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**Date:** November 13, 2001

**To:** Friends of Democracy Corps

**From:** Stan Greenberg  
James Carville  
Bob Shrum

**RE: POLITICS AFTER THE ATTACK**  
**A Report on Democracy Corps' New National Survey and Focus Groups**

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**This is a major report on post-September 11<sup>th</sup> politics, based on a new wave of research by Democracy Corps. If you want to focus on the economy and economic stimulus because of the congressional schedule, proceed to page 12.**

The September 11<sup>th</sup> attack has created a new period which is, in many ways, radically different from what has gone before. It is a period with new vulnerabilities, new security concerns and issues, which make new demands on all our institutions, especially government. It is a moment when the world has closed in – with hostility abroad producing an attack on America itself. And it has exaggerated a moment, long expected, when America's near decade-long economic expansion has badly faltered.

Because this period is not fully defined, with America's nerves very raw, many have suggested that Democrats step back. Some have dwelled on the need to step back from politics, support the President and adopt a tone consistent with the seriousness of this moment. Others have noted the President's sky-high job approval ratings and heightened concern with security, and moved to the conclusion that this is not a very hospitable moment for Democrats. The implication is that Democrats are staring at dark clouds on the horizon.

We agree on the need to support the President in this war and on security issues; we agree that this is no time for partisan-sounding attacks. But we disagree on the politics of the moment. We have looked very closely at the national survey and focus groups conducted by Democracy Corps – as well as the focus-group discussions conducted by Greenberg Quinlan Rosner every week since the September 11<sup>th</sup> attack – and we believe this is a moment of opportunity for Democrats.

The public is thinking seriously about what is happening to the country and looking for a new seriousness from its leaders. Most of this new thinking is creating a greater, not lesser, receptivity to Democratic values, philosophy, ideas and policy direction. There is no area clearer than the economy, the budget and taxes – where Democrats are closer to reflecting the country's aspirations and where the Republicans are badly and implausibly out of step.

This is a moment of opportunity because Democrats are in a better position to address the country's need for unity and community, security and safety, social security and economic renewal. In fact, we believe voters are moving toward a decision framework for next year – balancing the President's security focus with the Democrats' focus on the economy and people – that strongly favors Democratic candidates for office. We may have seen the first realization of this trend in Virginia and New Jersey.

What does this mean for Democrats in the short term? Obviously, like all other citizens, we rally to defend our nation under attack. But this should not prevent us from moving forward politically, as summarized below:

- It is important to support the President and set a tone that lacks a sharp partisan quality. Everyone is committed to the security and safety of the country. But Democrats should feel free to attack wrong-headed Republican congressional initiatives, even separating the House Republicans from the President.
- While George W. Bush is popular, voter doubts are close to the surface. We should not give voice to these doubts in this period, but we should be prepared to highlight issues that allow those doubts to emerge later. The character of Bush's budget and tax policies – economic damage, undermining social programs and geared toward big business – help set up the congressional choice for next year.
- While the threat of terrorism is the number one issue in the country, we should remember that half the country does not select terrorism as an issue (even when allowed two choices). Democrats must be identified with the other issues: committed to fighting terrorism but also committed to addressing the economy and jobs, health care and education.
- The public is already moving toward a concept of balance in their voting for Congress. They are not trying to balance a Republican President and Democratic Congress. They are trying, first, to balance a President focused on terrorism and a Congress that will address other issues like the economy. But they are also looking for balance on addressing the needs of the ordinary population, not just the needs of the big industries. If that decision process deepens, Democrats could make major gains, even if the President remains popular.
- Democrats, more than Republicans, are the champions of the dominant themes and values that have emerged since September 11<sup>th</sup> – unity, coming together in

community, country, seriousness of purpose and freedom of choice. These themes are counterpoised to short-term and consumerist perspectives. Democrats should articulate these themes, which lie at the core of progressive values.

- Our priorities for the budget, the economy and domestic security should be framed by the dominant themes that we share with the American people. Moreover, Republican economic policies are oddly out of sync with the national mood currently sweeping America.
- We are defending America, which means for most people in the context of the current attack, we are defending the freedom of choice and religion. Religious fundamentalism and fanaticism are uncomfortable with the life choices and gender roles at the center of American life.
- The economy is emerging as a major issue for next year, but the Democrats do not yet have the advantage. Public confidence in the economy will likely erode further, but Democrats need to articulate strong and distinctive economic policies.
- Democratic economic plans get a strong audience with voters: ready-to-go infrastructure projects to create jobs and rebuild, delaying the tax cut for the top one percent to fund rebuilding and Social Security, unemployment benefits and Cobra for the newly unemployed, and tax incentives to encourage immediate business investment.
- The country is very uncomfortable with the aggressive tax-cut program of the Republicans, which voters think will put the country in the hole again and undermine the ability to meet critical spending needs. They see the rebate as oddly short-term and consumerist. Even as they support some tax cuts, the Democrats must attack the overall Republican approach – which is just wrong for the country at this time.
- There is a developing sense in the country that special interests may be acting opportunistically to win breaks for themselves, while ordinary citizens are thinking of the whole country. Democrats should put the spotlight on this special interest behavior.

This memorandum uses the national survey of 1000 likely voters conducted by Democracy Corps. That project also includes four focus groups – two in a relatively affluent suburb of Seattle and two in a suburban/rural area in Des Moines. These were all swing voters, split evenly between those who voted for Gore and Bush in 2000. In addi-

tion, Greenberg Quinlan Rosner conducted about 4 focus groups each week after the attack, where the response of the country was discussed.<sup>1</sup>

### **Partisan Openness and the Bush Factor**

This new period is characterized by greatly elevated concerns with terrorism and security. That is the number one issue (52 percent), followed by the economy and jobs (39 percent) and Social Security and retirement (22 percent). The President's job approval rating has reached 84 percent. The ratings for some members of his team, like Colin Powell, are even higher. Support for the military is very strong.

What is most striking about this new reality is the lack of partisan consequences. Both parties have gone up in public esteem, along with the Congress. The Democrats' advantage in party identification has slipped only a few points. Across all the public polls in late-October, the Democrats maintained a two point advantage in party identification within a likely electorate. The Democrats edge in generic congressional vote has dropped a few points and the parties are now at parity. But this is a remarkable result – given shifts in public opinion seen during the Persian Gulf War and given the shift of the President's fortunes.

Despite his overall ratings, we have every reason to believe that the electorate remains ambivalent about George W. Bush. Right now, voters do not want to hear about those doubts – certainly not from politicians – because they want and need for him to succeed. As one woman put it, “I think we all see him a better light because we want to, because we have to.”

In fact, people speak very easily and positively about his qualities: family-oriented, levelheaded, strong, determined, tough, a good leader, honest, religious and a man of faith. Many questioned his capacities on coming to office but now feel “he has risen to the challenge” and become “more confident.” People are a little “surprised” by the way “he stepped up to the plate.” He has “finally stepped up and become a presence.”

In addition, people think Bush has shown restraint in using military forces, which says good things about his leadership: “incredible patience,” “no knee-jerk reaction,” a leader who is “keeping his cool.”

But the ambivalence about Bush is very real and very important to the way people will decide their congressional preference in 2002. The Democracy Corps research, conducted six weeks after the attack, asked voters to write out the good things they feel about

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<sup>1</sup> Eight groups were conducted in week two after the attack in Milwaukee, Tampa, Atlanta and Philadelphia; 4 groups in week three in Toledo and Runnemede (NJ); 3 in week four in Oakland and Wayne Counties (MI); 4 in week five in Albuquerque; and 4 groups for Democracy Corps in week six in Seattle and Des Moines. The Democracy Corps national survey was conducted October 30<sup>th</sup> to November 1<sup>st</sup>.

George W. Bush, and on a separate sheet, their doubts. People wrote about the good and bad in roughly equal measure. The strong positive feelings about Bush did not suppress the doubts that had been growing before the attack; they are just suppressed for the moment.

In fact, some of the strongest positive assessments of Bush center on elements that could look very differently in a different period. For example, voters, uncertain about Bush's experience and talents, repeatedly talk about the strong team around him. They compliment Bush for "surrounding himself with the best people" and say he has a "good team behind him." Confidence in Bush's team is reassuring and allows people to set aside – for the moment – their doubts that linger not very far below the surface.

But when asked about their doubts, voters respond and along a fairly clear set of lines:

1. ***Bush may be in over his head.*** Recognizing that he is doing a good job, people can still write the following: "seems very far out of his league, and I feel this opinion is a worldwide view"; "where would he be without his cabinet"; "poor decision-making skills ... ineffective/inexperienced"; "experience (lack of dealing with current situation)"; "is he competent to lead a nation in this kind of turmoil?"
2. ***Bush's budget policies may produce deficits and hurt the economy long-term.*** People are aware, reflected such comments as he "is putting our country in more financial problems down the road"; "spend, spend but still giving tax breaks"; "economy, too big a tax cut"; "where's the money going to come from?"
3. ***Bush always sides with big business and powerful interests.*** People take for granted, reflected in their written comments that Bush is "very pro-business" and that he "is orchestrating for big money to big power/oil"; "giving more advantages to the rich, i.e., taxes." While voters like that he has his father and Cheney to turn to, that reinforces a feeling that he is for "rich Texas" and "oil."
4. ***Bush is bad on the environment.*** With surprising frequency, people raise questions about his environmental policies, particularly on Alaska, among their cluster of written doubts.

After their elections, most presidents gain a "halo" effect: more people recalling voting for them than actually did so in the real election. John F. Kennedy is the classic historical example. Bush never emerged with such a halo, given the challenges to the legitimacy of his election. But what is more interesting is that Bush still has not gained a halo even in this current period: just 49 percent reporting voting for him against Al Gore.

There are no reasons for Democrats to give voice to those doubts, but they are very important elements in our strategic thinking about the election period ahead.

### **A Season for Democrats**

This may be a time for Democrats.

The obvious and frequently discussed area is the role of government. Distrust of government is down and the public is clearly looking for an expanded governmental role in many areas. This is not a moment when voters can afford to give into cynicism. Since Democrats are frequently considered the party of government, this could be their moment.

But when listening to people speak about their mood and worries and hopes, four patterns of thinking emerge that are shaping the consciousness of this new period.

***The first is the unity in the country.*** People think the country is headed in the right direction because the country has come together as one in the face of adversity: “united we stand.” This pride in unity was almost the first thing people talked about, after the sadness or heroism: “to me, it has brought people in our country together”; “United States of America, again behind the government”; “the country seems to have banded together for the first time since World War II or Korea.”

People explicitly note that this is no Vietnam – when the country was divided and weakened itself. In fact, people are reluctant to get into the “blame game”: there is “a lot of blame to go around.” That would divide the country and we cannot afford that.

The unity has consequences that affect our current political terrain. First, the unity is encompassing – politicians of all stripes are part of the unified national response. In some respects, then, the “security issue” has been neutralized by popular request. When we asked whether Democrats are as patriotic as the Republicans, respondents said, yes without qualification.<sup>2</sup>

***The second pattern of thinking – a newly evident consciousness of bonds with other people, indeed, community*** – is closely related to unity. People are proud that in the aftermath of the attack, people are working together, thinking about and helping others:

Everybody bonding together.

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<sup>2</sup> The test of whether the unity sentiment neutralizes the security issue is whether the Democrats cross the threshold of credibility on international domestic security: are they patriotic? Can you trust them on security. Finding out which party is better on security is not the appropriate test.

Closeness. People are bonding.

And I just feel we have more in common with people, knowing they feel bad too. It's kind of bringing people closer together.

[It's been] a long time since we pulled together to help each other. ... We're going to help each other whether it's our neighbor or a stranger across the country.

People working together for a common goal.

Gonna get some sort of a sense of community.

This emerging sense of community contains within it the notion that, at this moment, individual desires should give way to the needs of the community and country. Maybe young people, who are “into themselves. They're going to have a chance to see what it means to be an American.”

***The third pattern is a new sense of seriousness and proportion.*** These events have led many people to say, even two months after the attack, that they “need to figure out what is really important.” Each day is an “awakening,” which makes one thankful for the important things: “I think it's darn time that finally this country got back to caring about what's important, which is, you know, your family and home and self, and you know, stop being quite so materialistic.”

The need to prioritize carries readily to the public level: we are at “a point in our history” [where] we have some very important things to do.” People talk about dealing with many issues, but some things – like “animal rights” – “we got bigger things to think about right now.” One person summed up the simple instruction: “Prioritize. We need healing and we need each other... Turn your attention to helping our nation.”

***The final pattern of thinking centers on the freedom to choose.*** We asked people in the focus groups what it means to be an American and why America is under attack. The great bulk of the responses centered around the word “freedom.” In the face of this attack by Islamic fundamentalists, people are defining freedom as “the freedom to choose.” In America, we have “options. We're free here. We all make our choice.”

Many people think of this freedom of choice as something central to our way of life – and that is now under attack. In this respect, choice is in opposition to societies that would impose traditional patterns on the individual, family and women.

You know, if you choose who you're going to marry, and you choose if you're going to have children, and you choose if you're going to go to school, and you choose to move out of state to get a better job, and you

choose whether you get on a plane. And that's why a lot of people want to come here is because there's a lot of choices.

The freedom to choose. You could choose your religion, you don't have to be one thing or another. If you're a woman, you can walk down the street, you don't have to hide under a veil.

But also under attack is the freedom of religion, the ability of many religions to co-exist in the same society, without dividing it: "we tolerate others' religion"; "we have a mix and nobody seems to care what you are or what your faith is." In fact, "that is what drives them nuts because the fact we can show respect. You're a Buddhist, fine. As long as you don't harm me or force your religion onto me, let me make my choices - they can't stand it over there."

The defining of freedom of choice, particularly with regard to life choices and religion, has produced a fairly tolerant response in all the focus groups with respect to Muslims in America. People are certainly for tighter border control and limiting the number of immigrants, which is reflected in the polls. But it is striking that throughout the four weeks of focus group discussions, the only attacks on foreigners and Muslims were isolated. These events did not offer a license for expressing pent up prejudices. In fact, freedom of choice is at the heart of this attack, and that is apparently elevating the value of tolerance.

The combination of unity and togetherness, bonding and community, family and country over materialism and selfishness, freedom to choose in life and religion are elements forming the public consciousness of this period. This consciousness will shape how the public reacts to the emerging public policy debate and how it chooses its leaders. As we shall see below, voters are having trouble understanding the Republicans' tax cut led approach at a time when the country faces so many challenges.

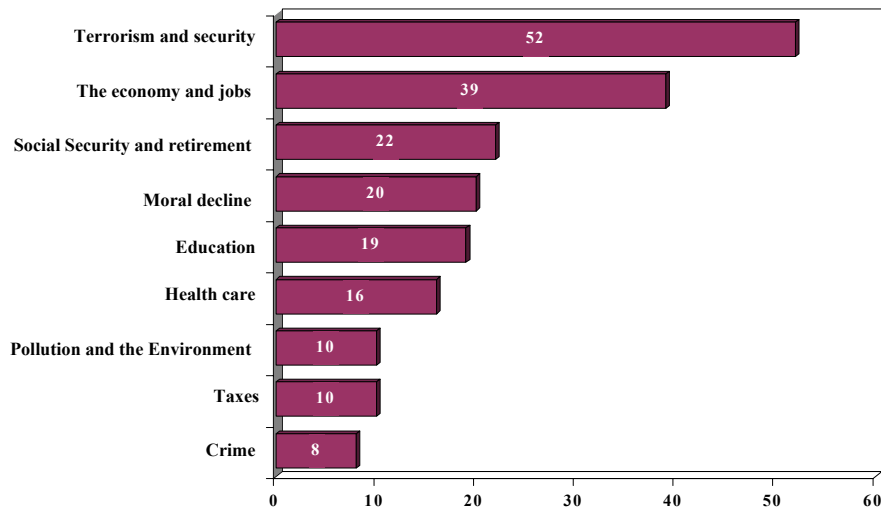
The Democrats seem more aligned with this emerging consciousness, above all, because of the centrality of community. Tony Blair understood this when he gave his speech on the "power of community," which lays the basis for public service and modern social democracy. The public's renewed interest in government is a symptom of the powerful impulse to act together and protect our freedoms.

In the national Democracy Corps survey, we tested alternative partisan perspectives on patriotism: the Republican message emphasized military defense, American pride and securing our freedoms, while the Democratic message offered reassurance on the military but emphasized community, improving health care, protecting the environment and rebuilding our economy. Even in this period with security issues foremost in their minds, voters split evenly (45 percent Republican to 46 percent Democrat) between these competing partisan conceptions of patriotism.

**The Other Issues**

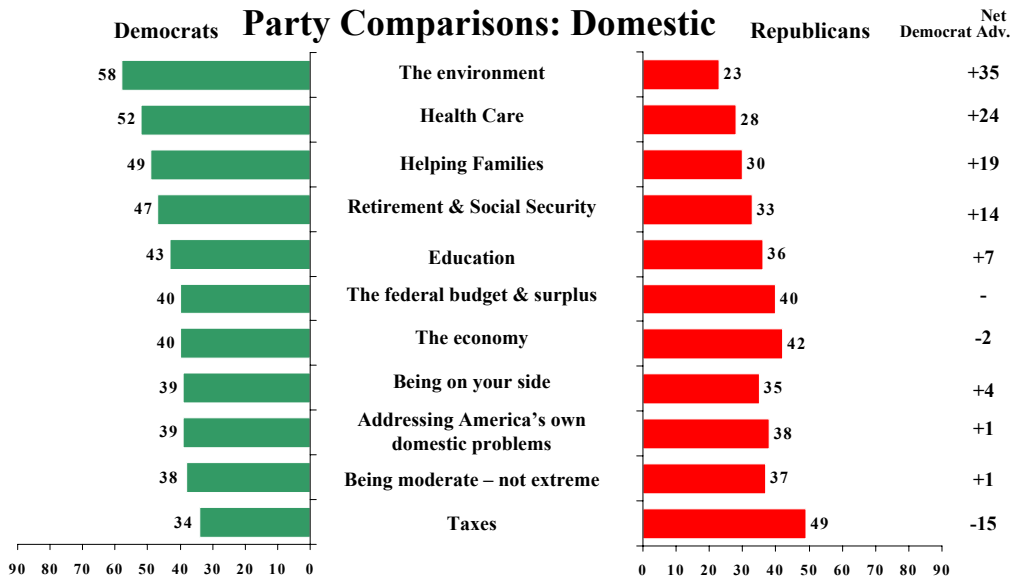
Though we are only two months away from September 11<sup>th</sup>, a large portion of the country is focused on “other” issues. In no way should Democrats or progressives diminish the importance of the war on terrorism. However, we should recognize that even now about half the likely electorate does not mention “terrorism and security” as a top concern – even when asked to choose their two top concerns. In short, half the electorate is some place else: 39 percent focus on the economy; there is a bloc of 30 percent that is still worried about moral decline and crime; education and health care together bring in over a third of the voters. As Congress debates an economic recovery package, it is especially important to note that only 10 percent mention taxes.

**Concerns**



*“Now I am going to read you a list of concerns that people have. Which TWO of the following concern you the most?”*

While there has been a marginal shift to the Republicans in this period, the playing field on these other issues is either level or tilting toward the Democrats whose advantage on the environment (+35 points) and health care (+24 points) has increased. In the focus groups, health care was nearly an obsession as voters lamented the escalating cost for prescription drugs and unaccountable managed care insurance companies, resulting in a system that voters say, “sucks” or is “terrible.”



*“Now I am going to ask you something different. I am going to read a list of issues and I want you to tell me whether, overall, you think the Democrats or the Republicans would do a better job with this issue. If you do not know, just tell me and we will move on to the next item.”*

Additionally, Democrats have maintained stable advantages on retirement and Social Security, and made gains on education – which Bush no longer dominates.

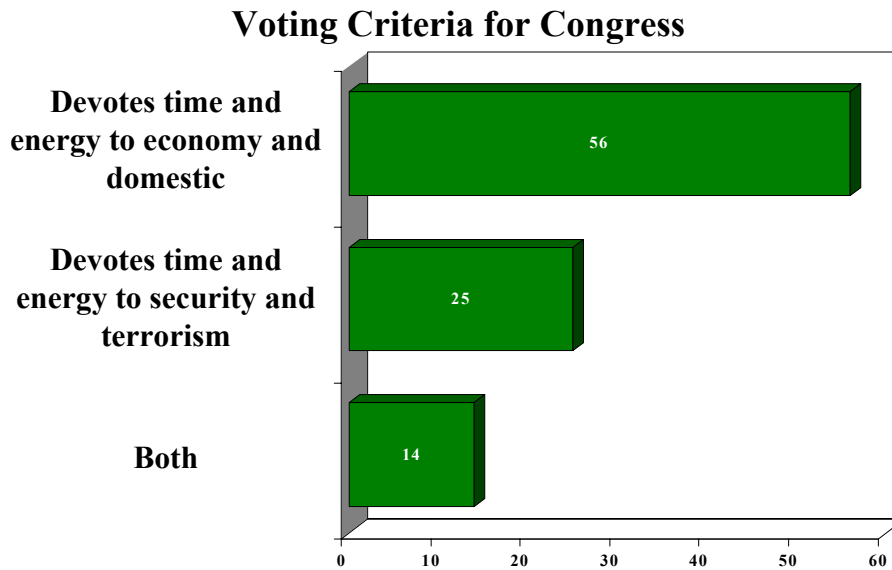
The country is split down the middle on whom to trust on the federal budget and surplus, the economy and America’s domestic problems. This is the battleground, but as we shall see below, the economy is an issue where Democrats have the opportunity to make strong gains.

**Balance**

People are already beginning to apply the concept of balance to the way they think about the Congress, the parties and the President. Voters clearly want a balance, though for now, it is more functional than partisan. They are not trying to balance a Republican President with a Democratic Congress. In the most benign formulation, they are looking for a kind of division of labor. Voters see the President as doing a good job on the war and security issues, but they look to a Congress that will focus on the economy – rebuilding and helping those in need – and health care.

When asked whether they are looking for a member of Congress who devotes their time and energy to “security and terrorism” or to one who focuses on the “economy

and domestic issues,” voters choose a member with domestic priorities by better than two-to-one.



*“When voting for Congress, are you looking for a member of Congress who mainly devotes their time and energy to security and terrorism OR a member of Congress who mainly devotes their time and energy to the economy and domestic issues, like (health care OR education)?”*

Balance is emerging with multiple meanings, but all of which reinforce the notion of voting Democratic for Congress.

- ***Division of Labor.*** With the stakes so high, people say the President should be focused on the events that are happening, while the Congress takes on the other issues, “There are agencies in place that should be addressing the safety issues, the security. The Congress needs to be looking down the road at our economic well-being.” In this context, it is possible to be quite favorably disposed both to the President and the Democrats, without any internal contradiction.
- ***Foreign versus national issues.*** Many of these voters favor the Democrats on these issues because the party is “more focused on the national issues,” which the President (or the Republicans) tend to ignore. The Democrats are willing to put “social programs in place if you do have a problem with health care.”
- ***Big industry versus the population.*** Even while rallying to the President, voters continue to believe that he favors big business and the wealthy: “you tend to see them looking out for big business.” On the other hand, Democrats “are trying to get the most for the larger share of the population.” As one person put it, the Democrats, have “more balanced government ideas; more average person thoughts and programs.”

There is an emerging message for Democrats, centered on balance:

*Whatever one thinks of the President – and he is certainly properly consumed with the war and national security issues – one needs Democrats in Congress. They support the President on security and the war on terrorism. But Democrats are also very focused on the economy and health care, rebuilding after the attack and helping those hurt, and making sure we help the whole population, not just the big industries.*

### **The Economy**

The economy is emerging as the most important element of the emerging domestic focus – critical to the concept of balance. But we have not yet seen the full corrosive effect of a declining economy. In the Democracy Corps survey, half the electorate still describes the economy as in good shape (49 percent), with 47 percent saying not so good. That is consistent with the CBS poll where 56 percent still rate the national economy as good.

While consumer confidence index for ABC/*Money* is at – 5, that has dropped only marginally from early September when the index was at – 4. For comparison, the index stood at –50 in February 1992, when the economy really took down a President. But the index could well be heading in that direction, after the wave of economic news over the past couple of weeks.

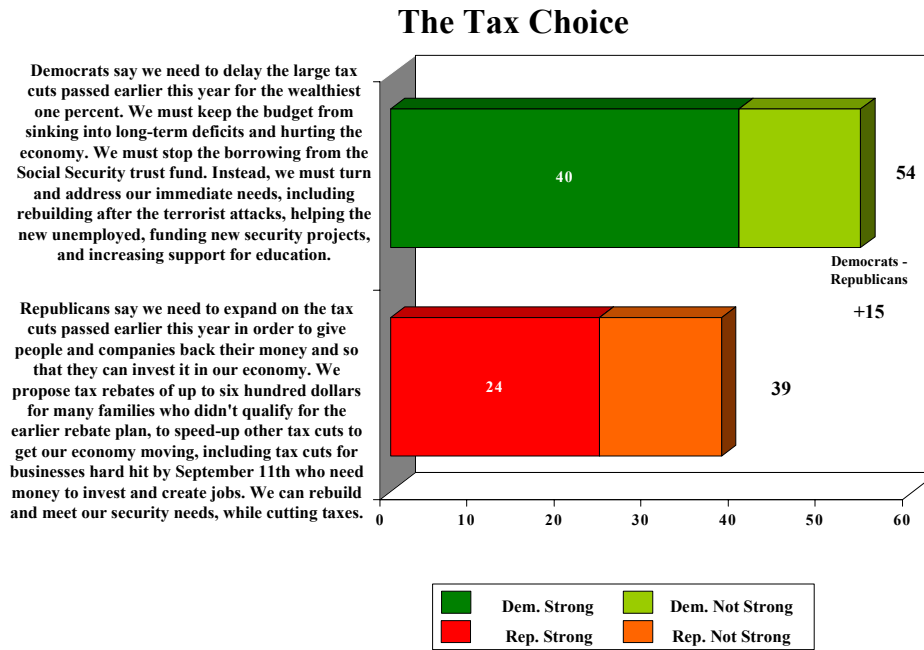
At the moment, concern about the economy is highest at the moment among the best educated and those with the highest incomes. Presumably, that will begin to change when the impact of job losses, wage pressure and the loss of health benefits begin to be felt more broadly.

As we go into an election with the economy potentially featuring strongly, the public expresses no particular enthusiasm for Bush to handle the problem. However, the country splits evenly on which party to trust, which suggests Democrats must do more to be the compelling alternative.

### **The Tax Choice and the New Public Consciousness**

The Republican House and the President have made tax cuts their central proposition for addressing the economy and meeting the country's domestic needs. However, this position is fundamentally at odds with the current national mood. While voters clearly want tax cuts as part of an overall approach, tax cuts cannot suck up all the imagination in public policy. Voters oppose an aggressive program of tax cuts because the country faces other financial needs, because they endanger the budget and economy and because they are at odds with the emerging commitment to community.

Given a choice, as described below, voters would delay the large tax cuts passed last year in order to fund Social Security, rebuild after the terrorist attacks, help the unemployed and increase the support for education. They greatly prefer this choice (54 to 39 percent), over the Republican choice that offers expanding the tax cuts to get the economy moving, and to help businesses invest and create jobs.



As we shall see below, it is important for Democrats to support tax cuts but they should be confident in opposing a Republican economic plan on taxes. The citizenry is uncomfortable with the tax cut led approach because it is irresponsible, undermines our capacity to act and clashes with the emerging dominant values of this period.

The Republicans' big tax cuts are seen as irresponsible, when the country is looking for a seriousness of purpose. These aggressive tax cuts clash with the public's worries about the deficits and the economy. The tax cuts may send the country into deficits again and into financial uncertainty. For some participants, the connection and risk are very clear.

[The] biggest thing for me is the economy. As far as the tax cuts and things, I thought he is going overboard on that. My biggest concern is the deficit because the deficit.....we are paying so much interest on the deficit itself. ... We were on a great path to get this knocked down to a reasonable level, if not eliminate the damn thing altogether.

The past administration had a nine-year plan to have it paid off and that was impressive to me.

That leads some of these swing voters to settle on the Democrats because they make fiscal sense: “It seems like the odd thing is that the Democrats are being fiscally responsible”; “they are coming across that they know the tax base that they need to cover the ... new spending.”

A new round of tax rebates clashes with the public’s priorities. The discussion it sets off tells us a great deal about the doubts people have toward a tax cut centered economic program. One person observed to the agreement of many, “We’ve got the deficit, we’ve got increased spending, we’ve got military action going on, and don’t really need to keep handing out money right now.” Another elaborated: that \$600 may not add to much for the individual, “but all our \$600s would” add up to a lot of public funds. ...

And right now we need a lot of money. We're spending tons of money right now. And as far as I'm concerned, if it's there, if the government's expensive and it's not breaking us, leave it alone. It don't make any sense to keep sending it back and we go further in the hole. Because we're going to be the ones that's going to pay the taxes to make it up.

One person drew the simple conclusion: “The idea of reducing taxes right now is wrong.”

The idea of large-scale tax cuts is beginning to clash with the emerging values and mood of this new, post-September 11th period. The tax cut seems short term, diminished, individualistic and consumerist at a time when the citizens are looking for something more for the country. The people are thinking about community needs, country, future and government.

When we place the tax cut alternative on the table, some people began to talk about the value of core governmental functions: “I mean I get screwed on my taxes, but I will happily pay for police, ‘cause I like police when I call them, will happily pay for the fire department, I will happily pay for teachers that will teach my kids.”

Voters talk about the rebate as “nice,” but that conflicts with the seriousness of their thinking. The tax cut offers small immediate benefits at the expense of the future.

It’s nice to get your little rebate back. Enjoy it now. I do have concerns about the future.

That's a dumb thing. I can't understand why they did that. It was in my benefit, it was in anybody's benefit. But in the future it's not.

The argument that the tax cut spurs spending and therefore helps the economy also clashes with what some voters think should be the proper emphasis, community and country. What the administration is calling for, it seems, is for people “to go on a shop-

ping spree,” but if “he would have said education, that's important.” It seems like we are missing the opportunity to invest in the country:

What did we do with the money after I got my little check? I didn't run down and buy stock or reinvest it in the country. I just absorbed it in and went out and did something. ... Did it go back into the country? ... Or did they just go out and buy something like a TV or something. ...

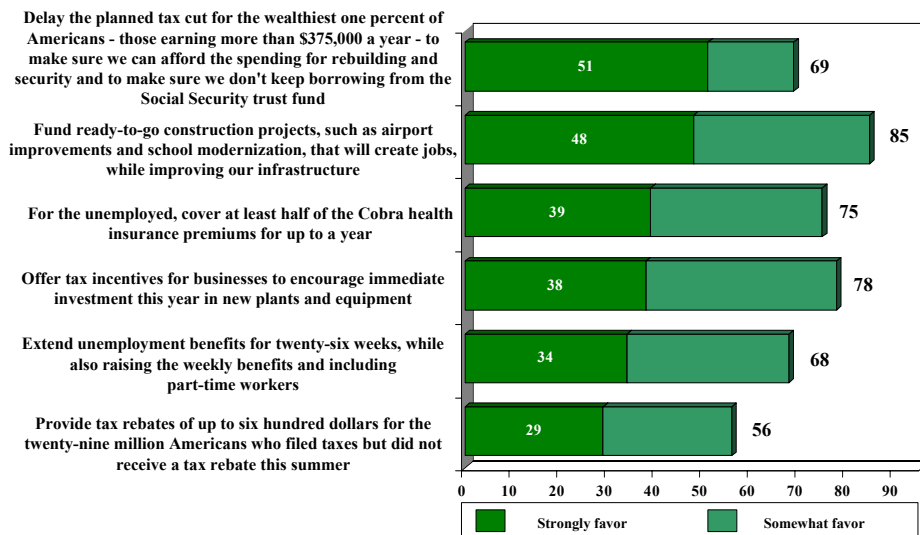
Reflecting on past wars, people bought bonds and were asked “to do something for the entire country. So, Bush has asked us to lead our lives.”

### The Economic Stimulus

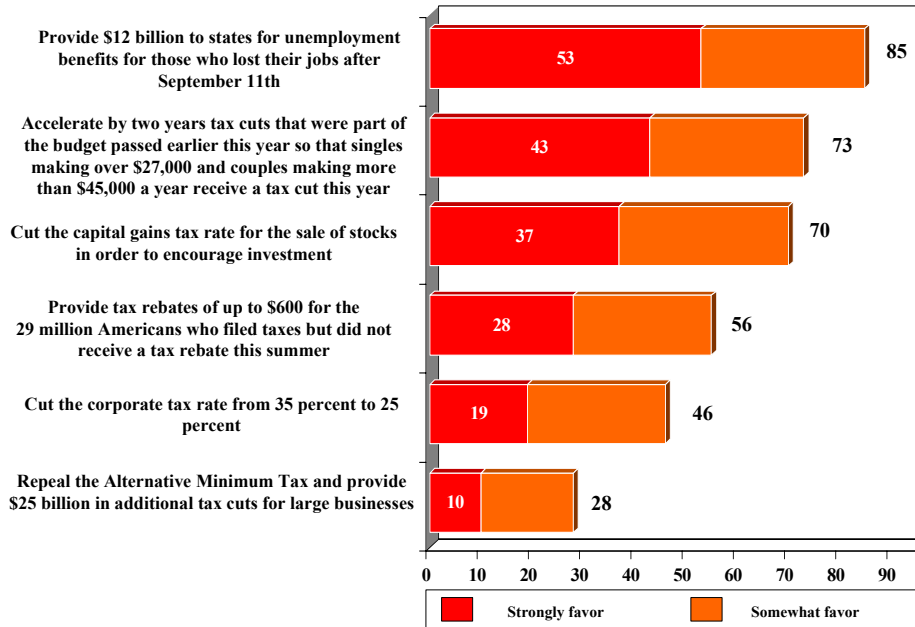
Voters do not currently bring a strong partisan filter to the various economic proposals being considered. Nonetheless, a majority support every Democratic proposal; in fact, two-thirds favor every Democratic proposal but one (the tax rebate). Overall, the Democratic proposal does better than the Republican – particularly those features that have led the public debate, like the Alternative Minimum Tax.

Across the Democratic and Republican packages, the strongest support is for unemployment benefits for the newly unemployed; delaying tax cuts for the wealthiest one percent in order to fund rebuilding and Social Security; funding ready-to-go infrastructure to create jobs; accelerating already scheduled broad middle class tax cuts; Cobra health insurance for the newly unemployed; and tax incentives for business if clearly linked to new investment.

#### The Economic Stimulus: Democratic



### The Economic Stimulus: Republican



The public rallies to four elements of the Democratic plan. The starting point is the immediate construction program, including airport improvements and school modernization to create jobs. That has the broadest support (85 percent) and nearly the most intense – 48 percent strongly supportive.

There is strong support for delaying the tax cuts for the top one percent (those earning more than \$375,000 a year) in order to fund the rebuilding and security and to make sure we do not keep borrowing from the Social Security trust fund. Two-thirds of the electorate favors this proposal, but most important, more than half (51 percent) strongly favor it – the highest for any Democratic proposal. One person noted that they used to laugh about the “Social Security lock box,” “Well, there it goes. . . . Well, that’s all our money.” That sentiment reverberated across the groups: “It’s not their money anyhow”; “that’s what we paid into for our own security, [and] that’s not something they should say, well, we got this money here, we can use it however we want.” And some said, “I mean don’t delay, just eliminate that tax cut for these people.”

Cobra coverage health care for the newly unemployed stands out, on its own, as a very important thing to do at this moment. People understand the rising cost of health care and how expensive coverage can be for anyone.

It is important to underscore that three-quarters of the public favors a Democratic proposal for business tax incentives to encourage investment in new plants and equipment. The public wants tax breaks, including for business, if the provision is linked to investment, not simply consumption. People are looking for initiatives, consistent with

this new period. One of the participants observed, “The tax cut is tied to investment to encourage them to move forward, not just a blanket.”

Unemployment benefits for the newly unemployed are immensely popular. When offered by the Republicans and targeted at those who have lost their jobs after September 11<sup>th</sup>, 85 percent favor the idea, including 53 percent who strongly favor it. Presented with an expansive Democratic proposal – extending benefits to 26 weeks, while raising weekly benefits and covering part-time employees – more than two-thirds support it, but less enthusiastically.

In the focus groups, many participants worried that such an expansive proposal might re-open the old welfare system. That is why the unemployment proposals should be part of a broad Democratic economic package.<sup>3</sup>

On taxes, voters offer a fairly consistent posture, whether offered by Democrats or Republicans. They support business tax cuts, even a capital gains tax cut, when it includes the wording, “in order to encourage investment.” Voters seem to support an accelerated schedule for tax cuts aimed at the middle class – such as the marriage penalty. But there is little enthusiasm for the tax rebate whether proposed by Democrats or by Republicans – just 56 percent. The weak reaction to the rebate reflects our earlier observations – a citizenry focused on addressing the community’s crisis and long-term needs, rather than simply throwing money at individuals to consume now.

Cuts in corporate tax rates, with no immediate spur to investment, gets little support (46 percent). Repeal of the Alternative Minimum Tax, providing \$25 billion in tax cuts for large businesses wins the support of only 28 percent. When presented specifically with tax cuts for IBM, GE and General Motors, voters are simply incredulous. Now the leading element of the House Republican package, this is likely to shape public perceptions of the Republicans’ approach to the economy. This may become one of the substantive elements in the public’s desire to balance the President’s direction.

### **Final Note on Opportunism**

Just below the surface is growing resentment of those who are rushing to the trough to feed on the government largesse. People are watching the pharmaceutical, oil and insurance companies. They express a lot of concern about bailing out industries, including the airlines, that are powerful enough to win favored treatment. People have a lot of questions: “Are they going to bail out every type of industry that suffers? Where is the money coming from?” Why is that just the “wealthy ones,” the “favored industries” are

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<sup>3</sup> The *Wall Street Journal* tested the two economic plans – but without party labels and starting with unemployment relief in the spending alternative. The Democrats need to have a broad approach for economic rebuilding and recovery that includes unemployment relief, as well as tax cuts and business incentives.

getting support? “Why do they get a crutch, and what about the “individual who is hurting?”

When we presented voters with the full list of companies asking for governmental action – including insurance companies, drug companies, the airline industry, oil companies, and corporations that would directly benefit from repealing the Alternative Minimum Tax (Ford, General Motors and IBM) – people were shocked: “they are leeches,” “they’re just as bad as the terrorists,” “they can’t seriously be considering doing that, are they?”

In the poll, half the voters (53 percent) described this as “opportunism by special interests” and “greed”; another 15 percent seem ready to call this “war profiteering.”

The case for balance grows.