

# Impact of New Presidential Primary Calendar: Measuring the Economic Benefit to Georgia

*Estimate: Campaigns generate nearly \$220 million and create over 2,200 jobs in 2024 alone. Study does not account for additional revenue from media organizations, associated industries, nor increased federal investment common in early primary state economies.*

Thomas More Smith, Ph.D<sup>1</sup>

## Executive Summary

Since the Democratic National Committee (DNC) voted to approve a new early presidential primary calendar that includes Georgia, local industry leaders have offered insight into how such a change would benefit the state economically.<sup>2</sup> This move is also gaining some traction from local political leaders.<sup>3</sup> But up until this point, there has been no formal study of the potential economic impacts of an earlier primary in Georgia. This report seeks to project just some of the economic impact of an earlier primary by analyzing past campaign and committee spending trends in previous early primary states, offering a glimpse of what Georgia and Georgians stand to gain from moving the state's presidential primary date earlier.

This economic report finds that Georgia's position as fourth in the presidential primary lineup could have a sizable economic impact on the state, to the tune of nearly \$220 million in campaign and committee spending spread out over the course of several months leading up to the 2024 presidential primary. This projection accounts only for the effects of spending by three groups of agents – candidates, national and regional committees for political parties, and political action committees – whose past spending is publicly available.

Using publicly available Federal Election Commission (FEC) data, I forecast the average spending, earned wages, tax revenue, and new jobs that would be generated in Georgia during the 2024 presidential primary per candidate/campaign. This report details two potential scenarios with unique configurations for the presidential primary field in 2024 and future elections. In the most likely scenario, which includes 11 Republican candidates and 1 Democratic candidate, I estimate an early presidential primary in Georgia to generate \$111 million in additional output, \$97 million in additional earnings, and \$11.9 million in additional tax revenue while creating at least an additional 2,200 jobs.

This report does not project the added economic impact of spending by media organizations, whose presence in early primary states is typically substantial. It also does not account for the indirect economic impact generated by the vast exposure. The state's top industries – agriculture, technology, and manufacturing – would likely gain as a result of Georgia being in the early primary lineup. This report also does not account for how the political spotlight brought on by an early presidential primary would affect economic investments and federal funding decisions made both by elected officials with presidential

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<sup>1</sup> Goizueta Business School, Emory University. Any errors in calculations are my own. Any implied position from this research does not reflect the position of Emory University or the Goizueta Business School.

<sup>2</sup> Georgia Public Broadcasting. "An earlier presidential primary could be a boon for Georgia's economy" (January 21, 2023). <https://www.gpb.org/news/2023/01/21/earlier-presidential-primary-could-be-boon-for-georgias-economy>

<sup>3</sup> USA Today. "Top Georgia Election Official Backs Early Primary for State in 2028, not in 2024 as Biden Proposes" (February 6, 2023). <https://www.usatoday.com/story/news/politics/elections/2023/02/06/georgia-election-official-raffensperger-backs-early-primary-2028/11196288002/>

ambitions and by presidents maintaining campaign pledges once they reach office<sup>4</sup>. As such, the projected economic impact from campaign and committee spending outlined in this report represents a small portion of a potentially larger overall economic impact of Georgia moving its presidential primary date earlier.

**TABLE 1: THE POTENTIAL ECONOMIC IMPACT OF AN EARLY 2024 GEORGIA PRESIDENTIAL PRIMARY (OUTPUT, EARNINGS, AND TAX REVENUE IN \$1,000)**

	Scenario A			Scenario B		
	Direct Impact	Indirect & Induced Impact	Total Impact	Direct Impact	Indirect & Induced Impact	Total Impact
Output	\$47,958	\$63,203	\$111,161	\$86,118	\$113,499	\$199,617
Earnings*	\$51,476	\$43,379	\$97,029	\$93,516	\$78,807	
Tax Revenue			\$11,970			\$21,600
Employment*	1,193	1,030	2,274	2,168	1,871	4,134

(Source: Author’s calculations based on FEC data trends)  
 \*The total impact for earnings and employment includes the total effects for PAC spending of between \$1.08 – \$2 million.

**I. Introduction**

The 2020 Georgia Democratic and Republican presidential primaries took place on June 9, 2020<sup>5</sup>, nearly three months after Joe Biden took a commanding lead in delegates and two months after Bernie Sanders officially dropped out of the race. The fact that President Donald Trump was essentially running unopposed in the Republican primary and that Biden formally secured enough delegates to win his party’s nomination on June 2 rendered the Georgia primary inconsequential. As such, campaigns of either party invested little to no time or money in Georgia during the primary season.

However, significant resources were deployed in the four states that held the earliest primaries (henceforth referred to as “early states”) – Iowa, New Hampshire, Nevada, and South Carolina. These states have special clearances from both parties to hold their presidential primaries earlier than all other states, making them the proving ground for presidential hopefuls and therefore the main recipients of investments from presidential campaigns.

In December 2022, the Democratic National Committee (DNC) approved a new order of five proposed early states to better reflect the country’s demographic makeup: South Carolina, Nevada, New Hampshire, Georgia, and Michigan.<sup>6</sup>

<sup>4</sup> Washington Post. “Presidents Keep Their Campaign Promises” (January 20, 2012). [www.washingtonpost.com/blogs/ezra-klein/post/presidents-keep-their-campaign-promises/2011/08/25/gIQAwCA9DO\\_blog.html](http://www.washingtonpost.com/blogs/ezra-klein/post/presidents-keep-their-campaign-promises/2011/08/25/gIQAwCA9DO_blog.html)  
<sup>5</sup> New York Times. “Georgia Postpones Its Primary As Virus Upends Voting” (March 14, 2020). [www.nytimes.com/2020/03/14/us/politics/georgia-primary-virus-2020.html](http://www.nytimes.com/2020/03/14/us/politics/georgia-primary-virus-2020.html); New York Times. “16 States Have Postponed Primaries During The Pandemic. Here is a List” (August 10, 2020). [www.nytimes.com/article/2020-campaign-primary-calendar-coronavirus.html](http://www.nytimes.com/article/2020-campaign-primary-calendar-coronavirus.html)  
<sup>6</sup> Politico. “DNC moves forward with dramatic change to presidential primary calendar” (December 2, 2022). <https://www.politico.com/news/2022/12/02/democrats-biden-2024-primaries-00071943>

Georgia’s position as fourth in the presidential primary lineup could bring sizable primary campaign spending to the state, to the tune of millions of dollars spread out over the course of several months leading up to the presidential primary. With competitive presidential primaries occurring every four years, Georgia’s inclusion among the early states could generate a consistent flow of significant investments to the state by way of spending, earnings, and tax revenue.

## **II. Estimating the Economic Impact of Changing the Timing of the Presidential Primary in Georgia**

This report provides an estimate of the economic impact of changing the timing of the 2024 presidential primary in the state of Georgia. The marginal benefit of changing the primary date is calculated as the difference between the benefit of hosting the primary on an early date (February 13, 2024) relative to hosting the primary on the previous date (around June 9, 2024).<sup>7</sup>

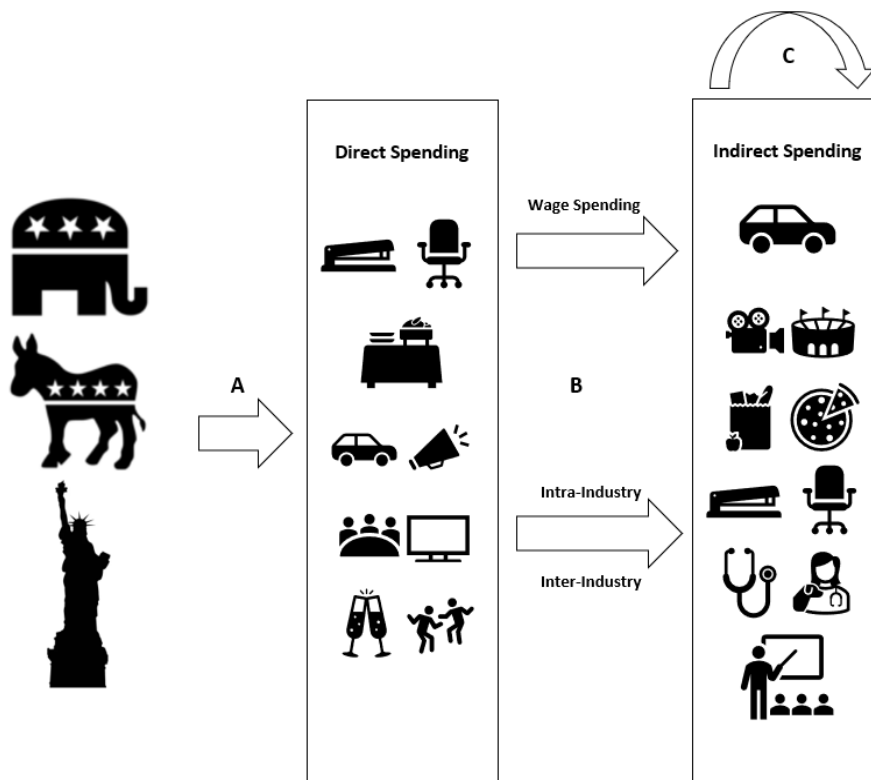
The economic benefits of holding an earlier primary would include the additional dollars spent by candidates, national committees, and political action committees on operating brick-and-mortar offices and their associated rents, supplies, catering, printing, and transportation; hosting campaign events, such as rallies and parties; and running print, television, radio, and digital advertising. There is little doubt that the media will also spend many additional dollars in Georgia covering the election, ranging from daily travel expenses to production costs associated with hosting large-scale events such as town halls and candidate forums. However, there are few resources to identify exactly how much the media spends on hotels, meals, travel, and other expenses while covering a candidate or groups of candidates. That said, the amount of money spent by the media would make the additional economic impact of an earlier primary even greater than the amounts identified in this report. Other sources of income not identified in this report, such as national committee spending on debates, for example, will likely have additional positive economic impact but are beyond the scope of this analysis.

As illustrated in Figure 1, political campaigns (Democrats, Republicans, Independents, and other candidates) spend money in a state by maintaining physical offices, hosting events, airing advertisements, and paying for food, supplies, transportation, and other goods and services. The event planning facilities or security services hired by the political agents in turn pay for transportation, equipment, housing, and other services. The dollars directly spent by the political agents (**A**: direct spending) become income for regional companies, which in turn spend money on the services they need (**B**: indirect and induced spending). The companies servicing those companies also spend money (**C**). Thus, the initial funds circulate through the economy and cause multiple waves of economic impact. The multiplicative nature of this spending creates more earnings, jobs, and economic activity than were originally placed into the system.

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<sup>7</sup> The primary for Georgia was originally scheduled for an earlier date for the 2020 presidential election but the calendar was altered to account for the COVID-19 pandemic: New York Times. “16 States Have Postponed Primaries During The Pandemic. Here is a List” (August 10, 2020). [www.nytimes.com/article/2020-campaign-primary-calendar-coronavirus.html](https://www.nytimes.com/article/2020-campaign-primary-calendar-coronavirus.html)

FIGURE 1: DIRECT, INDIRECT, AND INDUCED SPENDING THROUGH POLITICAL CAMPAIGNS



(Source: Author's diagram)

### III. Spending Patterns: Agents

There are three types of agents who will spend money in a primary campaign:

- Candidates for president
- National (and regional) committees for political parties
- PACs and super PACs that back a candidate and/or a political position

Based on spending patterns found on the FEC website, the candidates spend money on physical offices, staff for those offices, and the supplies and ancillary items to operate those offices. Candidates also spend considerable resources on rallies, events, and parties (including renting facilities, paying for security, and providing catering) and advertising across platforms (print ads, digital ads, television ads, and radio ads within a state or region of a state). The national committees spend money both directly and indirectly by contributing funds to state or local committees and organizing events like debates and candidate forums. Political Action Committees (PACs) spend money primarily on events and advertising. Additional low-level spending from national committees and PACs may go towards rent, staffing, and supplies, but these are not considered here.

**TABLE 2: TYPES OF SPENDING BY AGENT**

<b>Activity</b>	<b>Political Candidates</b>	<b>National Committees (DNC, RNC)</b>	<b>Political Action Committees</b>
<b>Brick and Mortar Offices</b>	X		
<b>Office Staff – FT &amp; PT</b>	X		
<b>Other Staff – FT &amp; PT</b>	X	X	
<b>Rallies &amp; Events</b>	X	X	X
<b>Advertisements</b>	X	X	X

(Source: Author’s analysis of FEC data trends)

The types of direct spending involved in operating a primary campaign in an early state are based on patterns that emerge in spending and operations for candidates and committees in early states from previous primary elections. Expenditures (disbursements) shown below are forecasts of spending amounts for 2024 using average disbursement amounts from previous candidates, national committees, and political action committees spending reported on the FEC website for the 2016 and the 2020 presidential primaries.<sup>8</sup>

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<sup>8</sup> FEC.gov. These are averages of the first three states in the primary calendar for 2016 and 2020 adjusted for 2020 dollars. I believe this is a reasonable forecast given the number of pledged delegates that are available in Georgia (105) relative to Iowa (49), New Hampshire (24) and Nevada (36). See, for example, the following article regarding the number of field offices per candidate. The challenges of using these data arise from how entities classify types of spending and identify the location of recipients. Some campaigns, for example, pay employees (or some employees) in the states where they physically work, while other campaigns pay all employees through their home office (Pennsylvania, for example) to keep their ground-game secret.

New York Times. “Which 2020 Candidates Have The Ground Game Lead In Early Primary States” (October 12, 2019). <https://www.nytimes.com/interactive/2019/10/12/us/politics/democratic-candidates-campaigns.html>

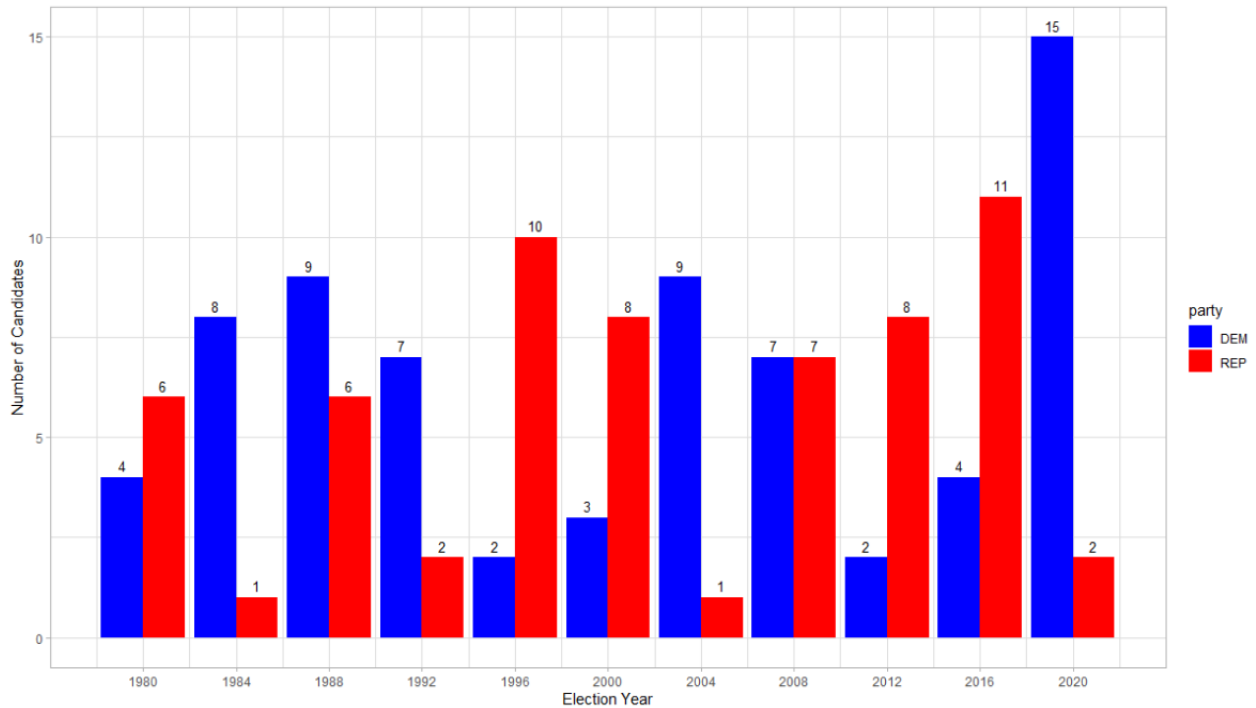
**TABLE 3: AVERAGE SPENDING BY DIFFERENT AGENTS DURING THE PRIMARY BY CANDIDATE, NATIONAL COMMITTEE, AND POLITICAL ACTION COMMITTEES (IN \$1,000)<sup>9</sup>**

<b>Spending Category</b>	<b>Per Candidate</b>	<b>National Committees</b>	<b>PACs</b>
Office: Rent, Utilities, Supplies, Catering, etc.	\$502		
Events, Rallies, Gatherings	\$737	\$603	
Mail/Print Advertising	\$998	\$210	\$100
TV & Radio Advertising	\$1,277	\$269	\$200
<i>Employee Wages</i>			
Part-time	\$397	\$66	
Full time	\$3,806	\$447	
<b>Spending</b>	<b>\$3,515</b>	<b>\$1,083</b>	<b>\$300</b>
<b>Wages</b>	<b>\$4,204</b>	<b>\$514</b>	

(Source: FEC.gov)

<sup>9</sup> Total tallies for spending and wages will be slightly different due to rounding in the table.

**FIGURE 2: NUMBER OF PRESIDENTIAL CANDIDATES BY YEAR AND BY PARTY AFFILIATION**



(Source: FEC.gov)

Figure 2 above shows the number of candidates running for president of the United States by party affiliation for each presidential election year.<sup>10</sup> The number of candidates in 2024 will depend on the current political climate. Given that the sitting president is a Democrat, historical trends suggest that we will see between 8 and 11 Republican candidates run for president.<sup>11</sup> President Biden appears to be running for re-election, so I anticipate that he will run unopposed in the Democratic primary (matching the scenario which played out in 1984 and 2004).<sup>12</sup>

The estimates on the next pages identify the economic impact in terms of total output, total jobs created, and total wages created under the two scenarios<sup>13</sup>:

- A. 12 Candidates: 11 Republicans and 1 Democrat (President Biden)
- B. 22 Candidates: 11 Republicans and 11 Democrats<sup>14</sup>

<sup>10</sup> A candidate is only counted in this list if he or she had a distribution of funds greater than or equal to \$5 million in 2020 dollars. Nominal dollars were converted to real dollars using the CPI as a base 2020 index. I am only showing Democratic and Republican candidates in this chart; there was a single independent candidate who met the \$5 million distribution condition in election years 1980, 1988, 1992, 2004, 2008, and 2020.

<sup>11</sup> This number may, in fact, be low. At least one article is suggesting that there may be as many as 17 Republican candidates running for the presidential nomination: Business Insider. “At least 17 Republicans are checking out their presidential prospects, diminishing Trump’s shot at getting a free pass for the 2024 nomination” (January 1, 2023). [www.businessinsider.com/which-republicans-are-running-for-president-against-trump-biden-2022-11](https://www.businessinsider.com/which-republicans-are-running-for-president-against-trump-biden-2022-11).

<sup>12</sup> CBS News. “Biden likely to announce 2024 reelection bid ‘not long after’ State of the Union address” (January 19, 2023). <https://www.cbsnews.com/news/biden-reelection-bid-announcement-after-state-of-the-union-address/>

<sup>13</sup> This analysis assumes that all these candidates hit the \$5,000,000 hurdle in disbursements.

<sup>14</sup> A plausible scenario for 2028 and future elections.

**TABLE 4: ECONOMIC IMPACT OF SPENDING IN GA (OUTPUT AND WAGES IN \$1,000) – SCENARIO A**

*12 Candidates: 11 Republicans and 1 Democrat (President Biden)*

	Spending Per Candidate	(x) # of Agents	(=) Total Direct Spending	(+) Indirect and Induced <sup>15</sup>	(=) Total Impact (Output)
<b>Candidate Spending</b>					
		<i>(x) # of Candidates</i>			
Goods & Services (Output)	\$3,516	12	\$42,191	\$55,604	\$97,795
Wages	\$4,204	12	\$50,448	\$42,513	\$92,961
	<i>Emp Per Candidate</i>		<i>(=) Total Direct Employment</i>	<i>(+) Indirect &amp; Induced Jobs</i>	<i>(=) Total Jobs</i>
Employees (FTE) <sup>16</sup>	98	12	1,176	1,011	2,187
<b>National Committee Spending</b>					
		<i>(x) # of Parties</i>			
Goods & Services (Output)	\$1,083	2	\$2,167	\$2,856	\$5,022
Wages	\$514	2	\$1,028	\$867	\$1,895
	<i>Emp Per Party</i>		<i>(=) Total Direct Employment</i>	<i>(+) Indirect &amp; Induced Jobs</i>	<i>(=) Total Jobs</i>
Employees (FTE)	11.5	2	23	20	43
<b>PAC Spending</b>					
		<i>(x) # of PACs</i>			
Goods & Services (Output)	\$300	12	\$3,600	\$4,744	\$8,344
Jobs Created (FTE)					52
Wages Created					\$2,173

<sup>15</sup> Indirect and induced impact based on RIMS II multipliers of 2.32 for goods & services, 1.84 for wages, and 1.86 for full-time equivalent employees.

<sup>16</sup> FTE refers to full-time equivalent employees.



Grand Total Spending	Total Direct Spending	Indirect and Induced Spending	Total Impact
Goods & Services (Output)	\$47,958	\$63,203	\$111,161
Wages*	\$51,476	\$43,379	\$97,029
Employees (FTE)*	1,193	1,030	2,274

(Source: Census; FEC.gov)

\*Total impacts for wages and employees include total impacts for PACs.)

**TABLE 5: ECONOMIC IMPACT OF SPENDING IN GA (OUTPUT AND WAGES IN \$1,000) – SCENARIO B**

22 Candidates: 11 Republicans and 11 Democrats

	Spending Per Candidate	(x) # of Agents	(=) Total Direct Spending	(+) Indirect and Induced <sup>17</sup>	(=) Total Impact (Output)
<b>Candidate Spending</b>					
		<u>(x) # of Candidates</u>			
Goods & Services (Output)	\$3,516	22	\$77,351	\$101,941	\$179,291
Wages	\$4,204	22	\$92,488	\$77,940	\$170,428
	<i>Emp Per Candidate</i>		<i>(=) Total Direct Employment</i>	<i>(+) Indirect &amp; Induced Jobs</i>	<i>(=) Total Jobs</i>
Employees (FTE)	97.5	22	2,145	1,851	3,996
<b>National Committee Spending</b>					
		<u>(x) # of Parties</u>			
Goods & Services (Output)	\$1,083	2	\$2,167	\$2,856	\$5,022
Wages	\$514	2	\$1,028	\$867	\$1,895
	<i>Emp Per Party</i>		<i>(=) Total Direct Employment</i>	<i>(+) Indirect &amp; Induced Jobs</i>	<i>(=) Total Jobs</i>
Employees (FTE)	11.5	2	23	20	43

<sup>17</sup> Indirect and induced impact based on RIMS II multipliers of 2.32 for goods & services, 1.84 for wages, and 1.86 for full-time equivalent employees.

PAC Spending					
		<i>(x) # of PACs</i>			
Goods & Services (Output)	\$300	22	\$6,600	\$8,698	\$15,298
Jobs Created (FTE)					95
Wages Created					\$3,984
Grand Total Spending	Total Direct Spending	Indirect and Induced Spending	Total Impact		
Goods & Services (Output)	\$86,118	\$113,499	\$199,617		
Wages*	\$93,516	\$78,807	\$176,307		
Employees (FTE)*	2,168	1,871	4,134		

(Source: Census; FEC.gov \*Total impacts for wages and employees include total impacts for PACs.)

#### IV. Implications for Tax Revenue

The impact of changing the timing of the presidential primary for Georgia will include more goods and services sold, more employees hired, and more wages earned. The State of Georgia imposes taxes on the sales of tangible goods and some services and will thus experience fiscal gains resulting from an earlier primary date due to the increased economic output illustrated in this report.<sup>18</sup> The following tax rates should be applied to the increase in output and the increase in wages throughout the state:

- 7.35% tax rate on earnings
- 4% sales tax for the state of Georgia for all tangible goods and some services
- 3% sales tax for Fulton County, Georgia for all tangible goods and some services
- 1.9% sales tax for the city of Atlanta, Georgia for all tangible goods and some services

This analysis assumes that 75% of goods and services consumed by campaigns, national committees, and political action committees are subject to taxation at the state level. Because Atlanta is the largest metropolitan area in Georgia, many of the offices will be set up in and around the Atlanta area, so I use Atlanta’s local sales tax rates for this portion of the analysis. However, the most recent elections (2020 general election, 2021 Senate runoffs, and 2022 general election and runoff) proved the importance of exurban counties, smaller rural counties, and other metro areas (such as Columbus, Savannah, Augusta, Macon, Albany, Valdosta, Athens, Rome, and more). In 2024 and beyond, candidates will have to secure votes across the state to run a competitive race. As such, the economic impact of the early primary will be spread across the state.

<sup>18</sup> Georgia Department of Revenue. “What is Subject to Sales and Use Tax?” <https://dor.georgia.gov/taxes/business-taxes/sales-use-tax/what-subject-sales-and-use-tax>

**V. Conclusion: Total Economic Impact**

**TABLE 6: THE ECONOMIC IMPACT OF AN EARLY PRIMARY ON GEORGIA: OUTPUT, EARNINGS, TAX REVENUE, AND EMPLOYMENT (IN \$1,000 FOR EARNINGS, OUTPUT, AND TAX REVENUE)**

	Scenario A			Scenario B		
	Direct Impact	Indirect & Induced Impact	Total Impact	Direct Impact	Indirect & Induced Impact	Total Impact
Output	\$47,958	\$63,203	\$111,161	\$86,118	\$113,499	\$199,617
Earnings*	\$51,476	\$43,379	\$97,029	\$93,516	\$78,807	
Tax Revenue			\$11,970			\$21,600
Employment*	1,193	1,030	2,274	2,168	1,871	4,134

Source: Author’s calculations.

\*The total impact for earnings and employment includes the total effects for PAC spending of between \$1.08 - \$2 million.

Table 7 shows how moving Georgia’s presidential primary date earlier could impact the state’s economy. The rows show the different channels – output, earnings, tax revenue, and employment – while the columns identify the direct impact, the indirect and induced impact, and the total impact. The value in the cells for output, earnings, and employment are the sum of the values from Tables 4 – 6.

For example, under Scenario A (11 Republican Candidates and 1 Democratic candidate), I forecast \$42.1 million direct spending from candidates, \$2.16 million in direct spending from national committees, and \$3.6 million in direct spending from political action committees (see the goods and services row in the third column of Table 4) which adds to \$47.9 million in total direct spending for goods and services (output). This \$47.9 million is shown in the first column of Table 7 as total direct impact of output under Scenario A.

The economic impact of changing the timing of the Georgia primary could be substantial. Of course, if the number of Republican candidates increases (or decreases), we could see a large swing in these numbers. I believe that the most likely scenario in 2024 looks similar to what is outlined as Scenario A.

As such, I project that an earlier presidential primary date in Georgia in 2024 could have a total economic impact of nearly \$220 million by generating nearly \$111 million in economic output, more than \$97 million in wages earned, and more than \$11.9 million in tax revenue while creating thousands of jobs.

In future elections where there could be an open competitive primary (Scenario B), Georgia could see a total economic impact of up to \$375 million, including \$199 million in total output, \$176 million in earnings, and \$21.6 million in tax revenue while adding several thousand (more than 4,000) additional jobs.