

GREENBERG QUINLAN ROSNER RESEARCH

April 1, 2009

The Budget Battle and AIG

Democracy Corps



DEMOCRACY CORPS
CARVILLE ♦ GREENBERG

The surveys

This presentation is based primarily on a national Democracy Corps survey of 1,000 2008 voters (834 landline, 166 cell phone weighted; 880 landline, 120 cell phone unweighted) conducted March 25 through 29, 2009. Margin of error: 3.1 percent.

Some data shown reflects results from 863 likely 2010 voters (871 unweighted; margin of error of 3.3 percent).

Also included in this presentation as noted:

- **Democracy Corps survey of 1,000 2008 voters conducted March 5 through 8, 2009.**

The Political Environment

“Right direction” at 3-year high

Generally speaking, do you think things in the country are going in the right direction, or do you feel things have gotten pretty seriously off on the wrong track?

○ Right direction
● Wrong track



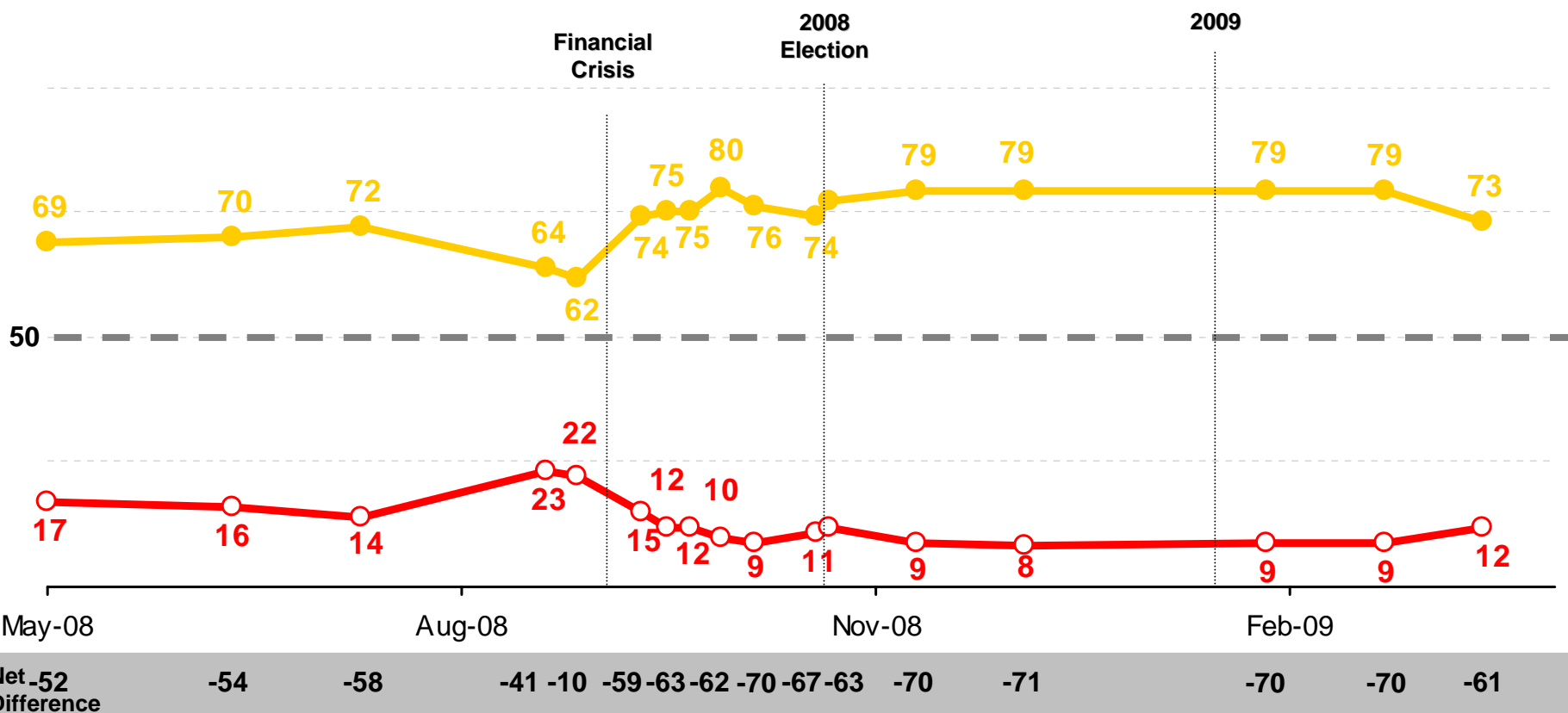
Net Difference: -18 -25 -33 -42 -28 -31 -30 -25 -35 -24 -41 -32 -43 -41 -48 -44 -35 -47 -50 -41 -44 -52 -58 -63 -46 -66 -75 -62 -59 -50 -33 -24 -12

*Note: From Democracy Corps surveys conducted over the last several years. Data reflects likely voters. After 2008 election, data reflects likely 2010 voters.

Voters still pessimistic about economy, but first signs of warming

Now, I'd like to rate your feelings toward some people and organizations, with one hundred meaning a VERY WARM, FAVORABLE feeling; zero meaning a VERY COLD, UNFAVORABLE feeling; and fifty meaning not particularly warm or cold... **state of the economy.**

○ Warm ● Cool



*Note: From Democracy Corps surveys conducted over the last year. Data reflects likely voters.

Democratic brand much more popular than Republican

Now, I'd like to rate your feelings toward some people and organizations, with one hundred meaning a VERY WARM, FAVORABLE feeling; zero meaning a VERY COLD, UNFAVORABLE feeling; and fifty meaning not particularly warm or cold.

**Therm.
Mean**

**Warm -
Cool**

■ Cool ■ Warm

Barack Obama



63.5

+34

Democratic Party



50.9

+6

Democratic Congress



48.1

+4

**Timothy Geithner,
Secretary of Treasury**



46.5

+1

Republican Party



43.1

-13

Republicans in Congress



42.8

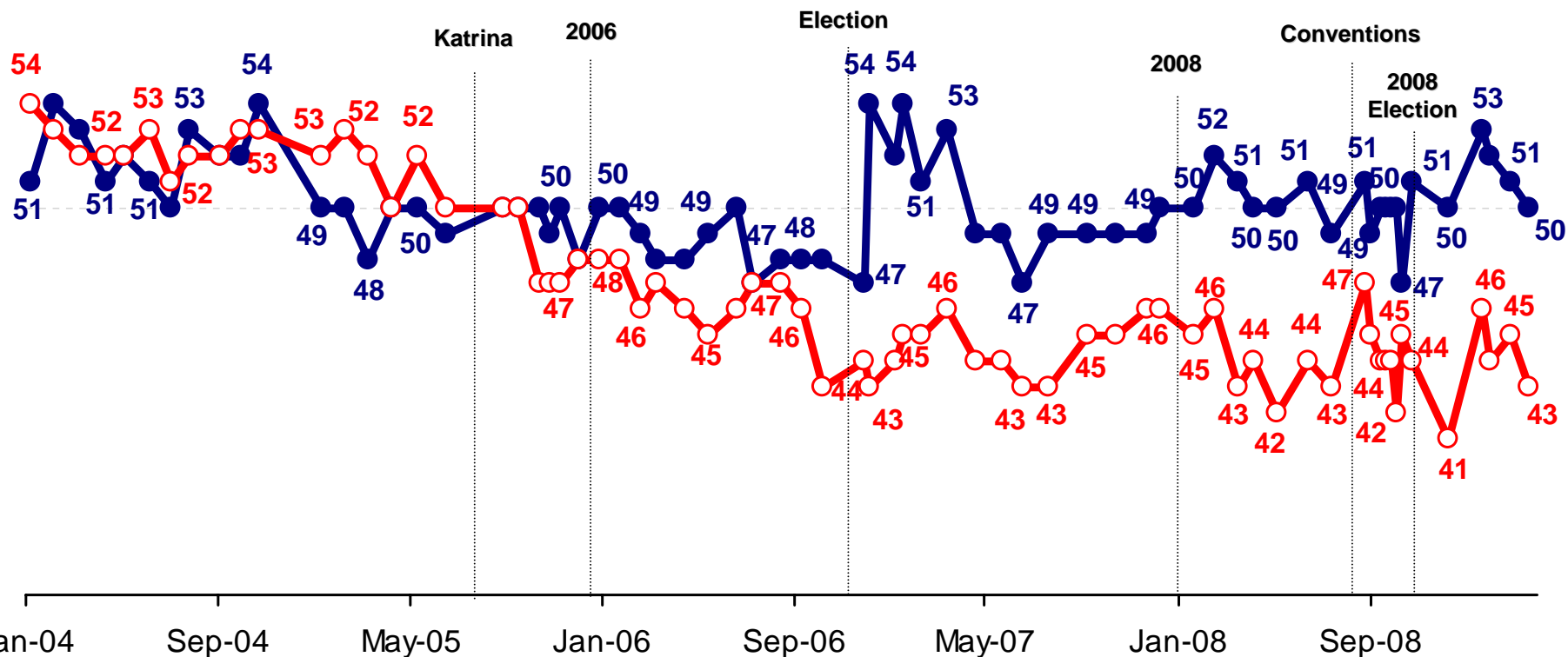
-15

60 40 20 0 20 40 60

Democratic Party image holds solidly above Republican favorability

Now, I'd like to rate your feelings toward some people and organizations, with 100 meaning a VERY WARM, FAVORABLE feeling; zero meaning a VERY COLD, UNFAVORABLE feeling; and 50 meaning not particularly warm or cold.

● Democratic Party
○ Republican Party



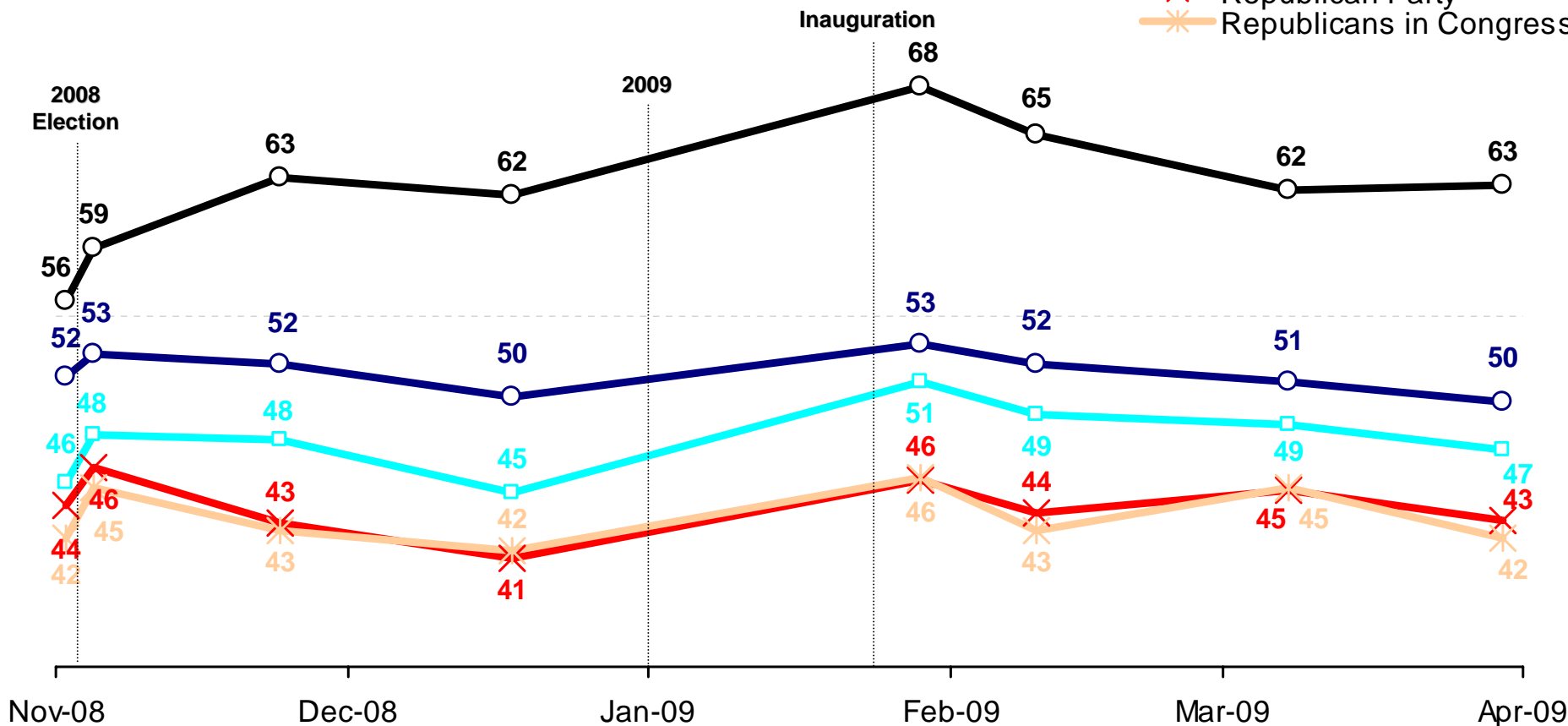
Net Difference: -3 -1 -2 +1 +1 -4 -4 -2 +3 +2 +3 +4 0 +2 +3 +11 +9 +7 +4 +6 +4 +3 +5 +6 +8 +7 +6 +4 +2 +6 +6 +6 +2 +7 +9 +7 +6 +7

*Note: Data represents the MEAN ratings from Democracy Corps surveys conducted over the past four years. After 2008 election, Data reflects 2010 likely voters.

Political thermometer means – Republican Party, Congress close

Now, I'd like to rate your feelings toward some people and organizations, with 100 meaning a VERY WARM, FAVORABLE feeling; zero meaning a VERY COLD, UNFAVORABLE feeling; and 50 meaning not particularly warm or cold.

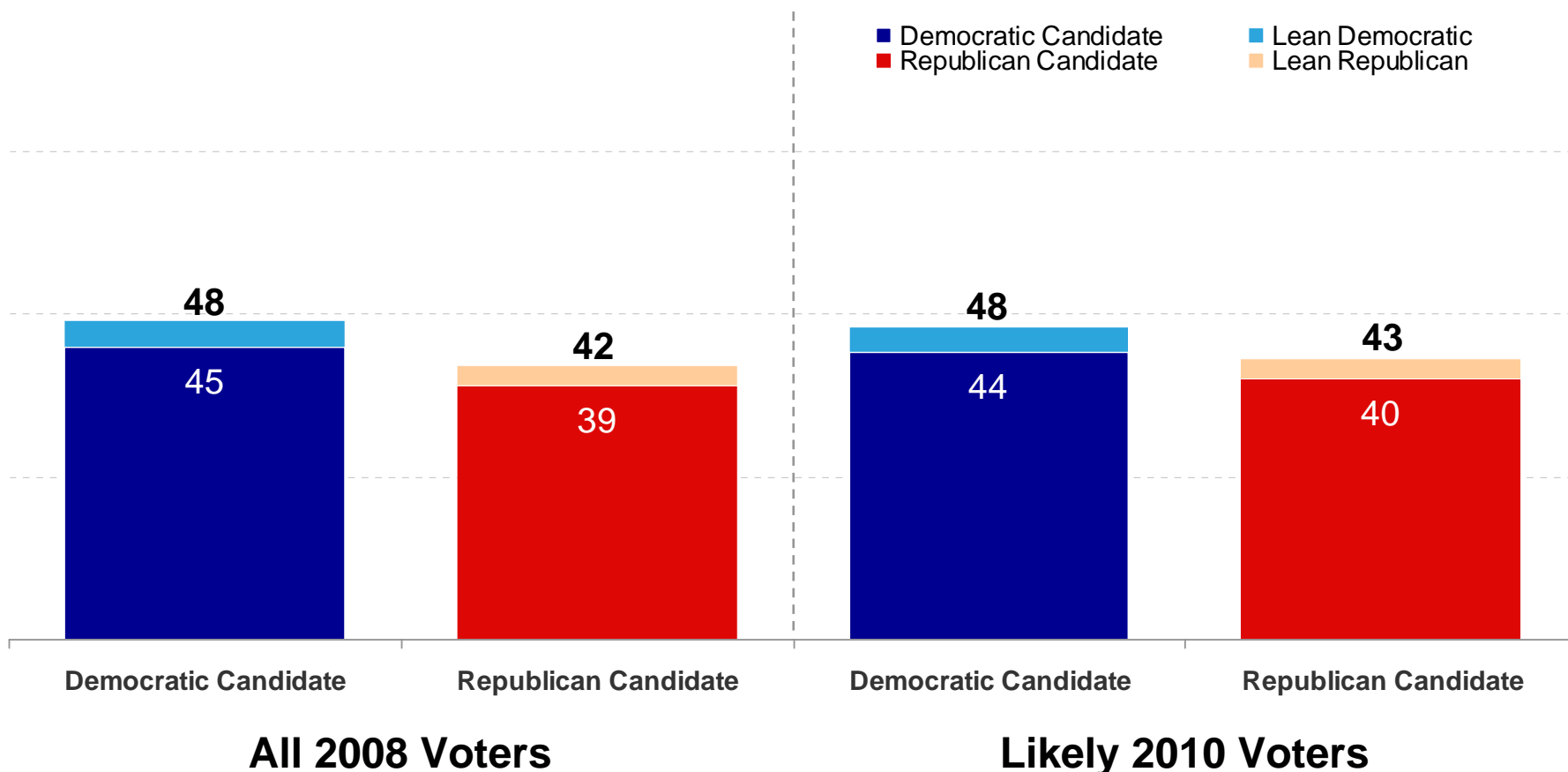
- Barack Obama
- Democratic Party
- Democratic Congress
- × Republican Party
- ✱ Republicans in Congress



*Note: Data represents the MEAN ratings from Democracy Corps surveys conducted over the past five months. After 2008 election, data reflects 2010 likely voters.

Congressional vote

I know it is a long way off, but thinking about the elections in 2010, if the election for U.S. Congress were held today, would you be voting for (DEMOCRATIC HOUSE CANDIDATE) or (REPUBLICAN HOUSE CANDIDATE)?

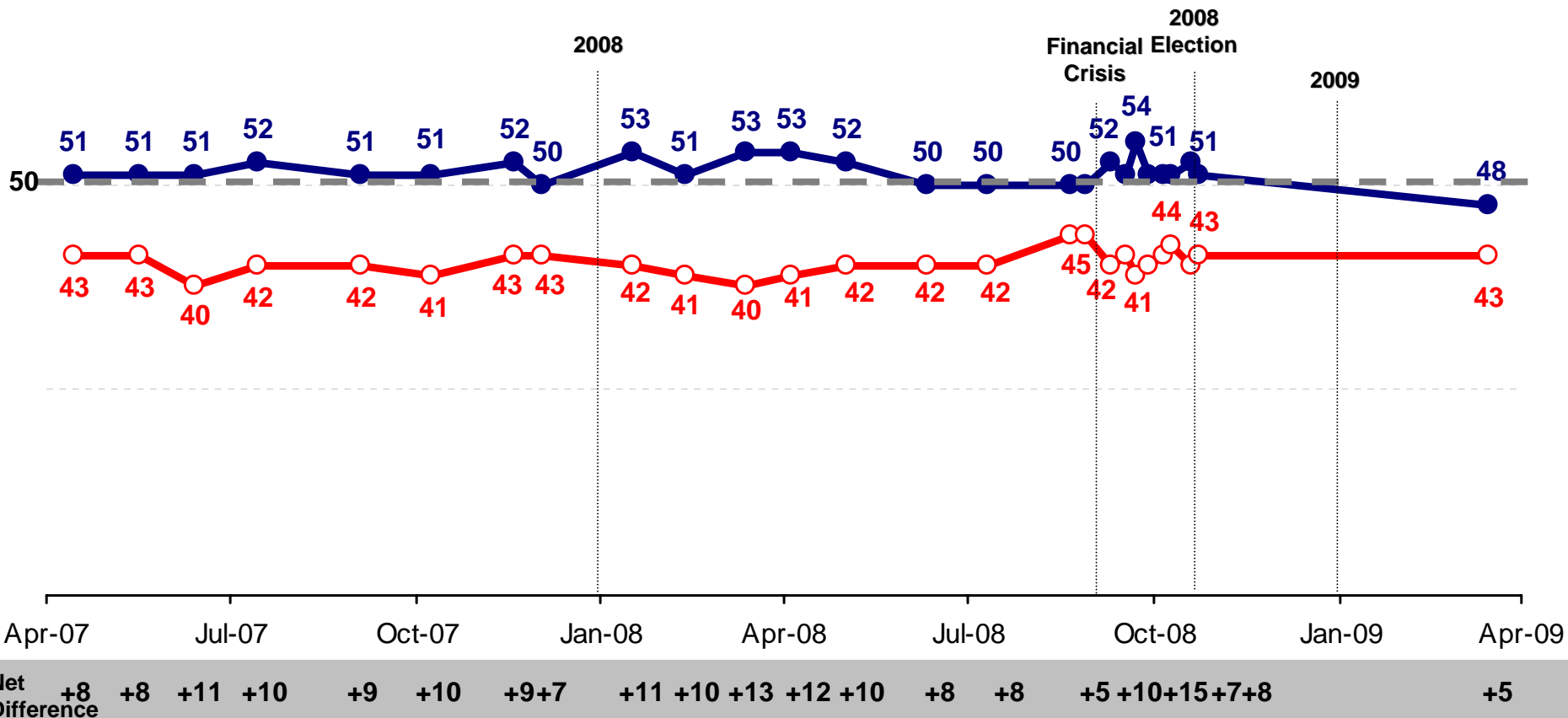


In the landline sample, the incumbent names were inserted preceded by party identification. Generic "the Democratic candidate" or "the Republican candidate" inserted for the opposition. For the cell phone sample and open seat districts, both candidates were given as generic.

Democratic congressional candidates remain favored

I know it is a long way off, but thinking about the elections in 2010, if the election for U.S. Congress were held today, would you be voting for (DEMOCRATIC HOUSE CANDIDATE) or (REPUBLICAN HOUSE CANDIDATE)?

● Democratic Candidate
○ Republican Candidate

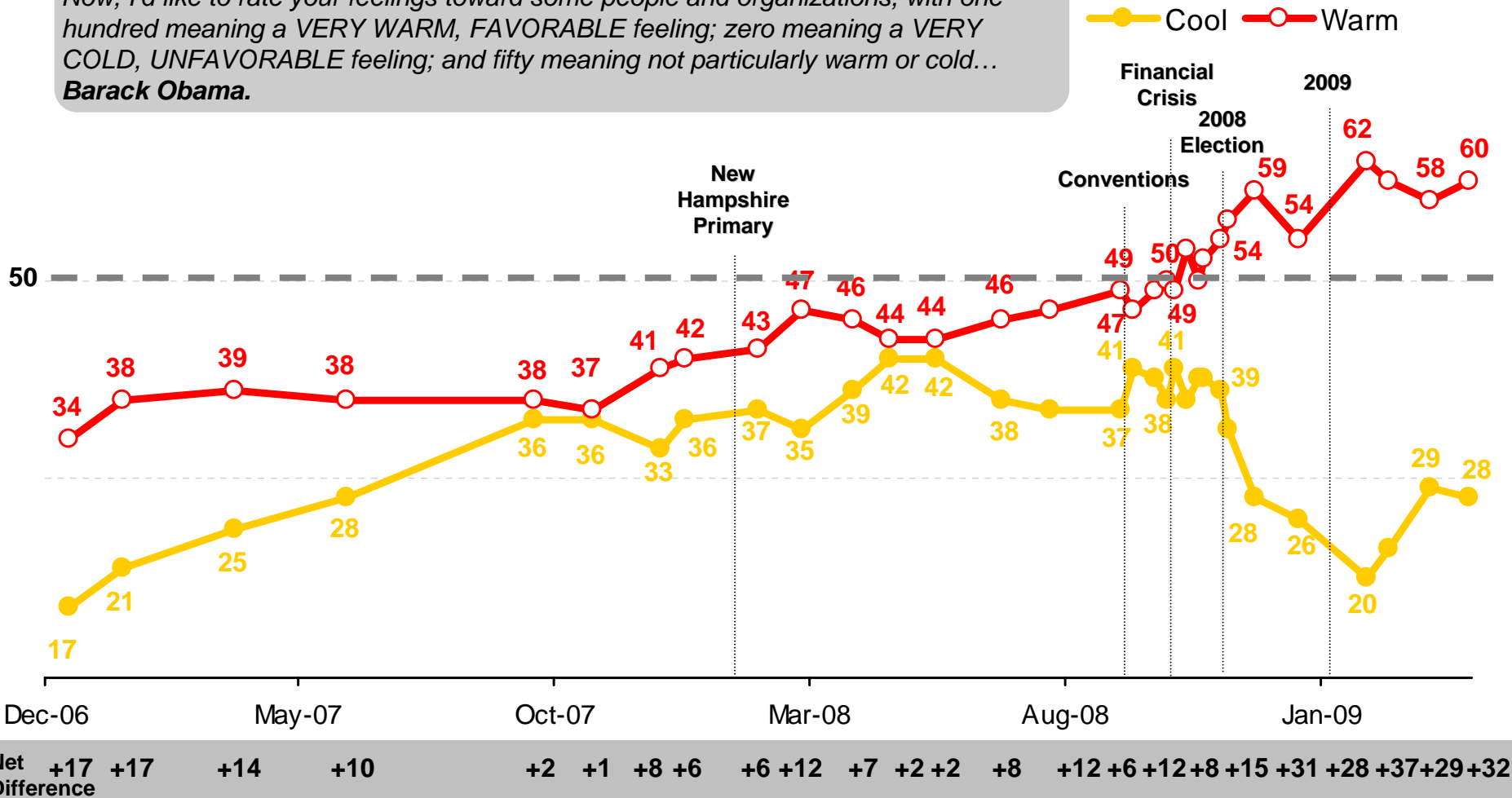


**Note: From Democracy Corps surveys conducted over the last two years. Data represents likely voters only. Question asked with candidate names; generic party candidate inserted in open and unchallenged seats and where candidates weren't yet established.*

Obama's Standing

Obama's favorability remains high

Now, I'd like to rate your feelings toward some people and organizations, with one hundred meaning a VERY WARM, FAVORABLE feeling; zero meaning a VERY COLD, UNFAVORABLE feeling; and fifty meaning not particularly warm or cold... **Barack Obama.**

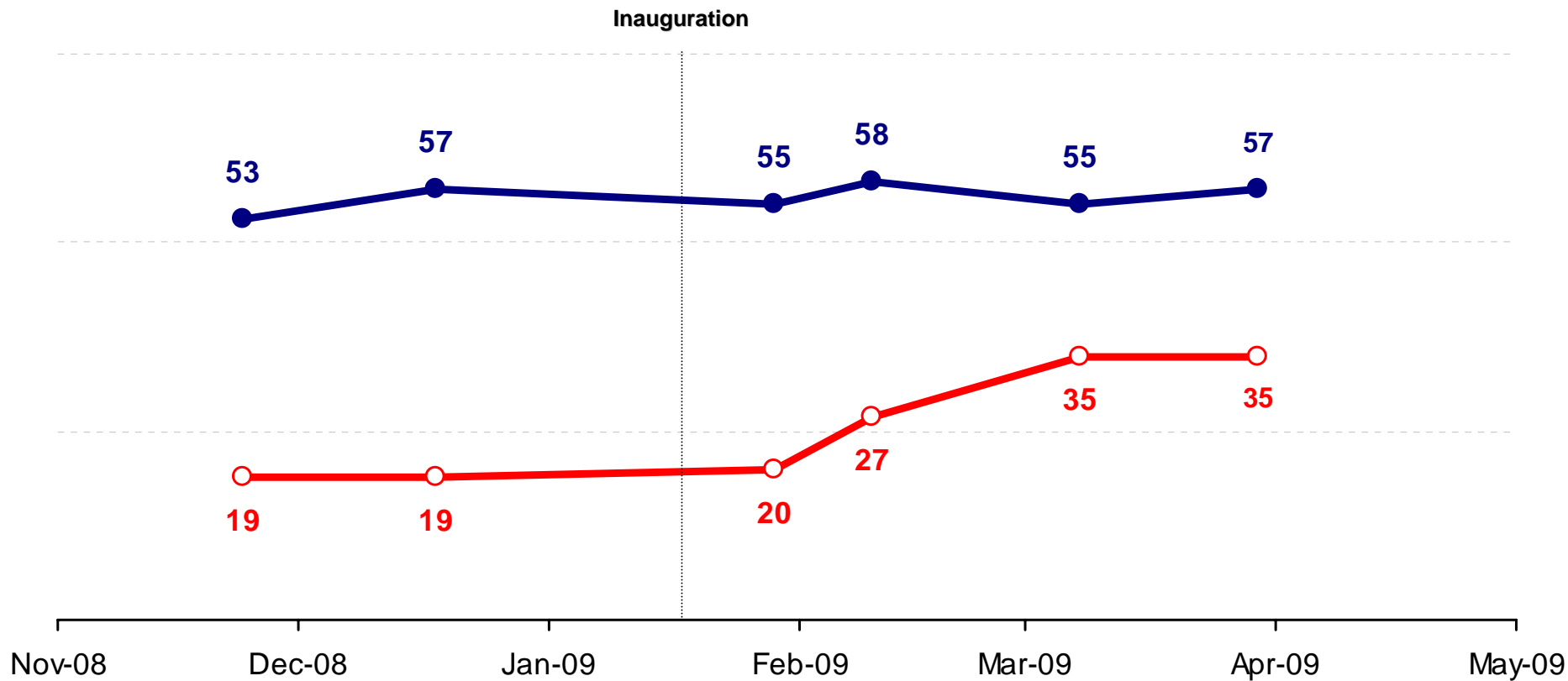


*Note: From Democracy Corps surveys conducted over the last two years. After 2008 election, data represents likely 2010 voters only.

Obama job approval high, disapproval stabilizes at 35 percent

Do you approve or disapprove of the way Barack Obama is handling his job as president?

● Approve
○ Disapprove



**Note: From Democracy Corps surveys over the past several months. Before inauguration, question read: "Do you approve or disapprove of the job being done by Barack Obama as president-elect?" Data represents likely 2010 voters.*

Obama approval by party

Do you approve or disapprove of the way Barack Obama is handling his job as president?

■ Strongly Disapprove
 ■ Somewhat Disapprove
 ■ Strongly Approve
 ■ Somewhat Approve

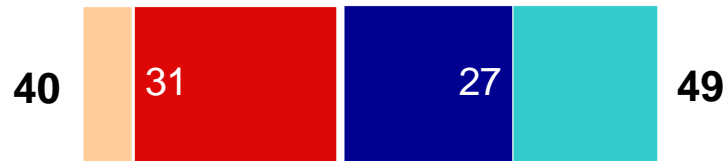
All Voters



Republicans



Independents

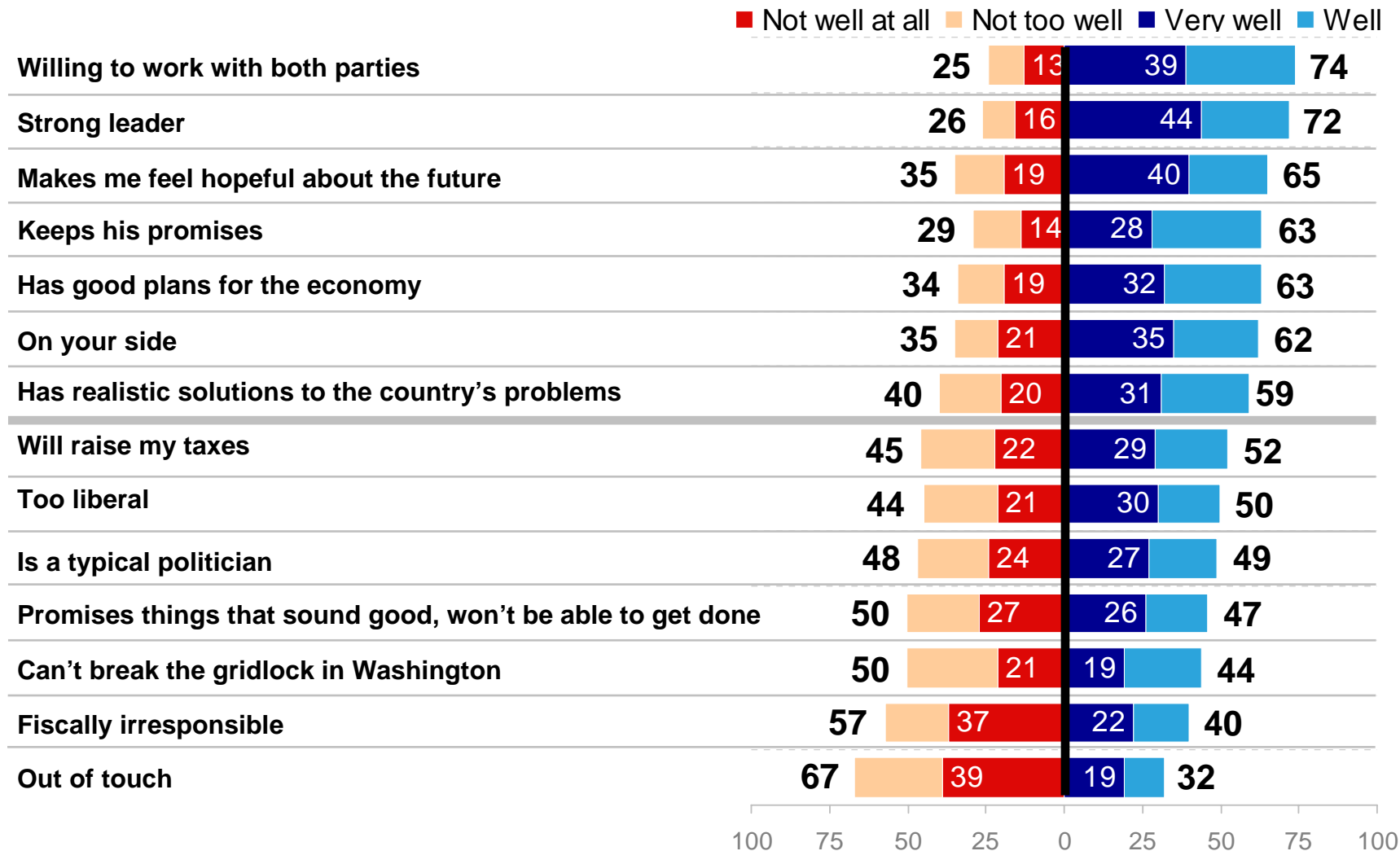


Democrats



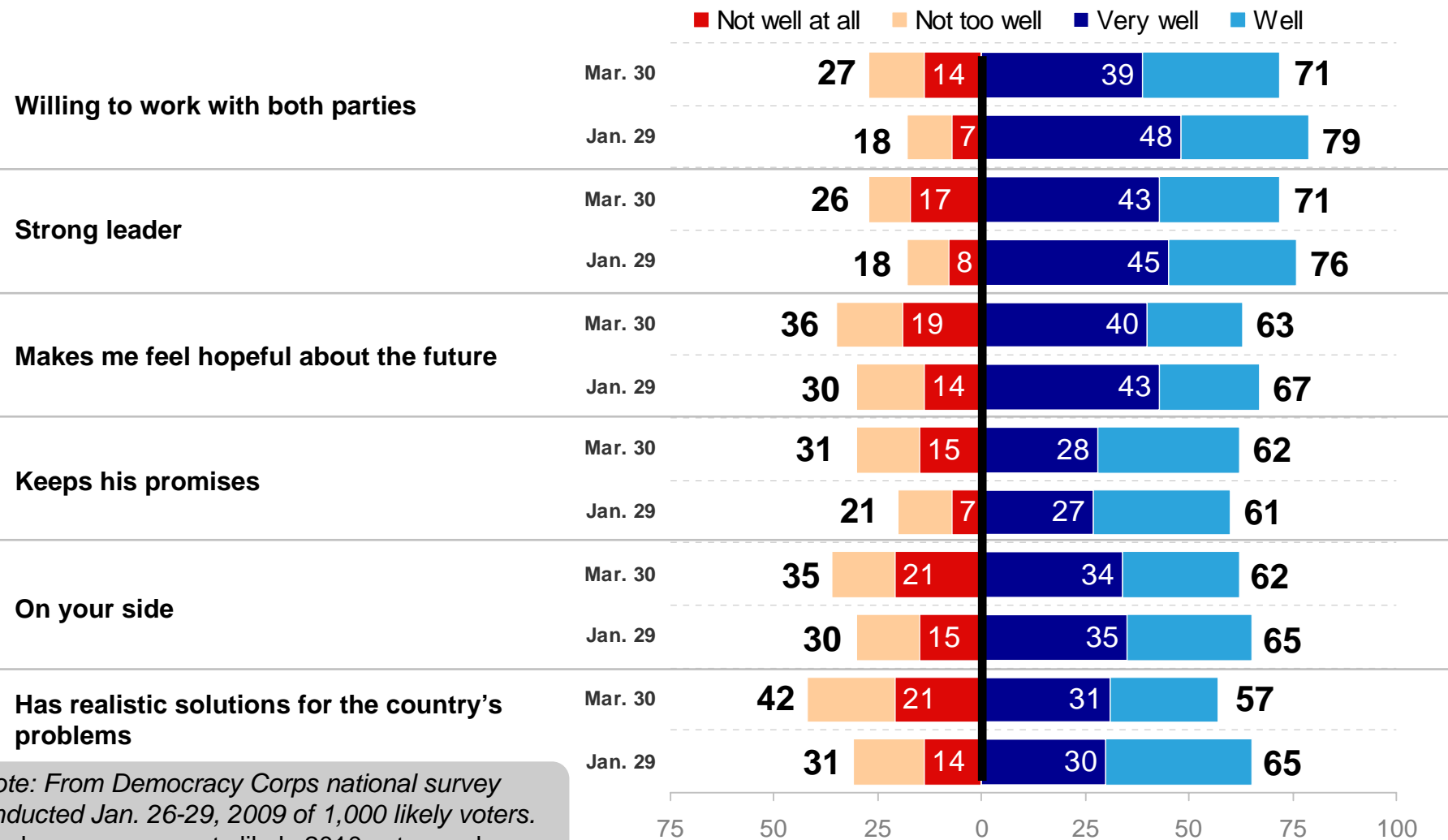
Obama's pretty extraordinary attributes

Now, I am going to read you a list of words and phrases which people use to describe political figures. For each word or phrase, please tell me whether it describes Barack Obama very well, well, not too well, or not well at all.



Obama positive attribute shifts since inauguration

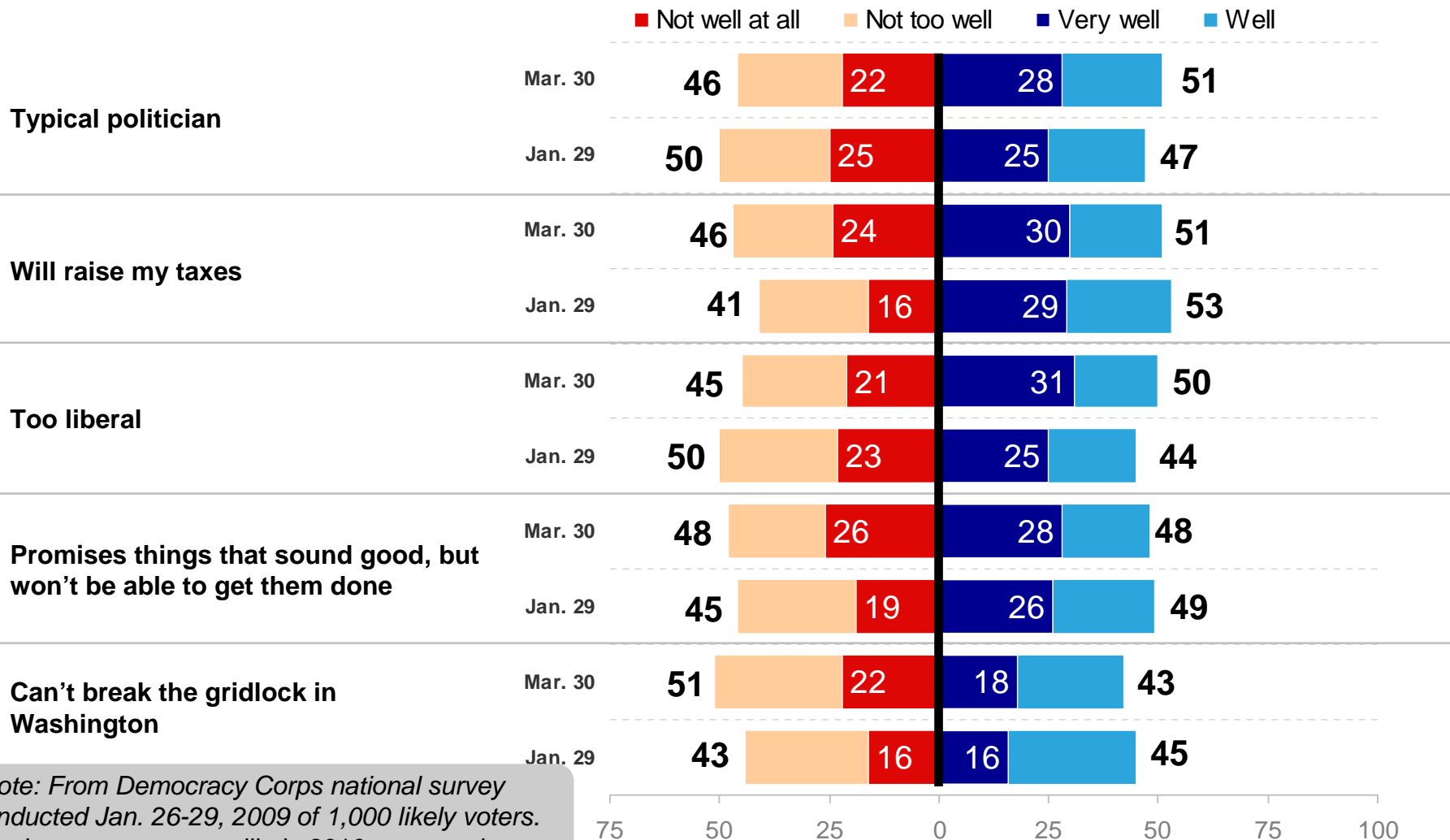
Now, I am going to read you a list of words and phrases which people use to describe political figures. For each word or phrase, please tell me whether it describes Barack Obama very well, well, not too well, or not well at all.



*Note: From Democracy Corps national survey conducted Jan. 26-29, 2009 of 1,000 likely voters. March wave represents likely 2010 voters only.

Obama negative attribute shifts since inauguration

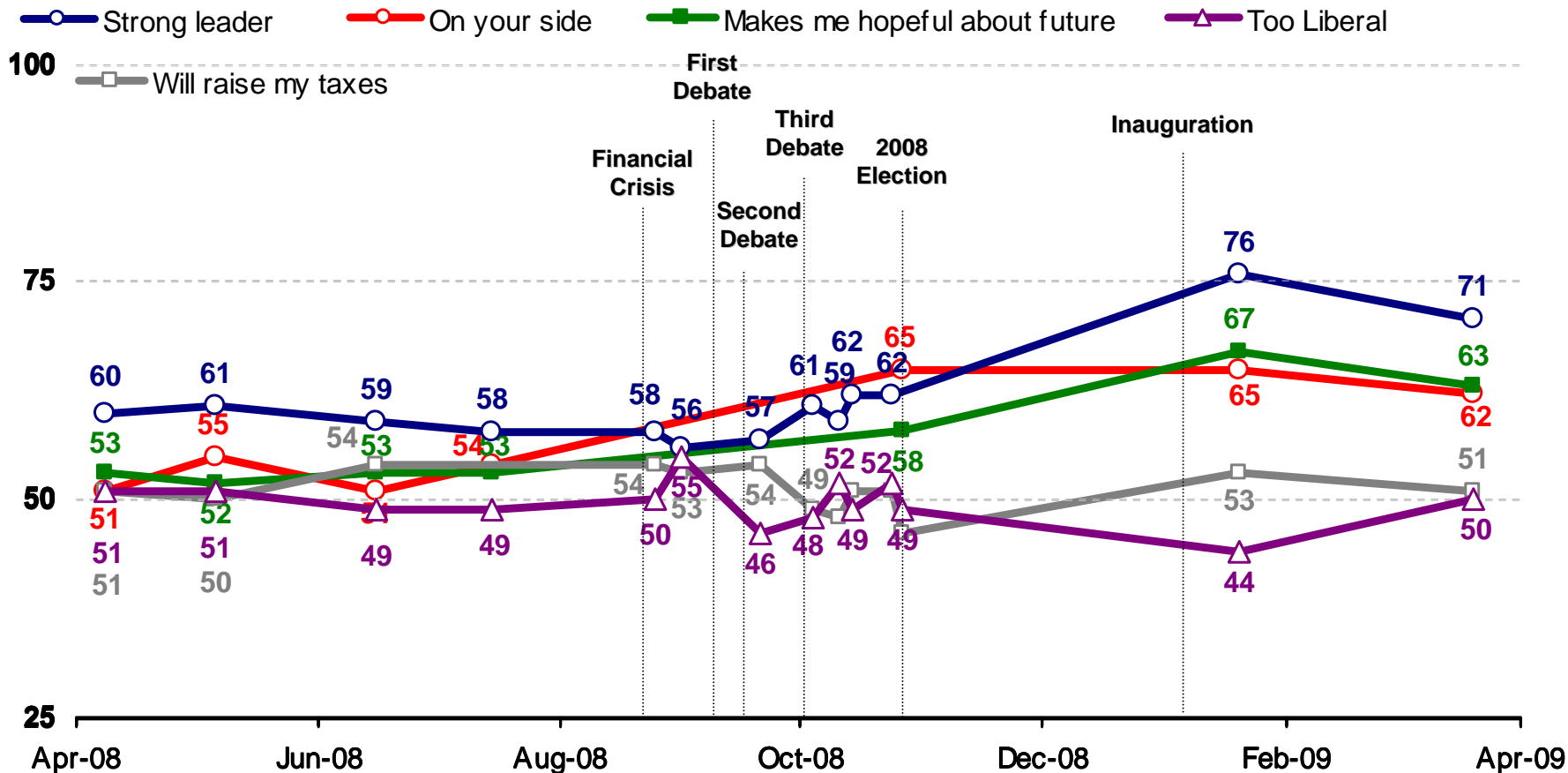
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*Note: From Democracy Corps national survey conducted Jan. 26-29, 2009 of 1,000 likely voters. March wave represents likely 2010 voters only.

Obama attributes

Now I'm going to read you a list of words and phrases which people use to describe political figures. For each word or phrase, please tell me whether it describes Barack Obama very well, well, not too well or not well at all...

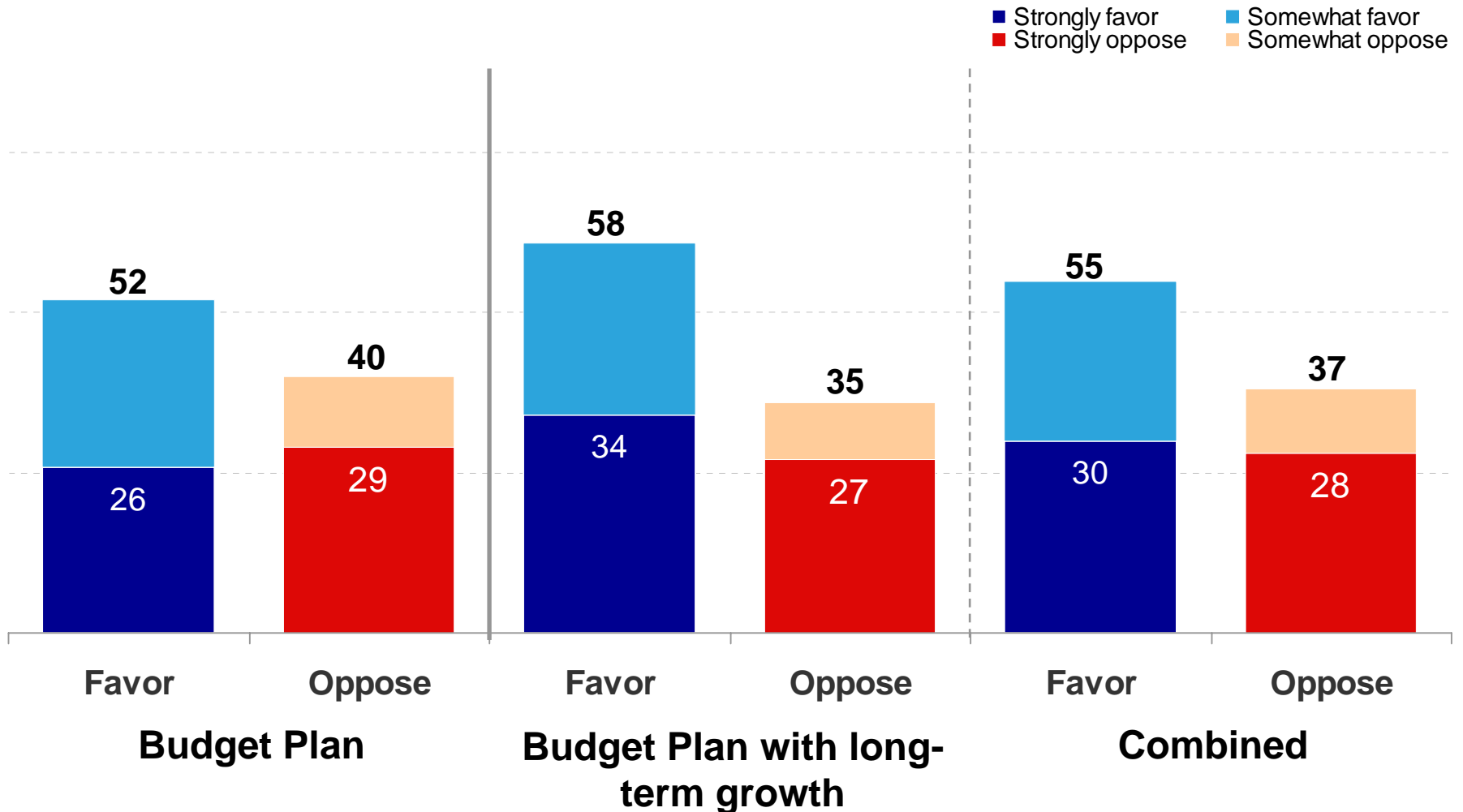


*Note: Data from Democracy Corps surveys conducted over the last year. Shows percentage saying total well. After election day, show 2010 likely voters.

The Budget Battle: Voters Agree With Obama Approach

More support for Obama's budget when tied to long-term growth

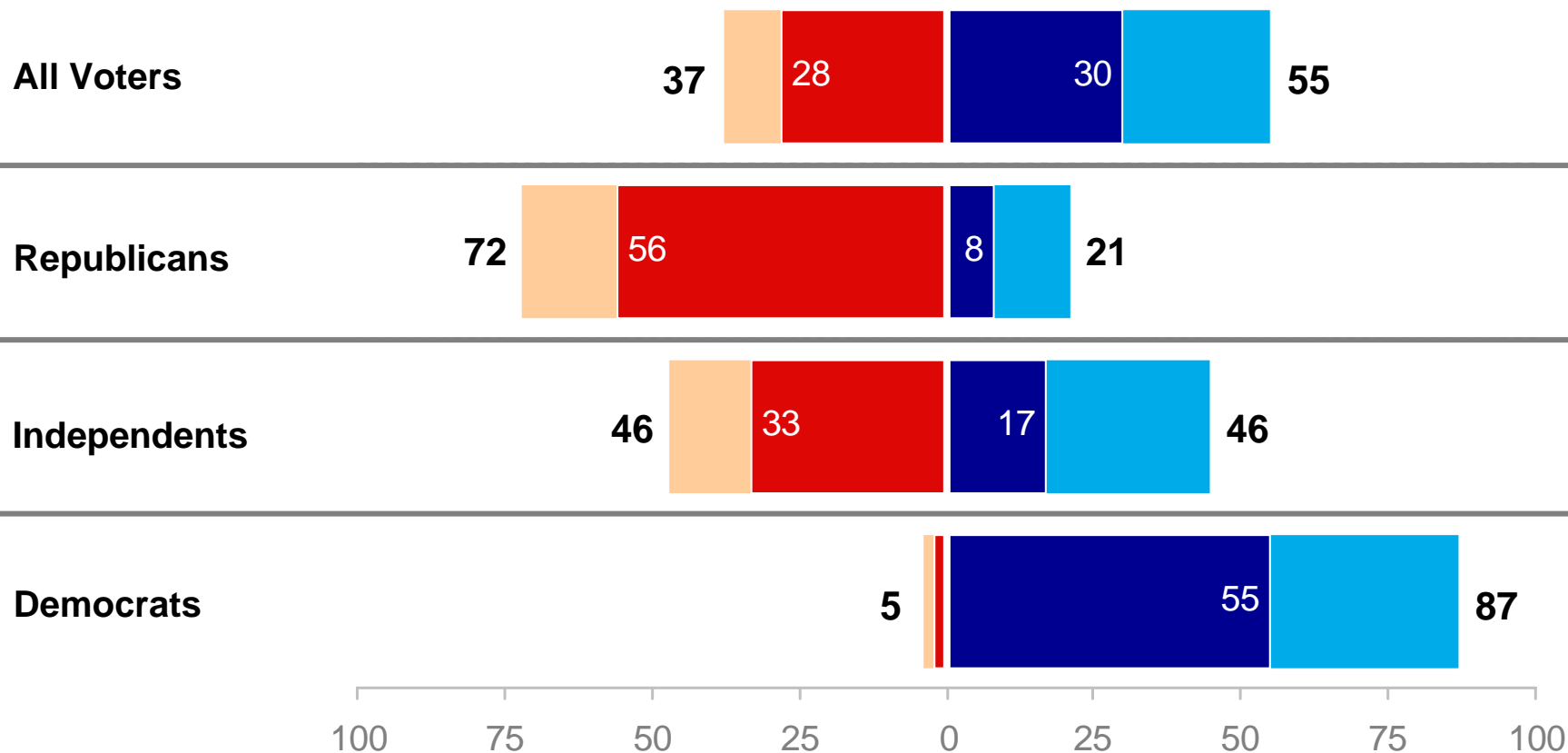
As you may have heard, President Obama recently released his plan for the federal budget (and long-term growth). From what you have heard about Obama's budget plan (for long-term growth), do you favor or oppose it?



Independents split on the budget (combined data)

As you may have heard, President Obama recently released his plan for the federal budget (and long-term growth). From what you have heard about Obama's budget plan (for long-term growth), do you favor or oppose it?

- Strongly oppose
- Somewhat oppose
- Strongly support
- Somewhat support

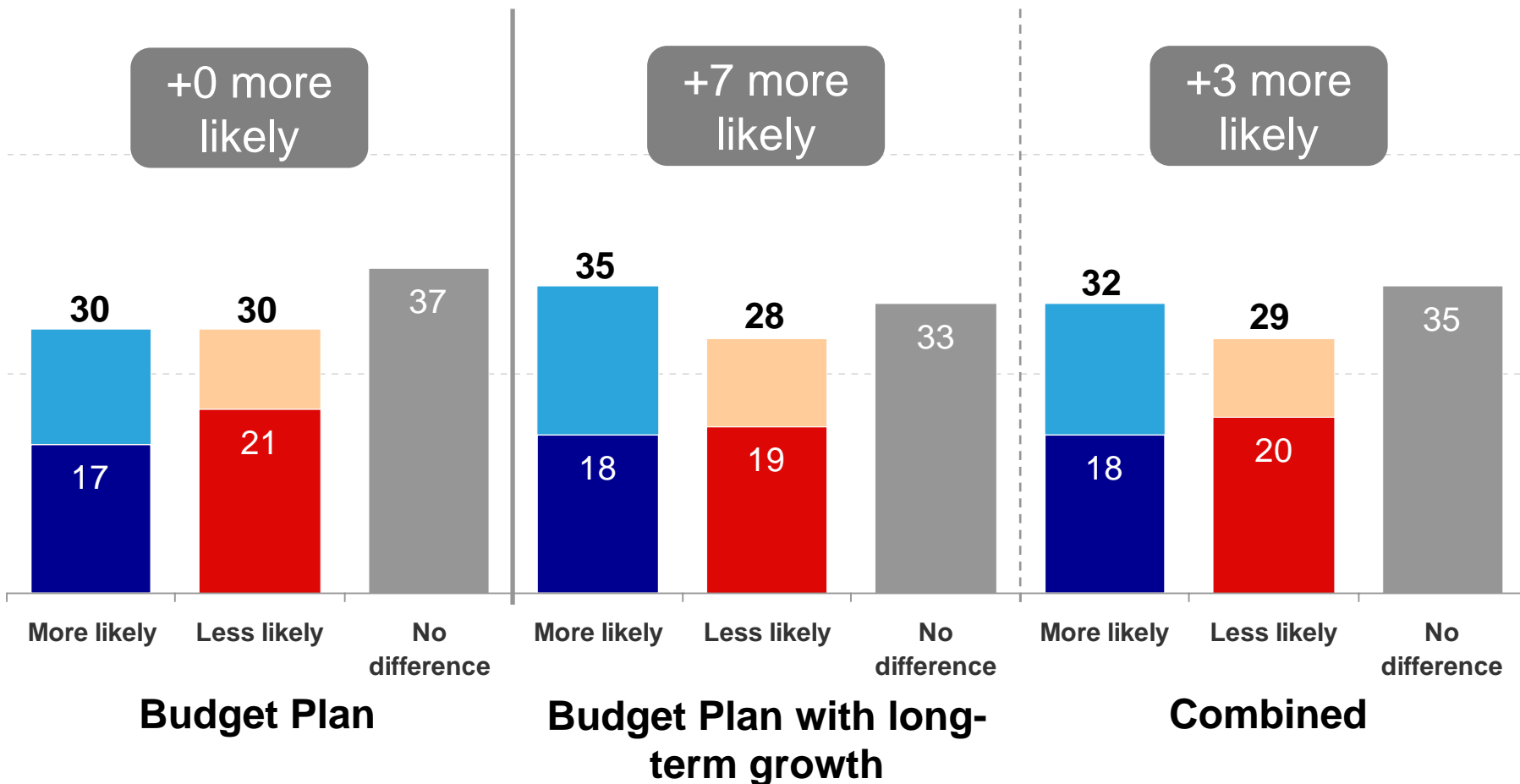


*Note: Shows combined data for "budget plan" and "budget plan with long-term growth."

Budget plan wins votes when tied to long-term growth

If your Representative in Congress voted in favor of President Obama's budget plan (for long-term growth), would it make you more or less likely to support your Representative for reelection it two years, or does it make no difference?

■ Much more likely ■ Somewhat more likely ■ Much less likely ■ Somewhat less likely ■ No difference



Voters strongly agree Obama agenda connected to economy

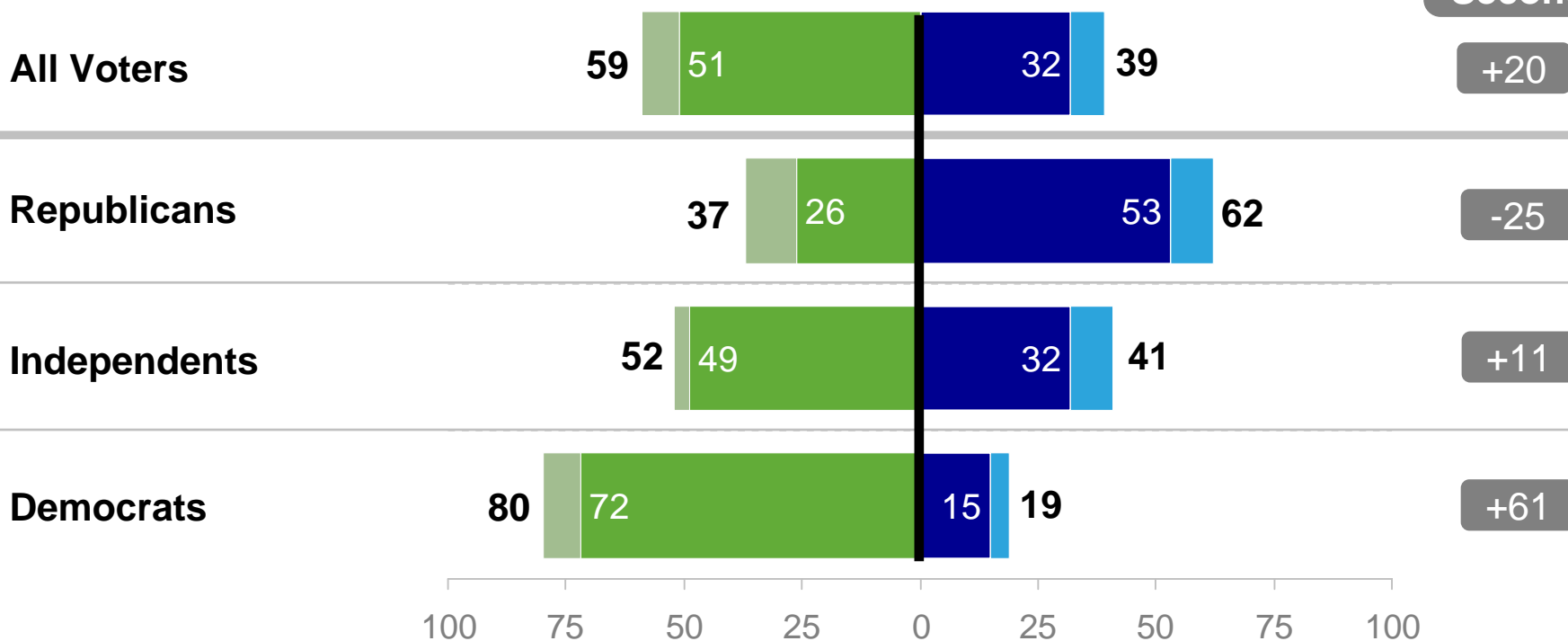
Now I'm going to read you some pairs of statements. After I read each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.

First Statement: Our problems with energy, health care and the economy are all connected; dealing with health care costs and building a clean energy economy are a fundamental part of ensuring our long-term prosperity.

Second Statement: Health care and energy are separate issues from the economy, and we should wait to tackle health care or energy reform until we have gotten the economy back on track.

■ First Statement Strongly ■ First Statement Somewhat ■ Second Statement Strongly ■ Second Statement Somewhat

First – Second



Voters strongly seek big agenda, not just economy

Now I'm going to read you some pairs of statements. After I read each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.

First Statement: The challenges America faces are too big to ignore. President Obama is right to seek solutions on health care, energy and education while still making the economy his top priority.

Second Statement: President Obama is trying to do too much. He should put his entire focus on the economy and deal with health care, energy and education when we're through this crisis.

■ First Statement Strongly ■ First Statement Somewhat ■ Second Statement Strongly ■ Second Statement Somewhat

First – Second

All Voters

63 56 26 33

+30

Republicans

39 29 41 56

-17

Independents

61 54 30 35

+26

Democrats

85 78 12 13

+72

100 75 50 25 0 25 50 75 100

To balance budget, investments strongly preferred over spending cuts

Now I'm going to read you some pairs of statements. After I read each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.

First Statement: In order to balance the budget in the long-term, it is more important to make investments that will lead to new jobs and industries and create economic growth.

Second Statement: In order to balance the budget in the long-term, it is more important to limit the amount government spends on costly new programs.

■ First Statement Strongly ■ First Statement Somewhat ■ Second Statement Strongly ■ Second Statement Somewhat

First – Second

All Voters

61 52 33 37

+24

Republicans

35 28 57 63

-28

Independents

53 40 40 44

+9

Democrats

87 77 9 12

+75



Obama keeping promises, not new radical agenda

Now I'm going to read you some pairs of statements. After I read each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.

First Statement: President Obama is governing as he promised during the campaign: trying to deliver big changes on issues like health care, energy and taxes.

Second Statement: President Obama campaigned as a moderate, but now he is trying to implement a radical liberal agenda on issues like health care, energy and taxes.

■ First Statement Strongly ■ First Statement Somewhat ■ Second Statement Strongly ■ Second Statement Somewhat

First – Second

All Voters

60 51 28 36

+24

Republicans

28 20 53 69

-41

Independents

57 41 30 38

+19

Democrats

88 81 9 10

+78

100 75 50 25 0 25 50 75 100

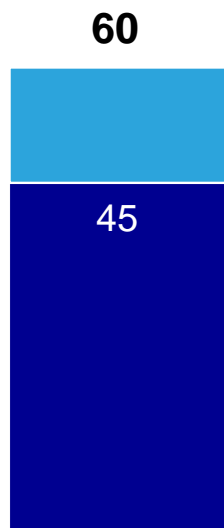
Voters agree with Obama: broad agenda needed to fix the economy

Now let me read you a pair of statements that describe what President Obama and some of his critics are saying about his budget plan. After I read these statements, please tell me which one you agree with more.

Must deal with health care, energy to fix economy

- Obama Stmtnt Smwht
- Obama Stmtnt Strong

President Obama says we can only end the bubble-bust cycle of the past and lay the groundwork for true long-term prosperity by attacking the problems that have dragged the economy down for too long: reforming health care to bring down costs for business and consumers and making American the leader in renewable energy so the jobs and industries of the future are built right here, not in China or India.

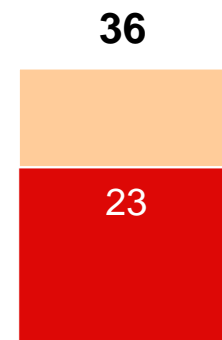


Total Obama Statement

Must focus on economy, other issues should wait

- Critics Stmtnt Smwht
- Critics Stmtnt Strong

Obama's critics say that dealing with the economy has to be Job One. The only priority right now should be to pulling us out of this economic death spiral and start creating jobs again by solving the financial crisis. But Obama has lost focus by concentrating on other priorities like health care and global warming. Those may be worthy goals, but they need to be put on hold until we're through this crisis.



Total Critics' Statement

Voters agree with Obama: broad agenda needed to fix the economy

Now I'm going to read you some pairs of statements. After I read each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.

Obama Statement: Must deal with health care, energy to fix economy

Critics' Statement: Must focus on economy, wait on other issues

■ First Statement Strongly ■ First Statement Somewhat ■ Second Statement Strongly ■ Second Statement Somewhat

First – Second

All Voters

60 45 23 36

+24

Republicans

36 19 40 59

-23

Independents

55 41 25 42

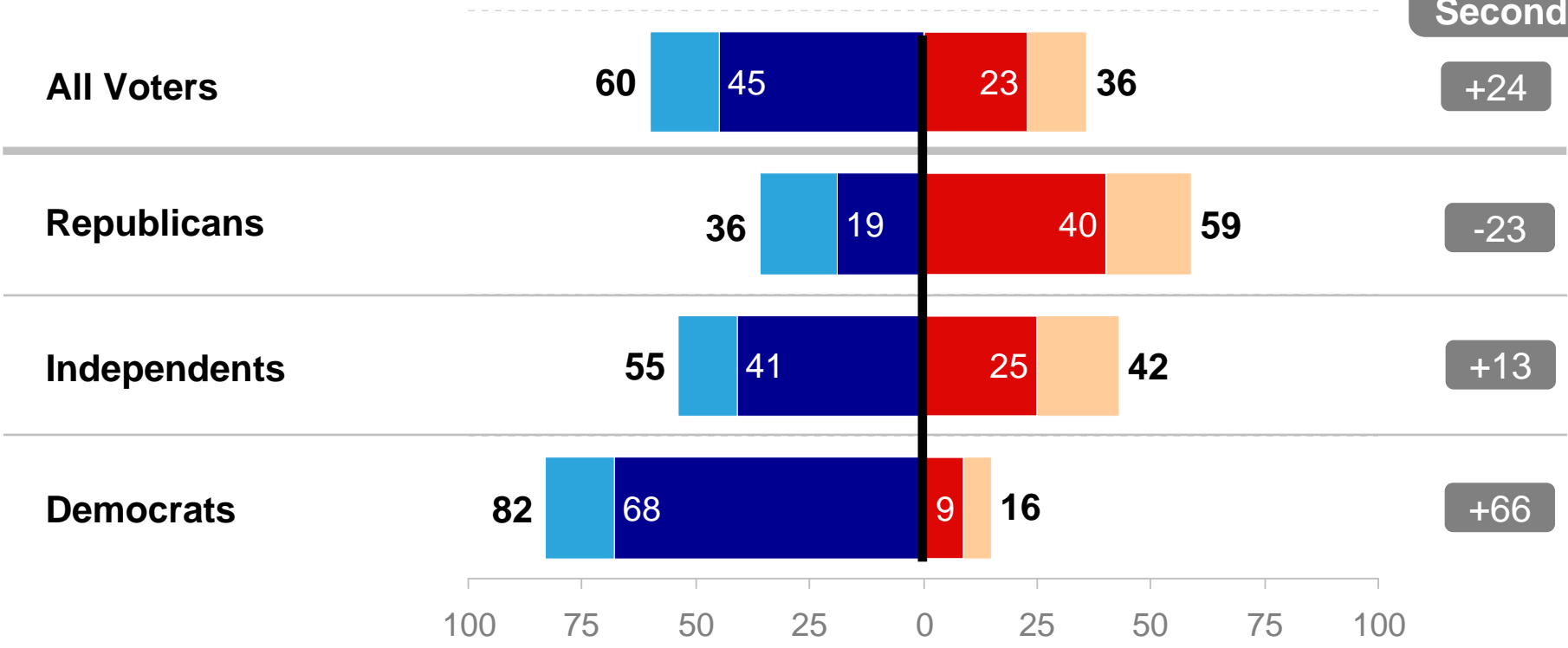
+13

Democrats

82 68 9 16

+66

100 75 50 25 0 25 50 75 100



Budget Messaging

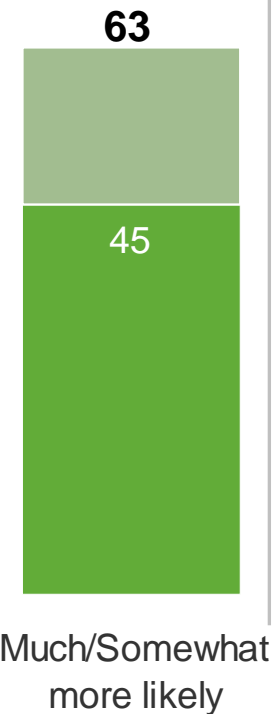
Tax-code rebalancing top argument for budget plan

Now let me read you some statements that some people make in support of Obama's budget plan. After hearing each statement please tell me if it makes you MUCH MORE LIKELY to support the budget plan, SOMEWHAT MORE LIKELY, JUST A LITTLE MORE LIKELY, NO MORE LIKELY or LESS LIKELY to support the budget plan?

Rebalances tax code so wealthy, corporations pay fair share

- Smwht more likely
- Much more likely

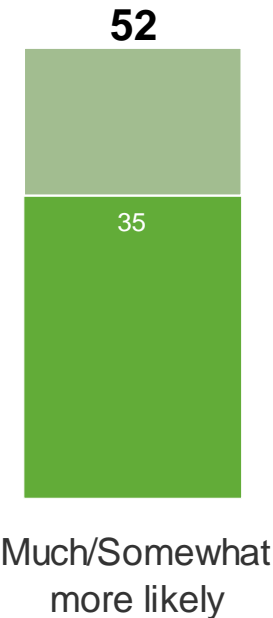
This plan rebalances our tax code so the middle class pays less in taxes and the wealthiest pay their fair share after getting so many breaks for so long. It cuts taxes for small businesses and 95 percent of working families while asking the very wealthy and big corporations to pay their fare share.



Plan will build firm economic foundation

- Smwht more likely
- Much more likely

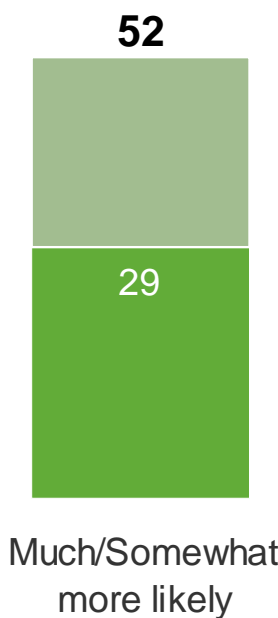
This plan will end the bubble-bust cycle of the past, build a firm economic foundation and lead to real and lasting prosperity by attacking the problems that have dragged the economy down for too long: reforming health care to bring down costs for business and consumers and making America the leader in renewable energy so the jobs and industries of the future are built right here.



Republicans only offer more of the same

- Smwht more likely
- Much more likely

This plan ends the Bush-era economic policies of tax breaks for corporations, special interests and the very wealthy that got us into this financial mess. But Republicans are lining up against this budget and have even offered an alternative plan that doubles down on Bush-style economics by cutting taxes for CEOs by 1.5 million dollars. We need new policies, not more of the same.



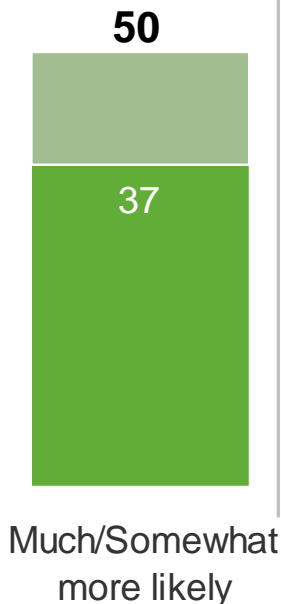
Pro-budget plan arguments: second tier

Now let me read you some statements that some people make in support of Obama's budget plan. After hearing each statement please tell me if it makes you MUCH MORE LIKELY to support the budget plan, SOMEWHAT MORE LIKELY, JUST A LITTLE MORE LIKELY, NO MORE LIKELY or LESS LIKELY to support the budget plan?

Plan ends breaks for CEOs

This budget puts an end to the massive tax breaks for CEOs and the very wealthy that allowed executives from corporations like AIG to prosper while working Americans suffered. It ends the Bush-era tax loopholes and subsidies for hedge fund managers, CEOs and oil companies and, instead, cuts taxes for 95 percent for working families.

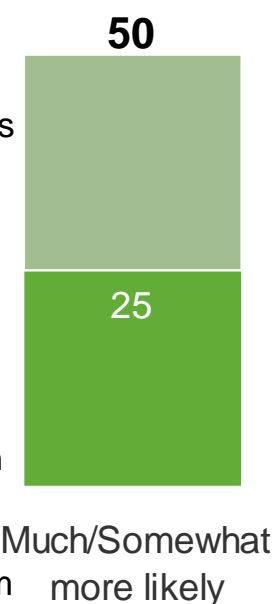
■ Smwht more likely
■ Much more likely



Plan returns to Clinton/Reagan tax/spending levels

Opponents of this plan say it raises taxes and increases spending, but it cuts taxes for the middle class and only returns rates for the wealthiest Americans to where they were during the 1990s. And this budget actually spends less than we did during the Reagan administration. This is a responsible plan that will help rebuild our economy by making the long-term investments we need.

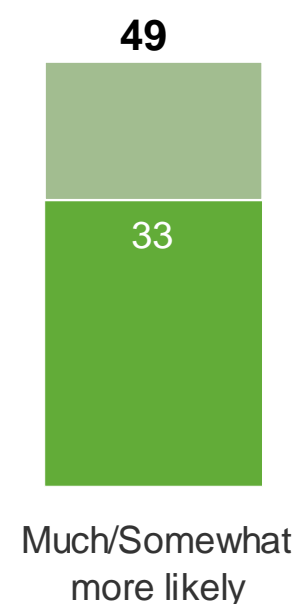
■ Smwht more likely
■ Much more likely



Republicans offer no alternatives

This plan will get our economy moving again by cutting the deficit and investing in health care, energy independence and our schools. But Republicans have offered nothing but blind opposition and partisan attacks - they have offered no ideas and no plan of their own to restore the economy. In this moment of enormous challenge we need real solutions, not partisan attacks.

■ Smwht more likely
■ Much more likely

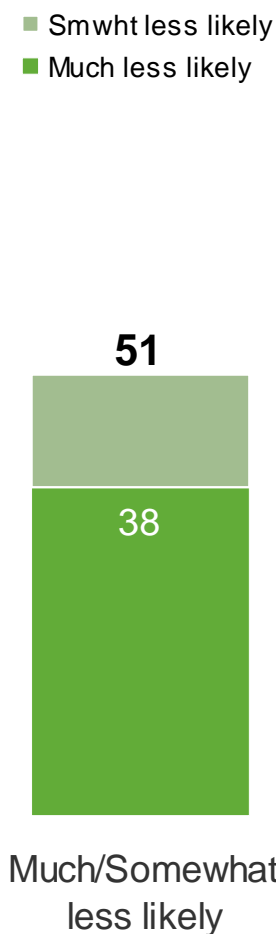


Billions in bailouts for banks, autos and AIG strongest attack on budget

Now let me read you some statements that some people make in opposition Obama's budget plan. After hearing each statement please tell me if it makes you MUCH LESS LIKELY to support the budget plan, SOMEWHAT LESS LIKELY, JUST A LITTLE LESS LIKELY, NO LESS LIKELY or MORE LIKELY to support the budget plan?

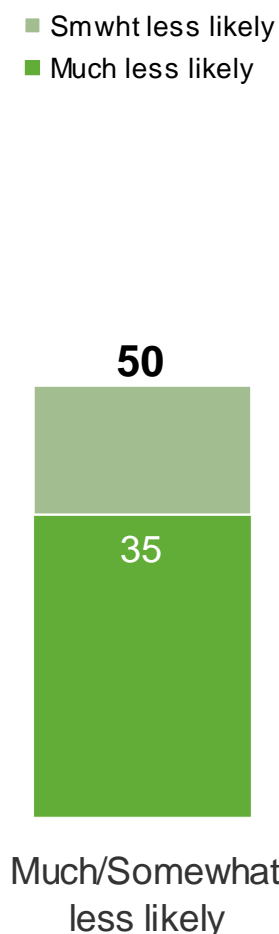
Bailouts and spending

President Obama has already approved spending over 700 billion dollars in taxpayer dollars to bail out the financial and auto industries, including almost 200 billion for AIG. Now, this budget adds to these giveaways by increasing government spending to the highest levels seen in decades. Between bailouts and spending we're wasting trillions of dollars we can't afford.



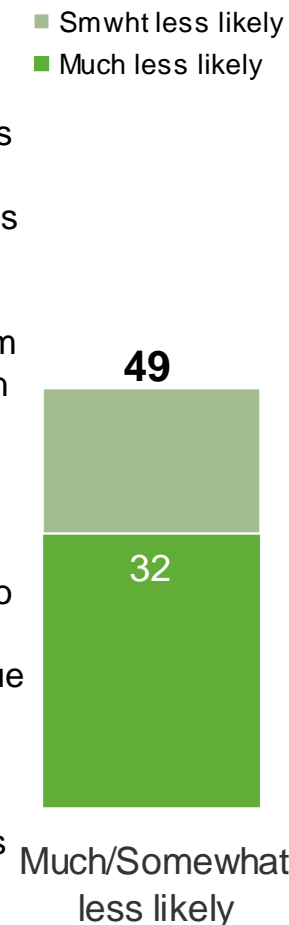
Geithner's bailouts

President Obama's treasury secretary Timothy Geithner is a Wall Street insider who helped engineer the bailout for AIG and wrote the law protecting their bonuses. Obama and Geithner have asked for even more money to bail out the Wall Street banks and now this budget adds to these wasteful giveaways by increasing government spending to the highest levels seen in decades.



Budget offers too much debt

This budget doubles our national debt in five years and triples it in ten. It creates more debt than every president from George Washington to George Bush combined while making us more dependent on nations like China to fund our debt, threatening the value of our currency and our financial security. If we maintain the deficits in this budget the country will simply go bankrupt.



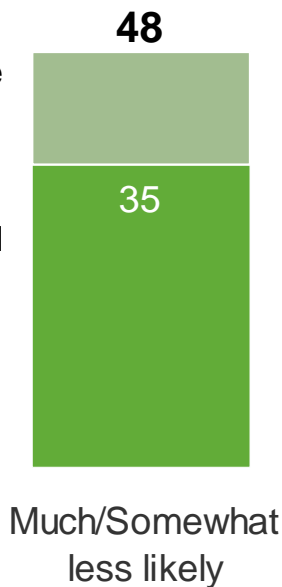
Anti-budget plan arguments – second tier

Now let me read you some statements that some people make in opposition Obama's budget plan. After hearing each statement please tell me if it makes you MUCH LESS LIKELY to support the budget plan, SOMEWHAT LESS LIKELY, JUST A LITTLE LESS LIKELY, NO LESS LIKELY or MORE LIKELY to support the budget plan?

Too much taxes/spending

- Smwht less likely
- Much less likely

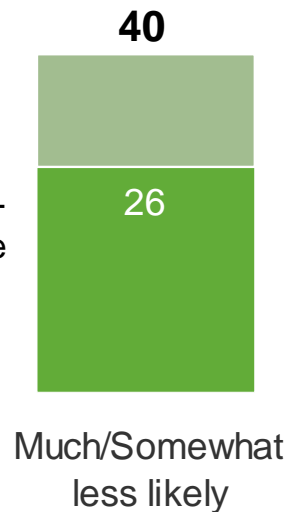
This budget spends too much and it taxes too much. It includes the largest tax increase in American history with trillions in new taxes on the middle class and small businesses, including a giant new tax on energy. And after already passing the trillion-dollar stimulus bill and another 400 billion-dollar spending bill, this plan increases spending to the highest level since World War II.



Budget not for liberal priorities

- Smwht less likely
- Much less likely

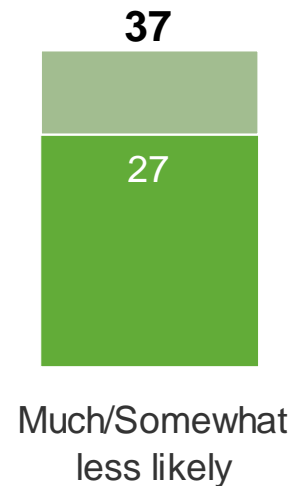
Dealing with the economy should be Job One for the president. But instead of focusing on fixing the financial crisis and getting the economy back on track, this plan is trying to use the crisis to push through liberal priorities like government-run health care and a new energy tax. Obama should use his budget to focus on fixing the economy not to push his liberal agenda.



Obama and budget out of touch

- Smwht less likely
- Much less likely

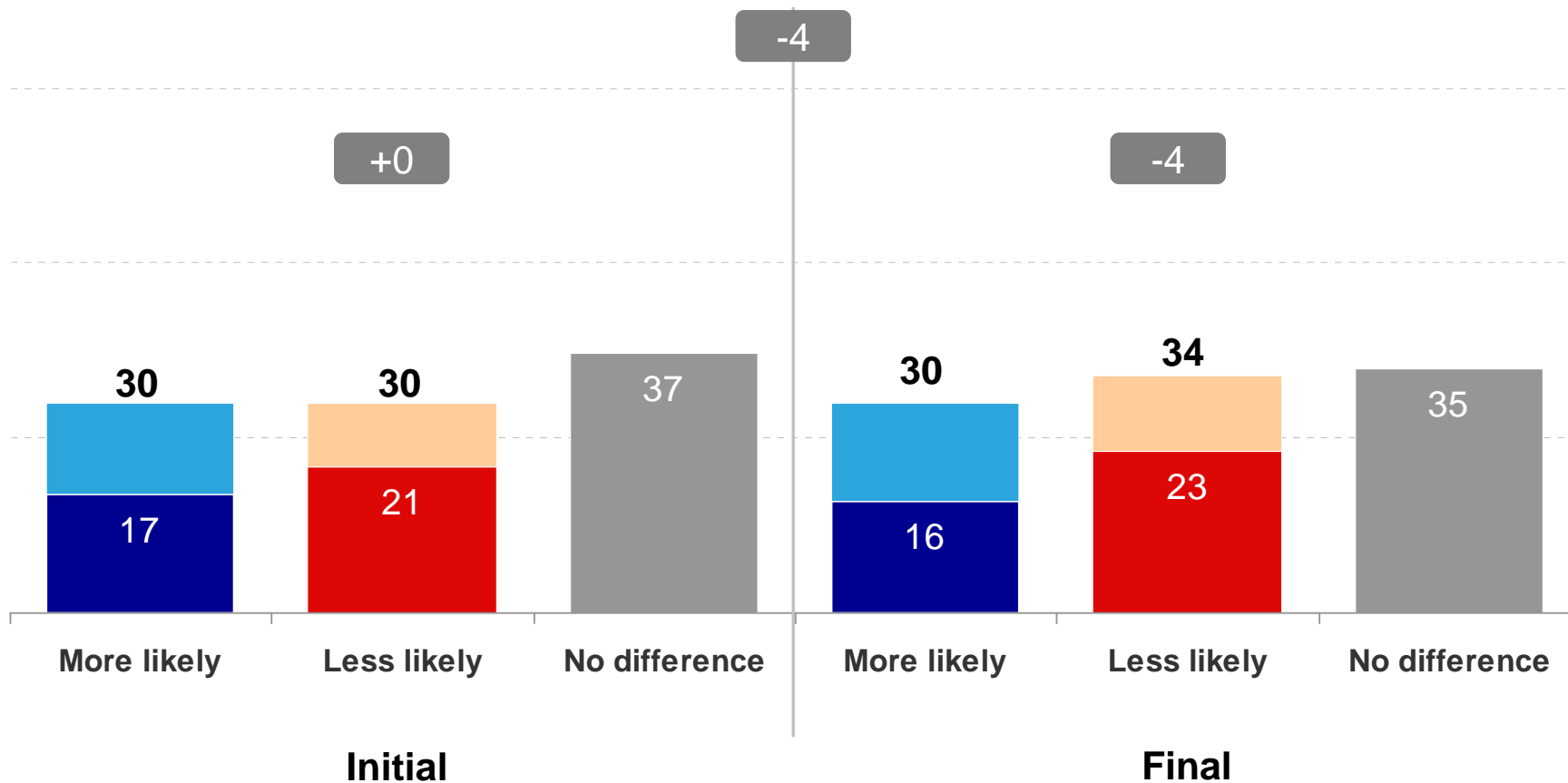
While our economy is in crisis President Obama is busy appearing on ESPN, attending cocktail parties and jetting off to the Jay Leno show. We need a leader to make the tough choices to get our economy back on track, but the president and his budget are out of touch with the problem at hand.



After simulated debate, small shift against budget plan

Now let me ask you again, if your Representative in Congress voted in favor of President Obama's budget plan, would it make you more or less likely to support your Representative for reelection in two years, or does it make no difference?

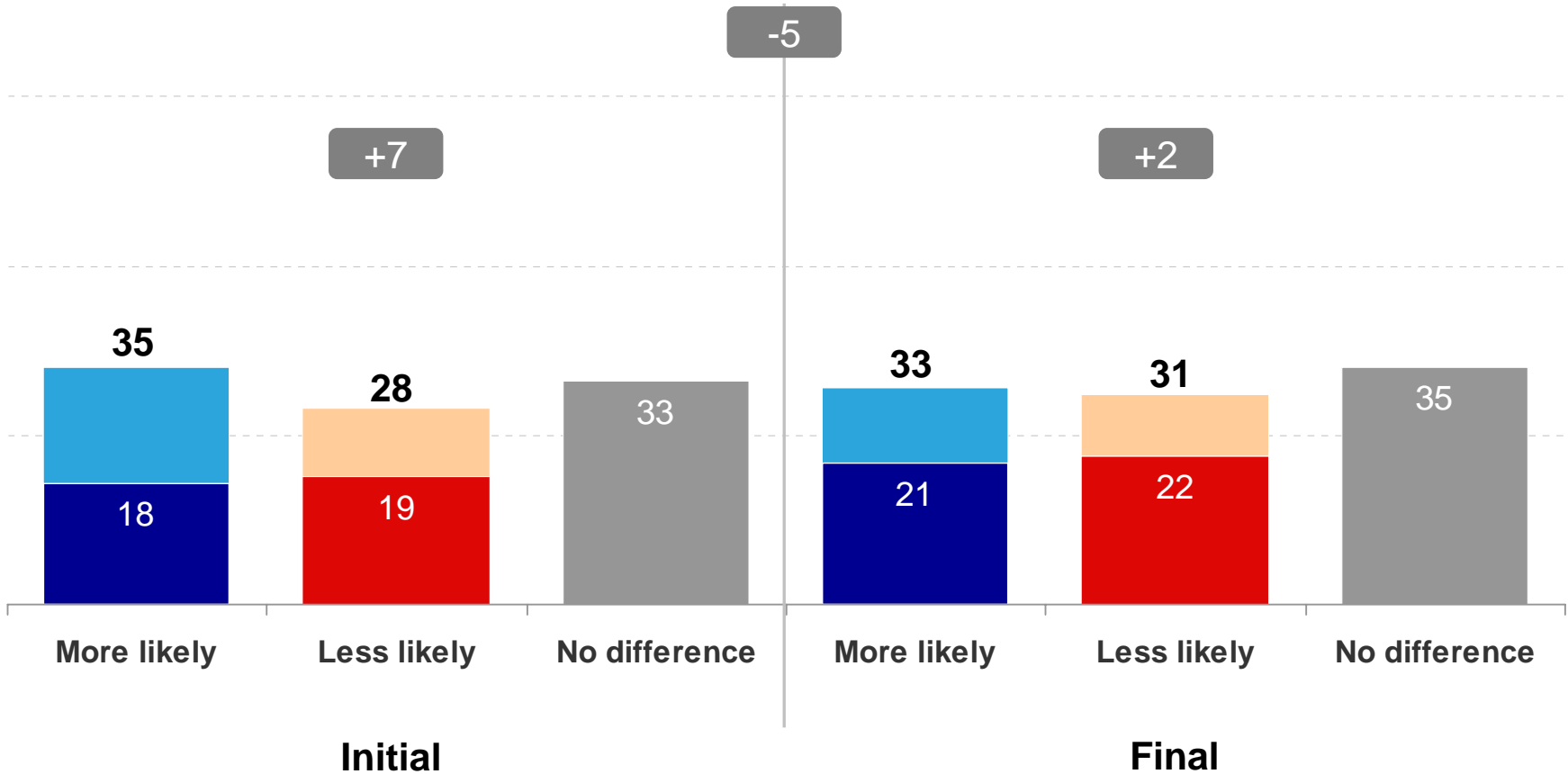
■ Much more likely ■ Somewhat more likely ■ Much less likely ■ Somewhat less likely ■ No difference



After simulated debate, small shift against budget, long-term growth plan

Now let me ask you again, if your Representative in Congress voted in favor of President Obama's budget plan for **long-term growth**, would it make you more or less likely to support your Representative for reelection it two years, or does it make no difference?

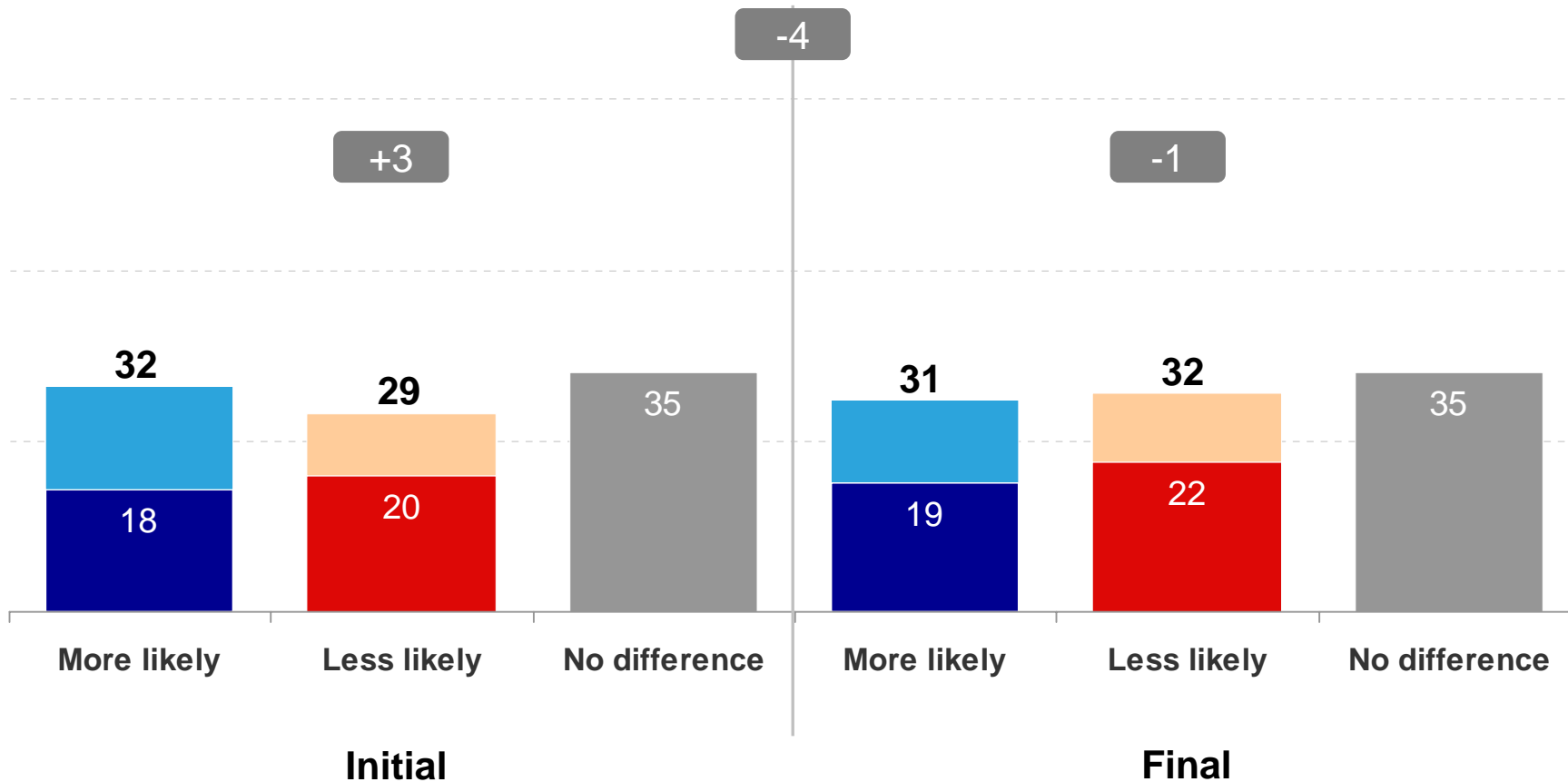
■ Much more likely ■ Somewhat more likely ■ Much less likely ■ Somewhat less likely ■ No difference



Small shift against budget and long-term growth plan (combined data)

Now let me ask you again, if your Representative in Congress voted in favor of President Obama's budget plan (for long-term growth), would it make you more or less likely to support your Representative for reelection it two years, or does it make no difference?

■ Much more likely ■ Somewhat more likely ■ Much less likely ■ Somewhat less likely ■ No difference



*Note: Shows combined data for "budget plan" and "budget plan with long-term growth."

AIG

AIG management, Treasury seen as more responsibly for AIG bonuses

Now I'd like to ask you something a little different, as you may have heard the American International Group, the firm known as AIG, recently gave out bonuses to some of their executives after receiving a 170 billion dollar government bailout. Of the following people and institutions, which TWO do you think are most to blame for AIG giving out these bonuses?

AIG Management

58

**Treasury Department and Treasury Secretary
Timothy Geithner**

31

Former President George Bush

24

Democrats in Congress

21

Republicans in Congress

13

President Barack Obama

10

The Federal Reserve

6

0

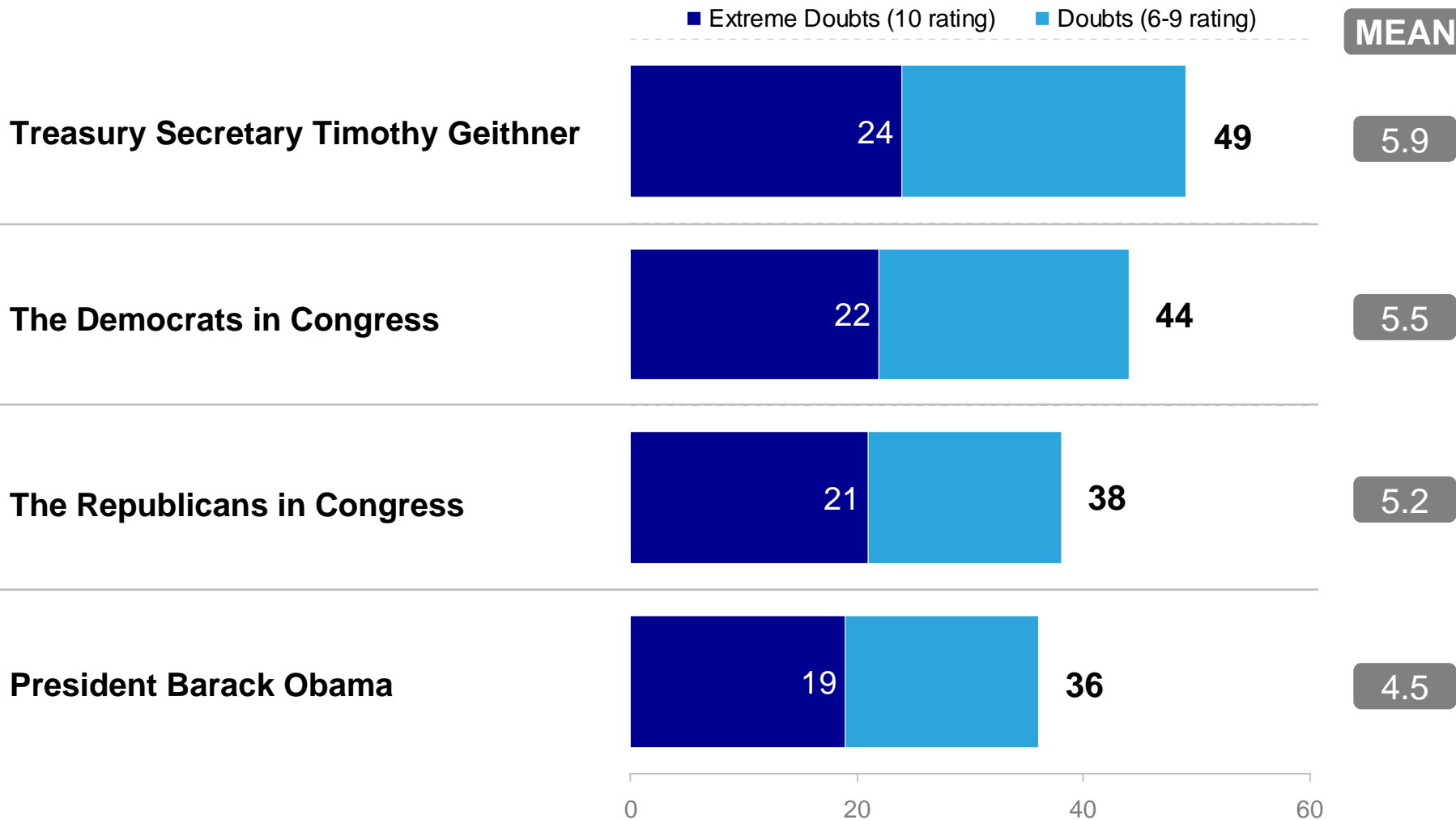
20

40

60

AIG raises doubts about Geithner, not Obama

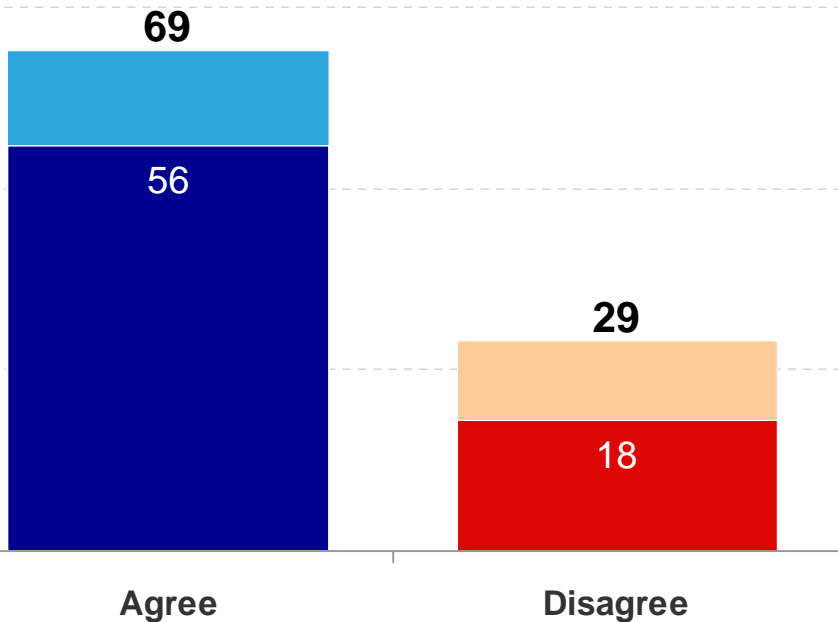
Now, I am going to read you a list of people and institutions and for each I want you to tell me, using a scale of 0 to 10, where 0 means no doubts and 10 means extreme doubts, how much doubt the recent announcement of AIG and other companies giving bonuses to their employees has caused you to have in that person or institution?



AIG shows need for tighter regulation AND government's ineptitude

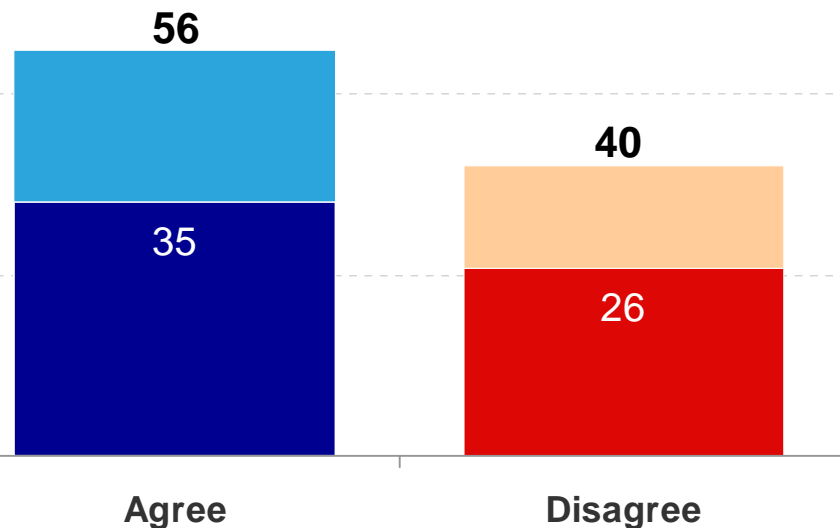
Now let me read you a statement. AIG's use of bailout money to pay out bonuses to its executives shows that we need tighter government regulation of the financial industry. Do you agree or disagree with that statement?

- Strongly agree
- Somewhat agree
- Strongly disagree
- Somewhat disagree



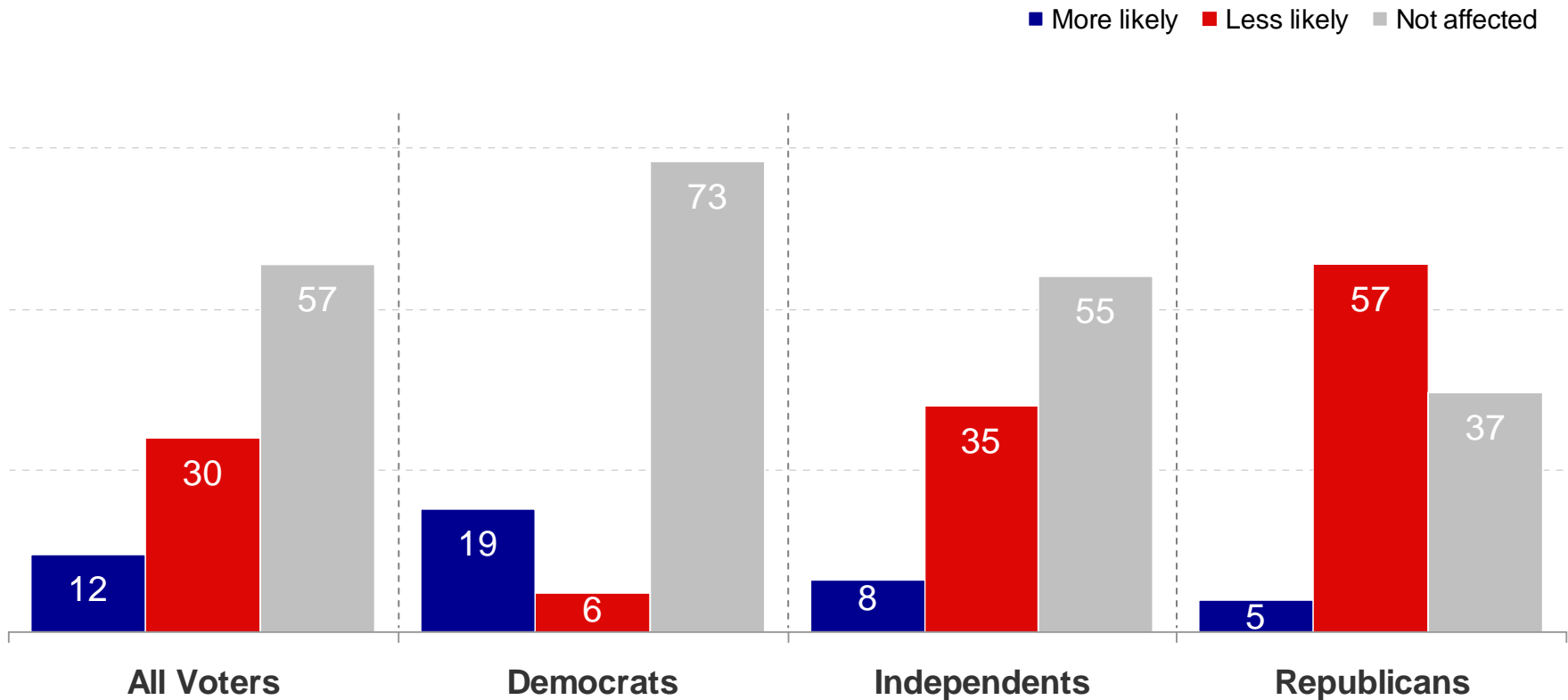
Now let me read you a statement. AIG's use of bailout money to pay out bonuses to its executives shows that the federal government is incapable of preventing this kind of wasteful spending of the taxpayers' money. Do you agree or disagree with that statement?

- Strongly agree
- Somewhat agree
- Strongly disagree
- Somewhat disagree



AIG's scandal has negative impact on support for Obama's budget

Has the recent announcement that AIG paid bonuses to their executives made you less likely to support President Obama's plan for the federal budget, more likely to support President Obama's plan for the federal budget or has it not affected your support for President Obama's plan for the budget?



Special Issues

Afghanistan a conundrum

Now I'm going to read you some pairs of statements. After I read each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.

First Statement: The U.S. is making progress in Afghanistan.

Second Statement: The U.S. is losing ground in Afghanistan.

■ First Statement Strongly ■ First Statement Somewhat ■ Second Statement Strongly ■ Second Statement Somewhat

First – Second

All Voters

44 26 25 41

+3

Republicans

55 37 18 31

+24

Independents

38 20 27 41

-3

Democrats

39 22 29 49

-10

100 75 50 25 0 25 50 75 100

Afghanistan and Iraq comparison

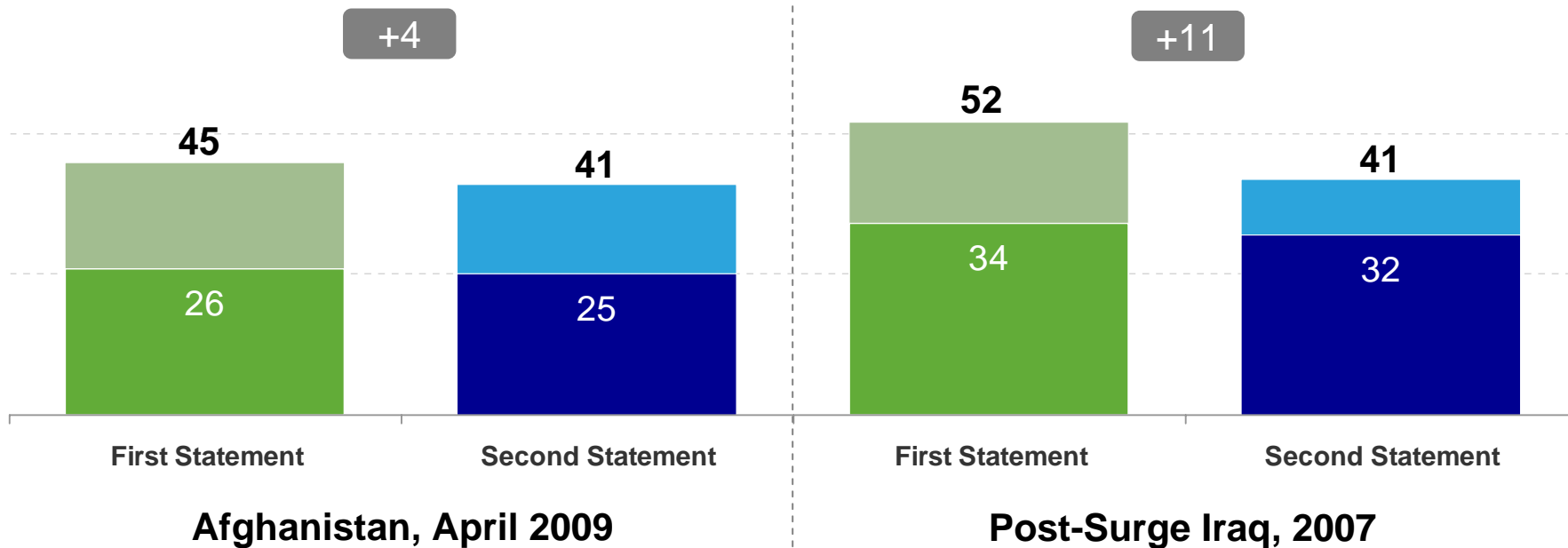
First Statement: The U.S. is making progress in *Afghanistan*.

Second Statement: The U.S. is losing ground in *Afghanistan*.

First Statement: The U.S. is making progress in *Iraq*.

Second Statement: The U.S. is losing ground in *Iraq*.

- First statement strongly
- First statement somewhat
- Second statement strongly
- Second statement somewhat



*Note: 2007 Iraq data from Democracy Corps national survey of 1,000 likely voters conducted December 14-17, 2007. **Data shows likely voters only.**

Voters agree that human actions cause of global warming

Now I'm going to read you some pairs of statements. After I read each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.

First Statement: Global warming is caused more by human actions than by naturally occurring forces.

Second Statement: Global warming is caused more by naturally occurring forces than by human actions.

■ First Statement Strongly ■ First Statement Somewhat ■ Second Statement Strongly ■ Second Statement Somewhat

First – Second

All Voters

59 48 27 34

+25

Republicans

37 27 43 56

-19

Independents

54 44 31 39

+15

Democrats

80 66 12 15

+65

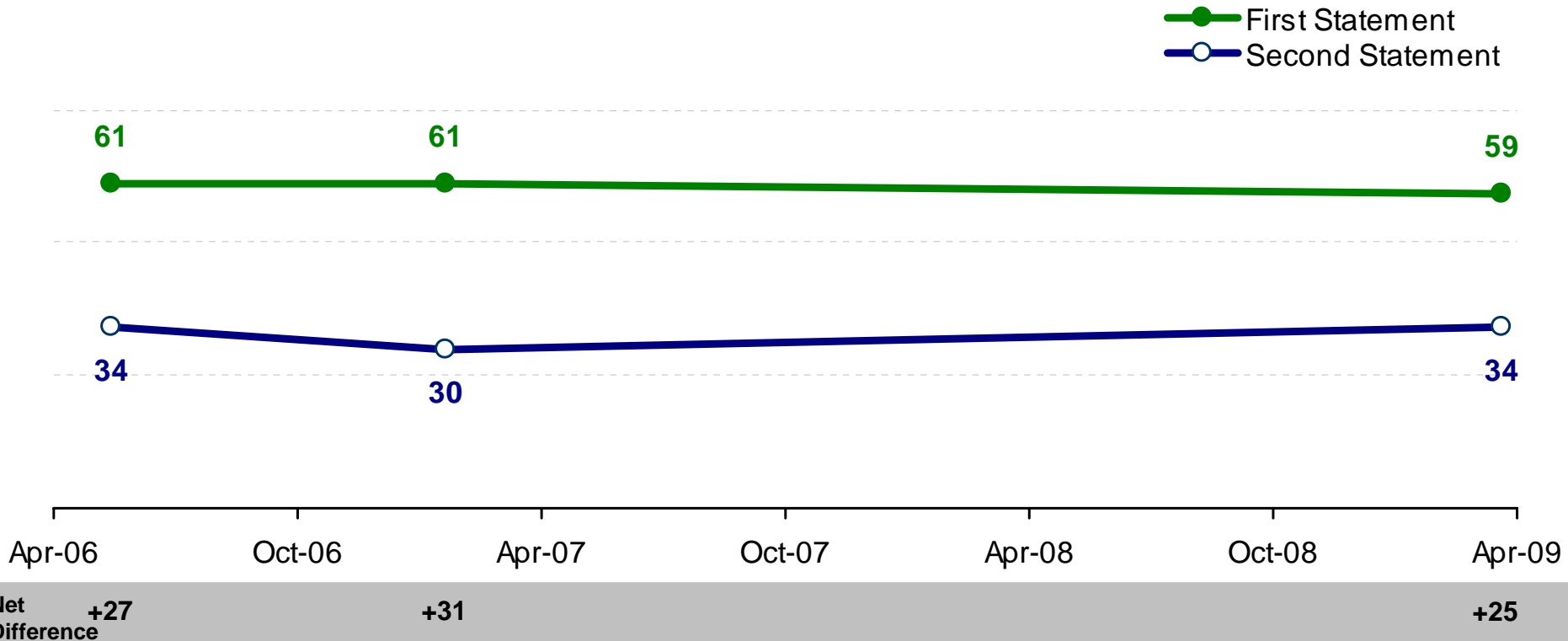
100 75 50 25 0 25 50 75 100

Cause of global warming argument sees little shift in 3 years

Now I'm going to read you some pairs of statements. After I read each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.

First Statement: Global warming is caused more by human actions than by naturally occurring forces.

Second Statement: Global warming is caused more by naturally occurring forces than by human actions.



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