

Monthly Political Newsletter



March 2020

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¿Trump x 2?

“Now hiring”. The signs featuring job openings increased significantly in several areas in the US since 20 January 2017, when against all odds, Donald Trump took office. Unemployment is at historical lows in this 2020, the year the controversial and vociferous mogul will seek reelection.

His presidential term was riddled with scandals and allegations. Ranging from suspicions of Russian interference during polls to favor his chances of victory during the 2016 election against Hillary Clinton, to an impeachment for pressuring Ukraine to undermine his then potential electoral opponent Joe Biden –of which he emerged unscathed– the existence of “45”, the forty-fifth President of the United States, has been marked by controversy.

Using his favorite tool, Twitter, and proving he is eager to fight and criticize anything that doesn't agree with the view of the United States he wants, Trump has been extremely present in the daily life of Americans.

As opposed to several of his predecessors who sought to establish themselves as role models in a society that highly values that figure, Trump decided to portray himself as the voice of conscience of many Americans who felt neglected by Washington politics. Appealing to disqualifying his rivals - unthinkable for rulers such as Barack Obama for instance-, or outright criticizing autonomous agencies such as the Fed, have become the daily practice of a President that stands out with his constant, unpredictable and aggressive communication.

Despite all this, and of being behind his potential rivals on national polls, Trump has a very high chance of remaining in the White House. His reputation precedes him: very few electoral campaigns in modern times have faced so many “terminal” scandals as Donald Trump's. More than once, we analysts have believed that American citizens would not forgive his offensive comments about women, or about Mexicans looking for a better future North of Rio Bravo, Mexicans he accused of “criminals” and promised they would remain on the other side of his famous border wall.

Trump won the Republican nomination and became President against a woman like Hillary Clinton, resisted in many sectors but extremely prepared to take office.

His character is explosive but that doesn't mean he doesn't have a strategy. And it's a very simple one: to have multiple and increasing battle lines, to be omnipresent, to portray himself as taking care of the everyday worries of American citizens, to let interest rates on consumer loans or job generation to drive companies to invest in their own country rather than relocating jobs.

Those who legitimately criticize Trump and want a change of government that has an environmentally friendly President at the White House, one with a more conciliatory speech, and probably one who wants to include his country in the global instances where the current leader has excluded the United States, should consider that the tycoon has very high chances of remaining the leader of the world's first superpower.

For starters, Trump succeeded Barack Obama, a President with a very positive international image who couldn't manage to change Washington as he promised, and whose defeat showed that many

Americans were looking for someone to tell them they would take care of their everyday problems before looking after the world's wellbeing.

And Trump did just that. He went to the coal mines and said they were a source of employment amid criticism by environmentalists. He said he would bring back jobs that large American companies had exported due to lower production costs. He attacked the Fed's interest rate policy since day one because Americans, in his view, should pay less for credit, which is the ultimate driver of the American economy. He promised he would make Americans proud again of living in the strongest country in the world. "Let's make America great again" was his campaign slogan, a message that held the implicit idea that politicians, with their rhetoric and actions, had let the United States fall back from its privileged spot of being the world's greatest superpower, which it had earned after World War II.

All his actions were ultimately aimed to build up the image and generate the feeling that President Trump would work on all fronts with that objective in mind.

He started his term with 44% popularity. The level of disapproval with his work increased, and not by a small amount (it went from 44% to 52%). But his popularity remains unchanged, even one percentage point above that of January 2017, and sits now at 45%. This means that the number of Trump's potential voters in November could be perfectly comparable to that of those who supported him in taking office. It's a hard core of citizens who are happy with his way of leading the country, and even more so with his results.

"Now hiring". These are two powerful words in a market economy like the US.

But Trump has other arguments going for him. The main one is the Democrat candidate offering.

Following "Super Tuesday" on 4 February, the race in the Republican's opposing party became limited to two aspiring candidates that have a chance of winning the nomination at the Milwaukee convention: Obama's vice president Joe Biden, 77 years old, and Vermont Senator Bernie Sanders, 78 years old. Both have previously sought the Presidency without success.

Sanders as a candidate would imply a polarization of the election between a "pro-market" president with good results on the employment front, against a politician who declares himself as the more "socialist" among the options in a country where, for many, that remains a bad word. His statements on some of the achievements of the Cuban and Venezuelan regimes, because it was "honest" to acknowledge them, are hardly helping him in attracting more voters.

Biden, on the other hand, is part of a duo which Trump has ultimately already defeated in 2016, when with unrelenting criticism, he ended up tearing down the respected political image which -leaving rights and wrongs aside- moderate Obama had managed to build while in office.

Trump also loves combat and therefore campaigning, which is exhausting in the US. The challenge of being president and candidate at the same time will boost his energy. But above all, his being in the White House will enable him to display facts, figures, data and achievements that Sander's resume will not be able to match, and will demand Biden to resort to a collective memory effort -which may not be necessarily fresh- from the electorate.

With Sanders the battle has been skewed since the beginning. With Biden, a more moderate candidate

supported by the rest of the frustrated Democratic contenders, the race would be more even, but would once again leave Trump with the lead since he would be able to criticize Barack Obama's work like he did on the last campaign, only this time he would also -undoubtedly- be loudly proclaiming his own positive results.

Trump will say that the Obama-Biden government talked a lot about leveling the playing field with China but did nothing, while he took a trade war to Beijing which will begin to settle with hundreds of millions of dollars in increased buying of US goods by the Chinese. Trump will remind people that he renegotiated the NAFTA because -according to him- it damaged American workers, and that he got Canada and Mexico to accept. Trump will say that Obama came closer to Cuba, a dictatorship that supports another one in Venezuela, while he put that widely commented and congratulated approach on hold, because it ultimately did not lead to the democratization of the Caribbean island. His rivals will surely question his style and the image of the United States he is leaving behind in the world. But will that be enough to counter the idea, the feeling -be it right or not, but certainly the feeling- of many voters that the mogul turned president took the United States to the center of the world stage once again?

Trump is behind his potential opponents on the national polls, four percentage points behind Sanders and five behind Biden, in a country where the importance of percentages is relative given that the federal states have different specific weights. And yet, the argument still stands: he's behind, but close. And his campaign practically hasn't started yet.

In our agenda for March:

- Argentina looks to renegotiate its debt, the first international test for President Alberto Fernández
- Coronavirus spreads out globally, the world awaits a quantification of its economic impact
- Uruguay's new president, Luis Lacalle Pou, and Brazil's Jair Bolsonaro said they are inclined to allow greater flexibility for Mercosur