Future of Trump Presidency Scenario Game

From the Quantum Planning Group

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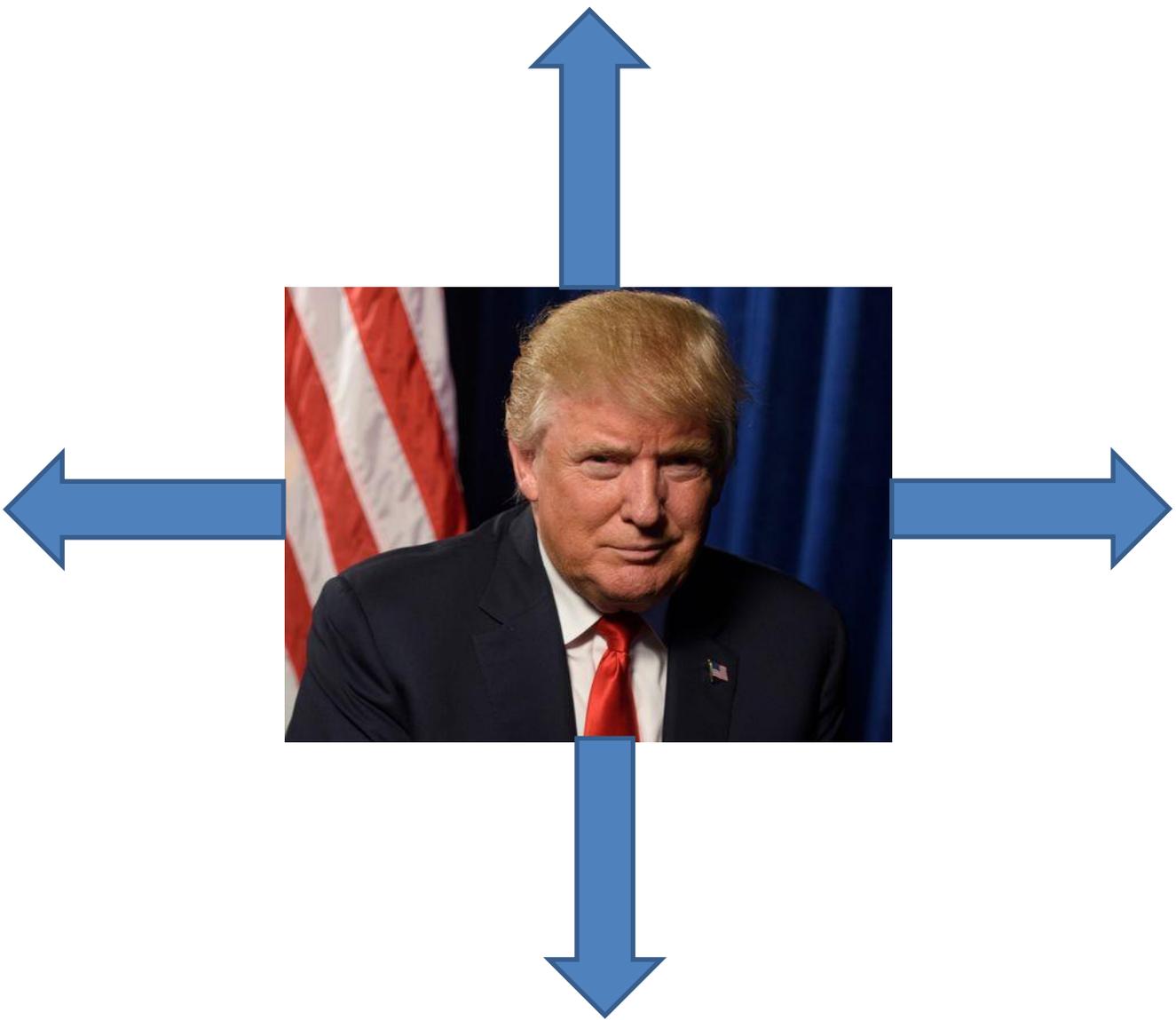
Future of the Trump Presidency

From the November 15, 2016 New York Times Deal Book Section – Lloyd Blankfein, CEO Goldman Sachs

He told employees that he couldn't predict whether the outcome of Mr. Trump's election would be "good or bad in the long run," but that Goldman Sachs would need to have a "*contingency plan for all scenarios*," according to a transcript of the voice mail reviewed by The New York Times.

A future scenario game to help you think about and manage your risks

The purpose of this document is to help any reader to do what Lloyd Blankfein is suggesting, have a contingency plan for all scenarios as it relates to the unexpected election of Donald J. Trump as the 45th President of the United States. At the time of this writing, a week following the election, it is clear that no one has a clear idea of what a Trump Administration will bring to the U.S. or the world. We at the Quantum Planning Group[1] are as curious and unsure as everyone else. And why not, since Mr. Trump was elected without laying out clear plans (mostly slogans) for what he would do in so many important areas (foreign policy, trade policy, energy policy, job creation, tax policy, etc.).

What follows below is a game to play. It is a tool for thinking about the future. It is open and has room for you to add your own ideas. It is a tool that you can use over time. It is a scenario game in which multiple possible futures are shared and in which you are invited to **imagine might come true.** We invite you to use your imagination and once you have an idea of the possible futures to then get on with your contingency planning.

How to play the game

Here are the essential steps to how to play the game:
1. Review our starting point four scenarios and give them some thought.
2. Add your own ideas (we will show you how) and settle on your scenarios.
3. Create your list of early indicators (things you expect to see if a particular scenario is coming into being).
4. Gather a list of key decisions or plans you have that might be impacted by the different ways a Trump Administration may unfold. Test how they might be challenged or affected in each scenario.
5. Develop contingency plans for your key decisions or plans for each scenario. Keep an eye on your early indicators, move ahead, and set a time for revisiting your work.
6. We have added three worksheets as the last three pages, a blank scenario matrix, a sheet to work on questions, issues, drivers, etc., and a sheet for Early Indicators to help you flesh out your thinking and create your own scenarios. Hint: print as many copies of the worksheets as you need.

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[1] Gerald Harris is President of the Quantum Planning Group. Two associates, Richard Marrs and David Thigpen, assisted in this project. More information about scenario analysis is available at our website mentioned herein.

What is a scenario?

If you want to know a lot about scenarios, please visit our website at: www.artofquantumplanning.com and you will find lots of resources. But here is a quick and dirty answer that will allow you to play the game: a scenario is a plausible and logically argued story or narrative about how the future **may** unfold (we cannot predict the future). Good scenarios should have a clear question to lend focus and clarity, and should be built upon a consistent set of relevant trends that play out in the story. Following those simple requirements helps make a set of scenarios understandable and comparable (it helps to see the differences). Following this definition we will introduce our scenarios below.

The Trump Presidency Scenarios

Our Trump Scenarios for this game are intentionally short and lightly described for two reasons: (1) we want to leave room for you to add ideas of your own, and (2) we want you just get the core ideas and not pretend we are accurately predicting the future (if we get some things right it will be luck).

Using our definition above here are our five core trends or drivers that we think will shape the future for Trump. You will see them talked about in each of our scenarios.

1. **The dynamics of social, cultural and political issues in the U.S.**—What we are suggesting here is that issues related to a person's social norms, culture and beliefs will influence U.S. politics. The Trump election argues this currently with the emphasis on the rural white voters who were angry and felt unheard and contributed strongly to his election.
2. **The dynamics of the U.S. and global economy**—We suggest that economic trends that impact jobs, businesses, economic development and the allocation of resources are vitally important. The U.S. is a big player in the global economy via our trading, foreign investments, the role of the dollar as an international currency, our energy policies, and our role as world technology innovator.
3. **The roles of lawmakers and government institutions**—Government is implemented and managed through institutions. The President is not a king or supreme ruler. He must work with and will be constrained by institutions of power including legislators (national, state and local), courts and laws.
4. **International developments**—The rest of the world will not go away. What happens in other places will matter, including wars, social shifts, demographic changes, economic actions, and political decisions. What happens in China, Russia, Europe, India, the Middle East, Africa and other places will have impacts in the United States and have to be responded to and addressed.
5. **Climate and the natural environment**—We all live on the planet earth and have no control of, but some influence on, the natural environment. Responses to and the costs of events such as droughts, earthquakes, heat waves, and storms can shape events and push a President into unplanned policies. We can't predict the weather, but we know we will have it.
6. **Add what you want here**—You may have a key driver that you think is too important to not include; financial market trends, nuclear proliferation, wars… It is up to you.

It is essential to understand that these trends **are uncertain.** They can go one way or in an opposite direction! It is the uncertainty that pushes us into imagining how they might play out. How these uncertainties are described is often unclear and open to debate. We will give our views in our scenarios.

Wild Cards

As we have mentioned, the future is not predictable. Lucky guesses are fun, but often not repeatable when you need it. The real world is full of surprises—Trump is President—so we think it is important to have room for surprises in scenarios. Here is a starting list of areas you may want to consider for wild card, but feel free to add your own. As you build your scenario add them in as story lines.

a. Donald Trump's personality and unpredictability in where he stands on almost any issue
b. Terrorism in the U.S. or other place in the world that reshapes perceptions
c. Economic disruption in light of risks in financial markets, Brexit or the weakened Euro
d. Social unrest across the US as his true intentions become clear
e. **Add your own!**

Scenario Stories

Scenario narratives or stories are just that—a story about the future. We have made ours logical and somewhat plausible based on reasonable arguments (that is what you will see here). But we want to warn you (and maybe encourage you) to consider taking more risks than we have. There can always be some hidden factor about to emerge, some misunderstood trend, or some technological threshold point that is reached (we don't know). As we mentioned above a wild card or two is also allowable. We are also holding our story to **four years** or the first Trump term. If you want to go longer (8 to 10 years), then go for it.

Playing the game

This is a game. We are not accurately predicting the future. You play the game as follows:

1. Get a group together (the more diverse the more interesting your scenarios will be), start with our scenarios.
2. Add whatever you want to our scenarios using your added key trends or wildcards. Get your story down so you can share it and know the essence of it. Share it and get some feedback. Incorporate the feedback as you see fit.
3. Get a list of key decisions, plans, or strategies that you want to test in each scenario. Suspend disbelief **and live in each scenario** and test your plans to see what stress they are under (or what opportunities you see).
4. Look at the game scenarios and share ideas about how you think Trump will move from one scenario to another (this is the really fun part!).
5. Develop contingencies for your decisions and plans based on what risks and opportunities you see from living in the scenarios.
6. Create a set of early indicators for each scenario (you will see ours below). Regularly scan the news for your indicators. When you see something important review your contingencies and if needed gather your team back.

Quantum Planning Group -- Trump Presidency Scenarios

First Cut Future of Trump Scenario Matrix

Global Economic Integration/
Free Trade/ Business Led Growth

Trump the Reborn Globalist

In this world Trump pulls from his experience as an international business man and is persuaded by business elites and world leaders that it is vital for the U.S. to lead in global economic and political integration. Trump recognizes the potential economic benefits and wishes to maintain the historic leadership of the U.S. in world affairs.

Trump the Conservative Republican

In this world Trump gravitates to the traditional positions that Conservative Republicans have long held because this is the only legislation and policies he can get in place. Trump attempts to persuade his supporters of the correctness of this path.

Inclusive/Love driven   Social/Cultural   Global & U.S. Economic Dynamic   /Political Dynamic   Them vs Us/Fear driven

Trump the Integrator

In this world Trump moves away from socially divisive rhetoric and policies due to the social unrest and international condemnation they cause. He moves to a more inclusive legislative and policy agenda because it receives the most support from Congress and generates economic growth.

Trump the Improbable Trump

In this world Trump makes every attempt to implement his conflicting and inconsistent policy promises. As he and his team provide detailed policies on what they want and work with Congress and other institutions more conflicts and confusion emerges, pressuring Trump to change direction.

Where does he go over time?

Balkanized "Fair Trade/ Selective Integration/ Gov't Financed Growth

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Here is an overview of our Trump Scenario in a matrix. We created it by selecting our first two key trends as dominant, most important and highly uncertain. By using these two trends as drivers and suggesting how they may swing one way or another we have created a scenario space or game board. Each quadrant is its own world to live in, explore and expand with your ideas. The small light arrows on the matrix suggest movement from one scenario to another during the Trump Presidency. Here are high level descriptions of our two main drivers as used in our scenarios:

The Social/Cultural/Political Dynamic

In light of the election and the big divisions in voting patterns between the white and non-white working class, urban versus rural, coastal versus center of the country, it is clear to us that this is really important and uncertain. It is uncertain because these very patterns were not evident in the re-election of Barack Obama (four years ago) and it is not clear they will continue, or were just about Hillary Clinton. Early suggestions of racism dominating the "red states" may be overblown. We just witnessed this, are trying to understand it and could be wrong in our early reads of it. But in attempting to describe the span of

uncertainty by nailing the polarity we are suggesting a dynamic between people who want to be more inclusive of people not like them and who down-play fear driven arguments versus people who are afraid of others and want some levels of exclusion (they see a "them" versus an "us").

The Global & U.S Economic Dynamic

Many are arguing that the election was about economic issues and jobs (the lack thereof in parts of the red states and rural counties). There is a high level of uncertainty around the economic future of the U.S. and the world economy in general. We are just barely out of the worst recession since the Great Depression, our central bank has pushed down and held interest rates to historic lows, we have concern about trade deficits, the rise of China, global capital flows, flash trading on stock markets, housing bubbles, tech bubbles, and more. Trump has made promises about job creation based on reversing immigration, changes in tax laws to discourage moving jobs overseas, and renegotiating trade agreements. It is unclear how or whether any of this will work and what more might need to be done.

Creating a contingency plan using scenarios

To get the most value from scenario analysis in creating contingency plans it is best to test or "wind-tunnel" your key decision or strategy through each scenario (a good first step), but also to think about what comes to mind looking across the whole set as well as movement from one scenario to another.

Here is a way to think about and create the major drivers of key decisions or scenario strategies. There is a full page worksheet at the end of the document

Explanation of key decision or strategy:
Scenario 1 risk assessment
Scenario 2 risk assessment
Scenario 3 risk assessment
Scenario 4 risk assessment
Cross scenario assessment
Movement among scenarios assessment

Our scenario stories are overleaf.

SE Scenario—Trump the Improbable

In this world Trump makes every attempt to implement his conflicting and inconsistent policy promises. As he and his team provide detailed policies on what they want and work with Congress and other institutions more conflicts and confusion emerge, pressuring Trump to change direction.

Possible developments in this scenario include
- Early on Trump continues his rhetoric in which he demonizes some groups (immigrants with criminal records in particular). This generates divisive and violent public behavior for which he is blamed.
- Trump appointees mostly seem to align with the promises of his campaign (renegotiate trade, cut back on regulation, denial of climate change, etc.)
- First 100 days agenda includes a jobs bill, some minor corporate tax changes and nomination of a right-wing/pro-life Supreme Court Justice, trimming, repealing or replacing the Affordable HealthCare Act, etc.
- Tension in this scenario is between how much of his promised agenda gets put in place (less than he wants), and what compromises he has to make with Congress.
- There is strong resistance to Trump policies on climate change and deportation of illegal immigrants in many cities, States and counties.
- Trump efforts to deport 3 million people turns into a slog and internecine battle. The resistance and ugliness of it (including violent resistance) so embarrass the U.S. and the public that his plan collapses.
- International resistance to a lot of Trump's agenda show him how little power the U.S. actually has in international relationships.
- Contentious relations with Congress as both moderate Republicans and Democrats push back in areas such as term limits, relaxing environmental regulations and tax cuts for the wealthy that increase budget deficits.
- U.S. economic growth, based on what is already in place, continues in the 2% GDP growth range, in the early years of his Presidency, but by the last two years economic growth slows due to uncertainty caused by his anti-trade policies which portend a trade war with China and declining trade with Mexico.
- The wars in Syria and Iraq continue to plague the U.S. as cooperation with Russia fails. Trump is frustrated by the complexity of the situation and its resistance to U.S. force as a solution.
- Trump's personality and tendency to react without much thought gets him in political and legal entanglements that drain power from his stature as President of the U.S.
- A split emerges in the Trump coalition between those who voted for him for economic change and those who voted for him because **they** think he supported their racist views.

We think Trump starts here; the question is how long can he stay here? In 2020 as Trump decides to seek reelection he is characterized in the press as bloodied but unbowed in his attempts to implement his agenda. He assesses his wins and losses and launches his campaign with a plea to voters to help him finish the job he started. The big questions are whether his 2016 winning coalition will stay together and support him for another term and did he deliver enough for them?

Possible Early Indicators: Trump puts loyalists and hardliners into key position in his Administration,; Trump gets major resistance to his policies from multiple sources; Lobbyist from powerful organizations fight Trump policies on legislative and public relations fronts.

NE –Trump the Conservative Republican

In this world Trump gravitates to the traditional positions that conservative Republicans have long held because these are the only legislation and policies he can get in place. This includes tax cuts for the rich, support for reduced trade barriers (with promises of job growth), reduced government spending, and cuts in social programs (with focus on killing Obama Care). Trump attempts to persuade his supporters of the correctness of this path, and that this was what he meant all along.

Possible developments in this story include:
- Trump signals this move early with the appointments of Priebus as chief of staff and Bannon as Strategic Advisor. Priebus quickly establishes himself in the more powerful position.
- That split between the voters who voted for him wanting economic reform versus those who voted for him thinking he shared their racist White privilege leanings will be a constant.
- As Trump moves toward the economic agenda (pro jobs, low taxes, less regulation, more fossil fuel—which has a huge inconsistency as gas competes with coal—and more military spending) the question will be how he gets Congress to go along. Since Republicans control both houses of Congress he chooses to align with them to get things done and with that their agenda slips into the legislation.
- A combination of real world politics and power brings Trump to face the limits of U.S. power and the need to cooperate with other countries. As he is "educated" and understands the costs in money and lives of fighting wars he moves toward the historical national security policies of the Republican Party.
- The tax changes he gets out of the Republican Congress end up fitting more with cuts for the rich and large corporations, and little actual reform.
- Trump is frustrated in trying to change laws that protect the rights of minorities, gays and immigrants as they have constituents willing to resist by fighting long court battles. Moderate Republicans are also part of the resistance.
- Trumps finds difficulty in getting funding for some of his major promises, especially the wall on the border with Mexico. Land owners and environmentalist sue to stop the project in the key states affected.
- Trump's selection of a new Supreme Court justice is approved only with the votes of Republicans so he acquiesces to their demands.
- Trump keeps his promises on backing down regulations that constrain businesses by reigning in the EPA. However, he learns that state laws are dominant in many cases, so progress is slow.

In 2020 as Trump decides to seek reelection he is characterized in the press as betraying the people who elected him to support the rich elite of his party. He tries to repackage trickle-down economics and argues that his policies are working based on continued economic and job growth. The big question is whether the combination of religious conservatives, business elites and rural conservatives is enough to give him another term.

Possible Early Indicators: Many of the key positions in the Trump Cabinet go to conservative Republicans; Trump forced to compromise on key policy positions with Republican legislative leaders to get policies in place; Trumps tax and economic policies favor the rich.

SW-Trump the Integrator
In this world Trump moves away from socially divisive rhetoric and policies due to the social unrest and international condemnation they cause. He moves to a more inclusive legislative and policy agenda because it receives the most support from Congress (including just enough conservative Democrats) and generates economic growth.   As he travels the world and learns to appreciate the role of the U.S. in promoting democracy and peace, Trump aligns with longer term trends that point toward growth as technology enables efficiency, productivity increases and profitable trading based on comparative advantage.

Possible developments in this story include:
- Trump initially resists listening to leaders suggesting that he disavow the support of hate groups, but after some very violent incidents in which scores are killed he moves hard against groups like the KKK and other white nationalist organizations. Law enforcement leaders play a big role in his conversion.
- Moderate Republicans pressure Trump to adopt an explicitly inclusive social agenda as their constituents demand it.
- As Trump learns the ways of Congress and getting legislation passed he breaks tradition and shows a willingness to work with Democrats who support the jobs, infrastructure building and fair trade parts of his agenda.
- Trump's children push more progressive issues, like child care and equal pay for women and find allies with Democrats.
- Trump meets with world leaders and finds the more right-wing leaders distasteful. Trump, to his surprise, finds that he gets along better with moderate leaders in Europe who want to cooperate on his economic growth agenda.
- Trump is able to make moderate changes to trade deals as he promised and negotiate new ones that he argues will protect American jobs since they will open markets to U.S. goods. He learns from the mistakes in the implementation of the Brexit process and works to protect the interests of key industries, deeming it "smart."
- Trump finds legal roadblocks to his deportation plan and backs into a more family-oriented position as the appeals of young people find political support among his base of business leaders.
- Trump quickly learns that in international military engagements the U.S. needs its allies. Allies have interests that must be met to get cooperation. They pressure Trump on economic issues and immigration issues to get their support. Trump backs away from comments about Muslims.
- Trump finds the global consensus on addressing climate change to be more widespread than he expected. Trump quickly learns that U.S. companies in wind, solar, storage and other clean energy technologies employ a lot of people. Business leaders persuade him that a global lead in these technologies is in the long term economic and strategic interest of the U.S.

In 2020 as Trump decides to seek reelection he is characterized in the press as being reeducated and mellowed by experience. He kicks off his re-election campaign with the slogan, " Make America Greater for All." Whether he wins again now depends on how much of the traditional Democratic base has he added to his winning 2016 coalition to replace the alt-right and haters his presidency has cast aside.

Possible Early Indicators: Racist and violent events disrupt the nation and force Trump to disavow racist elements; Hard-liners lose big in mid-term Congressional elections forcing Trump back to the middle.

NW- Trump as Reformed Globalist

In this world Trump pulls from his experience as an international business man and is persuaded by business elites and world leaders that it is vital for the U.S. to lead in global economic and political integration. Trump recognizes the potential economic benefits and wishes to maintain the historic leadership of the U.S. in world affairs.

- With his experience as an international business man it is easy to see why Trump may have some of this in his DNA. Key elements of this world are seen as inevitable as technology marches on changing the world for better or worse, and as global demographics of the youngest nations being the developed ones (thus new markets) plays out.
- Trump sees a way to get his economic plans moving that incorporate the high tech jobs of the future. An agenda of improving education, more U.S. exports, increasing U.S. competitiveness in global economic development is sold to him by Silicon Valley and other industry leaders. His Wall St. supporters also push this agenda because it supports their current investments.
- Trump argues making America great in the world was a part of his agenda all along: he was not against trade, just bad trade deals.
- Trump's early legislative agenda is pushed toward more globalization as Republican business elite come on board, even though it will be advertised as something else. Some token moves of resistance or change on trade are made (for example a small slap at China in some small market—like solar panels where the U.S. has production capacity, may give him some cover). But Trump is careful to avoid a trade war or damage large U.S. exports. Growing coal exports may be a key to seeing this world emerge as he pushes back some on climate change and in an effort to save jobs in the coal states as US use of coal continues to decline from competition from natural gas.
- On close examination Trump finds that the Paris Climate Agreement has no teeth so there is little he is required to do about it. He rolls back Obama Clean Power Plan, but as many states were already investing in clean and cheaper wind and solar energy he finds he can just stay mum on the issue.
- As Trump meets more world leaders, he enjoys the attention and power of U.S. influence. His deal-making instincts rise and he decides he wants to reshape the position of the U.S. in the world to allow more responsibility to other nations (as he thinks this will save the U.S. taxpayer and he feels his supporters don't want the U.S. as the world's policemen).

In 2020 as Trump decides to seek reelection, he is characterized in the press as being a globetrotting executive who leaves the management of details to his underlings. He kicks off his re-election campaign with the slogan, "America—First in the World." Whether he wins again now depends on whether he can convince his 2016 coalition to back him based on his economic policies and their success in delivering jobs for them. He argues that he is the only one who can complete the work he has begun and restore America to a dominant world leadership position based on smart deals and freeing our great companies to compete.

Possible Early Indicators: Pressure from powerful and influential corporate and technology leaders cause Trump to shift positions; polices already in place lead to job growth in key Midwestern States allowing Trump room to maneuver on promises; Trump compromises and recognizes climate risks.

SCENARIO MATRIX
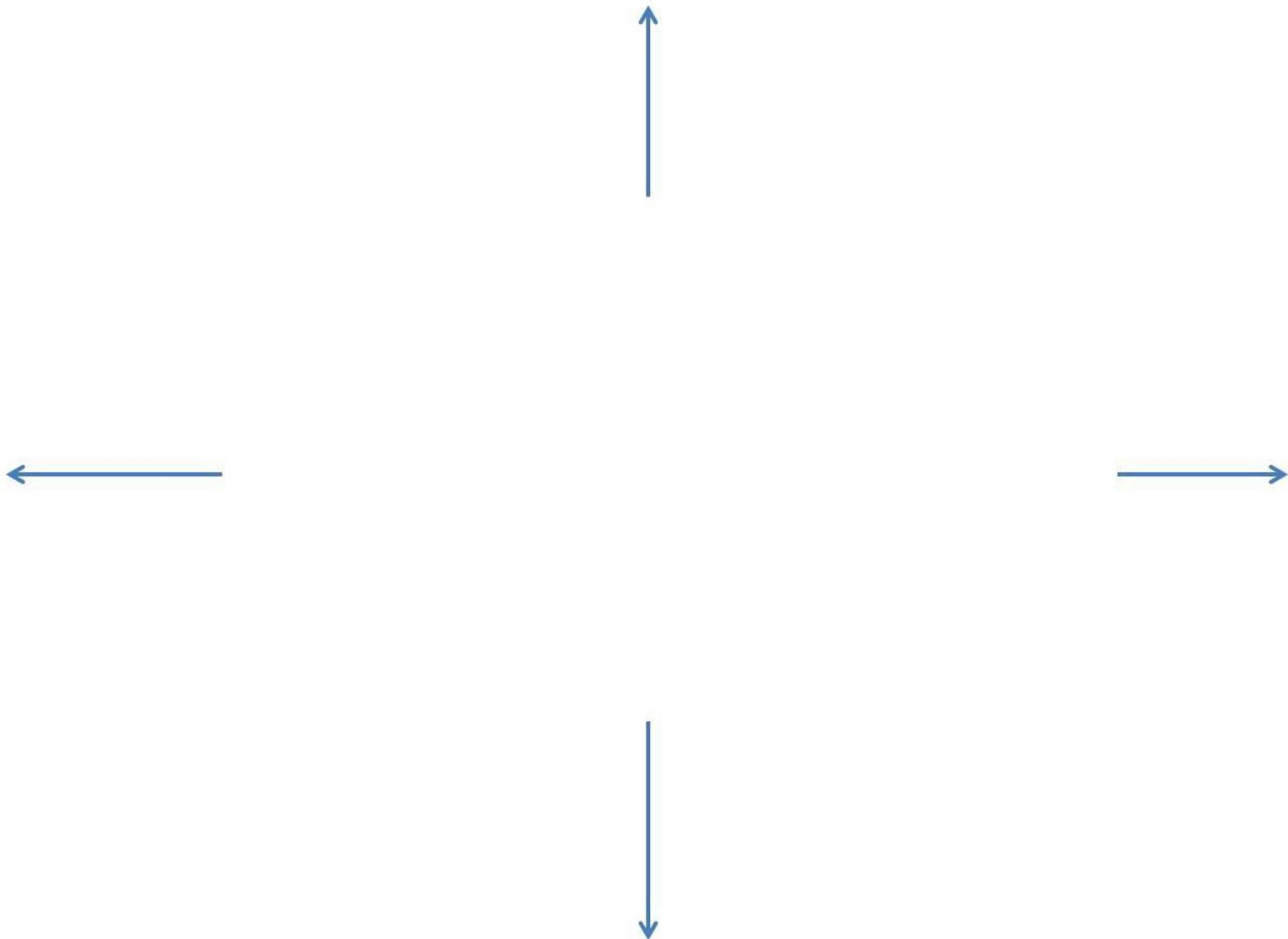
QUESTIONS:

ISSUES:

KEY DRIVERS/TRENDS:

Horizontal Axis Driver

Vertical Axis Driver

WILD CARDS

EARLY INDICATORS

NW SCENARIO:

NE SCENARIO

SW SCENARIO:

SE SCENARIO:

Explanation of key decision or strategy:
Scenario 1 risk assessment
Scenario 2 risk assessment
Scenario 3 risk assessment
Scenario 4 risk assessment
Cross scenario assessment
Movement among scenarios assessment