

Date: June 20, 2001

To: Friends of Democracy Corps

From: Stan Greenberg
James Carville

RE: TURNING POINT AND STRATEGIC CHOICES
Report on the Democracy Corps' National Poll

We are at an important turning point in the Bush Presidency and in the Congress – if progressives understand the moment, put Bush on the defensive, and go down the right strategic path. Less than six months into his presidency, Bush is faltering. This should be a time of new confidence for Democrats, which is why we are circulating this memorandum.

This report is based on a Democracy Corps survey of 1000 respondents, all likely voters in an off-year election, conducted from June 11-13th. [The full survey is available on its website: www.democracycorps.com.]

This turn in political fortunes is evident in a series of findings – all of which can be found in polls conducted by other organizations, such as *Washington Post/ABC*.

- Bush's standing has fallen. The proportion disapproving of his performance continues to rise (from 23 to 31 to 35 percent this year). His overall thermometer rating has also fallen. We show him with a 58 percent approval rating, though most public polls have him at 55 percent and slipping.
- Within a week of passing his signature policy proposal – his tax cut plan – just 54 percent approve of it, down 5 points from a month ago. Indeed, 42 percent of the country now oppose his tax cut. There is no evidence of any lift for Bush on taxes after passing his big tax cut.
- The energy and tax debate is defining Bush – as someone for the rich and powerful, and not for the ordinary citizen.
- The public's perception of Bush as a person with good ideas to address the country's problems has dropped dramatically.
- Bush now owns the economy, but the country is becoming consistently negative about the direction of the country. In our polls this year, the

net mood on right direction has gone from +11 points to -3 to -6 points in our current survey.

- More and more voters are coming to see Bush as someone “in over his head.”
- The Democrats in Congress are emerging with a significant advantage over the Republicans – which is reflected in an 8-point gap between Lott and Daschle in the Senate (percentage cold/negative feelings).

The results of these trends are already evident in our current politics and could be even more dramatic in the coming months. For the first time this year, the Democrats are now ahead in the generic congressional contest by 2 points. Perhaps more important, Bush himself only runs even with a generic Democratic presidential candidate (44 to 44 percent).

The Bush and Republican slippage creates a very big strategic choice for Democrats. The tax package has not only failed to win enthusiasm, but there are large majorities who would cancel or delay the top-end tax cuts in order to fund education, the Medicare trust fund, and a prescription drug benefit. That battle, we shall see, significantly shifts the election toward the Democrats.

If Democrats are confident and make the right strategic choices this year, 2002 may well become an especially good year for Democrats.

George W. Bush

George W. Bush is being held up by a sense that he is a “moral leader”, that he is “honest and trustworthy”. Over 60 percent of the country believes the latter and over 70 percent the former. He seems like a moderate kind of guy (62 percent), who wants a strong military and who wants to make America stronger and independent (59 percent).

With the passage of the tax package, more people are thinking of Bush as someone who is keeping his promises (now 58 percent).

But Bush’s overall position is eroding.

After the tax package and his energy proposals, voters are coming to doubt that he has such good ideas. Part of his attraction in the election and early in his term was that voters thought he was at least putting forth new ideas in education and retirement. Now, 55 percent say he has good ideas for addressing the country’s problems. That is dramatically down from 66 percent in March (after the joint session address) and 59 percent in April.

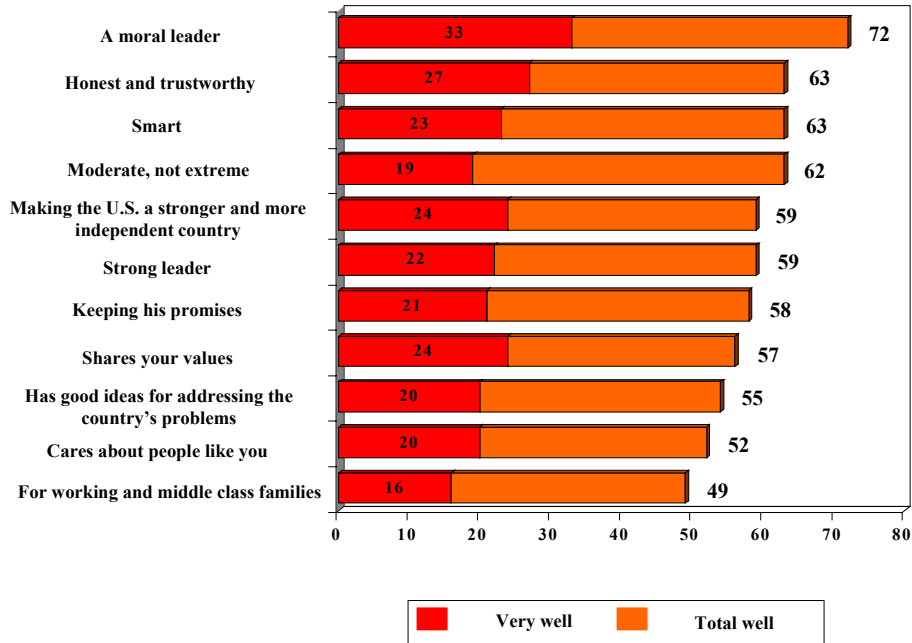
A majority of the country (53 percent) now says that Bush has different issue priorities than people like me. In fact, nearly a majority (46 percent) describe his proposals as risky.

Now seared in the public consciousness is a perception that this president will choose the interests of big business and the wealthiest over those of ordinary citizens.

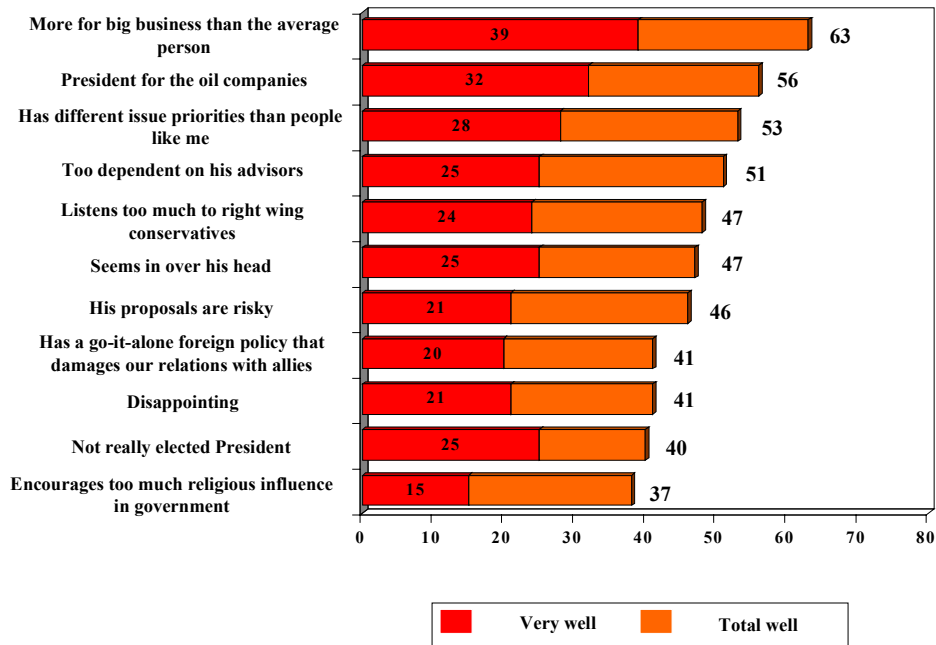
- Sixty three percent say Bush is more for big business than the average person (and 39 percent believe this strongly).
- An astonishing 56 percent agree that Bush is “president for the oil companies.”
- Just 52 percent say Bush “cares about people like you” – down significantly in this poll.
- Only 49 percent say Bush is “for working and middle-class families.”
- Only 49 percent say Bush’s tax-cut plan is good for people who work hard and play by the rules.

These assessments are leading real doubts about whether Bush is up to the job of being president. A quite extraordinary 47 percent agree that Bush is “in over his head” – up from 39 percent at the beginning of the year and 42 percent as recently as April. Voters are simply growing more doubtful about Bush the President, even as his overall approval rating stands at a moderate level.

Bush Positives



Bush Negatives



Bush is slipping badly among college-educated voters—both men and women, particularly the women. This is most evident among independents and also moderate and liberal Republicans. He is also losing ground with African Americans and highly-educated whites.

Bush has mostly maintained his position with Catholic voters and improved it with devout Evangelicals. He has held his position with a range of non-college white voters – non-college women, non-college voters under 50 years of age, and those with some post-high school education – who are likely responding to Bush on values and tax cuts.

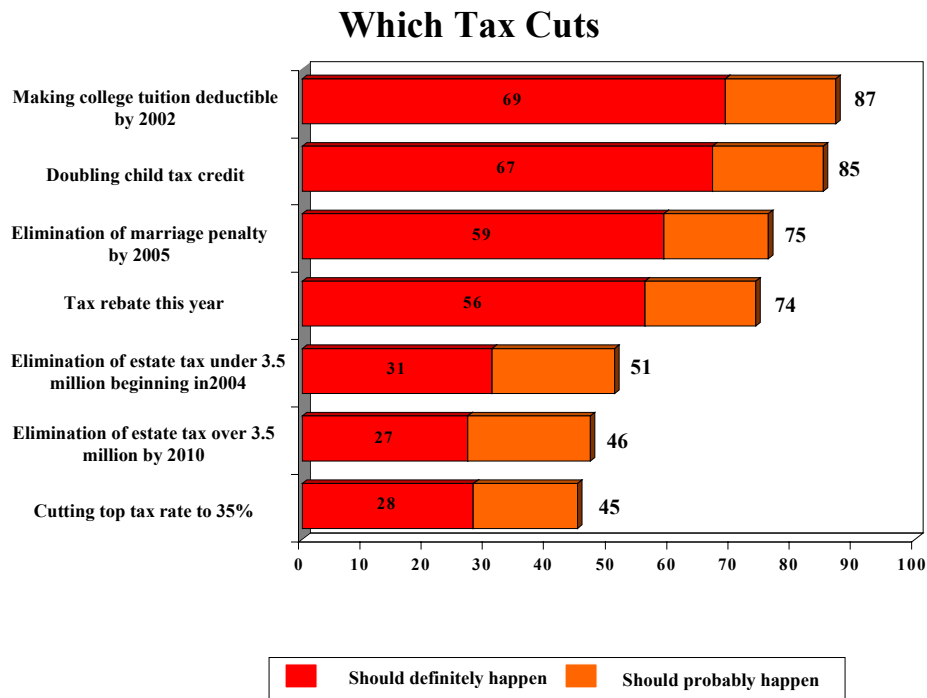
The Tax Battle

The President's tax cut package wins only modest public support: 54 percent, with 42 percent opposed. But what is more interesting is how voters respond to this 11-year initiative—as a series of strategic choices and trade-offs—and how it leads to Democratic gains for Congress.

The public is very supportive of the tax cuts that help working and middle class families, and Democrats should be affirming those cuts every step of the way. Almost 90 percent say Congress should maintain deductibility for college tuition and the doubling of the child tax credit; three quarters of respondents want this year's tax rebate and the elimination of the marriage penalty by 2005.

However, barely a majority (51 percent) supports eliminating the estate tax for estates under 3.5 million dollars.

There is no majority for totally abolishing the estate tax after 2010 (46 percent) or for cutting the top tax rate to 35 percent (45 percent).



The tax program is vulnerable to a variety of attacks from critics and Democrats:

- Criticism that the tax plan leaves no money for education, prescription drugs and the Medicare trust fund raises serious doubts for 60 percent of the electorate.
- Criticism that 37 percent of the benefits go to the top one percent (those earning over \$375,000 a year) raises serious doubts for about 55 percent.
- Criticism that the tax plan will bring a return to deficits and weaken the economy raises serious doubts for about half of the voters.

In fact, when clear policy choices are presented, the public strongly supports trade-offs posed by the Democrats. The tax plan, far from being a benefit for Bush and the Republicans, is a massive strategic opportunity for Democrats.

- Seventy percent say cancel the tax cut for the top 1 percent to create a real prescription drug benefit for seniors (with 51 percent strongly favoring this choice).

- Sixty-five percent would cancel the top rate tax cut to make sure there is no borrowing from the Medicare trust fund (49 percent agreeing strongly).
- Sixty-one percent would cancel the top rate tax cut to spend 200 billion dollars on increased education spending.

The public is less supportive of canceling the top rate tax cut in order to reduce taxes more at the bottom end or to fund the modernization of the military.

These strategic trade-offs set up a congressional battle very favorable to the Democrats. We created a simulated race, with the Republicans defending the tax cut and attacking the Democrats for raising taxes. The Democratic candidate posted the choices listed above. After this exchange, the Democrats win the congressional race by 7 points (50 to 44 percent) – up 5 points from the generic contest at the beginning of the poll. If Democrats recognize and seize their strategic opportunities, they can make major gains in 2002.

Battle for Congress

