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Charlie Cook
Political Analyst
Cook Political Report with Amy Walter

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In-Person/Hybrid Event

Moderator: Robert Rubin
Former U.S. Secretary of the Treasury

Introduction

Chair Robert K. Steel

Good afternoon everyone and welcome to the 776th meeting of The Economic Club of New York. My name is Bob Steel, Chair of the Club and Partner at Perella Weinberg Partners. It's certainly an honor for all of us to be together. Thank you for joining.

As all of you know, The Economic Club of New York stands as the nation's leading nonpartisan platform for discussions on economic, social, and political matters. And for more than a century, the Club has hosted over 1,000 preeminent guests contributing to a history of excellence. Today, I'd like to welcome especially the students that are joining us virtually from Mercy University, the Sy Syms Graduate School of Yeshiva University, and Georgetown University as well as the members of our 2024 Class of Economic Club of New York Fellows. This group of diverse, next-gen business thought leaders is our largest ever. And if you know someone you think might be a good fit, please feel free to nominate them and the forms for that process are on the Club's website.

So now let me move into the order of today and our program. Charlie Cook is one of the nation's leading authorities on U.S. elections and political trends. He founded *The Cook Political Report*, an independent, nonpartisan newsletter in 1984 and served as Editor

and Publisher for 37 years, stepping down just a couple of years ago in 2021.

Today, Charlie continues as a contributor to the newsletter, which is now called *Cook Political Report with Amy Walter*. He also serves as a political analyst and writes a weekly column for the *National Journal*. If you watch political coverage on whatever channel you tune in, he's on them all. Over the years, he's also served as an election night analyst at CBS, CNN, and also the NBC Nightly News election decision desk.

In 2010, Charlie was the co-recipient of the American Political Science Association's Carey McWilliams Award honoring major journalistic contributions. He's also served as a Resident Fellow at the Institute of Politics at Harvard's Kennedy School.

Now, let me introduce today, Charlie will be in a conversation with Club Member Bob Rubin, Former U.S. Secretary of the Treasury, and we're honored to have Bob with us today. As a reminder to everyone, the conversation is on the record, and we have media who are in the room and joining us virtually. The plan for today is for Charlie and Bob to have a conversation for a good bit and then, assuming time allows, we'll invite questions from the audience, but we'll end promptly at 1:00 today, as our usual plan. So thank you everyone for being here. Charlie and Bob, over to you.

Conversation with Charlie Cook

ROBERT RUBIN: Bob read a long list of the laudatory activities of Charlie. I'll tell you one thing Charlie is not, is a good fly fisherman. Right? Terrible, terrible. No, worse than terrible actually. And I'm quite good. But in any event...

CHARLIE COOK: He is actually.

ROBERT RUBIN: Yeah, I know I am. You gotta be good at something in life, or try to be good at something in life, if you can. Alright, let's do this, Charlie. You and I have discussed this for many years. We met a long time ago. We've discussed many elections. Let me start you with this. To me, this is like the most uncertain outcome of any election that I've been exposed to, and I've been, as you, exposed to it a long time, do you agree with that? And what level of uncertainty do you attach to the outcome here?

CHARLIE COOK: Total. I've been, I guess been around politics in one way or another since 1972. I've never seen an election where you had seven states that were basically dead-even. In other words, just within, most within one percentage point, some two. But we've never seen anything like that. And polling, it never was accurate enough to make distinctions between one point, two points, something like that, even in its heyday. And now when it's so much harder to get a sample and we've had two elections in a row that understated the Trump vote. These are distinctions without a difference.

ROBERT RUBIN: Okay, having said that, let me ask you this. If you had to, well, I shouldn't say if you had to, but would you care to put odds on Trump winning and then odds on Harris winning? The two should come together at approximately 100%.

CHARLIE COOK: Well, Thursday night I was talking to a group of CEOs at sort of medium-sized companies and afterwards this guy comes up to me and said, okay, if I handed you \$10,000, how would you bet it? And I said, I'll give you the money back. I mean, you know, the thing is that if I was the president of a popsicle company or something, I could go on a hunch. But when you do this for a living, you're supposed to have, like reasoned views and a theory, and data maybe to back it up. There's not any data that supports either Harris or Trump having any meaningful advantage over the other, just not, there isn't.

ROBERT RUBIN: But Charlie, some people – that seems sensible to say – some people think that, I would say in the last week or two, there's been a slight, if you look at the predictive markets – although who knows how reliable they are – and you look at the polls, there's been a little bit of a move toward her, I'm sorry, towards him. But I don't know if that's right or not. Maybe it's just noise and not signal. That's the question.

CHARLIE COOK: Well, numbers are a lot more your game than mine.

ROBERT RUBIN: Not these numbers.

CHARLIE COOK: When you see changes of, let's say two or three-tenths of a point in averages or Nate Silver's model or whatever, these are not significant movements. But when you see seven of them going in the same direction, even though it's not much, having seven going the same way, and, oh, by the way, the national numbers moving about that, the same direction, you know, I think you can't ignore that it happened, but is it tiny, tiny movement? And is it still really, really, really close? Yes.

ROBERT RUBIN: Charlie, let me ask you this in that context. The predictive markets, more and more people I know seem to think there's some value in them. I don't know, I've always been very skeptical because they're so thin. Your view? The market.

CHARLIE COOK: Yes, I've never seen any real data on this, but I strongly suspect that people that engage in betting markets, particularly on politics, they tend to be more conservative. They tend to be more Republican. And who the hell knows who they are. And whether it's some jerk in his boxer shorts at his parents' house or something, you know...

ROBERT RUBIN: Leaving the description aside, I agree with you.

CHARLIE COOK: It's chauvinism on my part, but I mean I've got a bunch of competitors I'm going to listen to a lot more closely than whatever the heck. So I mean I understand the large numbers and I get the theory, but there's plenty of other things to look at.

ROBERT RUBIN: This is strange, as you observe, it's a strange, what do you think are the factors driving this election? What are the issues most in people's minds? What issues are most driving it? And, oh, let me add to that. If there's something we haven't thought of as a factor or an issue that people are talking about, what's the surprise likely to be?

CHARLIE COOK: Well, when I look at this race, you know, keep in mind that you've got 44, 45, 46, this just baked percent that's going to be baked in and vote for Republicans no matter what, and the same number on the Democrat side. So it's only like 8 to 12% of the potential electorate are truly pure Independents. And they don't read, watch, listen to news. They don't follow current events. And, oh, by the way, they don't vote much. So you're really probably talking about 4, 5, 6.

And it is a legitimate question to ask is who in the world could be undecided between Kamala Harris and Donald Trump? I mean not tilting either way at all. And I think the answer to that is let's say you're somebody who you either don't or no longer like Donald Trump and you would rather not have him in your living room on your TV set for

the next four years, but on the other hand, you're not happy with the stewardship of the Biden-Harris administration for the last four years. What do you do? And personally, I think a lot of those people aren't going to end up voting.

ROBERT RUBIN: Okay, well, that gets me to another question. Somebody you and I both respect greatly who is an election analyst said to me the other day – you may not agree with this – he said he thought this was going to be a turnout election. You know, Trump is trying to get to his base and goes to the more and more extreme places to get it. She wants to, she needs her base obviously, but she's also trying to reach the center. It's a little different dynamic. Well, do you agree with that? It seems to me it's a little different dynamic in how the two campaigns are running.

CHARLIE COOK: I agree with it that she's trying to reach to the center such as it is. But the center nowadays is so small. And, you know, for the most part I think people have chosen up sides. I mean the way I'd look at this...

ROBERT RUBIN: Well, but you just said you thought there was, whatever that number was, 5 or 6% or something undecided, whatever that number may be. Did you read her Pittsburgh speech, by any chance?

CHARLIE COOK: No.

ROBERT RUBIN: If you haven't read it, she gave a speech in Pittsburgh on the economy. That's the one where she said she's a capitalist and where she's a pragmatist. You can believe her or you cannot believe her as you see fit. I've kind of know something about her, I kind of do believe it. But I don't know, it's a strange, I think she's more...maybe you don't agree with this, she's got to get her base, but I think she's also been trying to reach to what I always call the center. Maybe you're right. Maybe the center itself has moved.

CHARLIE COOK: Well, you know, you can, somebody can like her or not like her, but she's spent the better part of her career in politics and that's the way political figures are sort of trained to think, how they should think. And he doesn't, and he's wired in his own way. And so that's just not the model he employs. But the way I look at it is you've got, it's like two poker players. And I think Harris has been dealt a really lousy hand, meaning border, cost of living 20% higher than when they took office. So she's dealt a bad hand but is playing it pretty well.

ROBERT RUBIN: Yes, I think so.

CHARLIE COOK: He's been dealt, Trump's been dealt a pretty good hand. In other words, the reverse of the border and cost of living and is playing it about as badly as you can. I mean if somebody told me he's trying to lose, I'm not sure what he would do

differently. But I know it's not true because winning and losing could be the difference between staying out of the hoosegow or not. So I don't think he is trying to lose. But he's, I mean did any of us ever think we would see a presidential candidate at a rally, a big function in Latrobe, Pennsylvania talking about...

ROBERT RUBIN: Is this the one with the enemies?

CHARLIE COOK: No, no, no. This is talking about the anatomical gifts of Arnold Palmer.

ROBERT RUBIN: And you don't think that that's relevant to the election?

CHARLIE COOK: I think far more interesting about Latrobe, Pennsylvania – I've been there – it's where the banana split was invented.

ROBERT RUBIN: Not everybody would know that.

CHARLIE COOK: That cuts more ice with me. Why would someone say that? Why would someone talk about immigrants eating dogs? Why would people compare their crowd sizes to Churchills?

ROBERT RUBIN: But then let me ask you a question. This is not a partisan comment. I find Trump a little bit difficult to relate to. But why is it 47% of the American people don't seem to be troubled by all this stuff?

CHARLIE COOK: I think the smartest thing I've ever read about Trump, and it was from the fall of 2016. It was a conservative Republican writer that, I've never met her, Salena Zito. But she wrote in *The Atlantic* that the media takes Trump literally but not seriously. His supporters take him seriously but not literally.

ROBERT RUBIN: That's a famous thing, by the way.

CHARLIE COOK: Yes, I had never heard of her before that. But I think it really was, you know, I think he says things for effect and kind of wink-wink, nod-nod. And his people kind of know that it's, hopefully they know that it's not real. But, you know, there are a lot of angry people. There are a lot of people that feel left behind in our economy and our society. They're angry and they're lashing out. And they don't like what's happened the last four years.

And so I've been actually pleasantly surprised. I remember watching Harris back in 2019, and as a candidate I thought she was awful. And watching her at the convention, watching her in the first debate, I thought, who the hell is this? I mean it bore no

resemblance whatsoever. And it's not that she was perfect or anything, but I think she's executed pretty well. But the question is given a bad hand, executing well versus getting a good hand, and do the lines cross or not?

And the question of where do you differ from President Biden? And that's like a no-win place. I mean, I know a lot of people say she should pick one issue and focus on, you know, this is what I would have done differently. And maybe that's the way she should have done it. Or maybe just emphasizing, look, you know, Bill Clinton was a Democratic president, Barack Obama was a Democratic president, Joe Biden is a Democratic president. Now, Obama wasn't Clinton's Vice President, and Biden was Obama's, but they're completely different presidencies, and that mine would be different from Joe's.

ROBERT RUBIN: I think she's, in the first place I'm not a political analyst or campaign person, I have no conversance with it, I guess.

CHARLIE COOK: Oh, shucks, he's just a country boy.

ROBERT RUBIN: Well, what the hell, you've been saying that, from Louisiana, for as long as I've known you.

CHARLIE COOK: He claimed to be a Southerner one time. He's from Miami, for God's

sakes. (Laughter)

ROBERT RUBIN: Well, Miami's south if you look at a map. But Charlie said something very shrewd to me about three, no, maybe two years ago. Remember Biden was arguing about Bidenomics, and that was his case. And actually if you look at GDP and GDP per capita and productivity, we've had a good economy. As you say, a lot of people are angry. And Charlie said to me, you're looking at the wrong thing. And Charlie said to me, look not at CPI, not that, but at the cost of living. And particularly the cost of living, people in the bottom half, where pretty much disproportionately towards groceries and things like that. It's not even the same basket of goods that you have in the CPI. A very shrewd comment.

So I called Steve Ricchetti at the White House and said, Steve, who was very close to Biden as you all know, and I said, Steve, maybe instead of being out there talking about Bidenomics, he really ought to try to relate to the fact that, just what Charlie said, that inflation is what is really on these people's minds. And I think what President Clinton would have done, even if he couldn't do anything about inflation, he would have done a "I feel your pain kind of a thing." But they never did it. Now she's doing some of it, but they never did it.

CHARLIE COOK: The average person wouldn't know the CPI or what is it, Personal

Consumption Expenditure, from the FBI. I mean these acronyms mean nothing. But they do know that their grocery basket is 20% higher.

ROBERT RUBIN: It was a very shrewd comment on your part.

CHARLIE COOK: And that's really hard to overcome. And that's the liability that she's carrying into this. And it takes that much of a liability to offset a lot of Former President Trump's shortcomings.

ROBERT RUBIN: You know, at least what they could have, you made that comment, it was a very shrewd observation, I knew President Clinton pretty well, still do actually. I think what he would have done, he would have figured out a way to engage with that issue. Even if there's nothing he can do about it, I mean the Fed or something, fiscal demand. Let me ask a totally different question. You said to me years ago when we were talking about the popular vote, and you said you're looking at the wrong thing, and I said why? Well, not the wrong thing, but it takes some margin of the popular vote to make up for the wasted votes to get to the electoral college.

CHARLIE COOK: Yes, I mean focusing on the popular vote is like going to a football game and paying attention only to total yardage gain or rushing yards or something or going to a soccer or a hockey game and shots on goal. You know, it's a useful metric,

but that's not how you decide who wins.

And for the longest time it was all you needed. I mean in the 1700s, 1800s, 1900s, we only had three inversions during that entire period of time, and the last one was 1888. We went 112 years to 2000, Bush/Gore, before you had another one. And then people looked at that and thought, well, it's just kind of a fluke, you know, it won't happen again. And then it did happen again in 2016 with Hillary winning the national popular vote by 2.4 percentage points, but Trump winning the electoral college by basically fewer than 78,000 votes.

It almost happened in 2020 where, yeah, Biden won by 4½ points, about 7 million votes, but when you take it down to the state level, it was fewer than 126,000 votes scattered across four states. So it was a much thinner vote than it looked. And the reason, Democrats like to say, well, there's a Republican advantage in the electoral college. Well, that's true as far as it goes, but it doesn't really tell you anything. And I think a better way of saying it is that Democratic votes are so highly concentrated in seven states – California, New York, Illinois, Massachusetts, Maryland, New Jersey, Washington State, I'm missing one. Like, for example, in California, Biden won California 11 million to 6 million.

Now once you have one more vote than the other candidate, the other ones, they count

in the national polls and they count in the national popular vote, but have no impact on the outcome of the election. New York State, 2 million. And the fact is that if you rank-ordered all the wasted votes or excess votes for either party in all 50 states, states 1 through 7 were states that Biden won. Only when you get down to 8, 9, 10, Tennessee, Texas, Alabama, do you get to any states that Trump carried. Seven out of the last eight elections, Democrats wasted more votes than Republicans did, which is the reverse of how it was in the first dozen elections after World War II.

So, put it slightly differently, Biden's entire national vote margin came out of California and New York. Hillary Clinton's entire national margin came out of California and New York. Barack Obama's in 2012, whole margin...

ROBERT RUBIN: Charlie, taking that analysis, I have two questions.

CHARLIE COOK: It's a number north of 2%, but probably south of 4% that a Democrat needs to win by before it's likely to translate into the electoral college.

ROBERT RUBIN: So it's 2 to 4% of the popular vote?

CHARLIE COOK: Yes, I think it's probably in the 3-ish

ROBERT RUBIN: Yes, that's what you used to tell me. I remember that, 3, 3½, something like that. Let's turn to a different thing. There's a fundamental, foundational question I'd like to get to in a minute but let me do this first. House and Senate, the odds on each party winning control?

CHARLIE COOK: Senate, I would say 80, 85% chance that Republicans win a majority. Now it may not be as big as it otherwise might be. It could be as low as 51 seats. It could be as high as 54, you know, probably 52, 53. And it's just a lousy map for Democrats. They just have so much more exposure. They're defending so many states. Three seats in states that Trump carried twice. Four states that Trump carried once. One more, Nevada, that Hillary and Biden just barely won.

And the thing is that's important because people don't split tickets much anymore. In 2016, the first election in American history that every single U.S. Senate race went exactly the same way that state was going in the presidential race. 2020, it was all but one. Susan Collins in Maine was the only candidate to win a Senate seat in a state that the other side would carry, 95% of the House. And just, if you're curious, the 2022 midterm election, only one state, only one candidate, Ron Johnson of Wisconsin, won a state that the other side had carried two years earlier.

So Democrats are just defending a lot of seats in enemy territory. And West Virginia is

gone, Montana pretty close to gone or probably is gone. Ohio right on the bubble. And then they've got, you know, Pennsylvania, Bob Casey, Tammy Baldwin in Wisconsin, open seats in Michigan and Arizona. Now the Arizona, Republicans nominated a nut, so, you know, Democrats probably got a break there.

ROBERT RUBIN: Kari Lake, for those of you who are not familiar.

CHARLIE COOK: But conversely, the House, it's basically flip a coin. If I were going to put a finger on the scale, it would probably be for Republicans.

ROBERT RUBIN: For the House?

CHARLIE COOK: The House.

ROBERT RUBIN: Really?

CHARLIE COOK: Yes, only because Republicans are sitting on a four-seat lead. So Republicans could have a net loss of one, two, or three seats and still be in a majority. And, you know, coming out of 2020, Democrats lost six seats, or I'm sorry, they lost ground, but they still had a majority of six seats. Then 2022, Republicans had a gain of nine seats. It was fewer than they expected, but nine seats, but they ended up with a

six-seat majority. It's going to be real close. But it could be anywhere from Democrats having a three or four-seat edge to Republicans having a nine or ten.

ROBERT RUBIN: Charlie, am I right or wrong? Maybe I'm wrong about this. I had the impression that the prevailing view of most election analysts was that the Democrats had a pretty good chance, a higher – I don't know what probability you put on it, everything's about odds and probabilities – of getting the House. You don't agree with that.

CHARLIE COOK: I read that in your book.

ROBERT RUBIN: About probabilities?

CHARLIE COOK: Yes.

ROBERT RUBIN: How carefully did you read it?

CHARLIE COOK: Pretty carefully.

ROBERT RUBIN: How many copies did you buy? (Laughter)

CHARLIE COOK: Including book parties, I think three. But, yes, I mean the challenge, I mean without getting too geeky here, the challenge the Democrats have is there are virtually no vulnerable Republican open seats. And so the incumbency advantage isn't what it used to be, but it still exists. And Democratic gains pretty much have to come out of knocking incumbents off.

ROBERT RUBIN: You know, this is interesting, Charlie, because I had the impression and maybe I was wrong – we have a thing called the House Victory Project as you know, and I've got a lot of money in that thing for Democrats – I had the impression the people who we're involved with, they kind of thought they had a pretty good chance in the House.

CHARLIE COOK: Look, a few weeks ago I thought so, but I mean it hasn't moved much, and it's going to be a really close call.

ROBERT RUBIN: But it's sort of interesting, though, because if in fact Trump wins and he has the House and Senate, and he can do reconciliation...boy, oh boy. Unless, you know, it's interesting though, Charlie, because if the Democrats had all three, I think there would be enough Democrats who wouldn't support left kind of stuff you couldn't do. But I don't know if there are any Republicans who will break away from the Trump world.

Almost no question, if Democrats had all three, I could think of some people, some senators who would not support...I mean if they have narrow margins, some senators who wouldn't support left-leaning things beyond a certain point. So I think that wouldn't happen. But if Trump and the Republicans have all three, are there people who are going to break away from the Trump world to prevent reconciliation from going? And reconciliations, as you all know, you can do budget stuff with only 50 votes in the Senate. You're not subject to filibuster. And that's a big deal on everything relating to the budget and that can be broadly construed.

CHARLIE COOK: I would argue that the agenda that the administration, Democrats pursued in '21, '22, with all three, that it was not proportional with the narrowness of their win.

ROBERT RUBIN: Oh, yes, I agree with that.

CHARLIE COOK: And the Senate was 50-50.

ROBERT RUBIN: Though it still got pared back from the original thing.

CHARLIE COOK: It got pared back, but it was still...

ROBERT RUBIN: No, but you're right.

CHARLIE COOK: It's what a Democrat who won by a landslide with big majorities in the House and Senate, it's what they would do.

ROBERT RUBIN: You're right.

CHARLIE COOK: But not 50-50. And I would hypothesize that had Donald Trump not thrown a temper tantrum after the November election and practically told Georgia Republicans that their votes hadn't been counted, that Republicans – I mean Democrats hadn't won a Senate seat in Georgia in 20 years – that Democrats would have either 48 or 49 Senate seats, but probably not 50. And I would argue that the direction of the Biden administration would have been very different if Democrats only had 48 or 49 seats and that in some ways they would be in a politically better position today. They would never agree.

ROBERT RUBIN: No, they wouldn't be inclined to agree. Actually I think some would agree politically, Charlie. You know, it's interesting, as an aside. It has nothing to do it, but all this industrial policy stuff and all, it looks very sort of state-control-ish. I think it's really a question of dealing, this is my view, whatever it's worth – it may not be much. I think it's sensible. I think we would have done, in the Clinton years, deal with

externalities, the kinds of things that the private sector won't do, but you need to do. Or at least they think you need to do, I agree with them, to support national security and our economy.

Let me ask another question. Jill Stein. By the way, what I just said a lot of people will disagree with. I'm just saying it's my opinion and plenty of very thoughtful people will disagree with me. Jill Stein, how much is she going to affect this election?

CHARLIE COOK: I don't think she'll affect this thing at all. I mean if an election is really, really close, people will point to it. But I mean the thing is like, you go back to 2016, Jill Stein, the Green Party nominee, got next to no votes. But her vote totals in Michigan, Wisconsin, Pennsylvania were, in fact, higher than Trump's margins. Now, would every single Jill Stein voter otherwise have voted for Hillary Clinton? I'm not so sure. I mean they may have just voted for some other nut.

I mean I think a lot of these people are not, you know, they're not major party kind of people that, well, I'm torn between Jill Stein and Hillary. So, I mean, no question, Ralph Nader cost Gore. I mean that's not unquestionable. But I don't think Stein is going to have much of an effect at all. I mean, you know, if the administration had changed gears on the border a year earlier than they did, that would be. Or if, you know, the cost of living were 15% higher than it was back four years ago rather than 20%, that would

have. But I don't think Jill Stein...

ROBERT RUBIN: Okay. Somebody deeply involved in her politics said to me the other day – I don't know if you'd agree with this or not – but when the history of this period is written, one of the political issues will be why the hell Biden didn't change his views or change his position on immigration, or act on immigration, I should say, much earlier?

CHARLIE COOK: Yes, I mean I'm pretty...

ROBERT RUBIN: And his answer was the left-wing of the party was holding Biden in. I don't know if that's right or wrong.

CHARLIE COOK: Well, the thing is, and I think it was assuming that all Hispanics have a unified view of the border and immigration, which is just flat not true. And I haven't heard that much bellyaching. I mean, you know, my interpretation of what happened was they did practically nothing for three years saying that they didn't have the authority to do what it would take to reduce the border issue. And then they started doing, early this year, what they said they didn't have the authority to do, and it's working really well. But the damage is sort of already done. And why the hell didn't you do that a year or two earlier? And I think that they felt captive of an interest group that I don't think has bellyached much at all this year about it.

And I think that's the bigger indictment of both parties, that we've lost our moderating influences in each party. The Conservative Democrats, the Liberal Republicans, the Centrist Moderate voters who voted in primaries on both sides, they're basically gone. And so that overlap that we used to have...you know, when I first went on the Senate payroll as a second semester freshman in college in January of '73, Biden and I went on the payroll the same month, the Senate payroll, we had two Democratic senators from Alabama, from Arkansas, from Louisiana. New York had two Republicans. Now one of them was Buckley, the other was Javits. But, you know, Oregon, Maryland, Washington State, or no, it was Oregon, not Washington. But you had 21 states with mixed delegations, but you had plenty of moderating influences that kept the Democratic party from going off into a ditch on the left or the Republican off in a ditch on the right. And those moderating influences are basically gone.

ROBERT RUBIN: You know, you raise a really important question. You raised it a little better than I was going to raise it. I don't know how many of you all knew Peter Hart. But Peter, in my opinion...

CHARLIE COOK: He's still alive.

ROBERT RUBIN: No, I know he is, but he's retired.

CHARLIE COOK: No, it was more of a past tense that I wanted to clarify.

ROBERT RUBIN: How many of you know Peter Hart and knew Peter Hart when he was active? How's that? Okay, good, we've correct that. Peter used to tell me that he thought that there was a large, much larger constituency in the center than politicians tended to recognize. I think, but then you'll see the question because you sort of got at it a little better than I was going to do it, I think we have enormous strengths. And I think I would much rather invest in this country than in any other country, be involved in business in this country than any other country, any major country. But we have got to meet hugely consequential policy challenges and we just, I mean some things have been done. You can like them or not like them as you see fit. But fundamentally we have not dealt with our basic problems.

Now, do you think we are destined never to deal with our basic problems? Or do you think at some point we can come back into the world that Peter Hart was talking about, where there are enough people who are not firmly committed one way or the other so that our political system can work more effectively?

CHARLIE COOK: I think that we're becoming, the splits on where you live, urbans, close in suburban versus ex-urbans, small town rural, four-year college degree, yes/no. And then when you get into gender, I mean like, in 2022 only 43% of college degrees

went to men, to males, 43%. It's been in decline for 50 years. Now, let me ask you this. If educational attainment is what most of us tend to think it is, aren't you going to have a lot of guys that are going to feel like they've been left behind, and a lot of women that are going to be doing really, really, really well.

And that we're seeing, you know, we saw this gender gap that started, we first started seeing it among Whites during the Reagan administration. But the last few years we're starting to see more of a gender gap among African Americans and Latinos. That education gap that used to be just among Whites, now we're starting to see it with African American and Latinos. And some of these people, they're voting their social economic status more than their race or ethnicity. But it's more men, not women. And in the African American community, it's the more removed they are from the days of civil rights and voting rights, the attachment to the Democratic party just gets looser and looser and looser.

ROBERT RUBIN: But I guess the question, Charlie, that I at least, I'm almost consumed by, is Tom Donilon, who was National Security Advisor for Obama as you all know, a really smart, thoughtful guy. Probably many of you know him. Tom had dinner with us the other night at the Council and he was talking about the four autocracies, the great autocracies. They were all having their own internal problems. But they are working together more and more, and they're committed to undermining the United States. The

answer is that we have to have, given our strengths – and we had a really good discussion, we had some good people at that table – given our strengths, we should be able to counter that, but we have to have a strong economy and a strong society. That, in turn, comes back to our political system.

So I guess I'll go back to my same questions, and you've already responded, the same question the same way. Are we likely to get back to a point where we can function effectively and deal with immigration and our fiscal trajectory, which is a mess, and a whole host of other issues that are bedeviling our society? Or are we in a state where we have such tremendous advantages and the dynamism of our society. Look, productivity here versus the EU. Mario Draghi is saying – it was really interesting to read – he was talking about all the problems Europe has and then you look at us and we've got the contrary, we've got the positives. But if we don't meet all of these challenges, our education system and so forth, will we stay this way or will we over time decline? And can we regain political functionality?

CHARLIE COOK: If you asked me what could reverse this trend, I have no idea. Because the Democratic Party is getting narrower and narrower. The Republican Party is getting narrower and narrower. The center and the span in each party is moving farther and farther away from the median voter in the middle. And it becomes self-perpetuating who wins primaries, who votes in primaries, that sort of thing. And I know

this is a really, really lame suggestion but unless and until you have more Centrist Moderate voters in either or preferably both parties saying I want to take my party back from the nutjobs, then until that happens – and I'm not holding my breath – I think this trend is going to continue.

And for those of you who are Republicans, this is what I would really worry about. And I've had this conversation with some good friends that are Republican pollsters and other consultants that say the kinds of people that used to run as Republicans and win primaries and win general elections in competitive states and districts, a lot of those folks aren't running anymore because they don't think they can win a primary.

Now, they could be perfectly capable of winning in a ruby red state or district, but not a competitive. So, like North Carolina nominated for governor a nutjob. And then it became painfully obvious the guy's a nut. And they're going to lose a state that's not naturally blue. And I would argue that you had about four Senate races, four governors races, four AG, four Secretary of State, eight of ten House seats in 2022 that if Republicans had nominated potted plants, they would have had a 50-50 chance of winning. But no, they didn't.

And the explanation you typically get from people is well, what happened in 2022...why did Republicans have a net loss of one Senate seat? Why did Republicans only gain

nine seats in the House? And I think the common explanation, well, the Dobbs decision outraged so many pro-choice people that they flocked to the polls and that's what changed the outcome. Now, I will say I am and have always been pro-choice and our only two grandchildren are products of IVF. But the thing about it is the data doesn't back that up.

That in 2022, you always want to compare apples and apples, midterms and midterms, in 2022 Democrats got 10 million fewer votes for the House of Representatives, the only thing that's on the ballot everywhere, 10 million fewer votes for the House than they did in 2018, the previous midterm. Republicans got 3.7 million more votes than they did back in 2018. So if all these pro-choice voters came out, where did they go? And the answer was that you had a bunch of nutjobs win primaries and punt seats that were eminently winnable. And if I were a Republican, and we're seeing, it's not quite as bad this year, but there are some cases, there were borderline cases. If I were a Republican, I would really worry about it. And it's not that the Democrats aren't pretty screwed up in a lot of ways too. But I would really worry about the kinds of people that Republican primary voters.

And one last, take Georgia. There were nine statewide Republican candidates in Georgia in 2022. Eight out of nine won. I don't call that a bad night. But the one that did lose was Herschel Walker. Now I sat on a plane next to him eight, ten, fifteen years ago,

had a delightful conversation. He seemed like a decent guy to me. But the thing about it is he had about as much business in the U.S. Senate as I do winning a Heisman Trophy. And the only reason Republicans had was because Trump forced him down their throats. If they had just nominated any one of 10,000 other Republicans, they might well have won that. I'll get off my soap box.

ROBERT RUBIN: No, I think you are, I've known Charlie forever, as you can see, extremely thoughtful. Charlie, I've wondered to myself, you know we have this democracy. It was created a long time ago, 250 years roughly. Maybe social media and primaries, putting those two together, and now AI with all the potentials that AI has for distorting the system in all kinds of ways, I wonder if our democracy can continue to function effectively.

CHARLIE COOK: Well, I kind of go back to the rise of talk radio, and particularly Rush, happening just before the advent of cable television news and that that's when you had, you know, Fox was going off this way and MSNBC was going this way and CNN always had an identity crisis but came down more on this side than that side. But when people started mainlining ideology, then you had the internet, you know, social, websites, and then you have social media, and now all this other that it's just pulling us apart and that people are, you know, the idea of where it was when I was a kid. And, you know, some people watched ABC and some CBS and some NBC and all the news was basically the

same and you just formed your own opinion. But man, that's just gone now.

ROBERT RUBIN: Well, it does want to make you wonder a lot. Why don't we...I could go on...that's alright. I was told we should allow about ten minutes for questions so we will do that.

CHARLIE COOK: And somebody come up with a question that would maybe elicit kind of an upbeat response.

ROBERT RUBIN: I'll give you a one-second upbeat response. Here's a one-second upbeat response. If you look at European productivity from 2019 to 2022, it was increased by .4%. U.S. productivity increased by 6%. We have a dynamism in this society. The question is can we preserve it? And can we be effective in giving life, well, enabling that dynamism to succeed? And for that, we need...so there is that. But this gentlemen over here...

QUESTION AND ANSWER PERIOD

QUESTION: How are you, Bob? Hi, Charlie. This country was, at least my understanding, it was built on the idea of bipartisanship in the House and the Senate. But with the primary system that we have, it doesn't lend itself to bipartisanship. In most

of the rest of the world, in parliamentary democracies, the coalition is formed immediately and each member has very little agency to vote outside of their coalition. So should our efforts really be looking at the primary system as the only way we're going to sort of re-right the ship? Because listening to you, I don't see another path.

CHARLIE COOK: Well, I mean first of all I would only quibble with the very, very first part that, you know, the founders, they didn't have political parties in mind at all, but there was a warning about factions. But I think that there are process changes they could make. I've become a big fan of rank choice voting. I don't think it's a silver bullet. I don't think it'll solve all of our problems, but I think it's a start. I'm in favor of open primaries where Independents could vote and, you know, in states that do have party registration it can go either way. I think that would help. But so much of what's happening is more societal that I don't know that political process changes can undo some of what's happening.

ROBERT RUBIN: And those who are benefitting from the way it's set up right now are not going to be that...Dambisa is the House of Lords, so maybe you will bring us wisdom from the House of Lords with the wonderful political system you have there now.

DAMBISA MOYO: Well, it has been around for centuries longer than the U.S. So

perhaps there's something to learn. But on a serious note, one of the things that I find quite interesting is Elon Musk's role in Pennsylvania. I wonder if you could comment, I mean notwithstanding the legal issues, which I know that it's up for debate, but if it were to pass through the sort of eye of the needle and is seen as okay, do you think this is the beginning of a tendency for a lot more people to take that approach, influencing their vote?

CHARLIE COOK: I'm trying to decide what do I want to say knowing that we're talking about a very temperamental person. I don't think he has the faintest idea of what he's doing. And the only reason I think it's a good thing is it's circulating money through the economy. It'll trickle down to help, you know, whoever owns the Pittsburgh television affiliates or whatever. You know there have always been people that try to have an outsized role in American politics. And, you know, you have to have more than that. So I kind of doubt if he's going to make any difference at all. You know, if Donald Trump wins, I don't think it's going to be because of Elon Musk. If Trump loses, it'll be despite Elon Musk, I don't think it'll be because of it.

COMMENT (NOT ON MICROPHONE) They just changed the odds on the Senate election. The overnight reports said that it's now even.

CHARLIE COOK: Well, first of all, I don't own it or run it and haven't for three years. So

as far as I'm concerned, Pennsylvania has been a toss-up for a year. You know it's just sort of different philosophies. I mean there are a bunch of these...Wisconsin, Senate races that, you know, eight months ago, I think I was pretty convinced that these were going to be really, really close races and didn't belong in the lean-Democrat or whatever. So I don't think the odds in the Senate have changed, in my mind, have changed a bit in the last year. It was a deck that was sort of stacked in favor of Republicans. And despite, in some cases their best efforts, you know, they're going to come out ahead. But no, I don't, quite frankly if Dave McCormick had been the Republican Senate nominee in Pennsylvania two years ago, he'd be in the U.S. Senate right now. And that was just a case where both parties nominated their worst candidates.

ROBERT RUBIN: Bob, how many administrations were you in?

Five.

ROBERT RUBIN: Five. Okay, Bob was in five administrations so he brings the wisdom of that experience. Go ahead.

QUESTION: Charlie and I met at the back of a bus...Chicago Convention, so it tells you how far we go...

ROBERT RUBIN: Maybe it's not on or something, Bob.

Is it better now?

ROBERT RUBIN: There you go, yes.

QUESTION: Charlie and I were, I can remember the first time we met in the back of the bus in the Chicago Convention in a very different world. And I'd like to ask a question not so much about the current environment, but the longer-term consequences for our country and our system. Because one of the things that troubles me is that if you ask people, they'll say America's gotten through worse. You know, we have strong institutions, and we have a strong system, and we always find our way back to the middle, the sort of bromides of everything will be okay.

My worry in the current environment, and I'd really like to ask the thoughts of both of you who have had a lot of experience in all these things, and that is are we likely to see if Trump wins a further degradation of the credibility of the fundamental institutions that we have relied on really since the Revolution? And the sort of tendency to go back to the middle? Or are we likely to have an environment where the Democratic institutions on which we rely, the Supreme Court, the system of justice, even the military, a whole range of institutions, people say all the institutions will save us. My view is institutions depend on people. And if you get the wrong people who don't really care about them, or

in effect want to destroy them or undermine them, it can have a prolonged and very troubling, very detrimental effect on democracy for decades. And I'd like to hear both of your thoughts on this issue because it troubles me over the long term.

CHARLIE COOK: Well, Lucy, my wife has long called me a pathological optimist, and that really is my nature. But the thing that does along with that is that when I get down, discouraged, pessimistic, that's kind of a bad sign, you know, because that's not my nature. And as we were talking a few minutes ago, I don't see anything on the immediate horizon that's likely to change the trajectory of where we are. And I'm praying, I would have thought that, you know, an attack on our country, like 9/11, I would think that a once-a-century public health crisis would, but you know, they didn't. And so I don't know what, I don't have a solution there...some might that are smarter than I am.

The latter part, that gets, it's out of my comfort zone because I view my job as trying to kind of handicap what's happening, what's more likely to happen and why? That sort of thing. And in terms of making value judgments, I mean, am I a Donald Trump fan? Hell no. Okay. But whether he is or isn't, should or shouldn't be president is a bit over my pay grade. I do worry that some of the more impressive people that joined his first administration, do I think you're going to have a lot of people like that, that would go into a second if there was one? I have very, very real doubts about that, real concerns.

But I mean there are things, I mean, you know, if Kamala Harris loses, I want to know whether the Democratic Party does a little bit of soul-searching, like they did after they lost the 1988 election, and they had lost five out of six presidential elections. And what did they do? They started steering back, you know, towards the middle some with Bill Clinton. But I don't see a capacity for introspection in either party right now. But I can't say that I don't have concerns, but I think they are best not articulated, by me anyway.

ROBERT RUBIN: Bob, I think, this is just one person's view and take it for what it's worth. I think it's deeply troubling, I think the points you're raising. Somebody whose name I won't use because it was an off-the-record conversation, but that person was the president of a major university, said on a Zoom call we had recently, expressed the view that the election of Donald Trump would be the gravest threat to our country since the founding, except for the Civil War. Now there are undoubtedly people here that disagree with that and think that he represents all kinds of things that they agree with. I personally, Bob, I think this is, I know it's an overused word, but I at least look at all this. You know, I have friend who was very senior in his, someone I know pretty well, very senior in his administration, he said you pay too much attention to what he's saying. It's not what he's going to do – the thing you said before. Well, maybe. But he keeps saying that this was going to be different than last time and this time he's going to do this stuff and he's not going to have the people around him to restrain him. That's what he keeps saying. Maybe that's not true. There are a lot of things people say about

Harris, that they don't like her for various reasons. So, you know, there are both sides to this thing, but it scares the hell out of me, Bob. It really does.

CHARLIE COOK: You know, I grew up in the Democratic Party. I'm an Independent now. Ironically, I've never voted for an Independent. But anyway, my challenge to my Democratic friends is that if Donald Trump is the existential threat that you guys make him out to be, why the hell did you take these kinds of risks? Why weren't you more careful? Why weren't you more incremental? Why did you push the envelope so far if the threat, if the alternative was him? I mean I think it was reckless behavior.

ROBERT RUBIN: There is a piece of our party that is very, and I know we're running out of time, there's a piece of our party that is very ideological instead of being...look, this will get me in trouble with people, but it's not practical. And I think it's done us a lot of damage. I think we're at the end of our time.

CHARLIE COOK: We're passed the end of our time.

CHAIR ROBERT K. STEEL: Well, Charlie and Bob, as you can hear from the applause, everyone is very grateful for your time and shared wisdom, and we're appreciative. Just as we conclude and head to lunch, let me just remind people that there's a lot of good, strong speakers coming to give us a strong finish to the end of the year and we're

excited.

In November, we're going to have a post-election webinar on the 12th led by Larry Summers and Glenn Hubbard to discuss the trajectory of fiscal and monetary policy post-election. On the 18th, we'll host General Bryan Fenton, Commander of the U.S. Special Ops Command. And on the 21st we'll conclude the year with Ken Griffin, the CEO of Citadel. So please check the website for all of the details on these and other opportunities to come together. Gentlemen, thank you again for your time and your wisdom. And everyone, enjoy your lunch. Thank you.