Marubeni Washington Report

The 2026 U.S. Midterms

A Referendum on Trump's Second Presidency and the Fight Over the Final Two Years of His Administration

Marubeni America Corporation Washington Office
So Uehara, Senior Government and International Affairs Manager
uehara-so@marubeni.com

- The 2026 midterms are shaping up to be the first nationwide referendum on Trump's second presidency and the broader governing model that has emerged around it.
- Historical midterm dynamics, declining approval ratings, inflation concerns, and fallout from the Iran war have created a political environment that should favor Democrats, particularly in the House.
- Republicans are attempting to offset these headwinds through aggressive mid-decade redistricting, potentially limiting Democratic gains despite an unfavorable national environment.
- The House remains Democrats' clearest opportunity to constrain Trump's second-term agenda through oversight, investigations, and control over spending, while the Senate map remains structurally more favorable to Republicans
- The 2026 elections will shape not only the final two years of Trump's presidency, but also the political infrastructure of the next decade, including redistricting, election administration, and the future direction of both parties ahead of 2028.

The 2026 midterm elections are shaping up to be far more than a routine contest for control of Congress. They will serve as the first real national referendum on Donald Trump's second presidency and on the direction of the country after one of the most politically volatile periods in recent U.S. history.

Unlike presidential elections, which often revolve around competing visions for the future, midterms tend to function as a judgment on the party already in power. Voters are not choosing a new president in 2026. Instead, they are deciding whether they want to reinforce or constrain the political trajectory that has taken shape since Trump returned to office in January 2025.

The 2026 elections will be the first nationwide electoral test since the Iran war and the resulting spike in geopolitical tensions and energy prices. They will also take place against the backdrop of renewed inflation concerns, growing public frustration over affordability, escalating immigration enforcement measures, and increasingly aggressive assertions of executive authority by the White House. At the same time, the legal and political landscape surrounding congressional redistricting has shifted substantially following recent Supreme Court rulings involving the Voting Rights Act (VRA), opening the door to an unusually aggressive round of mid-decade redistricting battles across several Republican-controlled states.

The 2026 midterms are shaping up to be a test not just of Trump's popularity, but of the durability of the broader governing model that has emerged around him.

What are Midterm Elections?

(1) Mechanics of Midterm Elections

A quick refresher on the mechanics of U.S. midterms. Every seat in the House of Representatives is up for election every two years, meaning all 435 House seats will be contested in 2026. In the Senate, roughly one-third of the chamber comes up for election every cycle, meaning either 33 or 34 of the Senate's 100 seats will be contested depending on the class of senators involved. In addition, most states will hold gubernatorial elections. 36 governorships are up this cycle, including several in

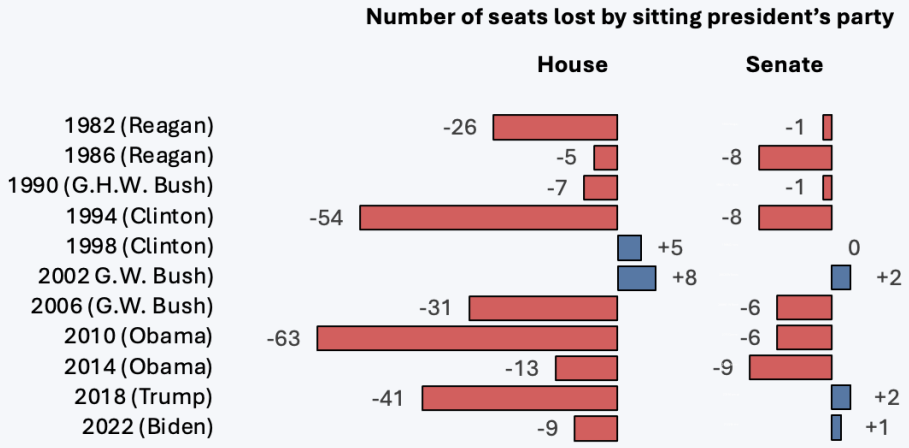
politically important swing states.

(2) Incumbents' Disadvantage

Historically, midterms are notoriously difficult for the party that controls the White House. Since World War II, the president's party has lost an average of roughly 26 seats in the House during midterm elections. Senate losses are usually smaller but still significant. The underlying dynamic is fairly straightforward: the president dominates the political environment, public frustrations accumulate over time, and voters who are dissatisfied become more motivated to turn out than those who are relatively content.

Midterms Historically Punish the President's Party

The president's party has historically lost House seats in most midterm elections, reflecting voter backlash, turnout dynamics, and growing dissatisfaction with the governing party.



Source: based on publicly available information

(3) Second Midterms Tend to be Even Harsher for the Sitting President

In George W. Bush's second midterm election in 2006, Republicans lost control of both chambers of Congress amid growing public backlash over the Iraq War and broader dissatisfaction with the administration. Barack Obama's Democrats suffered a devastating House defeat in 2010, driven by economic anxiety and the rise of the Tea Party movement. Trump himself experienced a major setback in 2018, when Republicans lost 41 House seats during his first midterm, although favorable Senate map dynamics allowed Republicans to actually gain seats in the upper chamber.

Technically speaking, 2026 functions as Trump's "second midterm," even though his two terms were not consecutive. That distinction matters politically because many of the structural dynamics associated with second-term presidencies are already visible: voter fatigue, intensifying polarization, declining presidential approval ratings, and growing anxiety within the president's own party about the post-Trump future.

(4) What Does it Mean for Republicans?

That does not necessarily mean Republicans are destined for a historic defeat. In fact, one of the defining stories of the 2026 cycle may be the extent to which Republicans have attempted to structurally insulate themselves from a hostile political environment through aggressive redistricting and institutional hardball. But it does mean that the GOP enters the cycle fighting against both history and political gravity.

The central question of 2026, then, is not simply whether Republicans will lose seats. The real question is whether the political system that has emerged during Trump's second presidency is resilient enough to withstand the kind of backlash that has historically overwhelmed incumbent parties during periods of political exhaustion and economic strain.

The Political Environment in 2026

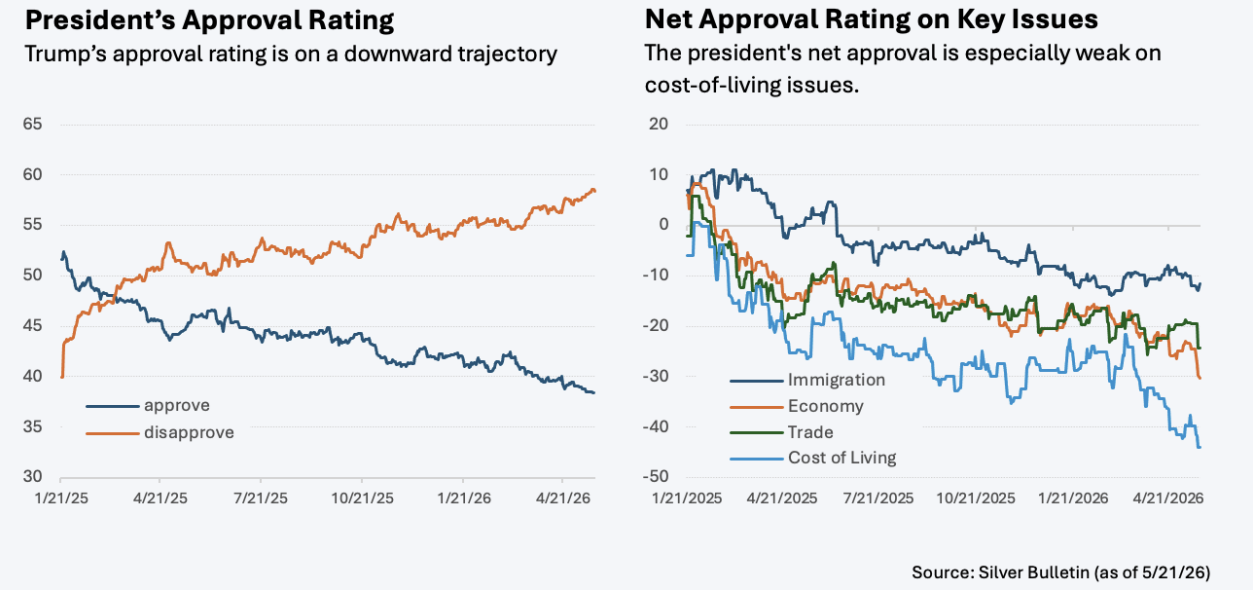
The political environment should favor Democrats. Trump is unpopular, voters remain frustrated by the cost of living, the Iran war has added another layer of uncertainty, and history is usually brutal to the president's party in midterm elections.

But that does not mean 2026 is guaranteed to become a Democratic wave.

Elections are not decided by national mood alone. They are decided district by district, state by state, shaped by turnout, candidate quality, redistricting, retirements, and whether each party can hold its coalition together. The better way to think about 2026 is therefore not as a simple referendum, but as a contest between two forces: a hostile national environment for Republicans and the structural and political weaknesses that may prevent Democrats from fully capitalizing on it.

(1) Trump's Popularity

The biggest Republican problem is obvious: Trump is unpopular. That matters because midterms are usually a referendum on the sitting president, and Trump remains the center of gravity in American politics. Republican candidates can try to localize their races, but many voters will treat 2026 as a chance to either endorse or restrain Trump's second term. Silver Bulletin's approval-rating aggregate shows a steady downward trend, with the president's net approval especially weak on cost of living, the issue voters consistently rank as most important.



The danger for Republicans is not simply that Democrats dislike Trump. That has been true for years. The more serious problem is slippage among independents and softer Republican voters. A Reuters/Ipsos poll[1] released in May 2026 put Trump's approval among independents falling from 44%

[1] Reuters/Ipsos Poll was conducted online 5/15-18. 1,271 adults nationwide. Margin of error of 3 percentage points. (link)

in January 2025 to 25% in May 2026. Similarly, support among Republicans have declined from 91% to 79% in the same period.

(2) Structural Headwinds

The second Republican problem is history. As noted above, midterms are usually bad for the party that holds the White House and Republicans in 2026 are no exception. Second midterms are often worse. By this point, the glow of victory from 2024 has faded, governing tradeoffs have accumulated, and dissatisfied voters are usually more motivated than satisfied ones.

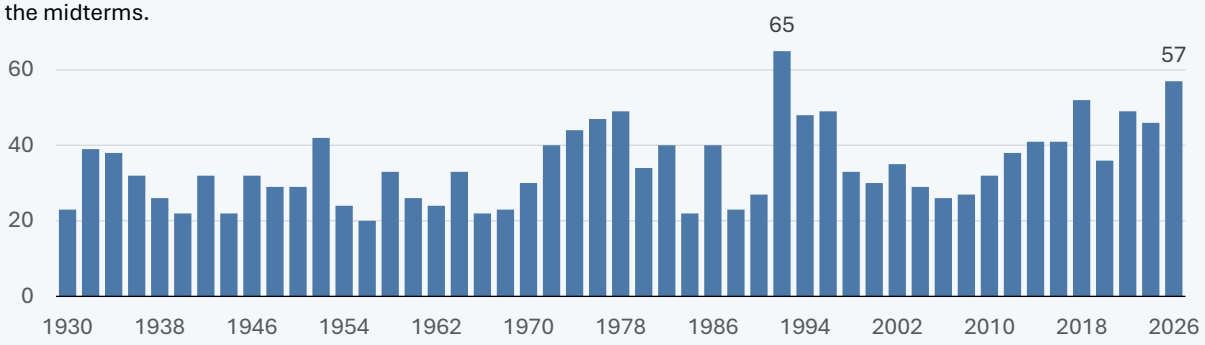
Trump's first midterm in 2018 produced a 41-seat Republican loss in the House, driven in large part by suburban backlash. That suburban pattern remains important. Democrats have made major gains in the Trump era among college-educated suburban voters, especially women. These voters are not necessarily progressive, but they have repeatedly shown a willingness to vote against Trump-aligned Republicans when they view the party as too chaotic, too extreme, or too dismissive of institutional norms.

Retirements add another warning sign. According to Brookings[2], the current tally shows 57 House incumbents not seeking reelection in 2026, including 36 Republicans and 21 Democrats. That is the largest number of House retirements since the 1992 cycle. Open seats are usually harder to defend because incumbents bring name recognition, fundraising networks, local relationships, and a record of constituent service.

Some of these retirements are not alarming. Members retire for personal reasons, run for higher office, or leave safely partisan districts. But a large retirement wave can still signal deeper problems: frustration with Congress, pessimism about serving in the minority, or anxiety about the political climate.

House Retirements Surge Ahead of 2026 Midterms

A wave of departures not seen since 1992 is expanding the number of competitive open-seat races ahead of the midterms.



Source: Brookings

(3) Democratic Vulnerabilities

Democrats have a real opening. But they also have real weaknesses. Their biggest challenge is coalition management. The anti-Trump coalition is broad, but it is not especially cohesive. It includes progressives, moderates, suburban professionals, young voters, Black voters, Latino voters, union households, college graduates, and disaffected independents. These groups may agree on opposing

[2] Brookings Institution. (link)

Trump, but they do not always agree on immigration, crime, foreign policy, climate, policing, taxation, or cultural issues.

That matters because midterms depend on turnout. Democrats cannot assume presidential year voters will automatically show up. Young voters are a particular uncertainty. Economic frustration can help Democrats if young voters blame Trump and Republicans. But it can also hurt Democrats if those voters conclude that politics itself is broken and simply stay home.

Democrats also continue to face problems with working-class voters. This is no longer only a white working-class issue. In parts of Texas, Florida, Nevada, and the industrial Midwest, Republicans have made gains among Latino and non-college voters who once leaned more reliably Democratic. The shift is uneven and often overstated, but it is real enough that Democrats cannot assume demographics will do the work for them.

The Hispanic vote is especially complicated. Latino voters in California, South Texas, South Florida, Arizona, Nevada, and the Northeast do not behave as one bloc. Their preferences vary by region, generation, country of origin, religion, class, and local economic structure. Democrats may improve with Latino voters in some places while continuing to struggle in others.

Crime and cultural issues are another vulnerability. In deep-blue districts, progressive positions may carry little political cost. In swing districts, they can become liabilities if Republicans successfully frame Democrats as inattentive to public safety, border control, or middle-class concerns.

There is also the familiar progressive-moderate tension. If Democrats run too far left in competitive districts, they risk alienating suburban and working-class swing voters. If they run too cautiously, they risk depressing enthusiasm among younger and more progressive voters.

The anti-Trump message can be powerful. It worked in 2018. But it is not a complete governing message. Democrats still need to persuade voters that they have answers on prices, housing, immigration, public safety, and political dysfunction.

Redistricting and The Battle for the House

The House is the most realistic place for Democrats to put a meaningful check on Trump's second term. A Democratic House would not let Democrats govern, but it would give them subpoena power, committee gavels, leverage over spending bills, and the ability to turn the final two years of Trump's presidency into a much more constrained and investigative phase.

That is why redistricting became so important. Republicans entered the cycle facing a political environment that would normally put their House majority in serious danger. They could try to improve the national environment, but they could not control whether inflation eased, whether the Iran war faded, or whether Trump's approval recovered before Election Day. So they turned to something they could control more directly: the electoral map.

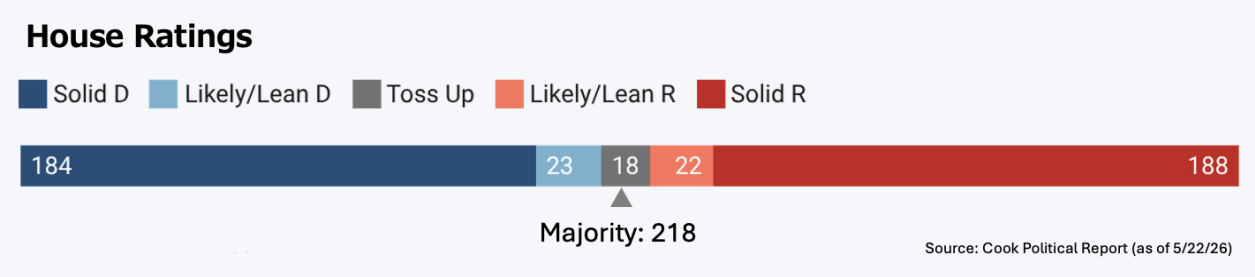
The central question of the House election is not simply whether Republicans will lose seats. In a hostile national environment, they probably will. The real question is whether they can engineer enough favorable districts to survive the backlash.

(1) Why Redistricting Made Sense for Republicans

Redistricting is not new. Both parties use it when they have the power. What is notable this time is the timing and intensity.

Congressional districts are normally redrawn once every ten years after the census. But ahead of 2026, Republicans have pushed a more aggressive mid-decade strategy: revisit maps before the next census, reduce Democratic opportunities, and protect vulnerable GOP seats.

The House is particularly susceptible to the effects of these kinds of maneuvers because control of the chamber can hinge on the outcome of just a small number of districts. According to Cook Political Report's current analysis, Democrats hold 207 seats rated as safe, likely, or lean Democratic, while Republicans hold 210 seats in the equivalent categories, leaving just 18 toss-up seats. In other words, only a small fraction of the 435 House districts are truly competitive, and the outcome in those districts could determine control of the House majority.



Republicans do not need to transform the whole country. They only need to improve their position in enough places to offset expected losses. One redrawn seat in Louisiana, another opportunity in Alabama, a tweak in Tennessee, or a more aggressive map in Florida or Texas could make the difference between losing the House and narrowly keeping it.

Redistricting is therefore both defensive and offensive. It can shore up incumbents, reduce the number of competitive seats, and turn a bad political environment into a more survivable one.

(2) The Legal Opening

This strategy has also been aided by changes in the legal environment. At the federal level, the Supreme Court has largely permitted partisan gerrymandering (the practice of drawing district lines to advantage a particular political party) by holding that claims involving purely partisan gerrymandering constitute political questions beyond the role of federal courts to decide. While state courts may still invalidate maps under state constitutions, federal law does not automatically prohibit district maps simply because they are designed to benefit one political party.

The major remaining constraint, however, has been race. Section 2 of the Voting Rights Act prohibits electoral systems and practices that dilute the voting power of minority voters. In the context of redistricting, this provision has served, particularly in Southern states, as the legal basis for requiring the creation of "majority-minority districts" or "minority opportunity districts" to ensure that Black voters are not fragmented across multiple districts in ways that diminish their political influence.

This framework has imposed meaningful limits on Republican mapmaking efforts. Republicans can argue that their maps are driven by partisan rather than racial considerations. However, if the practical effect of a map is to weaken minority voting power, it can still be challenged under the Voting Rights Act.

The Supreme Court's 2023 ruling in Allen v. Milligan initially appeared to preserve this Section 2 framework. However, the Court's April 2026 decision in Louisiana v. Callais significantly altered the landscape. In that case, the Supreme Court ruled that Louisiana's revised congressional map, which created two Black-majority districts, constituted an unconstitutional racial gerrymander because the

state had relied too heavily on race in drawing the districts, in violation of the Equal Protection Clause of the Fourteenth Amendment.

The Court further narrowed the circumstances under which states may rely on race-conscious districting to comply with Section 2 of the Voting Rights Act. The majority reasoned that because Section 2 did not require Louisiana to adopt the challenged map, the state could not justify using race as the predominant factor in drawing the districts. In practice, the ruling makes it substantially more difficult for states to defend majority-minority or minority opportunity districts on Voting Rights Act grounds alone.

The ruling has provided Republican-controlled Southern states with new legal room to revisit certain minority opportunity districts that had previously been viewed as necessary under the Voting Rights Act.

(3) Mid-Decade Hardball

The result has been a new round of redistricting hardball. In Louisiana, Republicans moved to eliminate one of the state's two majority-Black districts after the Supreme Court decision. Other GOP-controlled states began examining whether their own maps could be reopened. The objective is clear: reduce Democratic opportunities, protect Republican incumbents, and offset the expected midterm backlash.

This is not only about race, and it is not only about partisanship. It is about how the two interact.

In much of the South, Black voters overwhelmingly support Democrats. A district drawn to preserve Black voting power may also create a Democratic seat. Conversely, a map that weakens Black voting power may also help Republicans. The legal fight is often framed in constitutional terms, but the partisan stakes are obvious.

Redistricting Expected to Yield More Seats to Republicans

Both parties are pursuing aggressive redistricting strategies ahead of the 2026 midterms, though current efforts appear structurally more favorable to Republicans.

Republican Opportunities

State	Expected Shift	Status
Texas	R+3~5	Enacted
North Carolina	R+0~1	Enacted
Ohio	R+0~2	Enacted
Missouri	R+1	Enacted
Florida	R+1~4	Enacted
Tennessee	R+1	Enacted
Louisiana	R+1	New map introduced
Alabama	R+0	Blocked by federal court. Appealed to Supreme Court
South Carolina	R+0	SC Senate fails to move bill
Total	**R+7~16**	

Democratic Opportunities

State	Expected Shift	Status
California	D+3~5	Enacted
Utah	D+0~1	Enacted
Virginia	D+0	Invalidated by State Supreme Court
Total	**D+3~6**	

Source: Cook Political Report

Republicans do not need every redistricting effort to succeed. They only need enough of them to change the House math. It appears that they have largely succeeded. According to Cook Political Report, in a best-case scenario for Republicans, the new maps would result in 16 Republican pick-

ups and 5 for Democrats, netting 11 seats for the Republicans. A best-case scenario for Democrats would result in Republicans and Democrats picking up 7 and 6 seats respectively, netting Republicans 1 seat.

(4) The Limits of the Strategy

Redistricting is a powerful tool, but it is not a cure-all. Aggressive maps designed to maximize Republican gains by spreading GOP voters across multiple districts can backfire if the national environment deteriorates, potentially turning seats that once appeared safe into competitive races.

In addition, political and judicial constraints on redistricting still remain. In South Carolina, the Republican-controlled state Senate declined to take up the redistricting proposal sought by President Trump. The episode illustrates that even in Republican-controlled states, Trump's preferences are not automatically implemented, as election timing, procedural concerns, and internal legislative dynamics can complicate or delay such efforts.

On the judicial front as well, Republican-favored maps are not always upheld. In Alabama, following the Supreme Court's recent Voting Rights Act ruling, state officials attempted to revert to a 2023 congressional map that would reduce the number of Democratic-leaning Black-majority or opportunity districts to one. However, on May 26, a federal district court blocked the state from using that map in the 2026 elections and ordered Alabama to use a map containing two districts in which Black voters either constitute a majority or come close to doing so. Alabama Attorney General Steve Marshall has since filed emergency applications with the U.S. Supreme Court seeking a stay of that preliminary injunction. The case demonstrates that even if recent Supreme Court decisions have expanded state discretion, Voting Rights Act constraints can still apply when courts determine that racial vote dilution or intentional discrimination is present.

At the same time, Democrats are not standing still. In response to Republican-led redistricting efforts, Democrats have also moved toward more openly partisan remapping in several states. In California, a new congressional map favorable to Democrats was approved, potentially placing several Republican-held seats within Democratic reach. In Utah, a state court rejected a map designed to help Republicans maintain all four congressional seats, and a new map more favorable to Democratic competitiveness in at least one district was adopted.

That said, Democratic countermeasures face significant limitations. States dominated by Democrats are often constrained by independent commissions or state constitutional provisions, leaving less room for aggressive remapping than in Republican-controlled states. If the national political environment shifts strongly enough in Democrats' favor, candidate quality remains high, turnout rises, and Republican maps become overly aggressive, Democrats could still reclaim the House majority. Nevertheless, the asymmetry remains important: Republicans continue to control many of the states where additional seats can realistically be gained through redistricting.

Senate and Governor Landscape

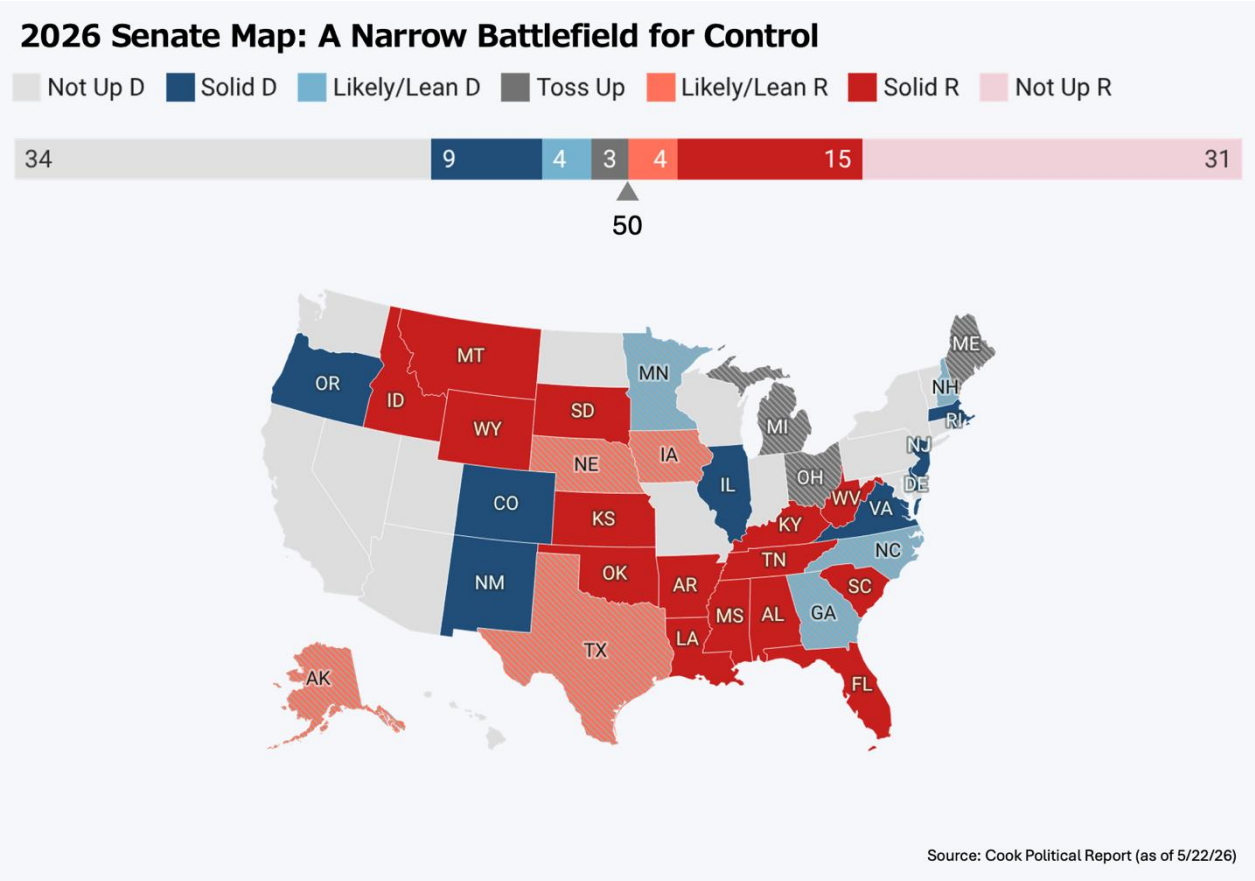
If the House is the main battlefield of 2026, the Senate and governor races are the second layer of the story. They matter for different reasons.

The Senate will determine whether Democrats can do more than investigate Trump. A Democratic House alone could slow him down, issue subpoenas, and complicate the final two years of his presidency. But without the Senate, Democrats would still have limited ability to block nominees, shape legislation, or exert full congressional leverage over the administration.

Governor races matter in a different way. They are not just about state policy. They are about the political infrastructure of the next decade: election administration, abortion policy, energy regulation, Medicaid, education, emergency powers, and, eventually, the next round of redistricting after the 2030 Census.

So while the House may get the most attention, the Senate and governor races will tell us something equally important: whether 2026 is a narrow anti-Trump correction, or a broader shift in political power across federal and state institutions.

(1) The Senate: Important, but Harder for Democrats



The Senate map is tougher for Democrats than the House map.

There are 35 Senate seats up in 2026: the 33 regularly scheduled Class II seats (elected in 2020), plus special elections in Florida and Ohio. Republicans currently hold a 53–47 majority, which means Democrats need a net gain of four seats to take control.

At first glance, the map looks promising for Democrats because Republicans are defending more seats: 23 Republican-held seats versus 12 Democratic-held seats, including independents who caucus with Democrats. But the problem is geography. Many of those Republican seats are in states that remain strongly red at the federal level. A bad national environment can make some of them more competitive, but Democrats would still need to win in places that have become increasingly difficult for the party.

That makes the Senate a harder climb than the House. Democrats can flip the House by winning a relatively small number of competitive districts. To win the Senate, they need a much more demanding state-by-state path.

The key races are likely to include Georgia, where Sen. Jon Ossoff is seeking reelection in a true battleground state; Ohio, where former Sen. Sherrod Brown is trying to win back a seat in a state that has moved sharply right; and Florida, where Democrats face a much steeper challenge in a state that no longer looks like the pure toss-up it once was. Texas could also become more competitive after Trump-backed Attorney General Ken Paxton defeated incumbent Sen. John Cornyn in the Republican primary, underscoring Trump's continued grip on the party but also raising concerns about candidate quality. Paxton's long record of legal, ethical, and personal controversies has led some Democrats and Republicans to argue that his nomination could put an otherwise Republican-leaning state into play. Even so, Texas remains a difficult target, and Democrats cannot rely on Republican infighting or a flawed GOP nominee alone.

Key 2026 Senate Battlegrounds

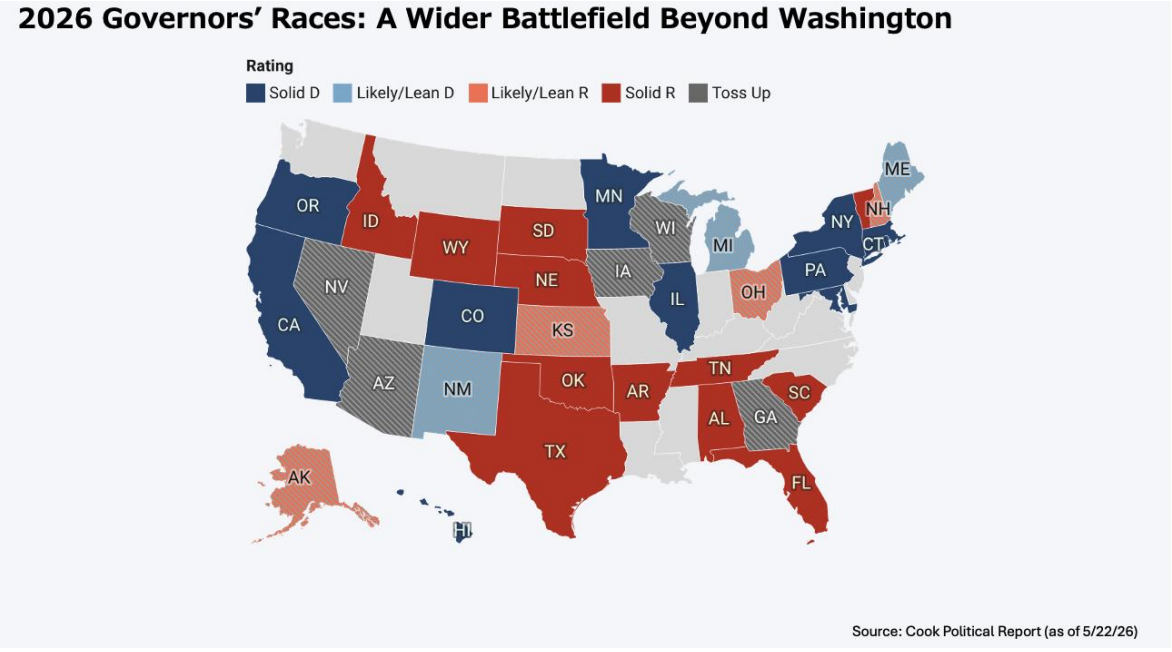
Several closely contested races are expected to play an outsized role in determining Senate control, particularly in open-seat contests and competitive Sun Belt and Midwest states.

State	Seat Type	Rating	Key Dynamic
Florida	GOP-Incumbent	Solid R	Rubio vacancy creates unusual special-election dynamics.
Georgia	Dem-Incumbent	Lean D	Ossoff faces one of Democrats' toughest defenses.
Maine	GOP-Incumbent	Toss Up	Collins remains highly vulnerable despite incumbent advantage.
Michigan	Open Seat	Toss Up	Major battleground after Peters retirement.
North Carolina	Open Seat	Lean D	Democrats view Roy Cooper candidacy as major opportunity
Ohio	GOP-Incumbent	Toss Up	Democrats targeting competitive special election environment.
Texas	GOP-Incumbent	Likely R	Trump backed Paxton's primary victory puts Texas in play.

The Senate story is therefore straightforward: Democrats may have opportunities if the national environment worsens for Republicans, but the chamber's geography still favors the GOP. A Democratic House is plausible. A Democratic Senate is possible, but it requires more things to break right at once.

(2) Governor Races: The Quiet Power Centers

Governor races may receive less national attention, but they are just as important for understanding the broader political landscape. There are 36 governorships up in 2026, with Democrats and Republicans each defending 18. That gives the gubernatorial map a different character from the Senate map. In the Senate, Democrats are trying to overcome a Republican structural advantage. In governor races, both parties have real exposure.



Governors matter because they are where national politics becomes operational. They shape abortion access, Medicaid, energy policy, education, policing, emergency powers, election administration, and state-level economic development. They also matter for redistricting. After the 2030 Census, governors in key states may have the power to sign, veto, or influence the next round of congressional maps.

That makes the 2026 governor races part of a longer political fight. They are not just about who controls state capitals for the next four years. They are also about who controls the infrastructure of elections, policy implementation, and redistricting heading into the next decade.

The key states to watch include Pennsylvania, Michigan, Wisconsin, Georgia, Arizona, Nevada, Florida, and Ohio. Some are presidential battlegrounds. Some are redistricting battlegrounds. Some are both.

Key Gubernatorial Battlegrounds

Open-seat contests in several swing states are expected to test both parties' gubernatorial bench strength ahead of the 2028 presidential cycle.

State	Seat Type	Rating	Key Dynamic
Florida	Open Seat	Solid R	Republicans start favored in a solidly red state, but the open race still matters because it will test the GOP bench in a large, high-profile state.
Georgia	Open Seat	Toss Up	Brian Kemp is term-limited, making this an open-seat race that both parties view as a top-tier battleground.
Michigan	Open Seat	Lean D	Gretchen Whitmer is term-limited, leaving an open seat in a true swing state that is expected to be one of the cycle's most competitive contests.
Ohio	Open Seat	Lean R	Mike DeWine is term-limited, and the race is expected to lean Republican, though Democrats will try to keep it competitive in a state that has grown redder.
Pennsylvania	Dem-Incumbent	Solid D	Josh Shapiro is running for reelection, and Democrats begin with an incumbent advantage in a state they will aim to hold comfortably.
Wisconsin	Open Seat	Toss Up	Tony Evers is retiring, creating another open race in a perennial battleground where both parties see a real path to victory.

Several themes will shape these races. Many will be open seats, which makes them more volatile and candidate-driven. Many will become nationalized, turning state races into proxy fights over Trump, abortion, immigration, voting rules, crime, and control of government. And several will test the parties' future benches ahead of 2028, especially in large and competitive states.

What Is at Stake

The 2026 midterms will decide the final phase of Trump's presidency.

If Republicans hold Congress, Trump can claim vindication and push ahead with his second term agenda. If Democrats win the House, he enters a more constrained phase defined by investigations, spending fights, and a narrower legislative path. If Democrats win both chambers, the result would signal a much broader rejection of his second term direction.

(1) Trump's Legacy Project

Trump is term-limited, which changes the logic of his presidency. He is no longer trying to win another term. He is trying to define the one he has left. That makes 2026 a referendum not only on Trump's popularity, but on his legacy project: immigration, tariffs, executive power, Iran, NATO, territorial ambitions, or a broader reshaping of the federal government.

The midterms matter more for some goals than others. Presidents have wide latitude in foreign policy, so losing the House would not necessarily stop Trump from pursuing a more aggressive international agenda. But domestic transformation requires Congress. Tax cuts, entitlement changes, immigration funding, defense spending, housing policy, and energy permitting all depend on legislation, appropriations, or reconciliation. If Republicans keep Congress, Trump still has a legislative runway. If Democrats win the House, that runway narrows sharply.

(2) The Lame-Duck Risk

The danger for Trump is not just losing seats. It is losing fear. Trump's hold on the Republican Party remains strong, and one bad election would not automatically break it. But term-limited presidents weaken over time, especially after a major midterm defeat. Lawmakers begin thinking about the next presidential cycle. Ambitious successors start positioning themselves. Members in difficult districts become less willing to take hard votes for a president who will not be on the ballot again.

In practice, that is what lame-duck status looks like. Not a sudden collapse, but a gradual erosion of discipline. A narrow Republican hold would preserve Trump's leverage. A modest loss would weaken him but not necessarily break his grip on the party. A historic defeat would be different. It could suggest that Trumpism remains powerful, but Trump himself is no longer the unquestioned center of gravity.

(3) Oversight and investigations

If Democrats take the House, the most immediate consequence would be the activation of congressional oversight. Committee gavels and subpoena power would allow Democrats to put not only administration officials under scrutiny, but also private companies, contractors, and donor networks seen as tied to the administration.

The potential scope of investigations would be broad: executive and emergency powers; immigration enforcement and detention operations; data-sharing and government contracting; tariffs, exemptions, and regulatory favoritism; and sectors tied to cost-of-living pressures, including energy, utilities, healthcare, housing, food, insurance, and consumer finance. Investigations could also extend to corruption, cryptocurrency ventures, foreign government ties, politically connected firms, and unresolved scandals including matters related to Jeffrey Epstein.

For businesses, the key risk may not be legislation. Even without the ability to pass major laws, a Democratic House can use hearings and document requests to pressure companies and shape public narratives. For firms perceived as close to the administration, involved in government contracting, or linked to affordability controversies, congressional scrutiny itself can quickly become reputational, legal, and commercial risk.

Of course, not every investigation will uncover serious wrongdoing, and some probes are likely to be heavily partisan or exaggerate underlying issues. Nevertheless, intensified congressional oversight would consume the administration's time and resources while shifting media and public attention. Businesses, too, would need to consider the possibility that policy engagement and business strategies previously pursued through relationships with the executive branch could suddenly become subject to congressional scrutiny.

(4) Foreign policy constraints

Foreign policy is where presidents are strongest, but Congress still matters. Trump could continue to pursue much of his foreign policy agenda even with a Democratic House. But Congress can create friction through hearings, appropriations, reporting requirements, and restrictions on funding.

That matters for the Iran war, NATO, Ukraine, sanctions, export controls, tariff policy, and military operations. A Democratic House could investigate intelligence assessments, targeting decisions, war powers compliance, diplomatic backchannels, and the role of contractors or companies tied to U.S. policy.

On NATO, Congress has already tried to prevent a president from formally withdrawing without legislative approval. But Trump could still weaken the alliance in practice by questioning Article 5, reducing exercises, delaying commitments, or drawing down forces.

A Democratic House could not fully stop him. But it could raise the political cost.

(5) The reconciliation agenda

The domestic stakes are more direct. If Republicans hold the House and Senate, reconciliation remains the main vehicle for major partisan legislation. That could include immigration enforcement funding, border security, defense spending, tax provisions, entitlement changes, anti-fraud initiatives, energy provisions, or cuts to Democratic priorities. If Democrats win the House, that path largely closes.

Republicans could still act through executive orders, regulation, litigation, and agency discretion. But the second half of Trump's term would become less legislative and more executive-driven: oversight fights, court battles, shutdown brinkmanship, and foreign policy confrontation.

2026 and Beyond

The 2026 midterms will not decide whether Trump remains president. They will decide what kind of president he can be for the final two years. If Republicans hold Congress, Trump can claim a mandate and push his second term agenda further. If Democrats win the House, the administration enters a more constrained phase defined by oversight and institutional friction. If Democrats win both chambers, the result becomes a broader repudiation of his second term direction.

In that sense, 2026 is not simply a fight over seats. It is a fight over whether the final two years of Trump's presidency become a period of consolidation, constraint, or gradual unraveling.

At the same time, it is an election that will offer early signals about the post-Trump Republican Party, the Democratic Party's capacity to govern, and where American politics settles next. The outcome of 2026 will not only shape the back half of Trump's second term. It is likely to become the starting point for the political battles of 2028 and beyond.

Marubeni America Corporation Washington Office

1717 Pennsylvania Ave., N.W., Suite 375, Washington, DC 20006
https://www.marubeni.com/jp/research/

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