

The Keys to the White House: Updated Forecast for 2008

Allan J. Lichtman
Professor of History
American University
Washington, DC 20016
202-885-2411
202-885-6166 (FAX)
lichtman@american.edu

ABSTRACT

The Keys to the White House are a historically-based prediction system that retrospectively account for the popular-vote winners of every American presidential election from 1860 to 1980 and prospectively forecast well ahead of time the winners of every presidential election from 1984 through 2004. The Keys give specificity to the theory that that presidential election results turn primarily on the performance of the party controlling the White House and that politics as usual by the challenging candidate will have no impact on results. The Keys include no polling data and consider a much wider range of performance indicators than economic concerns. Already, the Keys are lining up for 2008, showing how changes in the structure of politics favor a Democratic victory, in a dramatic reversal from 2004. The Keys also point the way to a new kind of presidential politics that replaces empty, scripted campaigns with candid and forthright discussions of the issues and ideas that will shape America's future.

Prepared for presentation at the
International Symposium on Forecasting
New York, New York, June 26, 2007

A New Vision of Presidential Politics

The modeling of presidential elections is more than an academic exercise. Not just elections, but our understanding of elections has consequences for American politics. The Democratic Party made two serious strategic errors in 2004, because they failed to understand how presidential elections really work. The Democrats did not grasp that presidential elections are referenda on the performance of the party in power. As early as April 2003, the Keys to the White, a system for assessing whether circumstances favor the incumbent party, forecast George Bush's bright prospects for reelection. As a sitting president with no prospective challenger in his own party or a serious third-party competitor, Bush's mixed record of accomplishment at home and abroad was sufficient to anticipate in his victory in 2004.¹

Overconfident Democrats replicated in 2004 the mistakes of 1988. In both years they presumed that that a safe, "electable" candidate could back into office against a lightly regarded incumbent party candidate with weak approval ratings. In both years, given the historical odds against them, the Democrats should instead have chosen the candidate most likely to shake up the system with an unconventional, risk-taking approach to the election.

The Democrats' second strategic error in 2004 was to emulate 1988 and run a campaign "of competence, not ideology." In July of 2004, I wrote with my collaborator Vladimir Keilis-Borok, that "Kerry can hope to shorten the long odds he faces against President Bush only with a bold, imaginative approach." At a minimum, we wrote, Kerry could "establish the basis for a principled choice of our national leader and a grassroots

¹ "The Keys to the White House," *Montgomery Gazette* 24 April 2003. For a reaffirmation of the prediction see, "The Keys to Election 2004," *Social Education* (Jan./Feb. 2004), 9-12.

mobilization on issues that matter to America's future." In another article that year, I wrote that although it is unlikely that anything a candidate says or does will undo the verdict of history, "The only thing worse than losing is losing irrelevantly. A campaign that replaced spin control, with substance, pretence with candor, and timidity with boldness would, at the very least, improve the ability of winning parties to govern, establish a principled opposition, elevate the level of political debate, and inspire activism at the grass roots." Kerry made the wrong choice of sticking with conventional advisers and strategies and suffered the same fate as Michael Dukakis, becoming a derided losing candidate. With a different choice of a bold, imaginative, and substantive campaign, Kerry would at least have established himself up as a principled opponent to the Bush administration, well positioned for another presidential run in 2008. Instead, a candidate who misread history and ran a visionless campaign guided by hucksters and handlers became, like Dukakis, a footnote to history with no future as a presidential nominee or inspirational party leader.²

The historical winds have shifted since 2004 and circumstances now favor a Democratic victory in 2008, regardless of their choice of a nominee. Ironically, this means again that the Democrats should forget about "electability" and choose the candidate that they believe is most qualified to redirect the course in the country in accord with their values and policies. The Republicans, who now have the historical odds stacked against them should follow the road not taken by the Democrats in 2008 and nominate a breakthrough candidate and run a precedent-shattering campaign. The strategy of pretending that George Bush does not exist, which candidates have played out

² Lichtman and Keilis-Borok, "What Kerry Must do the Win (But Probably Won't), *Counterpunch*, 29 July 2004; Lichtman, "They're Fired: Memo to Kerry: Get Rid of the Hucksters and Start Acting Like a President," *The American Prospect Online*, 22 Sept. 2004.

in the pre-primary debates, will not help the ultimate Republican nominee overcome the deficiencies of the president's record.

The Keys to the White House

The shifting political prospects for the party holding the presidency are documented by the Keys to the White House, a historically-based prediction system that derives from the study of every presidential election from 1860 to 2004. The study of history shows that a pragmatic American electorate chooses a president according to the performance of the party holding the White House as measured by the consequential events and episodes of a term - economic boom and bust, foreign policy successes and failures, social unrest, scandal, and policy innovation. If the nation fares well during the term of the incumbent party, that party wins another four years in office; otherwise, the challenging party prevails.

I first developed the Keys system in 1981, in collaboration with Vladimir Keilis-Borok, a world renowned authority on the mathematics of prediction models. The system shows that it is possible to predict well in advance the outcomes of presidential elections from indicators that primarily track the performance and strength of the party holding the White House. Through the application of pattern recognition methodology to data for American presidential elections from 1860 (the first election with a four-year record of competition between Republicans and Democrats) we developed 13 diagnostic questions that are stated as propositions that favor reelection of the incumbent party. When five or fewer of these propositions are false or turned against the party holding the White House, that party wins another term in office. When six or more are false, the challenging party wins (Table 1). Unlike many other models, the Keys, as an historical system, include no

Table 1: The 13 Keys To The White House

The Keys are statements that favor the re-election of the incumbent party. When five or fewer statements are false, the incumbent party wins. When six or more are false, the challenging party wins.

KEY 1 (Party Mandate): After the midterm elections, the incumbent party holds more seats in the U.S. House of Representatives than it did after the previous midterm elections.

KEY 2 (Contest): There is no serious contest for the incumbent-party nomination.

KEY 3 (Incumbency): The incumbent-party candidate is the sitting president.

KEY 4 (Third party): There is no significant third-party or independent campaign.

KEY 5 (Short-term economy): The economy is not in recession during the election campaign.

KEY 6 (Long-term economy): Real per-capita economic growth during the term equals or exceeds mean growth during the previous two terms.

KEY 7 (Policy change): The incumbent administration effects major changes in national policy.

KEY 8 (Social unrest): There is no sustained social unrest during the term.

KEY 9 (Scandal): The incumbent administration is untainted by major scandal.

KEY 10 (Foreign/military failure): The incumbent administration suffers no major failure in foreign or military affairs.

KEY 11 (Foreign/military success): The incumbent administration achieves a major success in foreign or military affairs.

KEY 12 (Incumbent charisma): The incumbent-party candidate is charismatic or a national hero.

KEY 13 (Challenger charisma): The challenging-party candidate is not charismatic or a national hero.

no polling data, but are based on the big picture of how well the party in power and the country are faring prior to an upcoming election.³

Retrospectively, the Keys account for the results of every presidential election from 1860 through 1980. Prospectively, the Keys predicted well ahead of time the popular-vote winners of every presidential election from 1984 through 2004. For example, they called Vice President George H. W. Bush's victory in the spring of 1988 when he trailed Mike Dukakis by nearly twenty points in the polls and was being written off by the pundits. The Vice President defied the polls and the pundits, not because he discovered negative ads or refurbished his image, but because voters ratified the performance of the Reagan administration - four years of prosperity, the defusing of the Cold War, and a scandal that faded away. In 1992, George Bush lost his chance for a second term, as the Keys predicted when a sour economy and a lack of domestic accomplishment tarnished his record as president. The Keys predicted President George W. Bush's 2004 re-election in April of 2003, a year and a half before a contest that pollsters found too close to call right up to election eve.⁴

As a nationally-based system the keys cannot diagnose the results in individual states and thus are attuned to the popular vote, not the Electoral College results. In three elections since 1860, where the popular vote diverged from the Electoral College tally --

³ For the methodology used in the study see, V. I. Keilis-Borok and A. J. Lichtman, "Pattern Recognition Applied to Presidential Elections in the United States, 1860-1980: The Role of Integral Social, Economic, and Political Traits," *Proceedings of the National Academy of Sciences* 78 (November 1981), 7230-7234.

⁴ For advance prediction by the Keys for elections from 1984 through 2000 see: Allan J. Lichtman, "How to Bet in '84," *Washingtonian* (April 1982), 147-49; Lichtman and Ken DeCell, "How to Bet in November," *Washingtonian* (May 1988), 115-24; Lichtman, "President Bill?" *Washingtonian* (Oct. 1992), 45; "The Keys to the White House: Who Will be the Next American President?," *Social Education* (Oct. 1996), 358-360; "The Keys to Election 2000," *Social Education* (Nov/Dec. 1999), 422-24.

1876, 1888, and 2000 -- the Keys accurately predicted the popular vote winner, but not the Electoral College results.

Answers to the questions posed in the Keys require the kinds of judgments that historians typically make about the past. But the judgments are constrained by explicit definitions of each Key. For example, a contested incumbent party nomination is defined as one in which the losing candidates combined secured at least one-third of the delegate votes. Judgments are also constrained by how individual keys have been turned in all 37 previous elections included within the ambit of the system (Table 2). The threshold standards established in previous elections must be applied to future contests. For example, to qualify as charismatic and turn key 12 or 13 – the most judgmental of all keys -- an incumbent or challenging-party candidate must measure up to Reagan, Kennedy, and Franklin and Theodore Roosevelt. The system is also extremely robust as the same keys that predicted Abraham Lincoln's defeat of Stephen Douglas in 1860 also predicted George W. Bush's defeat of John Kerry in 2004, despite vast changes in American politics, society, demographic composition, and economic life.⁵

The system is binary, with each key having a value of 0 or 1. Analysis of past election demonstrates that giving the keys fixed or stochastic weights introduces errors in the system, given instabilities from one election to the next. However, Keys do have trigger effects on other Keys. It may seem counterintuitive, for example, that the economy counted directly for the fall of only two keys against Herbert Hoover's Republicans in 1932, during America's Great Depression. However, the economic

⁵ For definitions of the Keys see, Allan J. Lichtman and Ken DeCell, *The Thirteen Keys to the Presidency* (Lanham, MD: Madison Books, 1990), Chap. 4 and Lichtman, *The Keys to the White House* (Lanham, MD: Lexington Books, 2005), Chap. 2.

Table 2: Keys To The White House: Historical Results, 1860-2004

YEAR	K 1	K 2	K 3	K 4	K 5	K 6	K 7	K 8	K 9	K 10	K 11	K 12	K 13	SUM	WIN
1860	0	1	1	1	0	0	1	1	0	0	1	1	0	7	N
1864	0	0	0	0	0	1	0	1	0	0	0	1	0	3	Y
1868	0	0	1	0	0	0	0	1	0	0	0	0	0	2	Y
1872	1	0	0	0	0	0	1	1	0	0	0	0	0	3	Y
1876	1	1	1	0	1	1	1	0	1	0	1	1	0	9	N*
1880	0	1	1	0	0	0	0	0	0	0	1	1	0	4	Y
1884	1	1	1	0	1	1	1	0	0	0	1	0	0	7	N
1888	1	0	0	0	0	0	1	1	0	0	1	1	0	5	Y*
1892	1	1	0	1	0	0	0	1	0	0	1	1	0	6	N
1896	1	1	1	0	1	1	1	1	0	0	1	0	0	8	N
1900	1	0	0	0	0	0	0	0	0	0	0	1	1	3	Y
1904	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Y
1908	0	0	1	0	0	1	0	0	0	0	0	1	0	3	Y
1912	1	1	0	1	0	0	1	0	0	0	1	1	0	6	N
1916	1	0	0	0	0	1	0	0	0	0	0	1	0	3	Y
1920	1	1	1	0	1	1	0	1	0	1	0	1	0	8	N
1924	1	0	0	1	0	0	0	0	1	0	0	1	0	4	Y
1928	0	0	1	0	0	0	1	0	0	0	0	1	0	3	Y
1932	1	0	0	0	1	1	1	1	0	0	1	1	1	8	N
1936	0	0	0	0	0	0	0	0	0	0	1	0	0	1	Y
1940	1	0	0	0	0	0	0	0	0	0	1	0	0	2	Y
1944	1	0	0	0	0	0	0	0	0	1	0	0	0	2	Y
1948	1	0	0	1	0	1	0	0	0	1	0	1	0	5	Y
1952	0	1	1	0	0	1	1	0	1	1	0	1	1	8	N
1956	0	0	0	0	0	0	1	0	0	0	0	0	0	1	Y
1960	1	0	1	0	1	1	1	0	0	1	1	1	1	9	N
1964	1	0	0	0	0	0	0	0	0	1	0	1	0	3	Y
1968	1	1	1	1	0	0	0	1	0	1	1	1	0	8	N
1972	1	0	0	0	0	1	1	0	0	0	0	1	0	4	Y
1976	1	1	0	0	0	1	1	0	1	1	1	1	0	8	N
1980	1	1	0	1	1	0	1	0	0	1	0	1	1	8	N
1984	0	0	0	0	0	1	0	0	0	0	1	0	0	2	Y
1988	0	0	1	0	0	0	1	0	0	0	0	1	0	3	Y
1992	1	0	0	1	1	1	1	0	0	0	0	1	0	6	N
1996	1	0	0	1	0	0	1	0	0	0	1	1	0	5	Y
2000	0	0	1	0	0	0	1	0	1	0	1	1	0	5	Y*
2004	0	0	0	0	0	1	1	0	0	1	0	1	0	4	Y

An entry of 1 favors the party in power and of 0 favors the challenging party. The sum totals the keys against the party in power. Win indicates the popular vote outcome for the party in power.

* The popular vote and the Electoral College vote diverged.

collapse also triggered the loss of Mandate Key 1, Social Unrest Key 8, and likely Challenger Charisma Key 13, as absent the Depression, Franklin Roosevelt would likely have followed his plan to run for president in 1936, not 1932. Likewise the Vietnam War in 1968 only directly counted for one discrepant Key against the incumbent Democrats, but also likely triggered the loss of Mandate Key 1, Party Contest Key 2, Incumbency Key 3, Social Unrest Key 8, and perhaps Third Party Key 4.

The 2004 Forecast

A forecast that remained unchanged from April 2003 through the 2004 election, showed that the party in power had only four keys turned against it, two short of the fatal six negative keys.” This forecast is replicated in Table 3.

Forecasting 2008

The Keys to the White House began lining for and against an incumbent party early in the term. In April of 1982, for example, the Keys predicted Ronald Reagan’s re-election more than two and a half years before Election Day. My 1990 book, *The Thirteen Keys to the Presidency*, completed just a year into George H. W. Bush’s term, concluded that “early in the term, Bush looks more like a Carter than a Reagan.”⁶

In a paper delivered at the ISF Conference in June 2005, I noted that “the incumbent Republicans are precariously positioned for 2008, with the most likely outcome of that election a Democratic victory in the presidential campaign.” The course of events during the past four years has reinforced this forecast. As of June 2007, only three keys are called in favor of incumbent Republican Party (Table 4). Three keys are uncertain and seven are called against the party in power, one more than necessary to predict its defeat.

⁶ Lichtman, *The Keys to the Presidency*, 419.

Table 3: The Keys To The White House: Standings, 2004

KEY NUMBER	DESCRIPTION	OUTCOME 2004
KEY 1	PARTY MANDATE	TRUE
KEY 2	CONTEST	TRUE
KEY 3	INCUMBENCY	TRUE
KEY 4	THIRD PARTY	TRUE
KEY 5	SHORT-TERM ECONOMY	TRUE
KEY 6	LONG-TERM ECONOMY	FALSE
KEY 7	POLICY CHANGE	FALSE
KEY 8	SOCIAL UNREST	TRUE
KEY 9	SCANDAL	TRUE
KEY 10	FOREIGN/MILITARY FAILURE	FALSE
KEY 11	FOREIGN/MILITARY SUCCESS	TRUE
KEY 12	INCUMBENT CHARISMA	FALSE
KEY 13	CHALLENGER CHARISMA	TRUE

TRUE: 9 KEYS FALSE: 4 KEYS

PREDICTION: INCUMBENT REPUBLICANS WIN

Table 4: The Keys To The White House: Standings, June 2007

KEY NUMBER	DESCRIPTION	OUTCOME 2008
KEY 1	PARTY MANDATE	FALSE
KEY 2	CONTEST	FALSE
KEY 3	INCUMBENCY	FALSE
KEY 4	THIRD PARTY	UNCERTAIN
KEY 5	SHORT-TERM ECONOMY	UNCERTAIN
KEY 6	LONG-TERM ECONOMY	UNCERTAIN
KEY 7	POLICY CHANGE	FALSE
KEY 8	SOCIAL UNREST	TRUE
KEY 9	SCANDAL	TRUE
KEY 10	FOREIGN/MILITARY FAILURE	FALSE
KEY 11	FOREIGN/MILITARY SUCCESS	FALSE
KEY 12	INCUMBENT CHARISMA	FALSE
KEY 13	CHALLENGER CHARISMA	TRUE

**TRUE: 3 KEYS FALSE: 7 KEYS UNCERTAIN: 3 KEYS
PREDICTION: INCUMBENT REPUBLICANS LOSE**

The following three keys currently favor the incumbent Republican Party.

*The absence of social upheavals comparable to the 1960's, avoids the loss of Social Unrest Key 8.

*The lack of a significant scandal that directly implicates the president averts the loss of Scandal Key 9.

*No prospective Democratic challenger thus far matches the charisma of Franklin D. Roosevelt or John F. Kennedy, keeping the Challenger Charisma/Hero Key 13 in line for the incumbents.

The following seven keys currently fall against the incumbent party.

*The Democrats won more than enough U. S. House seats in the 2006 midterm elections to topple Mandate Key 1.

*The Republicans are battling fiercely in choosing a nominee to replace George W. Bush, turning Contest Key 2 against them.

*Bush's inability to run again in 2008 dooms Incumbency Key 3.

*With bitter partisan divisions in Congress, Bush has failed to achieve the second-term policy revolution needed to secure Policy Change Key 7.

*The War in Iraq is a broadly acknowledged failure and the administration has achieved no offsetting triumph in foreign/military affairs, forfeiting Foreign/Military Failure Key 10 and Foreign/Military Success Key 11.

*Of all GOP candidates on the horizon, none appear to be a Theodore Roosevelt or Ronald Reagan, toppling Incumbent Charisma/Hero Key 12.

The following three keys are uncertain.

*Third Party Key 4 depends on whether New York Mayor and billionaire Michael Bloomberg, who recently switched from Republican to Independent, chooses to run an insurgent campaign for president.

*Short-Term Economy Key 5 depends on election-year economic trends.

*Long-Term Economy Key 6 is too close to call, but any diminution of growth over the next year and a quarter will forfeit the key.

The shift in incumbent party prospects between 2004 and 2008 is most clearly illustrated in the first four keys – the political keys. In 2004, the incumbent Republicans secured all four of the political keys. As of June 2007, the party in power loses three of the political keys, with the third party key uncertain. Setbacks in foreign policy account for the shift of another key. Thus, the negative forecast for Republican presidential candidates in 2008 does not depend on the performance of the economy. The incumbent party could still lose the presidency in 2008 even if the nation is faring better economically than in 2004.

Although keys do not usually change late in a presidential term, shifting verdicts are still possible over the course of the next 17 months. The president so ardently pushed for a surge in troops in Iraq, because he believes that a strengthened American presence provides the only hope for changing the fortunes of war and reversing of the negative verdict on the two foreign/military policy keys. Few analysts, however, believe that such a dramatic turnabout in Iraq is likely. It is also possible that one of the many Republican candidates sweeps the primaries next year, salvaging Party Contest 2.

However, a changed forecast for 2008 requires two of seven negative keys to turn back in favor of the Republicans. It also requires positive outcomes for the GOP on the

three currently uncertain keys and stability on the three currently favorable keys. Barack Obama conceivably could emerge as a charismatic challenging candidate and the Democratic Congress could uncover a scandal to pin on the president, not just subordinates. The Keys firmly predict a Democratic victory in 2008. It is most unlikely that the course of events will swing the Keys back in line for the GOP.

Finally, two caveats are in order. The Democrats may well break historical precedent this year and nominate either a woman, Hillary Clinton, or an African-American, Barack Obama. Likewise Michael Bloomberg could run a precedent shattering independent campaign by far outspending the major party candidates. The Keys, however, are a robust system that has endured through vast changes in the electorate, the economy, the society, and the technology of elections. It is unlikely that any of these contingencies will alter the negative verdict on the party in power.

Conclusion: Towards a New Politics

A properly functioning democracy demands not only fair and accurate systems for voting, but also a candid and wide-ranging exploration of crucial issues and ideas by the presidential candidates and their parties. Yet every four years Americans are subjected to shallow and even offensive campaigns for president. Nothing changes from one election to the next, because the media, the candidates, the pollsters, and the consultants are co-dependent in the idea that elections are exercises in manipulating voters, and in giving us negative campaigns, bland and scripted lines, and meaningless debates. We will not reform our politics and get meaningful participation by the American people until we come to realize that presidential elections turn on how well an administration has governed the country, not on how well candidates have performed in the campaign.

If candidates and the media could come to understand that governing, not campaigning, counts in presidential elections, we could have a new kind of presidential politics. Candidates could fire the hucksters and handlers, abandon attack ads and instead articulate forthrightly and concretely what Americans should be accomplishing during the next four years. Aspirants for the presidency could bring the public back into presidential elections by using campaigns to build grassroots support for their ideas. And incumbent presidents could prepare for upcoming elections by focusing on the stewardship of the country, not the politics of campaigns.