

NEWS Tax

Advisers give Donald Trump the edge over Joe Biden in reelection bid

InvestmentNews survey shows economic recovery, pandemic response are key issues in determining the president's political fate



June 1, 2020 By Mark Schoeff Jr.

Financial advisers are giving President Donald Trump the benefit of the doubt on how he's handled the coronavirus pandemic but say his ability to revive the economy could determine whether he's reelected.

In a recent InvestmentNews Research poll, 48.9% approved of the way Trump responded to the novel coronavirus outbreak, while 45.4% disapproved. A majority approved of Trump's overall job performance, 51.1% to 43.8%. That result was almost the same as that of an **InvestmentNews Research poll** conducted last November, 52.1% to 44.1%.

Looking ahead to the fall election, 48.3% said they intended to vote to reelect Trump, while

35.8% said they would vote for the likely Democratic nominee, former Vice President Joe Biden. Another 15.9% were undecided. A total of 176 readers participated in the poll, which was conducted May 20 and 21.

PANDEMIC RESPONSE GRADED

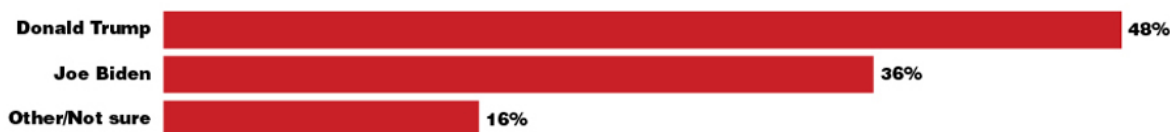
Bill Schretter, founder of Life-Legacy Services in Lebanon, Ohio, didn't vote for Trump in 2016. But he said Trump has done about as well as possible in responding to the pandemic.

"In the long run, we're going to see he did a reasonable job," Schretter said. "I'd give him a B-minus. I think a lot of people will give him the benefit of the doubt."

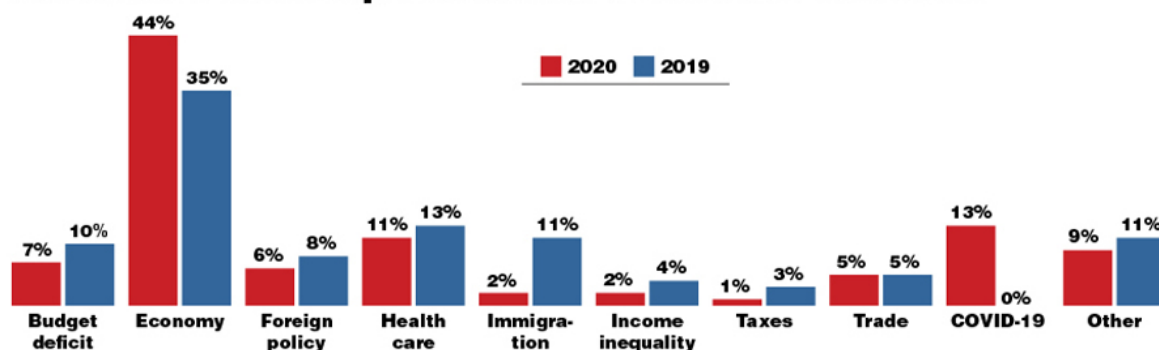
Timothy Aja, owner of Aja Financial in Opelika, Ala., also endorsed Trump's pandemic efforts.

"Overall, he's done very well with what information he had to work with," Aja said. "I haven't seen anything out of Biden that would lead me to believe he would have done any better."

Who do you intend to vote for in the 2020 presidential election?



What is the most important issue in the 2020 election?



Kashif Ahmed, president of American Private Wealth in Bedford, Mass., strongly disagrees. Ahmed and several members of his family contracted COVID-19, the disease caused by the coronavirus. Everyone has recovered.

"To be very polite, absolutely poorly," Ahmed said when asked to evaluate how Trump is dealing with the pandemic. "It was an abject failure in leadership. Lives were lost for no reason."

Dejan Ilijevski, president of Sabela Capital Markets in Munster, Ind., also finds fault with Trump's pandemic performance.

"I think it's been a total disaster," he said. "It seems like the administration was slow to respond."

TRUMP OR BIDEN FOR ECONOMY?

The debate over whether the **Trump administration made smart decisions** to curb the pandemic or dithered and let it expand exponentially could be debated for years.

What will be easier to discern is how quickly the economy recovers, which could have a substantial influence on the election outcome.

“It’s coming out of [the pandemic] that’s going to be determinant,” said Paul Auslander, director of financial planning at Provis Management Group in Clearwater, Fla.

The election outcome could depend on whether people are experiencing “a personal recession” this fall, Ahmed said.

“If we are hurting economically, whether he admits it or not, the buck stops at the president,” Ahmed said.

Biden is better suited than Trump for leading pandemic recovery because he would listen to experts, Auslander said.

“I trust him more than Trump,” Auslander said. “This is not a time for ego. This is a time for best in class. I worry about a Trump-led recovery.”

But Freddy Garcia, first vice president of Left Brain Wealth Management in Naperville, Ill., said Trump’s “strength and leadership” during the outbreak would carry over to economic rehabilitation.

“His pro-business approach will help the economy recover faster,” Garcia said. “He’s exceeded my expectations. I didn’t start off as a Trump supporter.”

Schretter has a similar outlook.

Trump “has more experience and business contacts than Biden does,” Schretter said. “He’ll be able to do the economic recovery better than Biden.”

BIDEN CLOSER TO CENTER

Late last year and into February, Biden seemed to be faltering in the race for the Democratic presidential nomination. Democrats who are farther to the left, such as Sens. Bernie Sanders, I-Vt., and Elizabeth Warren, D-Mass., were ahead of Biden.

But Biden engineered a dramatic turnaround, winning the South Carolina primary on Feb. 29 and then gaining an insurmountable delegate lead with victories in primaries across the country in March.

Financial advisers **generally opposed the plans by Warren, Sanders** and other Democrats to levy substantial wealth taxes. Biden would raise income and capital gains taxes on Americans with high incomes and high net worth, but he’s not perceived to be as far left as Warren and Sanders.

“Biden was the default choice to Elizabeth Warren and Bernie Sanders,” Auslander said. “Biden was always a conservative Democrat.”

Ahmed, who has worked on projects with Warren, said Biden is a soothing alternative for those who were leery of her and Sanders.

“For a lot of people, Joe Biden will be a lot more palatable,” Ahmed said.

SAVING THE SAFETY NET

One reason Trump maintains consistent leads in surveys of InvestmentNews readers is that they support his policies to cut taxes and regulations.

But Dan Herron, principal at Elemental Wealth Advisors in San Luis Obispo, Calif., said retirement finance is the key concern for his clients, who worry the social safety net is crumbling. On that issue, Biden could gain the upper hand.

“I would think they would be more inclined to side with Biden and Democrats in general on Social Security,” Herron said.

Ultimately, it will be tough for Biden to beat Trump, Auslander said. Many voters endorse his nationalist, America-first agenda while overlooking his erratic, often abrasive demeanor and mendacity.

“Unless Trump does something stupid – which is always possible – he wins the election,” Auslander said. “Trump will be given so many passes on his personality because they like his policies.”



What do you think?

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