MNI POLITICAL RISK ANALYSIS – First US Presidential Debate Unlikely To Influence Election Outcome
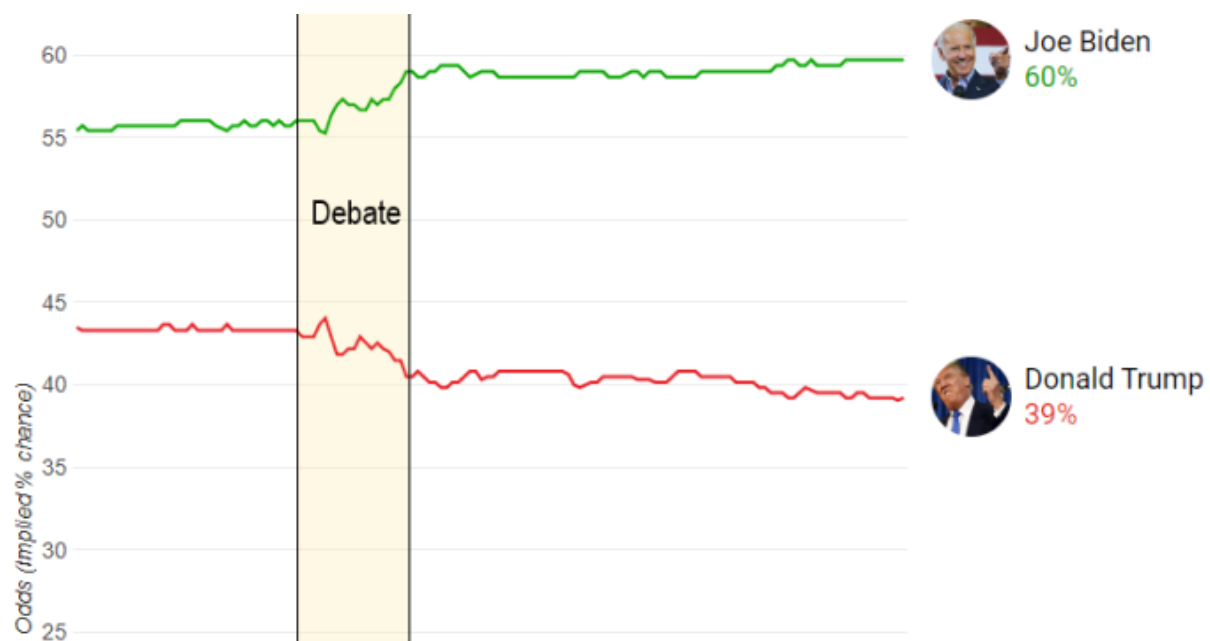
by Tom Lake

The first US presidential election debate held last night in Cleveland, Ohio was widely perceived as an unedifying event that will have little influence on the final election outcome. Both President Donald Trump and Democratic presidential nominee former Vice-President Joe Biden frequently interrupted one another as well as the moderator, Fox News' Chris Wallace.

The main incidents in the debate did not focus on specific policy proposals, but instead instances of one of the candidates speaking over the other. According to CBS News, President Trump cut in over Biden or Wallace 73 times. At one stage, having been interrupted by President Trump for a period of time, Biden responded "Will you shut up, man? This is so unpresidential." At another Trump sought to hit Biden's reputation, saying "The people understand, Joe. Forty-seven years [in politics], you've done nothing. They understand." The most talked-about part of the debate may be the point at which President Trump failed to condemn white supremacist groups such as the 'Proud Boys', instead saying "Proud Boys, stand back and stand by, but I'll tell you what, somebody's got to do something about antifa and the left."

Given Trump has trailed in nationwide polling and in nearly every swing state for a number of weeks, the consensus view was that he needed an impressive debate performance (or an implosion from Biden) to kick-start his campaign. Betting market moves during and in the aftermath of the debate would suggest that this did not occur:
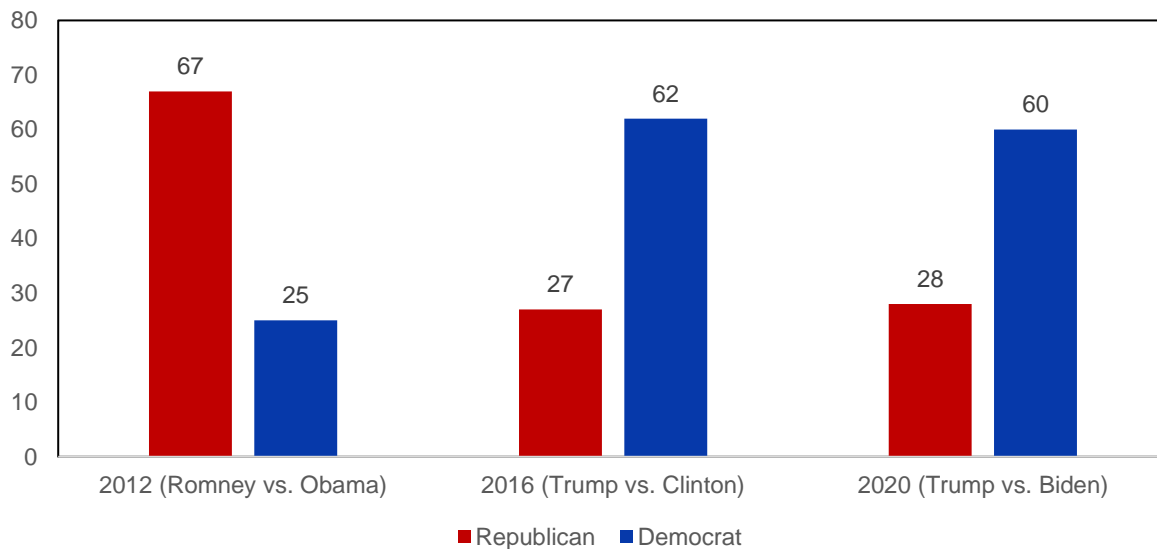
Chart 1. Betting Market Implied Probabilities for Presidential Election Winner, %

Source: betdata.io, MNI

The election night tracker from CBS News by pollster YouGov showed 48% of respondents saying that Biden won the debate, compared to 41% saying Trump and 10% a tie. This strongly mirrors some of the nationwide polls recorded in recent weeks, suggesting that many respondents had come into the debate with their minds already made up. A CNN poll among debate watchers gave Biden a big lead in the question of 'who had a better plan for solving the country's problems?', gaining 63% support to Trump's 30%. CNN's instant poll after the debate gave Biden a 60% to 28% win over Trump. It should be noted, though, that in the previous two contests the candidate that was viewed to have won the first debate in the CNN instant poll went onto lose the election.

Chart 2. CNN Instant Polls After First Debate, %

Source: CNN, MNI

The next presidential debate is due to be held on Thursday 15 October at the Adrienne Arsht Center for the Performing Arts in Miami, Florida from 2100-2230ET (0200-0330BST, 0300-0430CET, 1000-1130JST, 1200-1330AEDT). The moderator will be C-SPAN's Steve Scully.

Before this, on Wednesday 7 October, will be the one vice-presidential debate between Vice-President Mike Pence and Democratic vice-presidential nominee Kamala Harris. It will take place at the University of Utah in Salt Lake City, Utah from 1900-2030 local time (2100-2230ET, 0200-0330BST, 0300-0430CET, 1000-1130JST, 1200-1330AEDT).