

DEMOCRACY CORPS
JAMES CARVILLE ♦ STANLEY GREENBERG ♦ ROBERT SHRUM
10 G STREET, NE ♦ SUITE 400 ♦ WASHINGTON, DC 20002
202-478-8330 (TEL) ♦ 202-289-8648 (FAX)
WWW.DEMOCRACYCORPS.COM

Date: April 22, 2005
To: Friends of Democracy Corps
From: Stan Greenberg
James Carville

RE: A CRISIS OF CONFIDENCE
Report on New National Survey
Showing U.S. Public Looking for Major Change in Direction

There is a crisis of confidence in the Republican direction for the country. Voters have turned against the Republicans' priorities and major policy initiatives, the arrogance and style of governance, and complacency before the country's major problems. Voters are poised to turn against the leaders of the "Washington mess." That has dropped Bush and the Republicans to the lowest point of their governance, though voters have not yet turned to the Democrats as an instrument of change. When they do, we could witness electoral changes on a very large scale.

This report is based on a national survey of 1,058 likely voters conducted for Democracy Corps.¹

In simple political terms, Democrats have emerged with a 5-point lead in the generic race for Congress. We also created a fictionalized change in the U.S. Constitution to allow President Bush to run against former President Bill Clinton: the incumbent gets crushed, taking only 43 percent of the vote and losing by 10 points.

The faltering electoral position of the Republicans is not yet crystallized. In this survey, Bush's job approval dropped to 48 percent. That is low, but not yet a repudiation of his presidency. Positive and warm feelings for the president have fallen to 47 percent – the lowest point of his presidency – but not nearly to the point of our scandalized presidents.

Nor have voters fully concentrated their ire on the Republicans and the Republican Congress. Both have witnessed noticeable drops in public affection, but they are not yet scorned. Warm reactions to the Republicans have fallen from 47 to 42 percent; for the Republican Con-

¹ Democracy Corps conducted a survey of 1,058 likely voters April 13-19, 2005.

gress, they have fallen 3 points to 41 percent. The big changes in the image and character of the party, reported later, have not yet been generalized into a fuller judgment.

And the doubts have not crystallized into a political choice because Democrats are not yet integral to the narrative. Later in this report, we write about the dramatic changes in the image of the Republicans, but that is not accompanied by image gains for the Democrats. Indeed, they have dropped along with the Republicans on some specific indicators, including trust and change and reform.

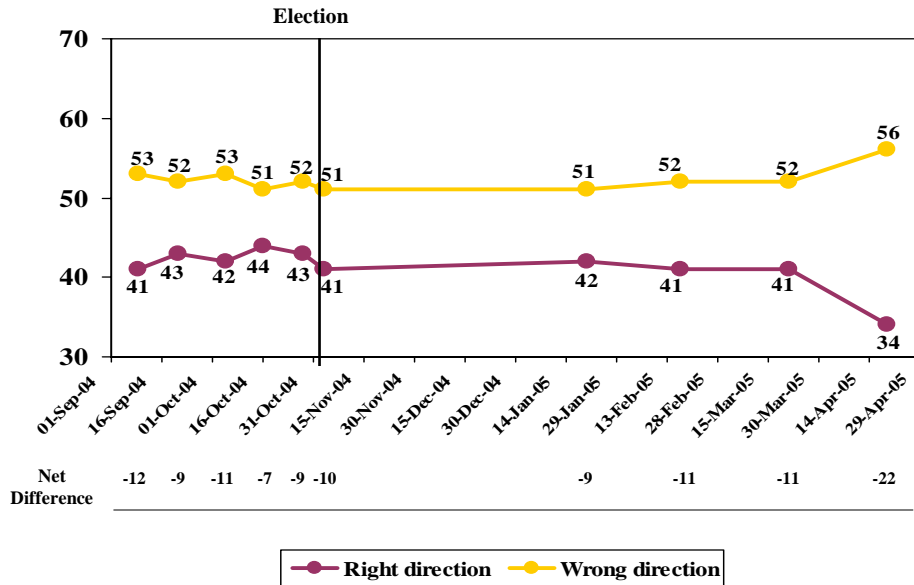
Overall, Democratic standing is up marginally – 2 degrees on the thermometer scale. That is produced primarily by a drop in negative and cool reactions, down 5 points. Barriers are dropping, as voters show an increased receptivity to voting Democratic. In fact, their gains have come from Republicans feeling less hostile. Democratic voters are feeling more positive about the Democratic Party, with warm responses up 4 points, but that is still 15 points below the fall of 2004. Democrats made no gains with independents.

But imagine the scale of political of change that is possible once the Democrats emerge as leaders of the change and an instrument for cleaning up the Washington mess. The political plates in America could be about to shift.

Public Discontent with the Direction of the Country

The country has decided – perhaps six months too late for the leadership of the country – that America is heading in the wrong direction on so many major issues and looking for a significant change in the president's course. The scale of disaffection warrants the term crisis of confidence, as just one-third of the voters (34 percent) think the country is headed on the right course. That assessment is down 7 points in a month to the lowest point of Bush's presidency and the lowest point of Democracy Corps polling since 1999.

Country Direction



Specifically on the president, 55 percent say they want to go in a significantly different direction. Only 41 percent want to continue in Bush’s direction, again, the lowest point of his presidency.

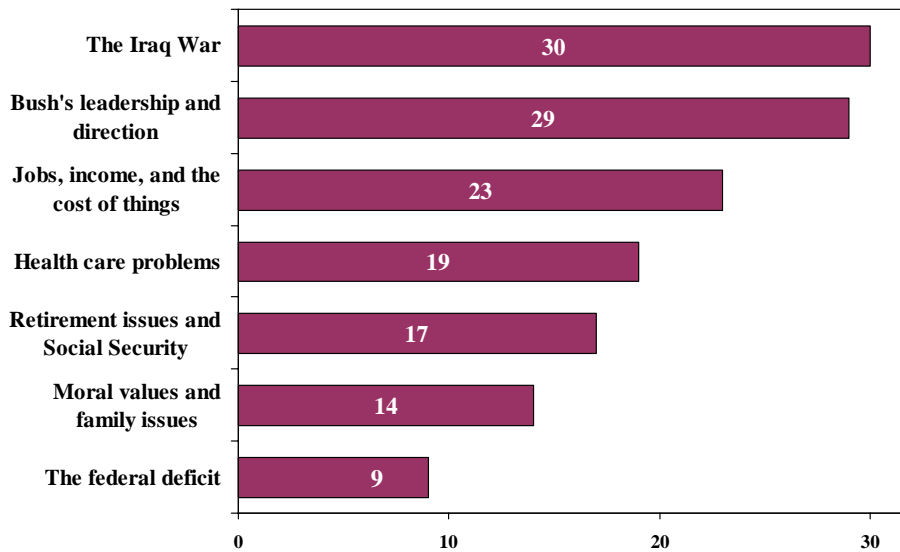
The public turn on the direction of the country is not a casual reaction to the shenanigans in the Congress, but seems to encompass a broader and deeper set of things gone deeply wrong – on the economy, living standards, health care and oil prices, on the Iraq war, Social Security, the deficits, and with the arrogant use of power in Washington. The public is formulating its own fundamental critique of how things are going in the country.

In this survey, we asked people “why” things were going in the wrong direction. They started with the Iraq war, cited by 30 percent. Indeed, after a brief period of increased enthusiasm after the elections, support for the Iraq war has dropped sharply, with negative reactions now outnumbering positive by 20 points. But then people’s discontent with the direction turns to jobs, income and the cost of things (23 percent) and health care problems (19 percent). Social Security is just behind those as a reason for the discontent (17 percent). When we follow up on the concern with income and cost, people speak of the rising gas prices first, followed by health

care costs. In the regression analysis, cited later, lost confidence in the direction of the economy is the biggest driver of the overall decline.²

Reasons For Wrong Direction

Top Two



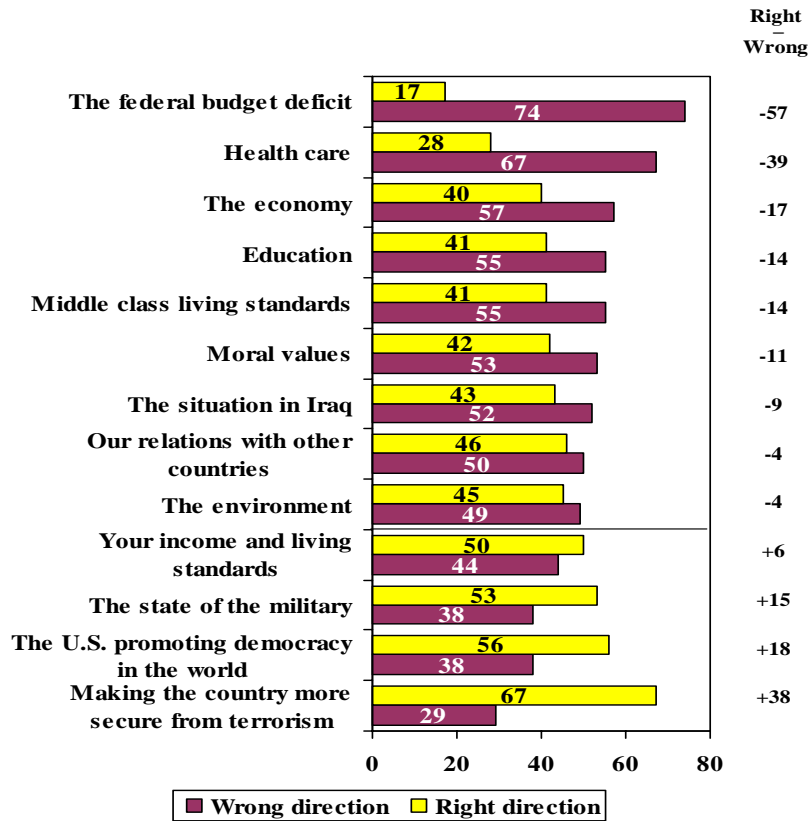
“(IF WRONG TRACK) Why do you say that? Which TWO of the following are you mainly thinking about?”

Also important to the why is President Bush’s leadership and direction, mentioned by 29 percent. That may be re-enforced by a rising consciousness about Tom DeLay, the Republican majority leader in the House. His thermometer score has dropped to just 40.8 degrees, with cool reactions outnumbering warm by 38 to 25 percent.

When we look across the broad array of dimensions impacting people’s lives and the welfare of the country, voters are concluding that the country’s current leadership is taking us in the wrong direction. This is not that complicated. Major things are moving in the wrong direction, starting with deficits and health care, the economy and middle class living standards, education, foreign policy and the Iraq war.

² Our regression analysis showed that the economy was the biggest predictor of voters views on the country’s direction, followed by middle class living standards, moral values, the state of the military and making the country more secure from terrorism.

Issue Areas: Wrong Direction



The country elected President Bush to keep the country safe from terrorists and on that, voters think things have gone right. That is important and may be holding him up. But he is faltering on so many other fronts that he puts the Republicans in jeopardy.

The scale of the doubts about direction is so strong that they have shaken the president's base as well. Self-identified Republicans are wobbly: 25 percent say the country is headed in the wrong direction, double from the beginning of the year. The same is true for conservative Republicans. Among devout Evangelicals, one-third think the country is off track. That is the clearest sign that the crisis of confidence threatens the conventional divide of the Two Americas.

The Unsettling Congressional Battles

The most visible political battles of the last three months have taken place around the Congress – the president’s Social Security initiative, Terri Schiavo, Tom DeLay’s ethics issues and the debate around the filibuster rule for consideration of judicial nominees. Even when presented in the most neutral way, people respond to the totality and say, most often, that something is very wrong. Indeed, in the open-ended follow-up to this discussion in the survey, the most frequent reactions are “wrong, wrong, wrong,” “very wrong,” “wrong in every sense.” One in five offers a simple declarative negative: “bad,” “horrible,” “pathetic,” “unbelievable,” “disturbing,” or “shocking.”

Other sets of comments, each mentioned by about 6 percent, focused on the Republicans acting irresponsibly or recklessly (“out of control”) and the Republicans being intrusive and interfering in personal matters.

The open-ended reactions focused on the totality, though more about Schiavo than any other piece – which included interfering and being moralistic – and some talked about wrong priorities, wrong direction and the conservatives’ ideological agenda, but there was very little specific recall of the Social Security reforms.

When given a list of options that might describe these events, the voters gravitated to “arrogance of power” (35 percent) and priorities (26 percent), that is, Republicans devoting their time to the wrong things. Somewhat further down were people saying “out of touch” (20 percent) and “forcing views on others” (20 percent). But for independents and moderates, 45 percent say this is arrogance, the top mention by far.

However they describe it, by two-to-one (62 to 28 percent), they think it means Washington is moving in the wrong, not right direction. Half the country thinks it strongly.

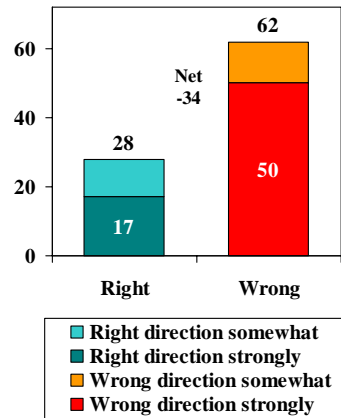
Direction with Description of Recent Events

President Bush has proposed a plan to partially privatize Social Security by allowing workers to divert a portion of their Social Security funds into stock market investments.

Congress called a special session and passed legislation, which President Bush signed in the night, to try to prevent Terry Schiavo's feeding tube from being removed.

Republican Leader Tom DeLay stood up to the media and denied charges that he took foreign trips paid for by lobbyists.

Senate Republican leaders are moving to change the long-standing rules of the U.S. Senate in order to eliminate the filibuster and allow a simple majority to approve the president's judicial nominations.

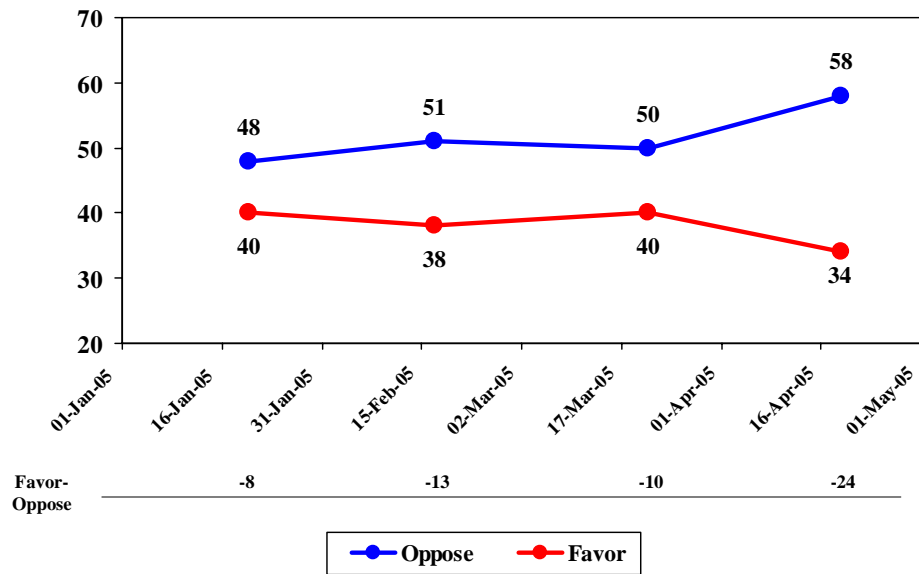


“Now I'd like to read you some statements about some things that have happened in Washington recently. After hearing these, please tell me whether you think things in Washington are moving in the right direction or moving in the wrong direction.”

Priorities and the Collapse of Social Security

And by the way, support for the president's Social Security initiative has collapsed. The more voters hear during the president's 60-day campaign to educate the country, the less they like it. Today, just 34 percent support the idea of Bush's Social Security reform – down to its lowest point. Opposition is up 8 points in a month, now at 58 percent. But after a brief period of assessing the private account, the country is determined to put a knife in this idea. In the last month, opposition has jumped to 60 percent, up 9 points, and half the country is strongly opposed. This idea is as dead with the public as anything the administration has offered.

Bush Social Security Proposal



The administration will have to work hard to regain seniors, and indeed all voters over 50 years of age who have turned on his initiative. Opposition rose 10 points this past month among all voters over 50 years of age, with strong opposition rising above 50 percent. Among seniors at least, there are real political consequences. Among them, Bush loses to Clinton by 15 points and the Republicans in Congress lose to the Democrats by 14.

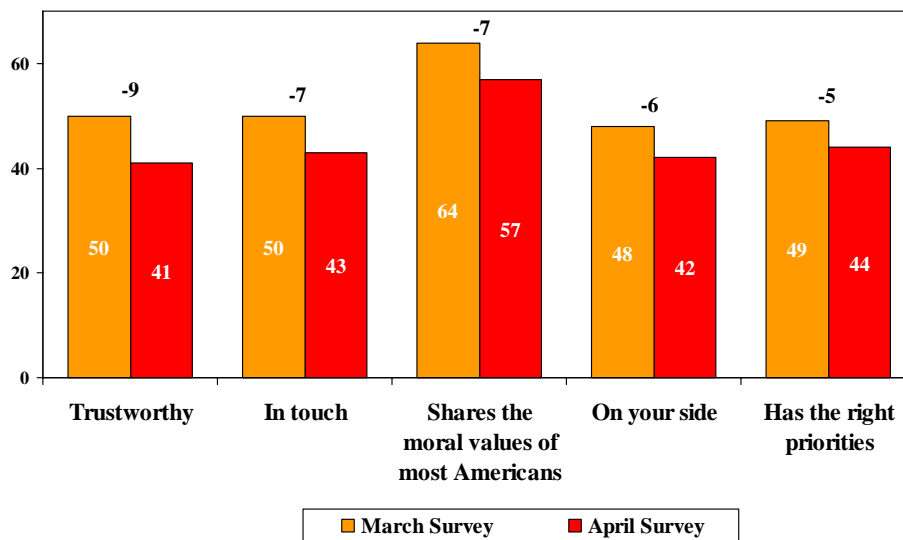
It is possible that Social Security has opened up a window on conservative base groups that expected something different from the new administration. Opposition rose 12 points to 36 percent among devout Evangelicals. A quarter of these voters are strongly opposed to his Social Security plans.

The Diminished Character of the Republicans

All of these battles have been instructive about the character of the Republican Party, which is changing in major ways that make them more distant from the public and more vulnerable to a Democratic siege. All eyes are on the Republicans, as the Democrats have barely improved on any attribute – even in comparison with the Republicans – and indeed have gone down on some that suggest they have not wholly escaped the Washington mess. They are not yet the instrument of reform, but what an opportunity.

The Republicans have deteriorated with the public on virtually all their attributes, but the ones that have dropped the most center on the events of the last few months. The biggest drop came on *trustworthy* (down 9 points to 41 percent), *being in touch* (down 7 points to 43 percent), *shares the moral values of most Americans* (down 7 points to 57 percent), *being on your side* (down 6 points to 42 percent), and having *the right priorities* (down 5 points to 44 percent).

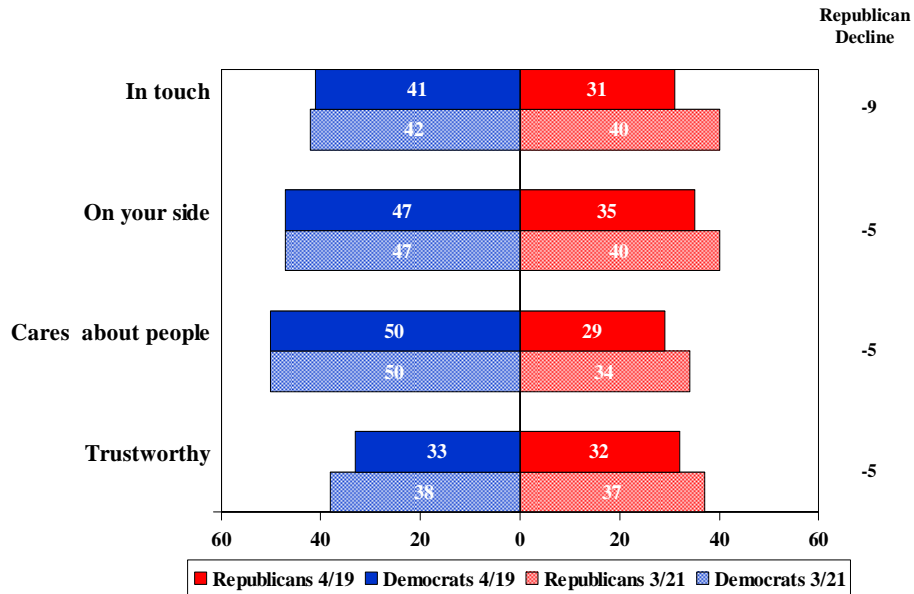
Positive Attributes of Republican Party
Describes Well



“For each word or phrase, please tell me whether it describes the Republican Party very well, well, not too well, or not well at all.”

A similar and perhaps more dramatic story is evident when we compare the parties on a broad range of attributes that illustrate their underlying values and position in society. The same pattern holds, with the biggest drops on *in touch* (down 9 points to 31 percent) and *on your side, cares about people* and *trustworthy* each declining by 5 points.

Party Associations



“Now I'd like to ask you which party you associate more with these terms, the Democrats or Republicans?”

The Republicans have dropped marginally on *prosperity* and *putting the public interest first*, two areas where there was a small Democratic gain. Their drops on *trustworthy* and *reform and change* are balanced by comparable drops for the Democrats. On *trustworthy*, almost a quarter responded, “neither” party.

Looking back, the Republicans have eroded fairly dramatically on being trustworthy and in touch, having the right priorities and being on people’s side, on getting the balance right on values, and personal liberties. The economy, Schiavo, DeLay ethics, Social Security, and Iraq all contribute to the decline of Republican character. The battle over the filibuster and judicial nominees in the Senate could contribute further to this deepening image.

Because of the Republican decline, Democrats emerge as the dominant party on being for the people rather than the special interests and putting the public interest first. They are dominant on caring about people and fighting for the middle class. They have substantial advantages on being on your side and protecting personal liberties.

A range of key areas remain contested because Democrats have not made gains or lost ground together with the Republicans, including reform and change, trustworthy, prosperity, being for the long term, and shares your values. The Republicans remain undiminished as the party of security that will keep people safe.

PARTY ASSOCIATIONS <i>Percent Responding</i>			
	Associate More With Democrats	Associate More With Republicans	Net Differ- ence
For people, rather than big special interests	55	25	+31³
For the middle class	55	34	+22
Cares about people	50	29	+21
Putting the public interest first	51	32	+19
Protecting personal liberties	49	37	+12
On your side	47	35	+12
In touch	41	31	+9
Reform and change	42	36	+6
Trustworthy	33	32	+1
Shares your values	43	43	0
Think long term, not just short term	41	42	-1
Prosperity	40	44	-5
Security and keeping people safe	29	52	-23

Losing Independent Opinion

The Republicans are losing independent and moderate opinion in dramatic fashion. The biggest drops have come from people who do not identify with a party, with those who describe themselves as ideologically moderate, as well as among mainline Protestants.

The shifts on the country's direction are being reflected in how these people vote nationally. Independents now support the Democrats in the congressional race by 43 to 25 percent, 18 points. Moderates are even stronger, supporting the Democrats by 26 points (57 to 31 percent).

Mainline Protestants, with a long history of voting Republican, support the Democrats by 14 points (52 to 38 percent). They broke evenly in the presidential race in 2004, which was a surprise, but they are clearly reacting to the tone and character of Republican politics in Washington. By two-to-one, they oppose President Bush's Social Security proposal.

³ Difference presented differs from actual difference of the totals due to rounding

The poll suggests continued gains for Democrats among young voters and seniors; also with those earning over \$75,000 and college men. When there is a period of change, new things become possible.

The Big Debate Over the Direction of the Country

The country is poised for a big debate about the direction of the country, where the Republicans find themselves marginalized and Democrats the voice of change. Given the crisis in confidence about the direction of the country, it is not surprising that this big debate, as played out in this survey, is dominated by the Democrats. They are positioned to become the interpreters of what is happening in America and how to bring change to Washington.

The president and the Republicans are very prepared to make the case for their progress, from addressing the terrorist threat and promoting democracy, to getting the economy moving, creating jobs and expanding home ownership, to reforming education and introducing prescription drugs for seniors, to disciplined spending in the future to address the deficits. But that case crashes against what people think is happening in their lives and to the country. As we saw earlier, the public thinks virtually all of these have gone wrong.

We presented the Republican case for progress with a Democratic one that talked about stagnant incomes, rising gas and health care costs, rising deficits, dependence on Middle East oil, the U.S. troops stretched in Iraq. They call for a new direction in Washington, getting deficits under control, cutting taxes for the middle class, getting health care costs under control and a bold policy for new energy.

Voters agree with the Democrats by 54 to 39 percent – a 15-point margin. Almost half the country, 45 percent, strongly agrees with the Democrats, who are centering their critique on the direction and policy course of the country. This is a big debate, with Republicans barely credible enough to contest the issue.

COUNTRY DIRECTION DEBATE <i>Percent Responding</i>		
	Prefer Strongly	Prefer Overall
Democratic Statement <i>America is just headed in the wrong direction. Few jobs are being created and incomes have declined 2 years in a row. Gas prices are skyrocketing. Health care costs and drug prices have increased by over 30 percent since 2000. The tax burden has been shifted from corporations to individuals and families. The federal deficit is over 400 billion a year and rising. The U.S. trade deficit is at record levels and the U.S. dollar at record lows, with more foreign debt. We are more dependent on Middle East oil, with no policy for energy independence. One hundred thousand U.S. troops are in Iraq, with our military stretched for equipment and troops. Well, we need a new direction in Washington. Deficits under control, tax cuts for the middle class, health care costs under control and a bold policy for new energy.</i>	45	54
Republican Statement <i>America is making progress. We are now safer and more secure because of our commitment to the war on terrorism and strengthening our homeland security. Thanks to our actions, freedom and democracy are now on the rise in the Middle East, which is the key to lasting peace. At home, the economy is continuing to improve with over 3 million new jobs created over the past two years and homeownership now at an all-time high. Our Medicare reforms have helped over 4 million seniors save money on prescription drugs and thanks to No Child Left Behind, test scores in our schools are improving and the achievement gap is closing. In order to ensure long-term financial stability we are also supporting a disciplined budget that will cut the deficit in half by 2009 while still addressing our nation's essential needs. America is moving in the right direction.</i>	31	39

The biggest recall from the statement is on health care costs up 30 percent (38 percent recall), followed by the military being stretched with 100,000 troops still in Iraq, skyrocketing gas prices and 400 billion dollar deficits.

Reform Plus

The Democrats are winning the big argument, even though they have not yet addressed the issues that would allow people to more comfortably throw out the incumbent Republicans. Negative feelings are down somewhat, but Democrats are not up on most values or advocacy attributes and have slipped on trust and change. But there is a big opportunity for Democrats to be the voice of change and reform.

In the table below, the strongest reforms are ones that link congressional benefits to protecting the Social Security trust fund, comprehensive lobby reform, and tax reform that simplifies the tax system, closes loopholes and cuts middle class taxes.

SUPPORT FOR PROPOSED REFORMS		
<i>Percent Responding</i>		
	Much More Likely to Support	Much/Smwt More Likely to Support
Requiring Congress to forego a pay raise in any year the government runs a deficit or raids the Social Security trust fund, and requiring that any future benefit cuts to Social Security should apply to congressional pensions as well.	42	65
Enacting comprehensive lobbying reform, including strict requirements on lobbyists to report all discussions with members of congress within two weeks, and making it a federal crime to offer campaign contributions on the basis of a vote.	41	65
Enacting a comprehensive tax reform plan that simplifies the tax code to three brackets, eliminates virtually all loopholes, treats capital gains and dividends as ordinary income, and provides a tax cut for the middle class while reducing the deficit.	38	66
Enacting a comprehensive tax reform plan that closes corporate loopholes and consolidates existing tax breaks in order to give the middle class four types of tax relief: doubling the college tax credit to three thousand dollars, giving workers a universal savings account, providing a simplified child tax credit, and letting middle-class taxpayers take the home mortgage deduction even if they don't itemize their taxes.	37	65
Enacting a lobbying ban of ten years on former Members of Congress and senior government officials and a lifetime ban on lobbying for foreign entities in order to reduce the influence of lobbyists in Washington.	29	53
Creating an independent ethics committee for Congress, made up of retired members of Congress, retired federal judges, and ordinary citizens in order to curb ethics violations in Congress.	27	56

The reform agenda is part of a bigger opportunity for Democrats – to tell a story about the direction of the country and the character of the parties. They can make a big critique and big offer, with the prospect of big changes in Washington and America.