

# DEMOCRACY CORPS

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**Date:** February 15, 2006  
**To:** Friends of Democracy Corps  
**From:** Stan Greenberg  
James Carville

## **RE: THE COST OF CORRUPTION**

### **Framing the budget debate and the case for change in 2006**

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As the budget battle heats up, it highlights the importance of putting the cost of corruption at the center of both the budget debate and the case for change. Currently many progressives are talking about corruption, but if they wish to defeat the budget and turn 2006 into a true “change election,” they must make it clear how the Republican corruption in Washington rewards corporate special interests at taxpayers’ expense.<sup>1</sup>

The corporate lobbyists got their way on an energy bill that gave oil companies more subsidies while doing nothing about high gas prices and home heating; a prescription drug bill that helped the drug companies but gave seniors higher prices and confused plans; and in Iraq, no bid contracts for Halliburton, fined millions for overcharging the military, costing billions in wasted spending. The Republicans are at the center of a lobbying scandal in Washington that has hurt average Americans.

The widening corruption scandal is the real-time news reality that enables Democrats to establish that they are on the side of the people, to express themselves as the agents of reform and change, and to educate the public on the personal consequences of the Republican lobbying scandal. Whether the Democrats realize these big gains will depend in part on whether Democrats lead the change – become the voice of the public’s frustration; emerge as champions of the ordinary voters, outsiders and reformers prepared to change a corrupt Washington that works for the corporate special interests, not the people.

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<sup>1</sup> This memo is based on the latest Democracy Corps survey of 1,005 likely voters, conducted January 22-25, 2006. The margin of error was +/- 3.1%.

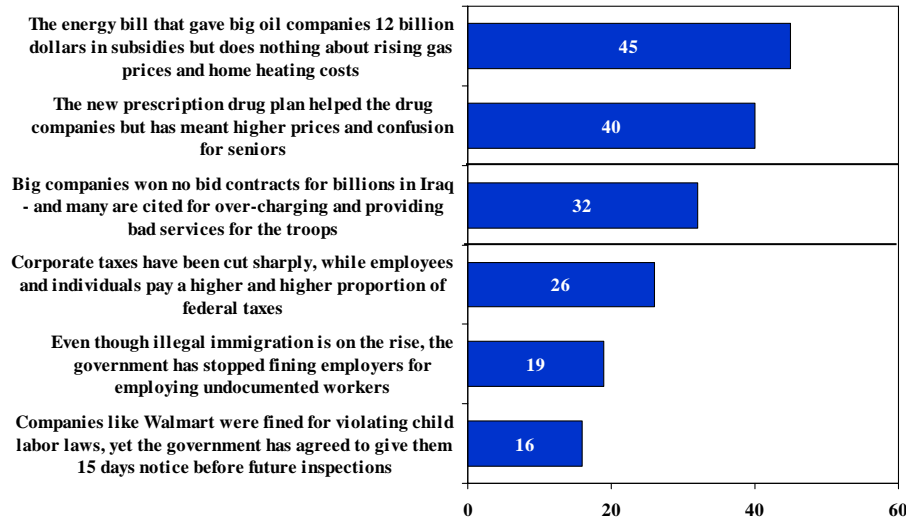
What bothers people the most about corruption is not the fouling of the process, but the impact on real things – energy prices, the Iraq war and Medicare reform. Those are “facts” that upset people the most and, as we shall see below, the consequences that make the scandal real, and indeed, Republican.

Let’s start with the facts. Nothing bothers people as much as the energy industry using its influence to get a favorable energy bill that does nothing about energy prices and home heating costs. That is followed by Halliburton’s no-bid and special-interest deals in Iraq, which hurt the troops and overran the costs, as well as the top Medicare administrator taking a job with the drug companies after creating the prescription drug mess for seniors.

<b>Evidence of Corruption How upset does that make you?</b>	<b>Extremely Upset</b>	<b>Extremely/Very Upset</b>
Even after they earned record profits last year, the oil industry used their influence in Washington to get an energy bill that gives them 12 billion dollars in subsidies but does nothing to lower gas prices or home heating costs	<b>50</b>	<b>76</b>
Halliburton, the former company of Vice President Cheney got billions of dollars worth of no-bid contracts, and they have since been fined 2 million for overcharging the government and are suspected of costing the government an additional 1.4 billion in wasteful spending.	<b>39</b>	<b>67</b>
The top Medicare Administrator Tom Scully negotiated to get a lobbying job with the drug companies, even as he helped draft the new prescription drug bill, which helped the companies more than seniors.	<b>37</b>	<b>66</b>

The same three issues rise to the top when we ask people to choose which consequence matters the most to them, and again, they focus on energy, Iraq, and prescription drugs.

### Issue impact of corruption and lobbyist influence



*“In the last year, there have been many stories about corruption and lobbyists in Washington. I’m going to read you a list of things that may have happened because of lobbyist influence. Please tell me which TWO bother you the most.”*

The corruption scandal is all about energy, Iraq, and the prescription drug mess – the dominant issues for the public. The scandal is an integrating and a powerful statement linking cause and effect. It enables Democrats to speak for the people, from outside, and explain the consequences of the Republicans’ ascendancy in Washington.

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All Democrats will want to join this battle – underscoring what happened on energy, in Iraq reconstruction and with prescription drugs as a consequence of lobbyists running out of control. Challenger candidates, however, are in a unique position to take up the banner of reform, joined by the progressive and grassroots groups across the country. They have the chance to greatly sharpen the critique and narrative, and to put Democrats on the side of people, against the corporate lobbyists who hurt the public.