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Republican Victory Brings New Message of Change

2010 U.S. Election Summary

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Introduction

The 2010 U.S. elections can be characterized by the same word that characterized the 2008 elections: change.

In 2008, when voters elected Barack Obama to the presidency by the greatest margin enjoyed by a Democrat in 44 years, they were sending a message that they wanted change in the country's policy agenda, economic problems and divisive politics.

Two years later, the American people do not believe that government is addressing or solving their problems, nor do they believe that the two political parties are working together. To the extent that Democrats have passed a new agenda, voters see it as disconnected from the economic realities they are currently facing.

The factors framing the 2010 elections were clear:

- The worst U.S. economic downturn since the Great Depression with continuing high unemployment, low productivity and housing and financial crises
- President Obama's large mandate for change in 2008
- Democrats in control of the presidency and both houses of Congress and expectations for them to lead
- Democrats, who had gained a number of Congressional seats in 2006 and 2008, defending a large number of traditionally Republican seats
- A bailout of U.S. corporations by taxpayers and consequential public resentment
- An increase of U.S. military forces and political attention in Afghanistan and a drawdown of forces in Iraq
- An increase in trade frictions with China, the fastest-growing and the second-largest economy in the world

A number of these factors aligned against President Obama and the Democratic congressional majority going into the 2010 elections, separate from the problems created by Democrats themselves.

Despite an acknowledgement that the United States faces big challenges at this moment in history, the American public was deeply frustrated by the lack of attention to and change on so-called "bread and butter" domestic issues. This, in turn, led to a rejection of the approach implemented by President Obama and his party over the past two years.

Overview

Control of one or both Houses of Congress has changed four times over the last 16 years – one of the most volatile times in recent U.S. history. Following the 2010 U.S. elections, the Republican Party controls the U.S. House of Representatives and is a strong minority in the U.S. Senate, capable of stopping most Democratic initiatives. The Republican tidal wave that swept Congressional races was reflected at the state level as well.

In the U.S. Senate, Republicans gained six seats. This means a total of 52 seats for the Democrats, with the Republicans taking 47. One race, Washington, is currently too close to call,

but incumbent Democrat Patty Murray is in the lead. Pre-election, Republicans held 41 seats while Democrats held 59 (including two Independents).

In the U.S. House of Representatives, Republicans won 239 seats, with Democrats taking 186 seats. With 10 seats still too close to call at this writing, there is a pickup of at least 59 seats for the Republicans.

Republicans have also picked up a total of five governor's seats to bring their total to 29, up from their pre-election total of 24. Democrats currently have 17 of the 26 governorships they held before the elections, with three races undecided and one independent victory.

There was a flip of 13 statehouses out of the 37 that were up for election. The states of Wyoming, New Mexico, Kansas, Oklahoma, Tennessee, Wisconsin, Iowa, Michigan, Ohio and Pennsylvania all switched to the Republican Party. California and Hawaii switched from Republican to Democrat. Rhode Island switched from Republican to Independent, although the Independent who won, Lincoln Chaffee, is a former Republican state senator.

Control of these state offices is critical for both parties as they shape the electoral map for the 2012 presidential elections and set the stage for next decade, through the redistricting process done every 10 years to reflect demographic changes produced from the U.S. census.

The Tea Party movement, which had significantly impacted the Republican Party by defeating several high-profile Republican incumbents in party primary elections, was not able to fully replicate its impact in the general election by winning a large number of House, Senate and Governor's races. Still, the emergence of the Tea Party and the rise of Sarah Palin as a strong leader in the movement had a big influence on the 2010 election cycle, hurting Republicans by promoting weaker candidates, and hurting Democrats by focusing attention and anger against Congress and President Obama.

Foreign policy and international issues received relatively minor attention in the U.S. elections. This is largely because of the ongoing economic problems in the United States and the fact that Republicans disagree less with President Obama's handling of these issues, in which presidential power is more decisive. One notable exception was trade. The transfer of U.S. jobs overseas and China's growing economic strength were a central focus for explaining slow economic growth and unemployment in the United States.

Why it happened

Two issues fundamentally hurt the Democrats. First, the large-scale expansion of government powers in areas such as health care and financial reform bothered a number of voters. Linked to this was the fact that the president and his party were seemingly focused on these issues when the average citizen was concerned about making a living during tough economic times. With a "jobless" recovery underway, and a stimulus effort that seemed to return marginal benefits, voters across the country felt the government was out of sync with their wants and needs.

In a similar manner, voters did not see true bipartisan problem-solving in Washington, but continued partisan maneuvering for political advantage. While President Obama made overtures for bipartisan cooperation, his policies and how Democrats passed legislation with virtually no Republican support alienated Republicans in Congress. However, in a similar

manner, Republicans refusal to negotiate compromise on key issues and not to endorse the Obama agenda in any way made consensus more difficult.

In a sense, Democrats were also victims of their past electoral successes in 2006 and 2008, when they gained dozens of Congressional seats, many of them in traditionally competitive or Republican districts. The fact that 90 of the 100 most competitive seats were Democratic and that 49 of the 90 Democratic seats voted for Republican presidential candidate John McCain meant that Democrats started in a deep hole from the moment they won in 2008. The inability of President Obama and Democrats to craft an agenda and governing style suited to voters in these districts, combined with a bad economy, were the decisive factors in losing control of the U.S. House in 2010.

While the Democrats' losses in the House were significant, the fact that Democrats retained control of the Senate by a narrow margin is also important, because it signals that voters made individual decisions on races and that the tidal wave that Democrats have experienced this year is not absolute. There was not a complete backlash against incumbents or Democrats, suggesting that effective governing and bi-partisan cooperation are high on the list of priorities for voters, not necessarily the Democratic or Republican policy agendas.

President Obama has the opportunity to change the dynamic in last two years of this first term, but it will require a change in his agenda and approach to governing. Further, he will have to have a better sense of the views of the electorate. In 2008, he was adept at diagnosing the nation's problem, but since has not seemed to be as adept at developing solutions in line with the views of the electorate.

Voter alienation

In the 2006 mid-term elections, when the House of Representatives changed to Democratic control, Democrats won all categories of voters, aside from white voters. By comparison, in the 2010 election, Democrats lost support among almost all voter categories including independents, men, women, whites and Hispanics and voters of all ages. The only voters who continued the same level of support for Democrats were African-Americans.

Exit polls showed that many voters did not support the direction that President Obama and the Democratic Congress had taken over the past two years. Fifty-four percent of those polled voiced disapproval with President Obama's performance while 74 percent of Americans are dissatisfied with the performance of the federal government. They believe that the government has performed poorly on a number of issues, including the economy, which is the number-one concern for the voters. In fact, 86 percent of voters said that they were worried about the direction of the nation's economy in 2011.

In addition, a large segment of the 2008 voting public – the youth vote – did not turn out this year. This was a senior-driven voting public, and many of them voted conservatively.

New power-brokers

What is notable about the 2010 elections is the mix of old and new members gaining power and influence. While many long-serving members gained more clout, there is a rising generation of new leaders in both parties who have seen their power increase quickly.

New Speaker of the House John Boehner's (R-Ohio) position is elevated now that he controls one-half of the congressional agenda and is the primary opponent to President Obama, given that Senator Mitch McConnell (R-Ky.) remains the Senate minority leader. Speaker Boehner's extensive leadership experience over the past 15 years should serve as a key asset; however, it remains unclear if or how he would reach across the aisle to Democrats or the Obama administration, given that he does not have a strong history as a consensus builder across party lines.

New House Majority Whip Eric Cantor (R-Va.) becomes a much more visible and significant party leader as he runs House Republican operations in a more sweeping way. As a newer, younger Republican voice not associated with the 1994 Republican revolution and as a leading opponent over the past years to President Obama's agenda and the Troubled Relief Assets Program (TARP), his credibility and influence among new conservatives is high.

Former House Speaker Nancy Pelosi (D-Calif.) is likely to remain as the leader of a diminished Democratic caucus, in part because much of the political support from moderates and conservatives for her heir apparent Steny Hoyer (D-Md.) has disappeared in election losses by Democrats.

Perhaps the two most prominent examples of rising stars in the Republican Party are Rep. Pete Sessions (R-Texas), chair of the National Republican Campaign Committee and Sen. John Cornyn (R-Texas), chair of the National Republican Senatorial Committee. As the leaders of Republican Party fundraising operations for the House and Senate, they are viewed as key architects in the Republican's rise to power in 2010.

While neither are newcomers to Congress, both are of a somewhat more recent political generation than Senate Minority Leader McConnell and new House Speaker Boehner. In this way, they represent an important bridge between long-serving and newly elected Republican members and will play crucial roles in keeping the House and Senate Republicans united on key issues. House Republican Conference Chair Mike Pence (R-Ind.) and projected House Deputy Whip Kevin McCarthy (R-Calif.) will play similar roles.

Similarly, Sen. Jim DeMint (R-S.C.), the leading Tea Party advocate in the U.S. Senate over the past year, increases his influence within the Republican Party in developing policy and opposing efforts by the Obama administration.

Although they will hold no official leadership positions, one can expect newly elected senators Rand Paul (R-Ky.), Marco Rubio (R-Fla.) and Pat Toomey (R-Penn.) to be media darlings, which will give them powerful platforms from which to state their cases.

For Democrats, while losses were of historical proportions, some members were seen as rising stars even in defeat as they reduced Republican gains. Rep. Chris Van Hollen (D-Md.), who serves as assistant to the speaker of the House and led House fundraising efforts and the

Democratic Congressional Campaign Committee, was seen as a strong and strategic leader in the face of adversity. His relative youth and political talent increase his standing in the Democratic Party. Senator Bob Menendez (D-N.J.), also performed well in holding down Democratic losses.

The 2010 elections have produced a new wave of Republican House committee chairs poised to lead GOP efforts on critical issues such as taxes, health care, the federal budget, foreign affairs and government reform. While these new chairs have served as the loyal opposition since 2006, they now have a significant new role in shaping the Congressional agenda given the power and responsibilities they will acquire.

Rep. Dave Camp (R-Mich.) becomes the incoming chair of the House Ways and Means Committee, which will lead the charge in crafting GOP proposals to repeal portions of President Obama's health care law as well as extending the Bush-era tax cuts for all income levels. He will also be in charge of the congressional trade agenda, which is one area in which there could well be true bipartisanship. Camp, a 20-year veteran of Capitol Hill who has not traditionally been a high-profile or vocal advocate for the GOP, will now chair arguably the most important House committee. It remains to be seen if his low-key approach will be effective in the hyper-partisan atmosphere of tax and health policy.

Similarly, Rep. Paul Ryan (R-Wisc.) is in line to become the next chairman of the House Budget Committee, which will play a significant role in opposing President Obama's existing and future spending proposals and defining the GOP's budget priorities, including proposals to cut spending and reduce the deficit. Ryan has been praised as one of the few lawmakers to cite specifics in reducing government spending and budget cuts; however, his ability to defend such cuts and engage in a debate with House Democrats and President Obama will be tested.

Rep. Darryl Issa, who served as ranking member of the House Government Reform and Oversight Committee and has been a vocal critic of President Obama, now becomes chair and his ability to challenge and investigate President Obama's signature programs and leadership of executive agencies increases dramatically. Given the Senate Republicans lack the majority status and the related resources needed to provide a check on President Obama's executive actions, Rep. Issa will be the lead Republican holding President Obama to a standard of good government and exposing political and operational missteps.

Rep. Ileana Ros-Lehtinen (R-Fla.) will significantly change the direction of the House Foreign Affairs Committee. As a refugee of Fidel Castro's Cuba, she is an outspoken advocate for democracy and human rights and a strong critic of President Obama on these issues. Her style is likely to be more confrontational and absolute as she is less likely than her predecessor, Rep. Howard Berman (D-Calif.), to seek consensus or compromise. She is skeptical about the direction of two of America's important strategic partners, China and Russia, among others.

Former Republican vice presidential candidate Sarah Palin, who handpicked and endorsed many Tea Party candidates and aligned herself with the movement as early as last year, has seen her political power increase significantly. A majority of voters said that the Tea Party movement did not influence their votes; however, it is clear that the Tea Party has been successful in helping to move the nation and both houses of Congress to the political right.

2011 policy agenda and the future of governing

The outcome of the 2010 elections has significant implications for what items are on the U.S. policy agenda, how those issues will be addressed by the president and Congress, and what impact they will have. APCO has identified a number of key issues in 2011 and analyzed how the change in power in Washington will affect each.

Domestic politics

Republican control of the House and significant gains in the Senate point to an agenda more focused on reducing government spending, taxes and regulation. However, there is no evidence of a drastic change on these three issues as President Obama and Senate Democrats still hold a slight balance in setting the federal policy agenda. The approach to these issues will be more moderate than the previous Congress and will represent significant change but will not be a reversal of direction. President Obama's initiatives on health care, climate change, education and other areas will likely be scaled back but not be repealed. President Obama's veto power and Democratic control of the Senate ensure that Democratic policies will not be repealed wholesale.

The reduction of federal spending and limitations on government power and programs will lead the Republican agenda in 2011. It reflects the American public's discomfort, frustration and in some cases, anger at the large amount of taxpayer money spent since 2008. Nearly two trillion dollars was spent on the economic stimulus bill, corporate bailouts and tax cuts in the last two years. Many Americans do not believe that this borrowed money was wisely spent or addressed their problems.

A key challenge for Republicans will be how they detail their plans to cut government spending and reduce the scope and role of government as most existing plans have been criticized as too vague. A second challenge is to step beyond campaign rhetoric and govern effectively by offering solutions and working with Democrats. There is little evidence that the anti-Democratic, anti-big government wave that swept America was an endorsement of Republican alternatives.

An important factor in the new Congress will be the loss of policy-making experience, particularly on the Democratic side and its significance for effective legislating in Congress and bipartisan cooperation. Many longstanding members of Congress with years of experience such as John Spratt (D-S.C.), Gene Taylor (D-Miss.), Jim Oberstar (D-Minn.) and Rick Boucher (D-Va.) are no longer in office. Similarly, some of the new Republican committee chairs have never held majority leadership positions.

Looking to the 2012 Presidential race, President Obama benefits in some ways from the Republican control of the U.S. House of Representatives and a diminished Senate. A Republican House allows him to appeal to independent and moderate voters by seeking a politically moderate agenda in concert with Republicans while at the same time building support among Democrats and liberals by defending the traditional Democratic agenda against Republican attack. This "triangulation" formula worked well for Bill Clinton. It allows Obama to distance himself from unpopular Democratic Party leaders such as Nancy Pelosi and Harry Reid (R-Nev.). Perhaps more importantly, Republicans will share the blame for any negative issues that arise in 2011-2012.

International trade

In a global economy, it is all about trade, currency values and investment. The challenge for world leaders is maintaining some measure of equilibrium, which is difficult even in good economic times. When recession hits, unemployment goes up and country economies deteriorate, then the protectionist impulses kick in, posing a threat to the world trading system.

On this issue, the election results have produced an unexpected benefit. It has put into play a free trade Republican Congress with a Democratic president anxious to advance a trade agenda that was going nowhere as long as Democrats were in charge of the House of Representatives.

In recent years, U.S. trade policy has been defined by free trade agreements (FTAs) that came about during the Bush years when it was clear the WTO Doha Round was going nowhere.

The Democratic-Republican trade record speaks for itself. When Republicans occupied the speaker's chair, they approved seven bilateral FTAs and one multilateral (CAFTA). Since the Democrats took over in 2007, all trade agreements have been dead on arrival. FTAs with Columbia, Peru and South Korea have been negotiated, but the votes are not there for approval.

President Obama is between a rock and hard place on trade. His economic advisors are free traders but most Democrats in Congress, pressured by the labor unions, are in the protectionist camp. In addition, the new Republican class, influenced by Tea Party activists, may not be as supportive as traditional Republicans. The administration is attempting to build support for the South Korea FTA and has launched negotiations on the multilateral front with the Trans-Pacific Partnership (TPP). Yet, however successful the negotiations may be, their fate is uncertain given a new and divided Congress.

But with Republicans coming to power under the leadership of Ways and Means Committee chair Dave Camp (R-Mich.) and Trade Subcommittee chair Kevin Brady (R-Texas), there will be a different reception when the Democratic administration sends a trade agreement to Capitol Hill. It will be one of the rare occasions where President Obama and a Republican Congress may agree on something.

Energy and environment

The elections have caused jockeying for leadership positions in both the House and Senate. In the House, Reps. Fred Upton (R-Mich.) and Joe Barton (R-Texas) are both seeking the top Republican spot on the Energy and Commerce Committee. Barton is barred by term limits from continuing in the position and expected to seek a waiver but according to *The New York Times*, has had an "uneasy relationship" with Boehner, so that may favor Upton. Numerous Republicans are considering abolishing the House Select Committee on Energy Independence and Global Warming.

Environment and Public Works Committee Chair Barbara Boxer (D-Calif.) remains as committee chair and Sen. James Inhofe (R-Okla.) remains ranking republican member. The Senate Energy and Natural Resources Committee faces the departures of at least three Republicans and two Democrats.

There are a number of items expected to be on the agenda, either in a lame-duck session in mid-November or when the 111th Congress convenes in January. While the idea of advocating feed-in tariffs for renewable energy will likely evaporate with the GOP in control (or with substantially greater numbers), items still likely to be on the agenda include:

- expanding and extending the Sec. 48C Advanced Energy Manufacturing Tax Credit and the Sec. 1603 Grants in Lieu of Tax Credits programs (with greater support from the GOP)
- promoting a renewable electricity standard (with the GOP seeking to add nuclear and clean coal to the mix)
- funding for a HomeStar energy efficiency program
- creation of a green bank similar to the Clean Energy Development Administration
- advancement of Senate Majority Leader Reid's natural gas and electric vehicles bill
- delay of the EPA's regulation of greenhouse gas emissions under the Clean Air Act

In addition, Rep. Upton has already announced that if he becomes chairman of the House Energy and Commerce Committee, he will launch investigations challenging the EPA's authority over several pollutant regulations next year. Rep. Upton represents a district with two nuclear energy plants, and he is expected to seek an ease in regulations to allow more to be built.

Energy policy broadly will be a major dividing line between Republicans and Democrats as President Obama tries to fulfill his campaign pledge to promote alternative energy and green policies with a mix of traditional energy resources, including limited oil drilling and clean coal. However, Republicans will continue to promote the potential negative economic consequences of proposed limits on carbon emissions and stricter EPA standards and regulations. They will do so from a much stronger position, given their increased public support, votes in both Houses of Congress and chairmanships of House committees on energy.

The U.S. business community, which seeks solutions to climate change issues as well as clarity about regulatory standards, will have more influence on policy-making. This business community involvement could create a situation where the Obama administration seeks compromise on smaller issues to achieve some of its energy and environmental goals, including chemical reform in addition to traditional and alternative energy issues.

Financial services

With a new Republican majority in the House and a narrower Democratic majority in the Senate, the 111th Congress will have a difficult road ahead in order to make any legislative progress in the financial services sector. The Obama administration had previously worked extremely well with House Financial Services Chairman Barney Frank (D-Mass.), and the relationship will become more difficult with a Republican Chairman at the helm. While it remains to be seen who will fill that role, Speaker Boehner is expected to encourage the chairman to roll back the Dodd-Frank Financial Reform Act, an effort that will be met with fierce opposition from the Obama

administration. Regulators are already in the midst of implementing the more than 250 new regulations and responsibilities set forth in the Act, and the administration will do all that it can to ensure the bill remains largely unchanged as implementation continues in 2011.

The stage is set for a combative relationship between administration officials such as Treasury Secretary Tim Geithner, Securities Exchange Commission Chairwoman Mary Schapiro, Commodity Futures Trading Commission Chairman Gary Gensler and the new leadership of the House Financial Services Committee.

In terms of the Senate, the Democratic majority will likely remain supportive of the administration's agenda of Dodd-Frank implementation. With Chairman Chris Dodd's (D-Conn.) retirement, a new Senate Banking Committee chairperson will be selected by the Democratic caucus in the coming weeks. Many point to either Sen. Jack Reed (D-R.I.) or Sen. Tim Johnson (D-S.D.) as his likely successor.

Republicans will need to get the support of a number of Democratic senators to advance any of their own legislation. Even if legislation is passed by both the House and Senate, a veto by President Obama of any rollback of Dodd-Frank is a likely option. Some specific changes to the Financial Services committees are included below.

With Republicans at the helm, the future leadership of the House Financial Services Committee is uncertain and will likely be decided in the coming weeks. Many believe that ranking member Spencer Bachus (R-Ala.) has not secured the chairmanship, and names like Ed Royce (R-Calif.), Jeb Hensarling (R-Texas) and Scott Garrett (R-N.J.) have been discussed as possible future chairmen. All three made names for themselves during the Dodd-Frank debate, though ultimately the bill was not considered to be a bipartisan product. The three choices other than Bachus are all fairly aggressive, though Royce has been more inclined to work in a bipartisan manner than the others.

On the Democratic side, Barney Frank will almost assuredly stay on as ranking member for the 111th Congress. Several Democratic members of the Committee lost their races, which will ultimately change the composition of the Committee for the 111th Congress, making way for new members to establish themselves in what remains a critical area of jurisdiction given the economy's slow recovery.

In terms of the agenda, proposals may be limited for the next two years, given the Dodd-Frank financial services reform bill's recent completion. However, given Rep. Garrett's chairmanship of either the full committee or subcommittee, he is likely to push for movement on proposals that would create a covered bond market in the United States.

Having a Republican majority increases the likelihood that any "technical corrections" bill to amend Dodd-Frank will seek substantive changes more favorable to Republicans. It should be noted, however, that since the Senate remains under Democratic control, such a bill would be difficult to pass through that house of Congress. As with many other areas of jurisdiction, legislative gridlock is expected in the 111th Congress.

For derivatives regulation, which falls largely under the jurisdiction of the House and Senate Agriculture committees, there will be leadership changes. In the House, Rep. Frank Lucas (R-

Okla.) is nearly guaranteed to be granted the chairmanship. Lucas is considered a friend to the exchanges and is valued for his knowledge of both agriculture and commodities trading issues given that he is also a member of the Financial Services Committee. Rep. Collin Peterson (D-Minn.) will stay on as ranking member of the House Agriculture Committee. A large number of Democrats on this Committee lost their reelection bids, and as a result the Committee's makeup will change significantly.

At the Senate Agriculture Committee, Sen. Saxby Chambliss (R-Ga.) will once again serve as ranking member in the 111th Congress. Sen. Blanche Lincoln (D-Ark.), who chaired the committee in the 110th Congress, lost her reelection bid. Sen. Debbie Stabenow (D-Mich.) is said to be her replacement as chairman. Chambliss and Lincoln worked extremely well together on the derivatives segment of Dodd-Frank despite the highly partisan environment prevailing in Congress, though ultimately their bipartisan product was not included in the final legislation. It remains unclear how well Chambliss and Stabenow will work together on a possible Dodd-Frank corrections bill.

Foreign affairs

While the mid-term elections were not fought over foreign policy, observers can expect the issue to get more attention in the run up to the presidential election and from President Obama, who is seeking to find areas where he can assert his authority. In the short term, there is unlikely to be much action on foreign policy issues as there is more consensus between the two parties than on domestic issues.

Given the Republican priority of cutting spending, one area of immediate focus in the foreign policy realm will be the State Department and Foreign Aid budget. Republicans in general, including Tea Party advocates, are strong on defense and most have indicated a desire to continue to fund the Pentagon with annual increases in order to "win" in Afghanistan and Iraq. However, the foreign assistance budget is another matter. It is likely that proposals to cut the funding of the State Department, USAID and other so-called "soft diplomacy" budgets will be pursued.

Ileana Ros-Lehtinen (R-Fla.) is expected to become the chairwoman of the House Foreign Affairs Committee. She is likely to make things more difficult for the Obama Administration when it comes to Cuba policy, the "reset" with Russia, human rights issues, China and Iran. She will take a hard line approach, which will be much different than her predecessor Howard Berman.

In the Senate, Senate Foreign Relations Chairman John Kerry (D-Mass.) and ranking Republican Richard Lugar (D-Ind.) will continue to work together well. However, a more conservative Senate Republican caucus will create some of the same foreign policy roadblocks that the President will experience in the House. President Obama still maintains more support from Republicans than Democrats for his Afghanistan policy, but that could change depending on the pace of any withdrawal that is scheduled to begin in July 2011.

The broad impact of Republican gains on U.S. foreign policy will be more pressure on President Obama to take a tougher stance on addressing economic and geo-political disagreements with China, the U.S. strategic relationship with Russia, nuclear non-proliferation in Iran and North Korea and the military and political problems inherent in U.S. involvement in Afghanistan and Pakistan. They will demand a bigger role and more accountability.

Conclusion

The Republican takeover of the U.S. House of Representatives and the significant Republican gains made in the U.S. Senate and in state and local races is evidence that the diverse coalition of voters that brought President Obama and Democrats to power in 2006 and 2008 has almost disappeared. In every demographic category, with the exception of Democrats and African-Americans, Republicans either won the category or increased their support.

The 2010 elections further demonstrate that the United States has become a more polarized nation with a large portion of the population in the political center without a strong allegiance to Democrats or Republicans. Democrats continue to dominate urban areas and the East and West coasts of the United States, while Republicans dominate the South, the Midwest and in rural America. The battle for independent voters in suburban areas around the country continues to play a defining role in which political party controls government and in setting the political agenda.

Neither party has figured out how to maintain a consistent governing coalition to address voters' needs. While Congress and the president will struggle to get things done for the next two years, whichever party can deliver the change the public desires or stand for the principles demanded by voters will be rewarded in 2012.

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