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**Date:** January 21, 2004

**To:** Friends of Democracy Corps

**From:** Stan Greenberg  
James Carville

**RE: AMERICA DIVIDED: STATE OF THE UNION**  
**Notes on the Most Recent Democracy Corps Poll**

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America is divided and headed toward a close presidential contest, despite the president's end-of-the-year rise after Saddam Hussein's capture and reports of a strong economic recovery. His job approval rose, but he has quickly fallen back electorally to a near dead-even race with a Democrat. The president, as all presidents, will get a further boost from the State of the Union Address, but that will be short-lived. There are too many doubts about his direction, priorities, and character for 2004 not to be very competitive, an election that Democrats can win.

Democrats will have to be bold in their framing of the election and they will have to shape interpretations of the unfolding situation with regard to the economy and Iraq. Recent political developments show how much attitudes are impacted by real developments, but they are also shaped by perceptions of the president.

The Democrats have the opportunity to shape perceptions of –

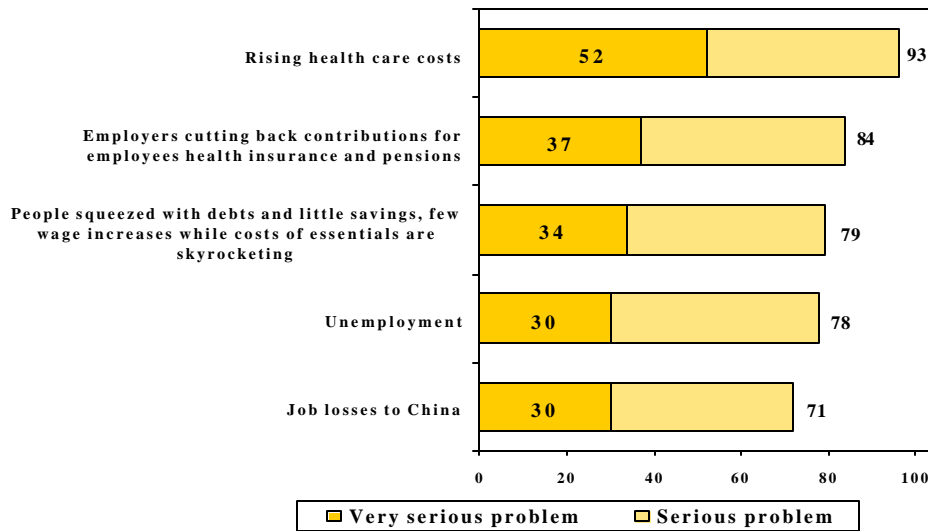
- The economy, economic recovery, and Bush's economic policies – meant to enrich corporations and the wealthiest, while indifferent to jobs, rising health care costs and middle class incomes;
- The instability in world affairs produced by Bush's go-it-alone and blustery foreign policy;
- Medicare reform and prescription drugs and the general assault on Social Security, which is now viewed negatively and impacting the votes of seniors;
- The character and values of the Bush administration, which has little interest in domestic affairs and whose policies are wholly shaped by big corporate special interests.

### The Default Divide

The President finished impressively at the end of the year and some of the changes in the real world, like the improving economy, could impact views longer-term, if the gains are generalized. Right before the State of the Union, the president had improved his standing on handling the war on terrorism, Iraq, and on keeping America strong. In each case, voters have shifted toward preferring the Bush direction, rather than changing course significantly. Similarly on the economy: more people now think Bush has a plan (48 percent) and more now want to continue Bush’s direction, though the country is divided evenly on whether to continue or change.

Most of the underlying fundamentals, however, have not yet changed and may not, depending on developments on the ground. After a relatively short period, a majority now again says the country is headed off track (50 to 44 percent). That is almost back to pre-Saddam capture levels. While public perceptions of economic problems had declined in November, all of our indicators have been stable since then, led by rising health care costs.

### Economic Problems



*“I am going to read you a list of issues relating to the economy. For each issue I want you to tell me whether today you think it is a very serious problem, a serious problem, not too serious a problem, or not a problem at all in the current economy?”*

Surveys conducted by the National Annenberg Election Survey, show only minor changes in people’s own economic situation at the end of the year, despite perceived gains for the “state of the economy.” The Democracy Corps survey shows a small gain, to be monitored.

The fundamentals on the ground have not changed on foreign policy and Iraq. There has been no change on whether the war in Iraq was worth it, remaining evenly divided (48 to 48 percent). Similarly, there is no change on Bush having a go-it-alone foreign policy, and voters are still divided evenly on which party to trust on foreign policy. Now, among the strongest perceptions of the president, accepted by 57 percent, is the view that “he has a go-it-alone foreign policy that creates a lot of uncertainty in the world.”

While Bush’s overall performance indicators improved in this period, his personal attributes were very stable, a mix of honesty and strength, with corporate favoritism and lack of concern for ordinary people.

What is most remarkable is the stability of people’s vote preference. The *New York Times*/CBS News poll has the Democrats ahead, the *Washington Post*/ABC News poll has the race even, while Democracy Corps has Bush slightly ahead (49 to 45 percent). That is a slight gain for Bush, but well in the vulnerable area for a supposedly popular incumbent.

The Democrats have emerged with a 5-point lead in the congressional generic race, likely reflecting many doubts about the overall Republican direction on the economy and domestic programs.

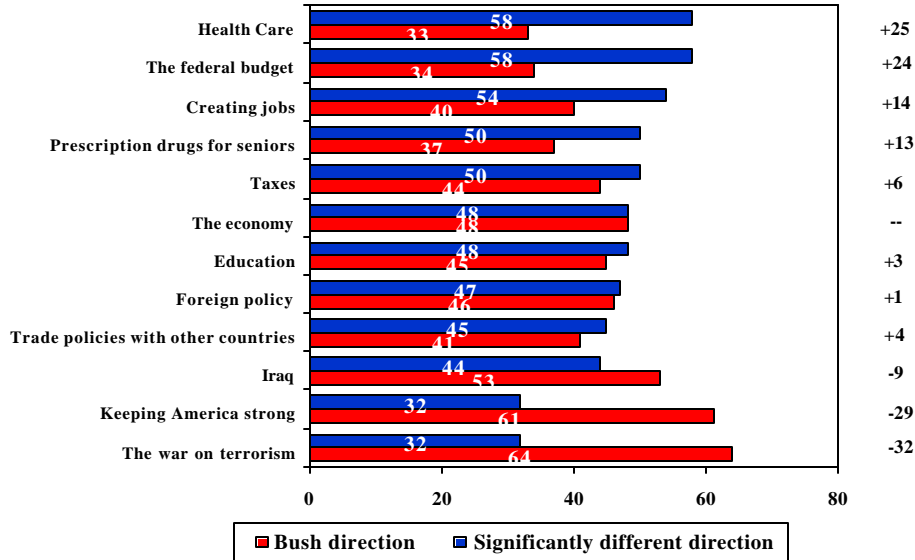
That the Democrats are so competitive in this period is even more striking, given the public reaction to the Democratic primary battle *before Iowa*. The public did not like what they saw, with Howard Dean the most prominent face of the Democratic Party. The party’s thermometer dropped 2 degrees since October and fully 2 degrees below the Republicans. That has left the Republicans with about 5 percent more people offering favorable views. In this same period, negative views of Howard Dean exploded, up from 23 to 37 percent negative, while other candidates saw no rise in their negative perceptions.

### **Framing the Election**

The survey shows the viability of a range of narratives or frameworks for the election. There are three that stand out here, and they will be further clarified in future surveys.

All of the narratives gain their energy from the desire for change, which is strongest on health care, the federal budget, creating jobs, prescription drugs for seniors and taxes – on all of which, the public wants to move in a significantly different direction. That is a powerful set of advantages at a time when the president, based on the State of the Union, has decided to run on continuity.

**Bush Direction vs. Significantly Different Direction**



*“Now I’d like you to think about some specific issues. When it comes to each issue, please tell me whether you believe the country should continue in the direction Bush is headed or go in a significantly different direction..”*

We continue to develop the frame on foreign policy on which the Democrats are competitive. Amazingly, the county is divided on whether to continue or change, but voters will not accept that Bush’s policy “makes the country less secure and safe.” They believe the policy creates uncertainty and instability in the world, and leaves America with the bills and our soldiers in harm’s way.

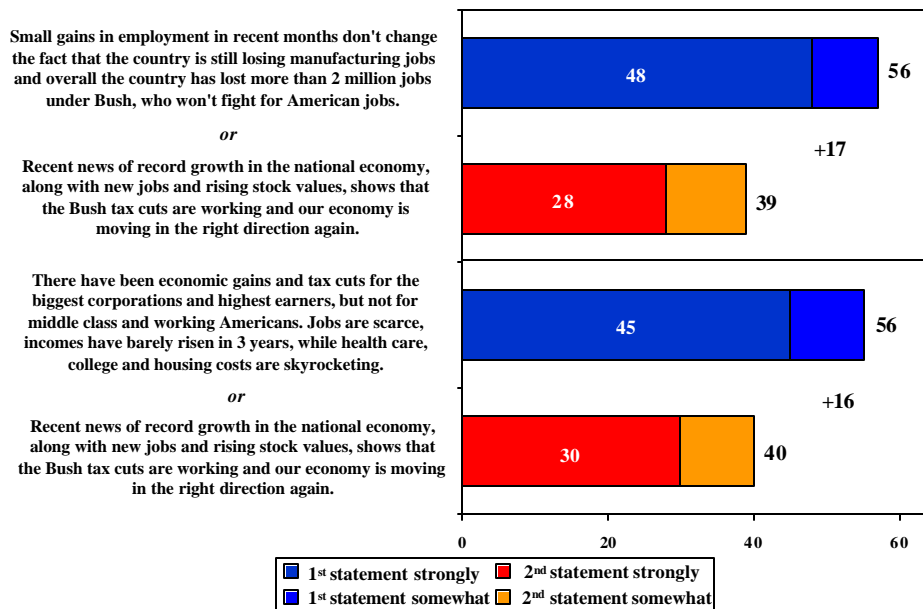
**Priorities.** Priorities and the importance of improving America resonates very strongly with voters. The narrative below leads a majority of voters to say they would be much or somewhat more likely to vote for the Democratic presidential candidate; almost two-thirds lean to the candidate after hearing it.

*The Democratic candidate says, we will be stronger and more respected if we remember to take care of America. We have to finish what we started in Iraq, but Bush's go-it-alone policy means spending hundreds of billions of dollars in Iraq, while cutting back education and health care here at home. Bush says he wants to create jobs here, but refuses to pressure China which circumvents our trade laws to undercut American companies. Real security means prioritizing jobs, education, health care and Social Security for America.*

**The Economy.** With the president asserting that the economy is doing great and showing almost no concern with employment losses and stagnant incomes, Democrats have a massive opportunity to frame the economic debate.

We in fact posed this choice. The president badly misreads public sentiment here and clearly hopes the growth and elite perceptions will alter public thinking. When asked whether we are making progress or facing continuing problems (jobs and income squeeze), the public strongly believes the economic problems remain serious. These were tested in two different ways, but to the same result: by about 17 points, voters think the economic problem narrative is more believable.

### Framing the Economic Debate



It is important to keep in mind three aspects of the response. First, the intensity is all on the side of on-going problems: when focused on jobs, nearly twice as many people say they “strongly agree” that Bush won’t fight for American jobs than those who believe strongly that Bush’s policies are working. Second, there is a big gender gap here, which is in fact an opportunity. Men are much more likely to respond to the job-centered argument, and women to the income-centered one. And third, job losses resulting from trade is a growing problem, with views of NAFTA emerging significantly more negative in this survey.

Democrats have an opportunity to define this uneven recovery with a very receptive public. The following narrative tested equally as strong as the priorities narrative

above. Bush's economic policy is meant for the corporations and most privileged, not the middle class.

*The Democratic candidate says, President Bush's economic policy enriches the few, but does little for middle class America. His economic policy is straightforward, repeated tax cuts for corporations and the top income earners, shifting the tax burden from corporations to workers. Provide tax benefits for companies that move their headquarters abroad or jobs overseas. Little wonder, Tiffany's is having a much better year than Wal-Mart. For middle America, 2 million jobs have been lost and few created, wages and salaries have barely risen, while people face less secure pensions and skyrocketing costs for education and health care. We need an economic policy that works for all Americans.*

*Special Interests, Big Corporations and Bush's Washington.* There has been no drop-off in the perception that Bush favors the corporate special interests and that he is "president for the oil companies." We posed the toughest possible choice, whether Bush almost always goes with the corporate special interests "rather than what is good for the country" or whether Bush is a "patriot who works for the whole country." Amazingly, just 51 percent chose the latter view of the president.

Not surprisingly, the corporate frame tested almost as strong as the other narratives and, indeed, brought a more intense response, particularly from independents.

*The Democratic candidate says the Bush administration has ushered in an era of corporate greed that seems to have no limits. Even as our country was attacked, corporate CEOs lobbied for retroactive tax cuts, even for Enron, and for no-bid contracts in Iraq. They've cut corporate taxes, while shifting the tax burden to workers, reduced and raided employee pensions and cut back overtime pay. They barred the government from negotiating drug prices for seniors. And they've shifted the cost of toxic waste clean-ups from the polluters to taxpayers. We need a change so responsibility, not greed, is the dominant value in our country.*

### Top Corporate Hits

In this survey, we tested a range of critiques of Bush's corporate favoritism. These raised very serious doubts, sometimes near the 70 percent level, the highest we have seen since Bush has been in office.

<b>Doubts About Bush</b>		
	<b>Very serious doubts</b>	<b>Total serious doubts</b>
<b>The Bush administration has announced that the government will no longer require the oil, chemical, and energy industries to pay for cleaning up old toxic waste sites, instead shifting the bill to the taxpayers.</b>	<b>37</b>	<b>69</b>
<b>Bush's new economic plan eliminates overtime pay for 8 million American workers and even teaches companies how to get around overtime costs by cutting the salaries and benefits of workers who still qualify for overtime pay.</b>	<b>37</b>	<b>65</b>
<b>The Bush administration supported a bill that repealed a 15-year old corporate tax and made the repeal retroactive for the entire 15 years, giving away billions of taxpayer dollars to Enron and other corporate supporters.</b>	<b>36</b>	<b>64</b>
<b>In 2004 alone, the Bush administration's budget gives more than thirty five billion dollars in tax cuts to the richest Americans, those earning more than \$375,000 a year, but cuts funding for education programs by nine billion dollars.</b>	<b>36</b>	<b>63</b>
<b>Bush's top environmental enforcement official negotiated a sweetheart settlement letting Wal-Mart off the hook for extensive water pollution violations, then took a top executive position at Wal-Mart. Now, Wal-Mart receives advance notice before government inspectors visit stores to check environmental standards.</b>	<b>35</b>	<b>63</b>
<b>The President is so consumed with things outside of America, he neglects key needs at home. He won \$87 billion in new spending to reconstruct Iraq and now wants more than \$100 billion for putting a space station on the moon and for exploration of Mars, even as they are proposing major cuts in spending for education and health care.</b>	<b>34</b>	<b>63</b>
<b>Bush's new Medicare plan, which prohibits the government from negotiating lower prices for prescription drugs, was written by a top administration official who left to become a drug company lobbyist as soon as the plan was finished.</b>	<b>31</b>	<b>63</b>

**Note on Medicare**

Medicare and prescription drugs is a big opportunity for Democrats if they continue to lead the interpretation of what happened with Medicare reform and prescription drugs. The president has made no gains on either health care or prescription drugs for seniors.

In this survey, seniors support the Democratic candidate over George Bush by 54 to 40 percent.

**A Note on Unmarried Women**

Consistent with earlier polls, we found that unmarried women are emerging as one of the strongest potential support groups for the Democrats. Their turnout has declined in the past decade, but Bush's policies (tax and values) are heavily targeted at married voters, with some impact. But with the uneven gains in the economy and impact of Bush's domestic policies, the unmarried women are change voters: a remarkable 60 percent say the country is headed on the wrong track, compared to only 28 percent who say things are right. They support the Democratic presidential candidate by 19 points, giving them potentially more impact than union households and Hispanics.