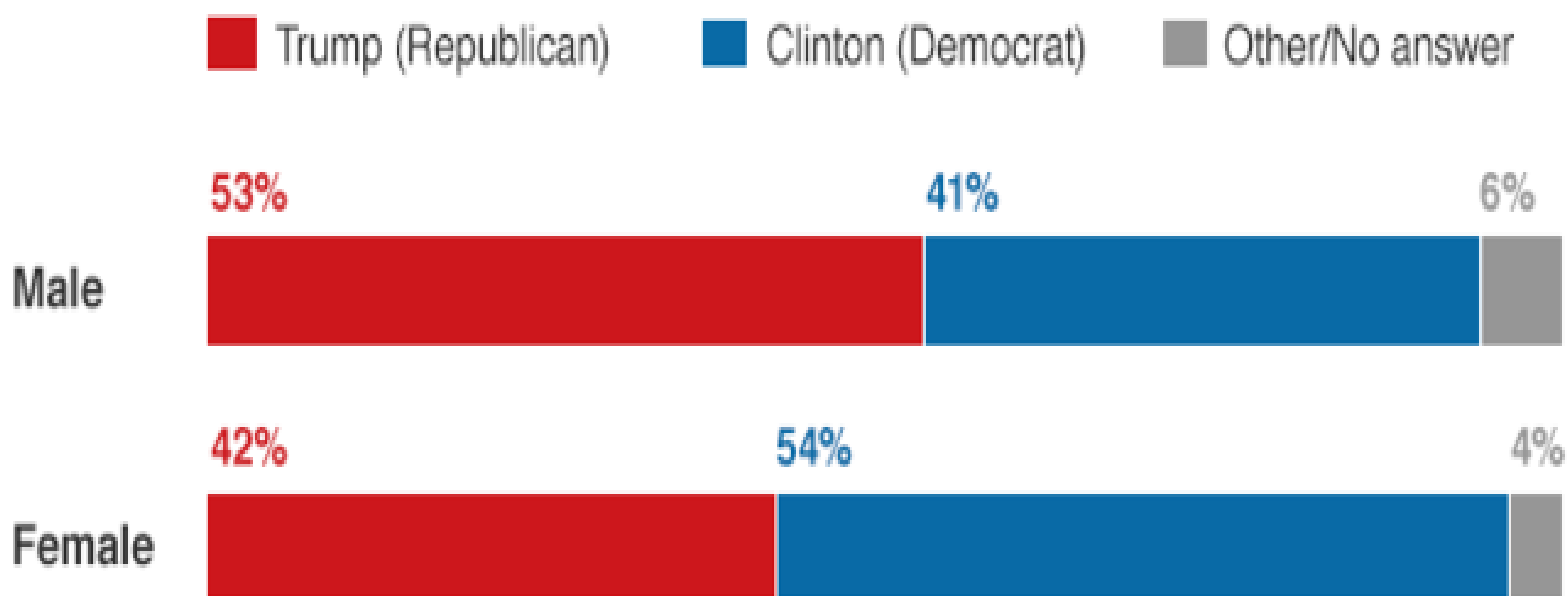
# 2012 ELECTION RESULTS BY COUNTY



# HALF OF U.S. POPULATION LIVES IN THE BLUE COUNTIES



## Trump more popular with male voters

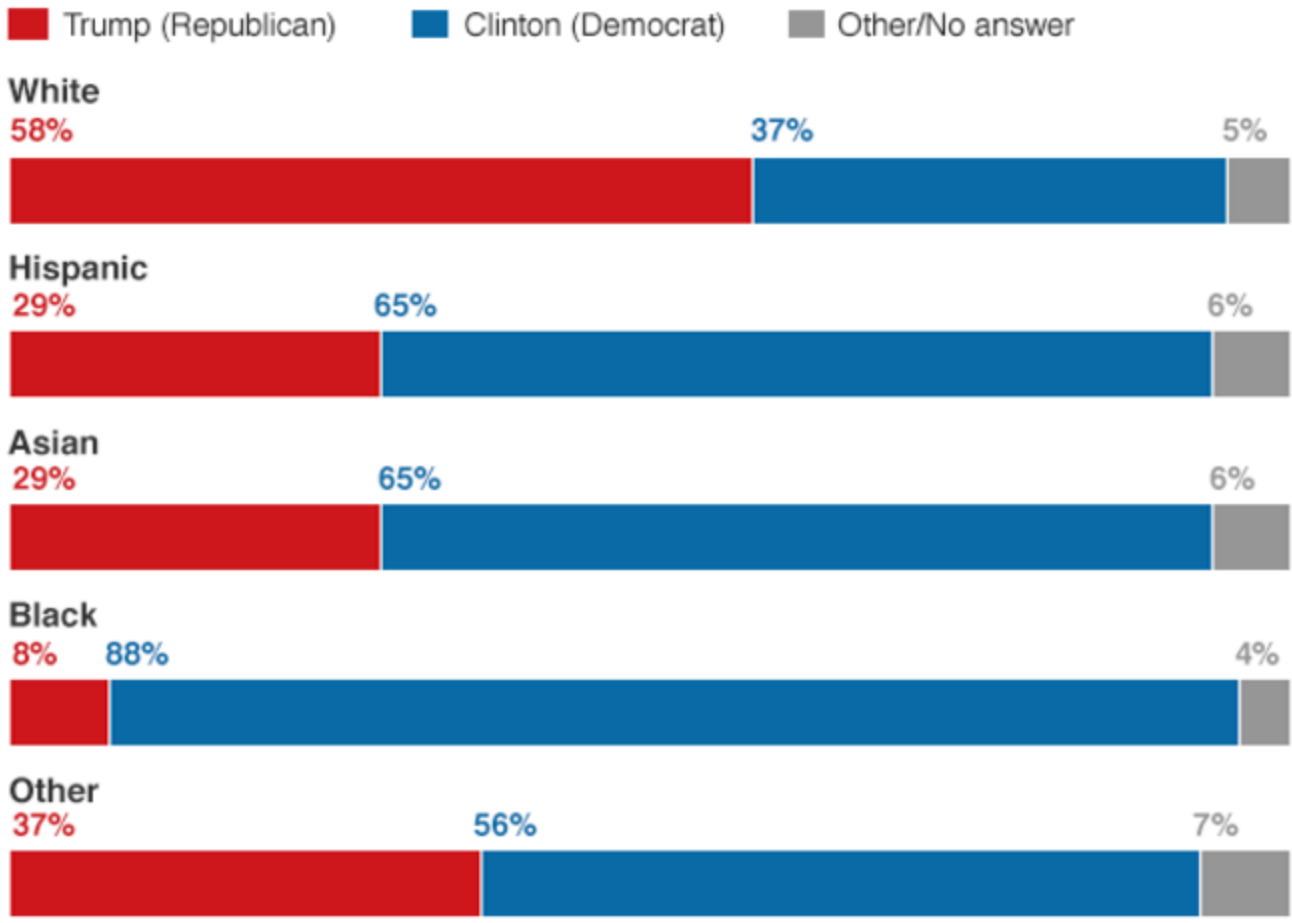


Source: Edison Research for ABC News, AP, CBS News, CNN, Fox News, NBC News



# HISPANIC TURNOUT WAS HIGHER THAN IN 2012 WHILE BLACK TURNOUT WAS LOWER (AND NEARLY 30% OF HISPANICS VOTED FOR TRUMP)

## Majority of white voters opt for Trump

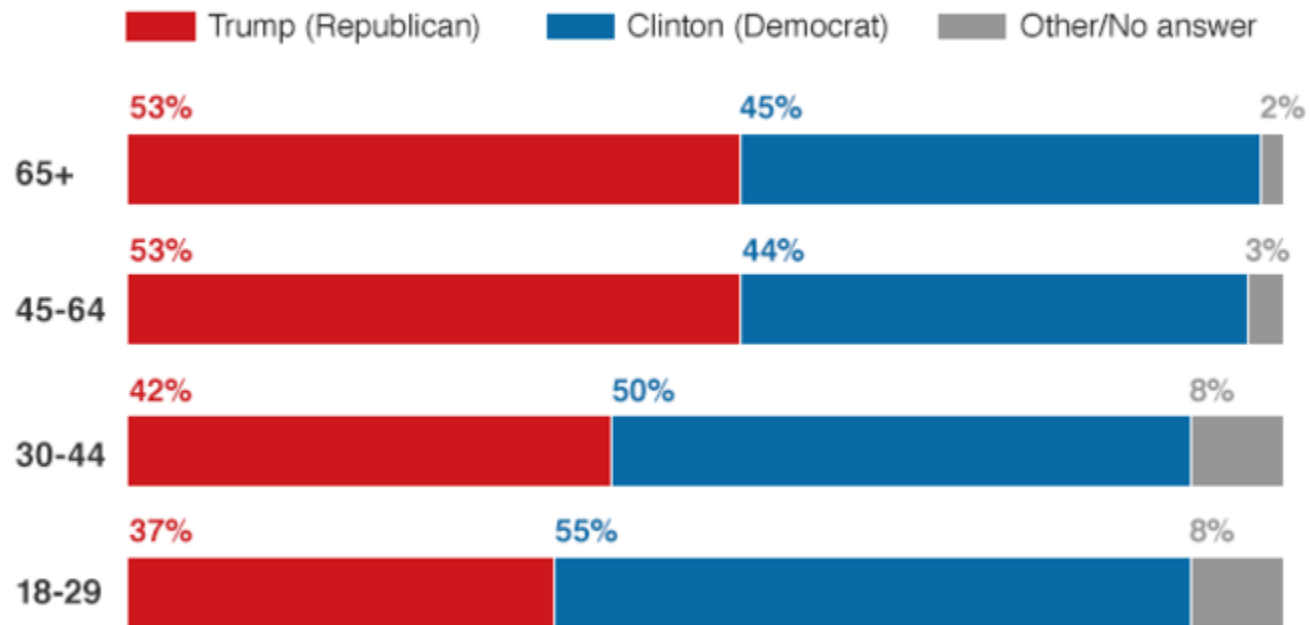


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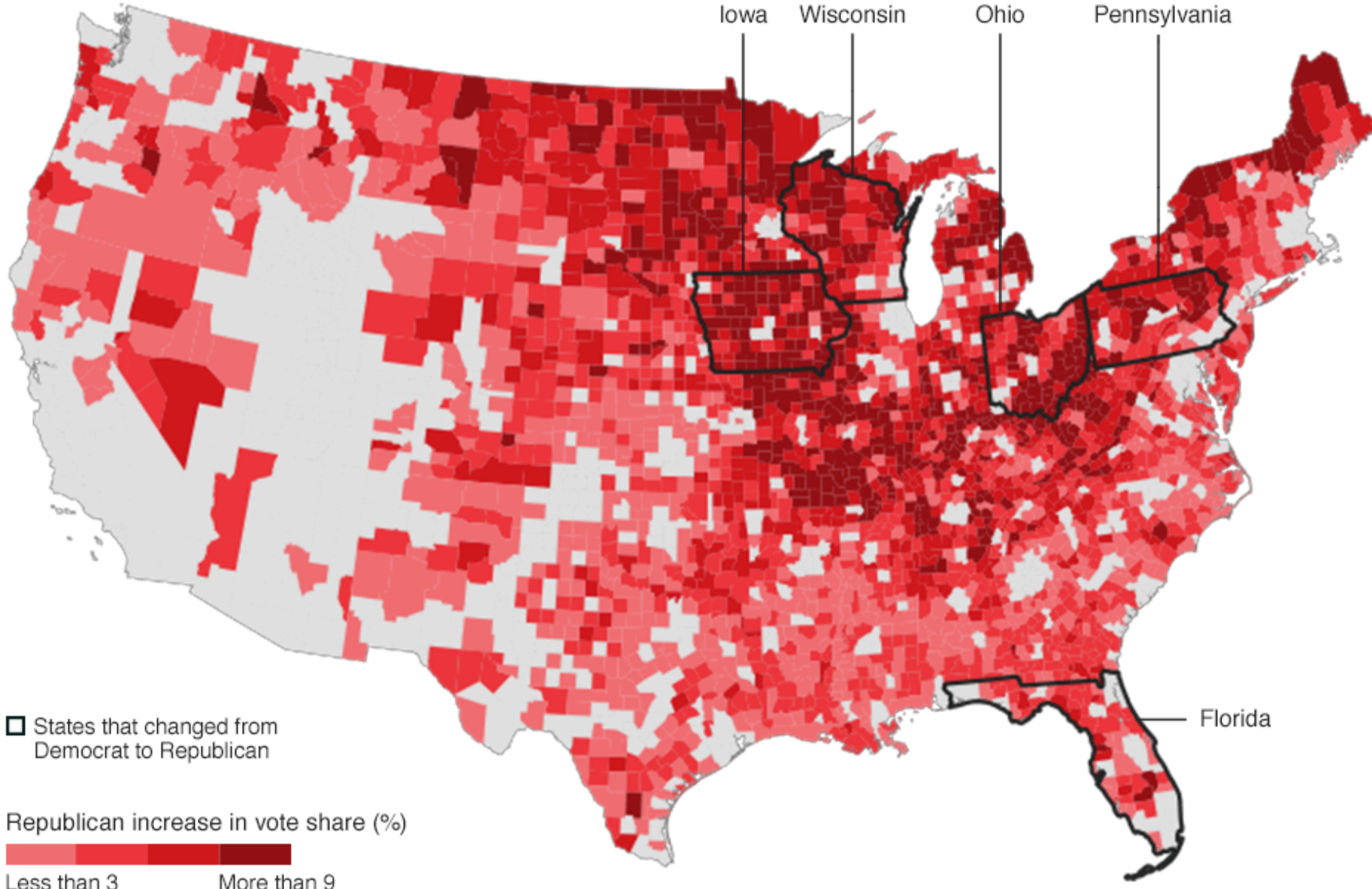
## Older people vote for Trump



Source: Edison Research for ABC News, AP, CBS News, CNN, Fox News, NBC News



# Counties where Trump increased the Republican vote (MAINLY RURAL)



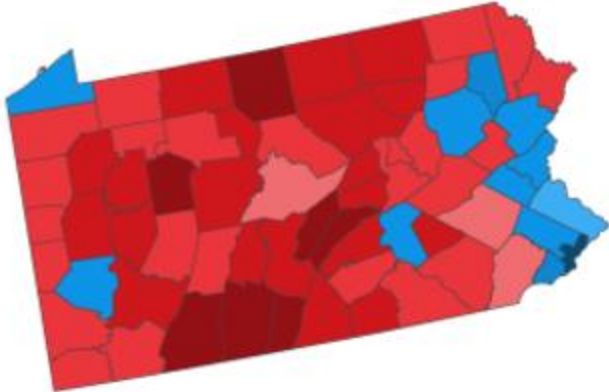
# TRUMP INCREASED HIS SHARE OF VOTES IN RURAL COUNTIES

## Key states: How Trump won Pennsylvania

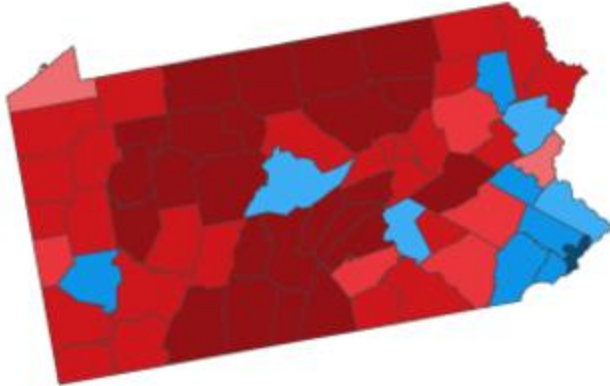
Democrat victory in 2012



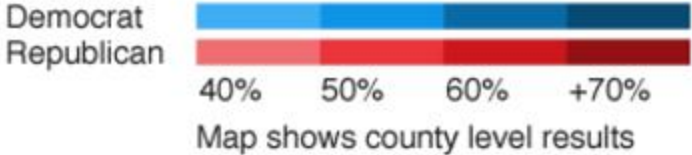
Republican victory in 2016



2012



2016



# A Portrait of the Parties

A look at the breakdown of votes garnered by the Democratic and Republican nominees in the 2016 election, and how it changed from 2012 (in percentage points). Read vertically to see the composition of each party by category, based on the vote for presidential nominee.

SHARE OF EACH CANDIDATE'S SUPPORTERS WHO BELONG TO VARIOUS GROUPS

	Democrat	Change	Republican	Change
Men	41%	-1	53%	+2
Women	59	+1	47	-2
White voters	55	-1	87	-2
White noncollege*	20	-6	48	+1
White college*	35	+5	38	-4
High school or less	17	-8	20	-4
Some college	28	No change	35	+6
College graduates	32	+5	30	-1
Advanced degree	22	+3	14	-2
Income \$50,000 or less†	39	-9	32	-1
\$50,000-\$100,000	29	+1	33	-2
\$100,000 or more	33	+9	35	+3
Cities over 50,000 people	42	+3	25	+1

\*College refers to those with a four-year college degree. Noncollege refers to those who haven't attained one. †Family income

Source: Edison Research exit polls

THE WALL STREET JOURNAL.

# TOTAL U.S. EMPLOYMENT AT ALL-TIME HIGH

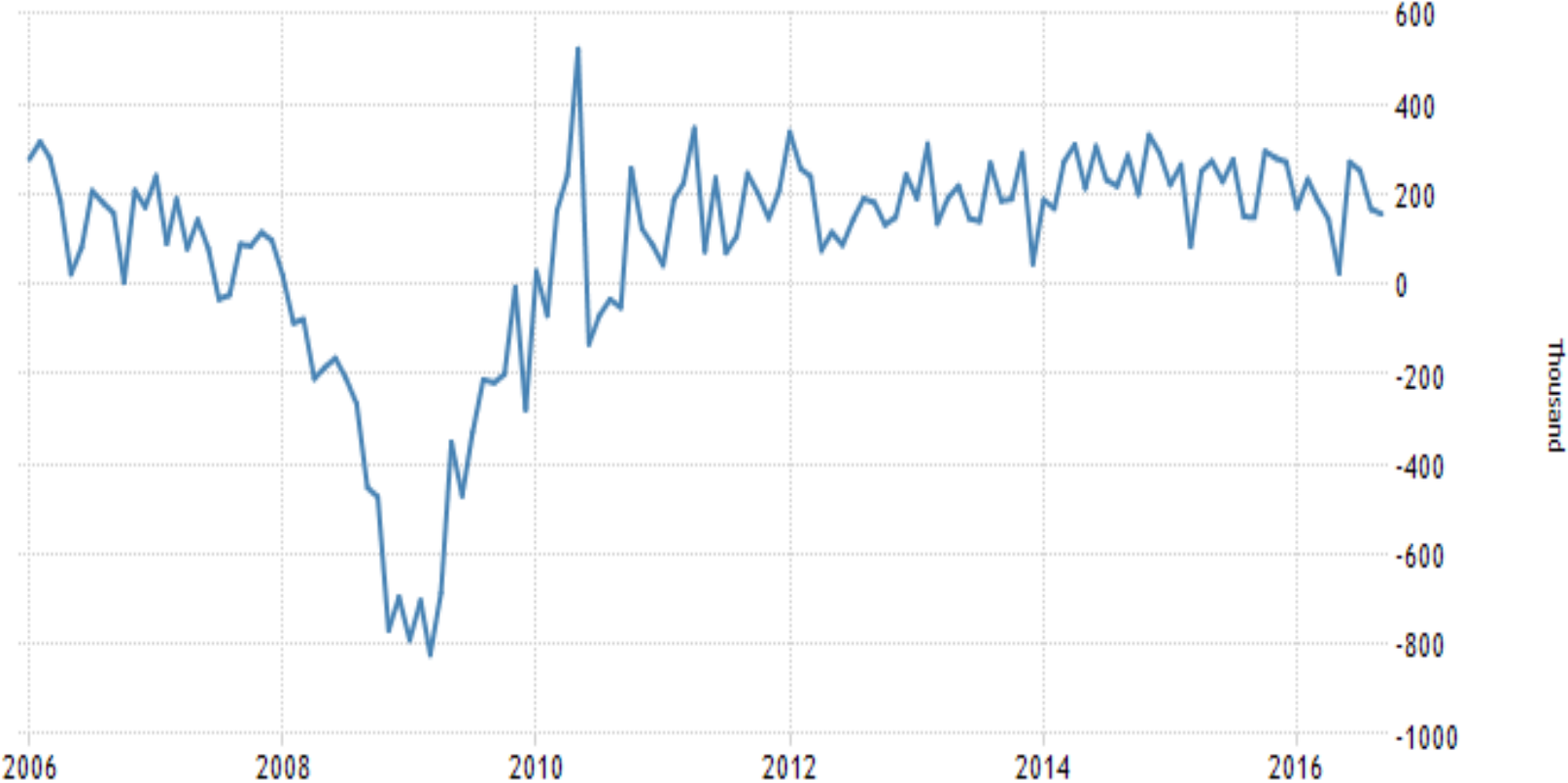
US EMPLOYED PERSONS



SOURCE: [WWW.TRADINGECONOMICS.COM](http://WWW.TRADINGECONOMICS.COM) | U.S. BUREAU OF LABOR STATISTICS

# MONTHLY CHANGE IN U.S. PAYROLLS OVER PAST DECADE

US NON FARM PAYROLLS



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF LABOR STATISTICS

# U.S. UNEMPLOYMENT RATE ESSENTIALLY UNCHANGED OVER PAST YEAR

US UNEMPLOYMENT RATE



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF LABOR STATISTICS

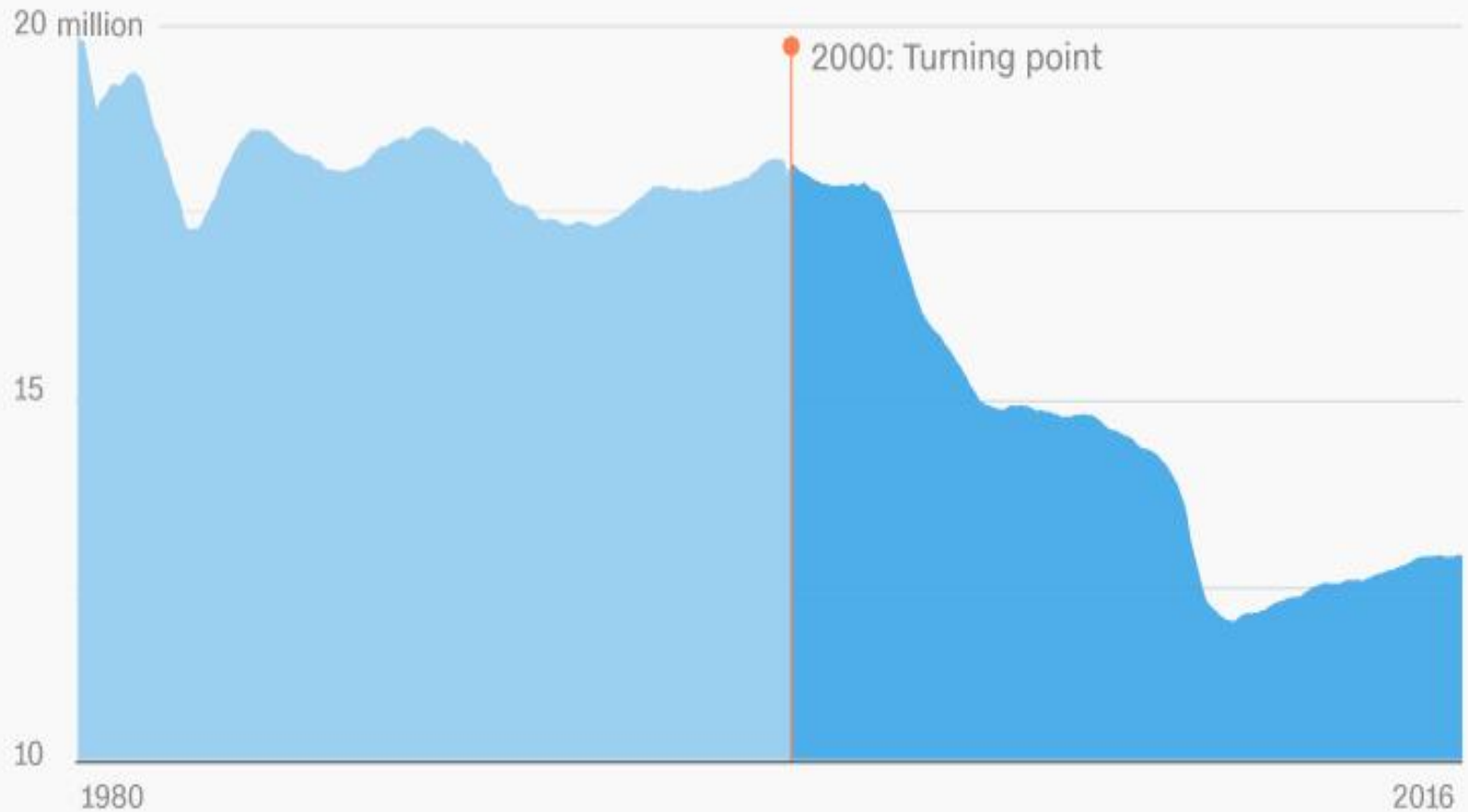
# SLOWEST ECONOMIC RECOVERY/EXPANSION IN U.S. HISTORY



SOURCE: [WWW.TRADINGECONOMICS.COM](http://WWW.TRADINGECONOMICS.COM) | U.S. BUREAU OF ECONOMIC ANALYSIS



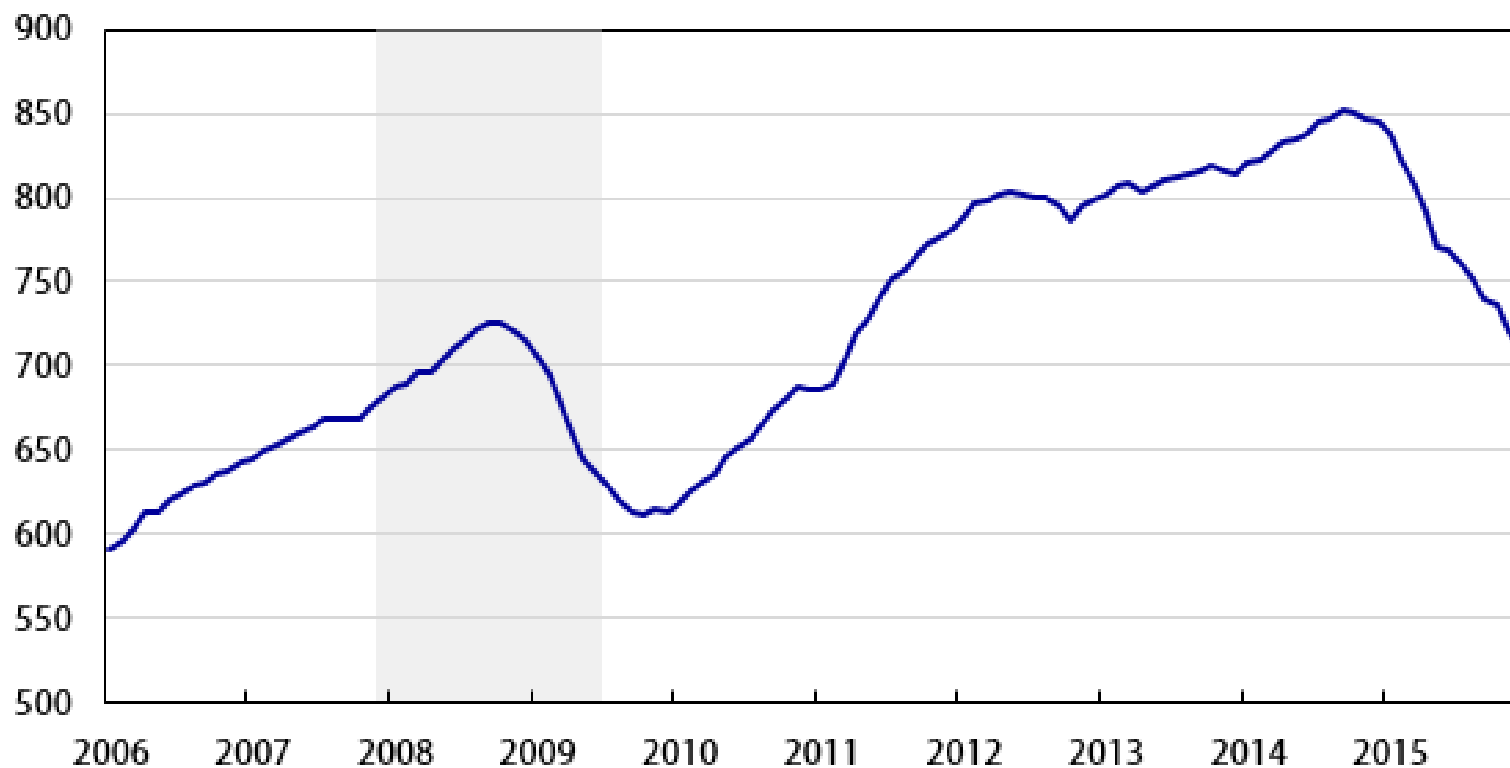
# U.S. manufacturing jobs rapidly declined since 2000



SOURCE: BLS

**Figure 9. Employment in mining, 2006–15, seasonally adjusted, in thousands**

Number employed



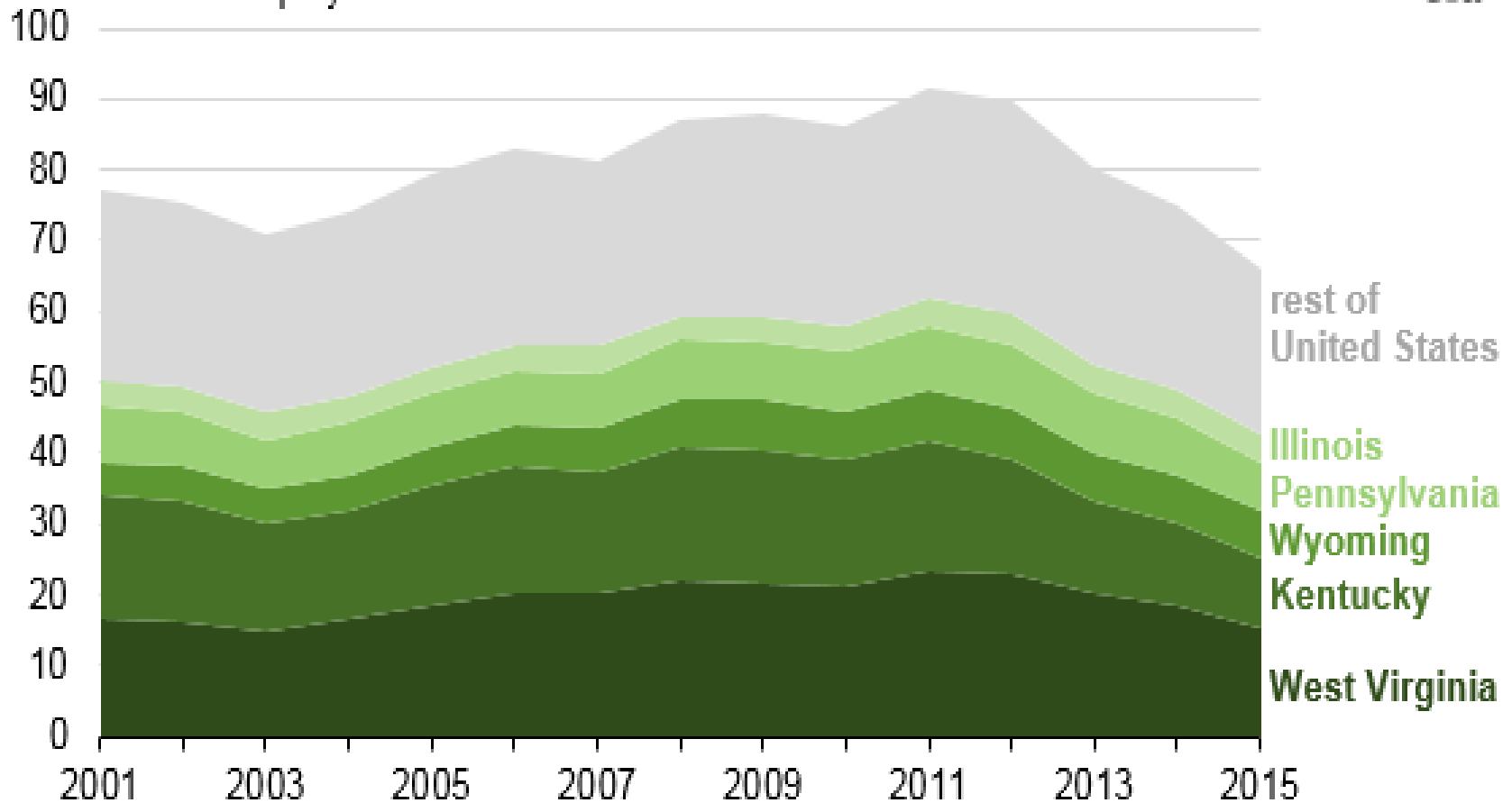
Note: Shaded area indicates recession, as determined by the National Bureau of Economic Research.

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics survey.

**200,000 Announced Layoffs  
in Oil and Gas Industry  
Alone Since 2014**

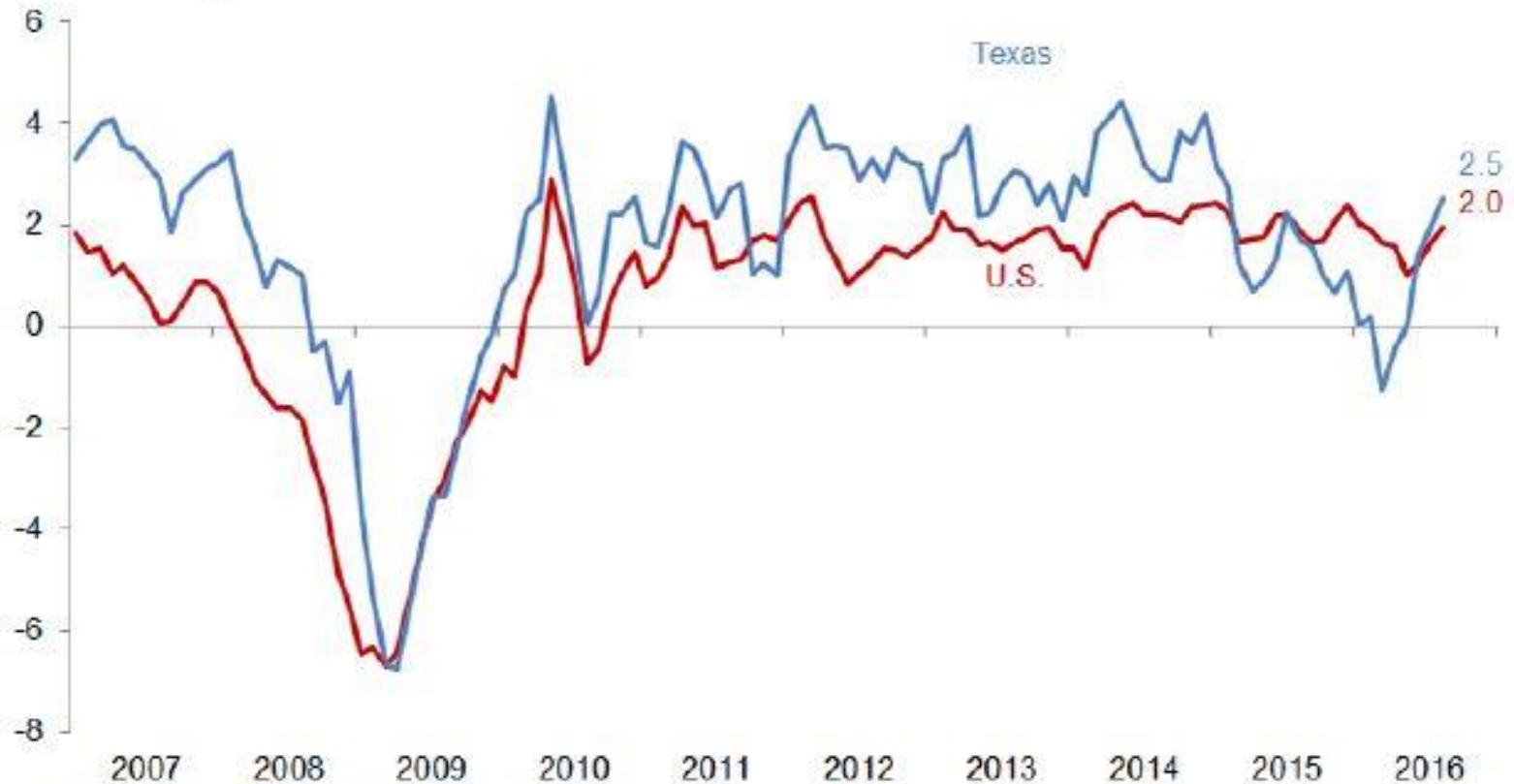
# Trump Won All of These States Except Illinois

U.S. coal mining employment in top five states and rest of country (2001-15)  
thousands of employees



# Chart 1 Texas Surpasses U.S. in Employment Growth

Percent change\*



\*Seasonally adjusted, annualized rate; three-month moving average.

NOTE: Last data point is August 2016.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by the Federal Reserve Bank of Dallas.

## Jobless rate holds steady

Texas' unemployment rate remained close to the national number in December. Both were low, economists said.

### Texas

(Seasonally adjusted)



### Dallas-Fort Worth area

(Not seasonally adjusted)



\*Preliminary

SOURCE: Texas Workforce Commission

## INDUSTRY CHANGE

Education and health services saw the biggest jump in jobs last month. Service jobs helped propel the state forward in 2016.

Texas employment change by industry for December\*

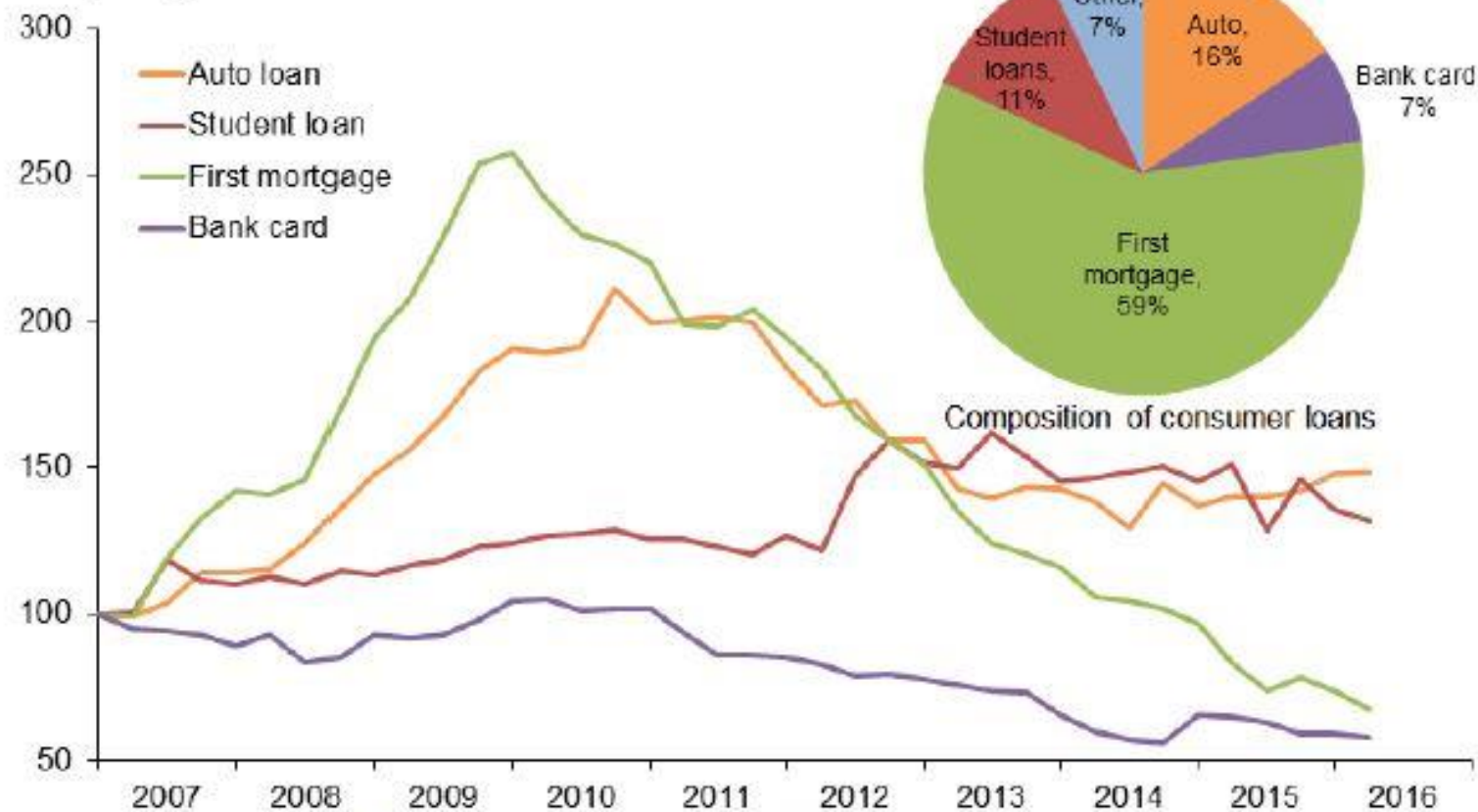
(Seasonally adjusted)



Staff Graphic

# Chart 4 Texas Delinquency Rates Falling Except for Auto Loans

Index, first quarter 2007 = 100



NOTES: Includes loans that are delinquent 90+ days and loans that are severely derogatory. Pie chart represents share of dollar value of debt in Texas.

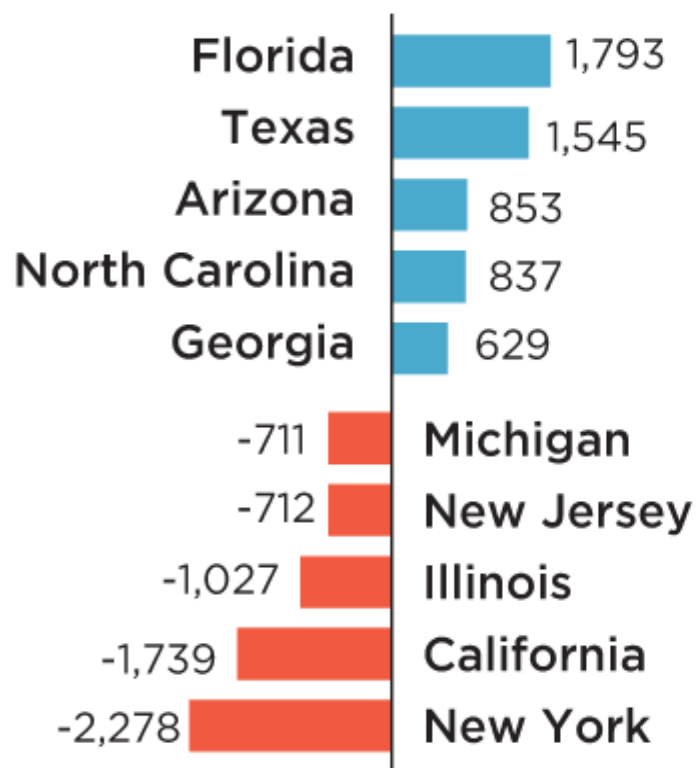
SOURCES: Federal Reserve Bank of New York Consumer Credit Panel; Equifax.

# Texas' curb appeal

Since 2000, Texas is second only to Florida in attracting transplants from other states.

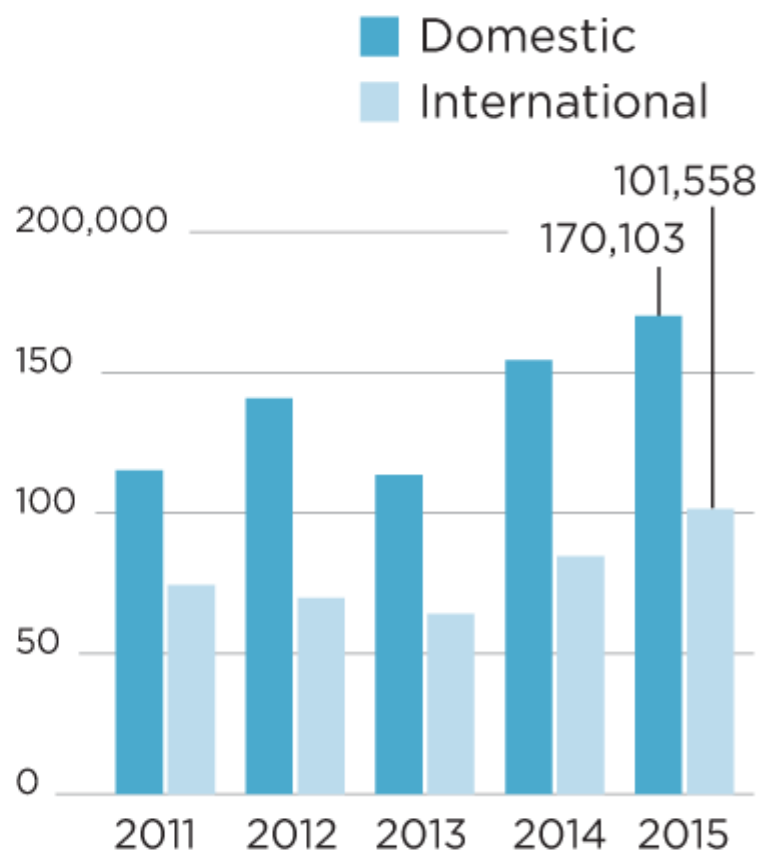
## Net domestic migration

*2000 to 2015, in thousands*



While Texas attracts many people from abroad, domestic migration is larger and faster growing.

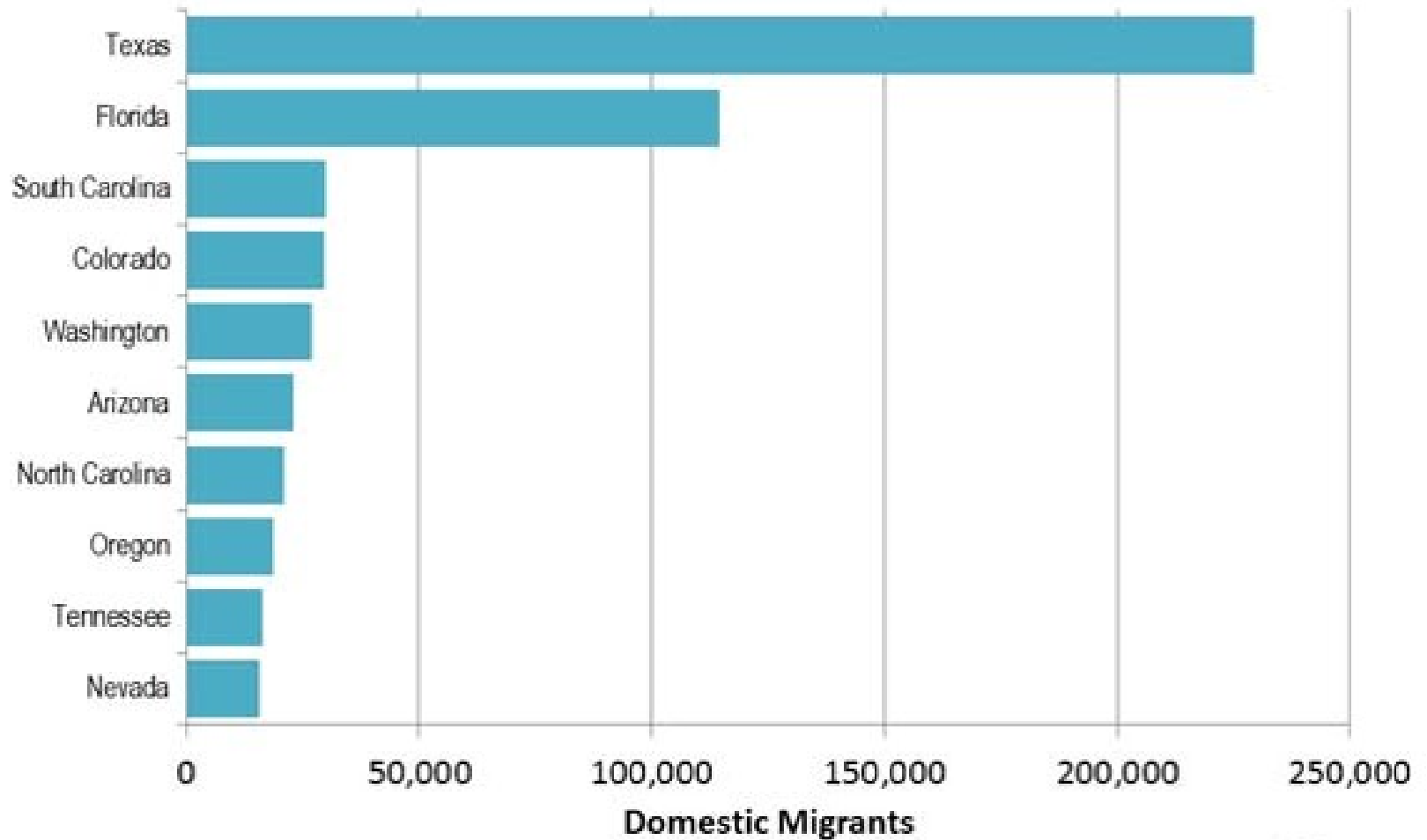
## Net migration to Texas





# Net Domestic Migration: 2013-2014

## TOP 10 STATES

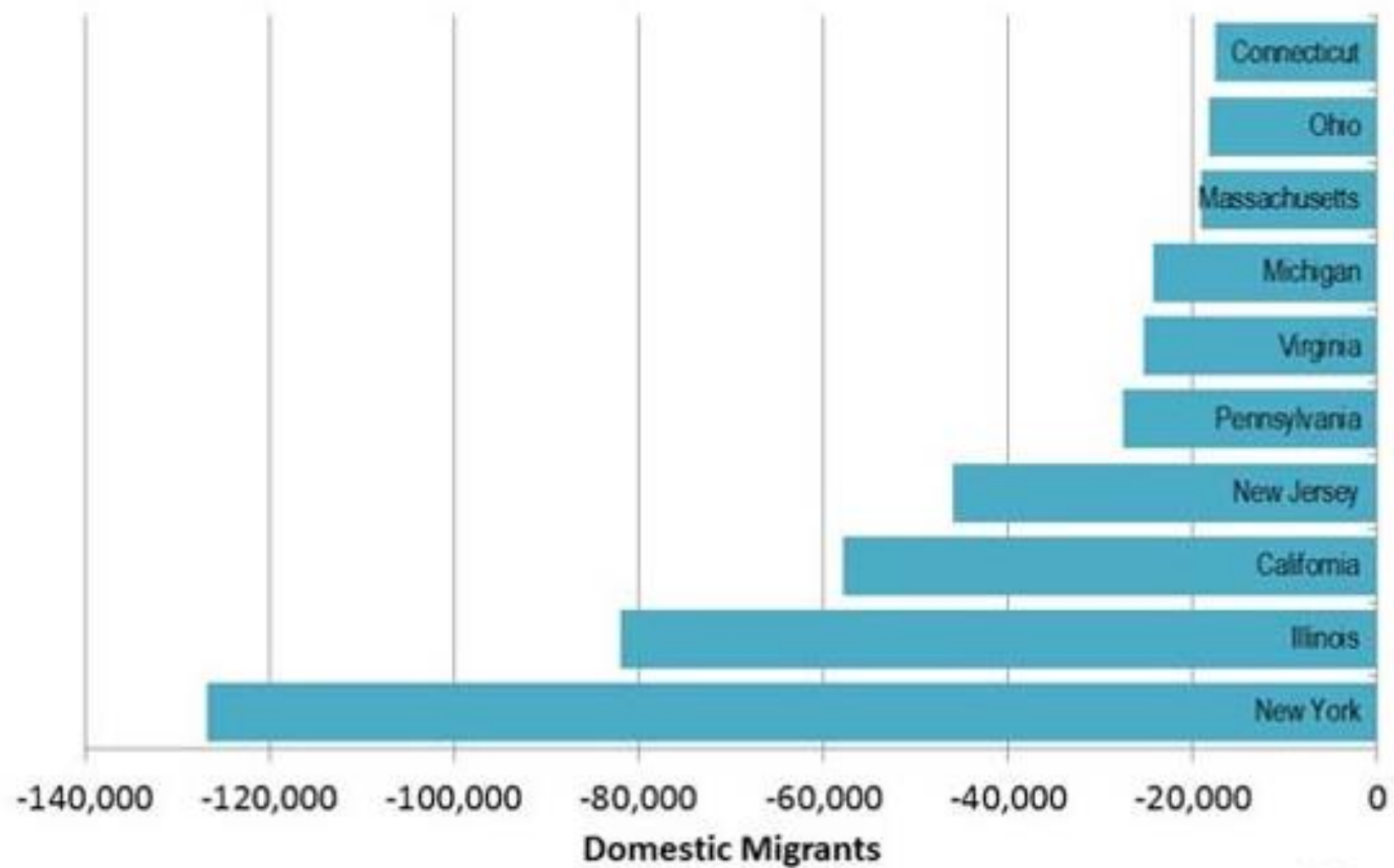


Derived from IRS data

**Figure 1**

# Net Domestic Migration: 2013-2014

## BOTTOM 10 STATES



Derived from IRS data

**Figure 2**

# **OTHER POLITICAL FACTORS CONTRIBUTING TO THE TRUMP VICTORY**

- Lower voter turnout (48%) than in 2012 and lowest since 1996
- Black voter turnout lower than in 2012
- 30 percent of Latinos voted for Trump
- 25 percent jump in premiums for Obamacare (health insurance for low and middle income households) announced two weeks before election

# VOTER DISCONTENT AND OTHER EXPLANATIONS FROM THE PUNDITS

## **Revolt against the “establishment”**

- Washington elites who tend to be liberal
- The media
- Banks, Wall St., and big business
- Distrust of government
- Clinton “fatigue” and unlikeability

## OTHER FACTORS IN THE ELECTION

- Estrangement of working-class voters, especially whites in rural areas
- Median earnings for white males lower than in the 1970s (adjusted for inflation)
- The urban/rural split
- The “coasts” v. the “heartland”
- Terrorism and xenophobia

# DID TRUMP WIN THE ELECTION OR DID CLINTON LOSE IT?

- Trump capitalized on economic insecurity and the myth that illegal immigrants were “stealing” jobs from American nationals
- Trump further appealed to displaced and underemployment workers by claiming that their jobs were being lost to imports—though empirical evidence suggests otherwise
- Clinton ignored the less-educated white electorate, especially in rural areas, while trying to build larger majorities among urban Latino and black voters
- The resurfacing of Clinton’s “e-mail” investigation by the FBI a week before the election may have swung some votes to Trump

**WILL TRUMPONOMICS  
BE GOOD FOR TEXAS?**

# The Economist

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