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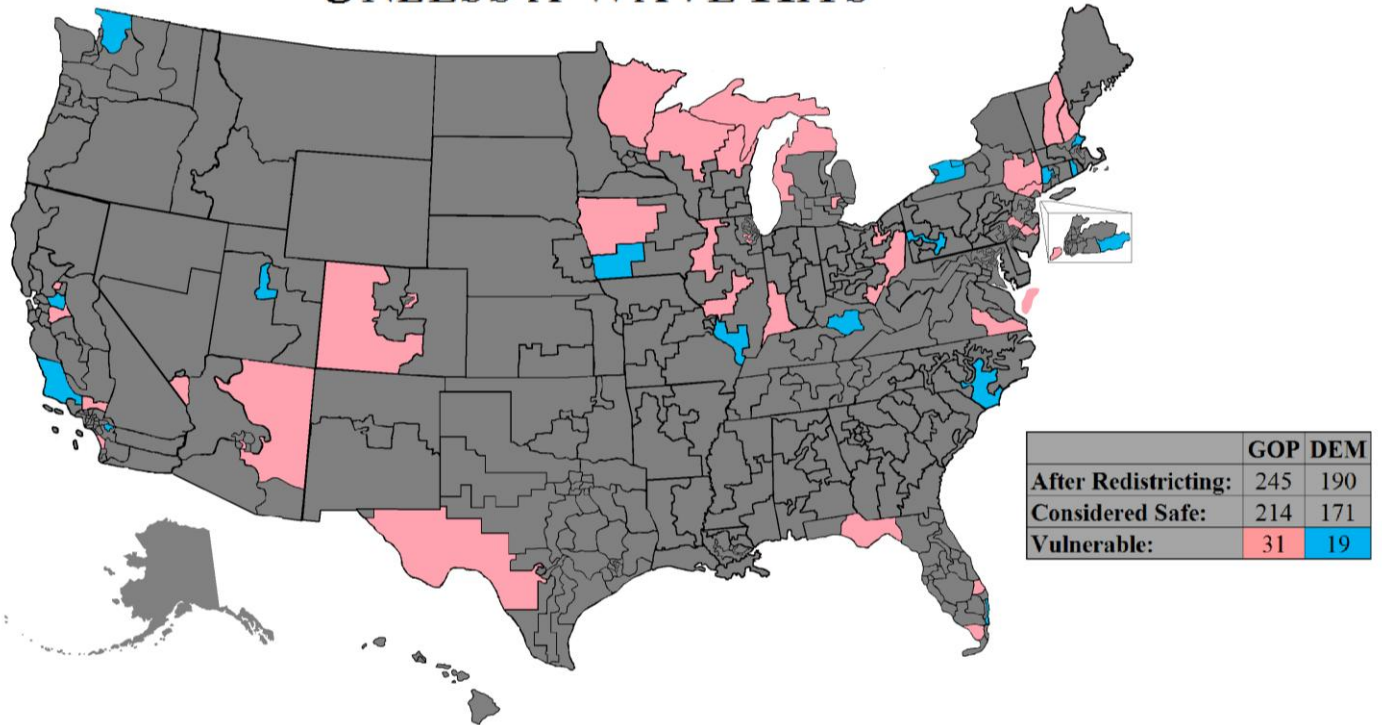
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IF HE WINS, OBAMA WILL FACE AN UNFRIENDLY CONGRESS

With eight weeks to go until the nation votes, an ascending Barack Obama has opened up a modest lead in eight of the nine swing states that will determine who occupies the Oval Office this January. Obama's lead may not hold up; Mitt Romney, his SuperPac allies, and the GOP will outspend Obama, his SuperPac friends, and the Democrats, on television and radio advertising during this final push to Election Day, November 6. Obama also will meet Romney next month in national debates, on October 3, 16, and 22, and he has to navigate two dangerous national jobs reports, on October 5 and November 2, with unpredictable consequences.

What is much less in doubt is whether the Republicans will control the House of Representatives in 2013 and 2014. They will -- barring a comprehensive collapse of the Romney campaign.

GOP TO KEEP THE HOUSE UNLESS A WAVE HITS



Speaker Boehner is Reaping A Multi-Year Political Harvest

The seeds for the House GOP victory were planted two years ago. They were sown in November 2010 when Republicans won 63 House seats and evicted Nancy Pelosi from the Speaker's chair. This lopsided win gave incoming House Speaker John Boehner (R-OH) a 242-193 majority in January 2011, the largest Republican House majority since the 1946 election. This large majority provides the House Republican majority a safety margin. They will retain control unless a 2012 "Democratic wave" sweeps 25 or more Democrats into office -- which few believe is likely, given that the Obama-Romney race is competitive.

Election 2010 also changed materially the partisan balance in state capitols. There were 29 GOP Governors after election 2010, up from 22. Equally important, the GOP gained control of 58 state house and senate chambers nationwide, up from only 36. In 21 states, GOP control was complete; after the elections, Republicans held the Governorships and also outnumbered Democrats in both state houses and state senates. Democrats could say the same only about eleven states. This newfound GOP dominance in state capitols has far reaching consequences for determining which party will control the U.S. House of Representatives next year -- and beyond -- because these leaders were in office when the new national census results were released. After the census became public, state legislatures and governors had to recalibrate the boundaries of U.S. House seats within their borders. The Supreme Court requires this, to conform with "one man, one vote" principles.

Nationwide, the GOP has used its substantial statehouse congressional redistricting advantages to shore up the House GOP majority. With Republican hands on many pens that defined the new congressional districts, the GOP hardened many House seats against potential Democratic takeovers by shifting more Republican voters into, and Democratic voters out of, vulnerable GOP House seats. In some states, they also sacrificed "one to save more," sending GOP voters into neighboring vulnerable GOP districts, while packing numerous Democrats into one previously marginal GOP district.

The success of the GOP strategy can be demonstrated by parsing the 2010 election returns. In 2010, 55 House Republicans won with 55 percent or less of the vote. This is not a safe winning margin because it was achieved only because volatile swing voters swung heavily to the GOP while Democratic turnout was subpar. In the neutral political environment of 2012, the GOP should be worried about giving back almost all of these seats. And yet, independent election handicappers find the GOP has to worry about at most 31 seats "being in play." "Hardening" has pushed 32 GOP seats out of reach of Democratic challengers if the national political environment remains neutral!

Separately, the GOP should pick up seven seats through gerrymandering while giving up four to Democrats who used similar tactics.

The Democratic challenge to retake the House is further complicated because they also have 19 seats that could be vulnerable to takeover. **Obama probably has to win by 54-46 for Pelosi to reclaim her Speaker's gavel. The odds of this are 15 percent.**

If Obama Wins, He Likely Shares Power with GOP Speaker Boehner Through 2016

Whoever occupies the White House next year faces a daunting inbox: avoiding a \$450 billion tax hike and \$130 billion spending cut that starts in January; negotiating an increase in the debt limit ceiling by March to prevent another U.S. downgrade; avoiding a relapse into recession; paring down the unemployment rolls; prodding a recovering housing market back to health; and staring down Iran while quieting Middle East unrest. These problems will be much easier to resolve with a friendly Congress, but Obama is unlikely to have one next year, even if he wins re-election.

Obama's fortunes do not improve with time. If Obama wins this fall, he will have to defend the Democratic party in the 2014 mid-term elections. Historically, the party of re-elected presidents has lost House seats in the mid-terms as voters tire of incumbent presidents after six years in office and want to "send a message." Six years into George W. Bush's presidency, voters did so by electing 31 more House Democrats, costing the GOP the majority they had held for twelve years.

Unless Obama's victory margin sweeps House Democrats into the majority, he will spend his entire second term negotiating with the Republican House Speaker.

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