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To: Friends of Democracy Corps and Greenberg Quinlan Rosner
From: Stanley B. Greenberg, James Carville and Andrew Baumann

Obama, Democrats Well Positioned For Budget Debate

National Surveys for Democracy Corps and NPR Show President, Democrats Strongly Preferred on Key Issues

As Washington prepares to fully engage in the debate over President Obama's budget, two new national surveys from Democracy Corps and Greenberg Quinlan Rosner show that the president and his allies are well positioned to win the battle over his budget. Obama remains extremely popular, not only with his base but also with the broad middle of the American electorate. More important, both he and Congressional Democrats hold a truly dominant position over Republicans in Congress on the most important issues of the day, with voters preferring the president on issues such as the economy, energy and the deficit by 20 or 30 points each.

Building on this already strong foundation, Obama's budget is based on a set of priorities that are strongly in tune with the nation's. By nearly two-to-one margins, voters back two of the central tenets of Obama's budget – the need to rebalance our tax code so the middle class pays less and the wealthiest pay their fair share, and the need to restore America's economic strength by making long-term investments to create new jobs and industries – over Republican counter-arguments on taxes and the deficit. These arguments could be potent wedge issues that define a new coalition as they win decisive support not only from Democrats and independents but moderate Republicans as well.

Meanwhile, voters resoundingly accept the budget's deficit reduction goals and reject claims that the budget would damage the economy by raising taxes.

Finally, the NPR survey shows that Democrats have every reason to be confident they can win the big debates on the president's budget proposal, particularly energy, health care, taxes and the deficit.

This memo is based on a national survey of 1,000 2008 voters, including 170 interviewed on cell phones (120 unweighted) and 830 likely 2010 voters (863 unweighted), conducted for Democracy Corps by Greenberg Quinlan Rosner March 5-8, 2009, and a national survey of 800



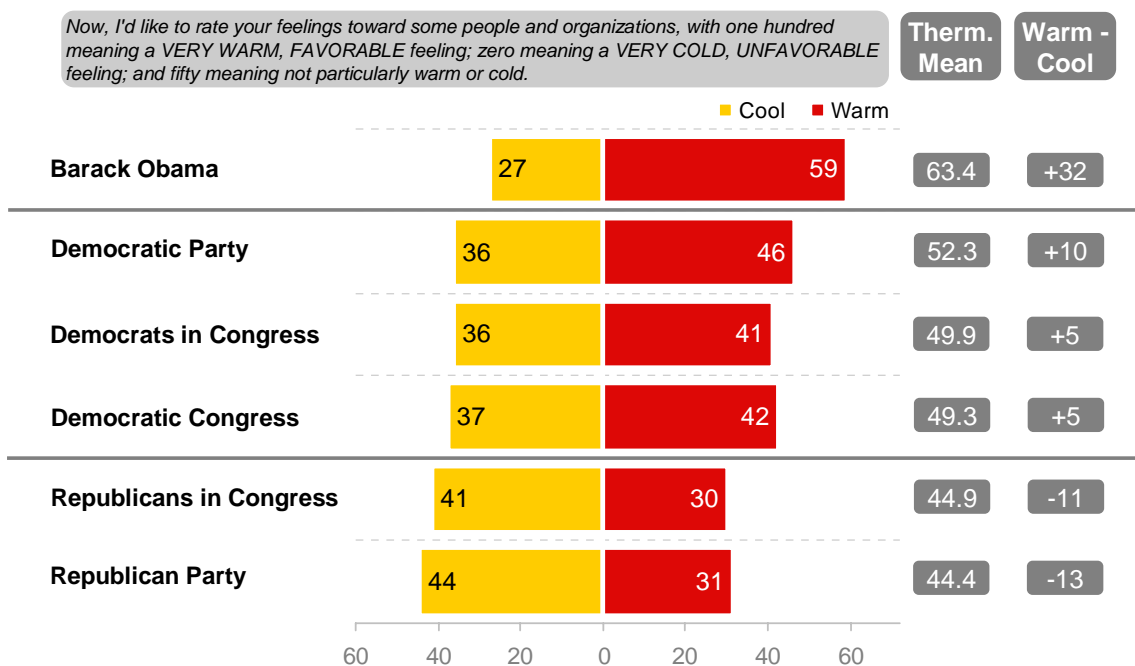
likely 2010 voters conducted by Public Opinion Strategies in conjunction with Greenberg Quinlan Rosner for National Public Radio March 10-12 & 14, 2009.^{1,2}

Obama, Democrats Enter Budget Battle in Dominant Position

President Obama and his Democratic allies in Congress enter the battle over Obama’s budget in a dominant position relative to Congressional Republicans. Obama remains extremely popular, with nearly six-in-ten voters rating him favorably against just 27 percent who rate him unfavorably. While this represents a slight uptick in Obama’s unfavorable ratings, this movement comes entirely from Republicans shifting, as expected, away from the president as the debate in Washington becomes more partisan. Obama’s personal standing, however, remains as strong among Democrats and, more important, independents as at any time since the election.

Meanwhile, the Democratic Party and Democrats in Congress remain significantly more popular than their Republican counterparts, though they do not reach the heights of President Obama.

Democratic brand much more popular than Republican



Even more telling, when voters are asked to choose between President Obama and Congressional Republicans on a series of critical issues, Obama simply swamps the Republicans on

¹ Data based on Democracy Corps survey unless otherwise noted.

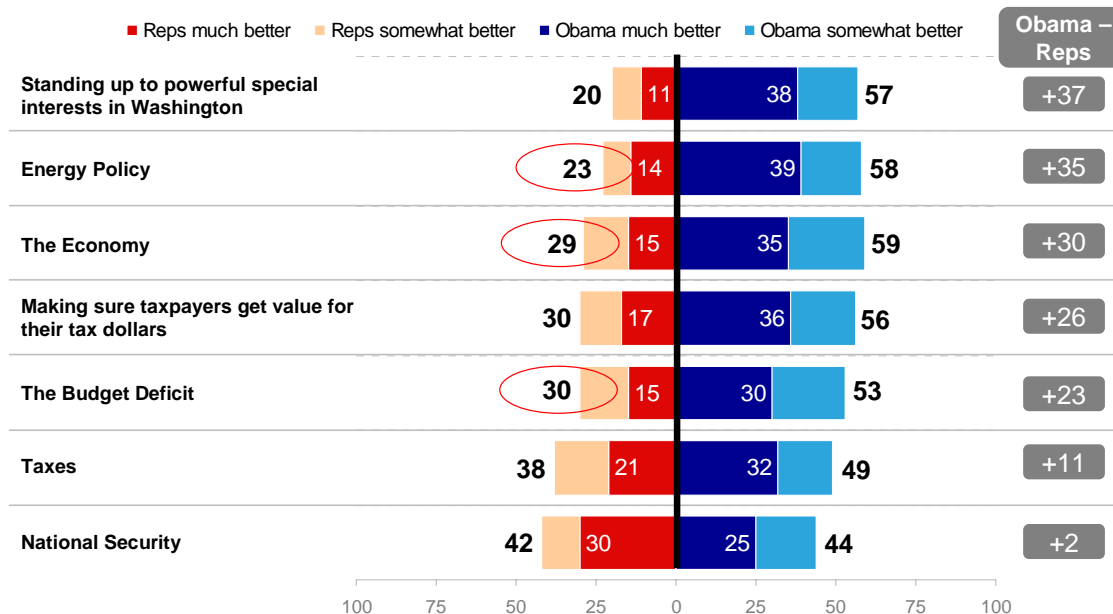
² Public Opinion Strategies and National Public Radio are not responsible for the conclusions in this memo.



nearly every issue. While Democrats enjoy a partisan identification advantage of 7 points, Obama beats Congressional Republicans by triple that margin on 5 of the 7 issues tested, including leads of more than 30 points on standing up to special interests, energy policy and the economy. And while he does not reach quite these margins, he maintains a double-digit advantage on taxes and fights to draw on the traditionally Republican issue of national security.

Obama swamps congressional Republicans on almost all issues

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 Barack Obama or the Republicans in Congress 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.

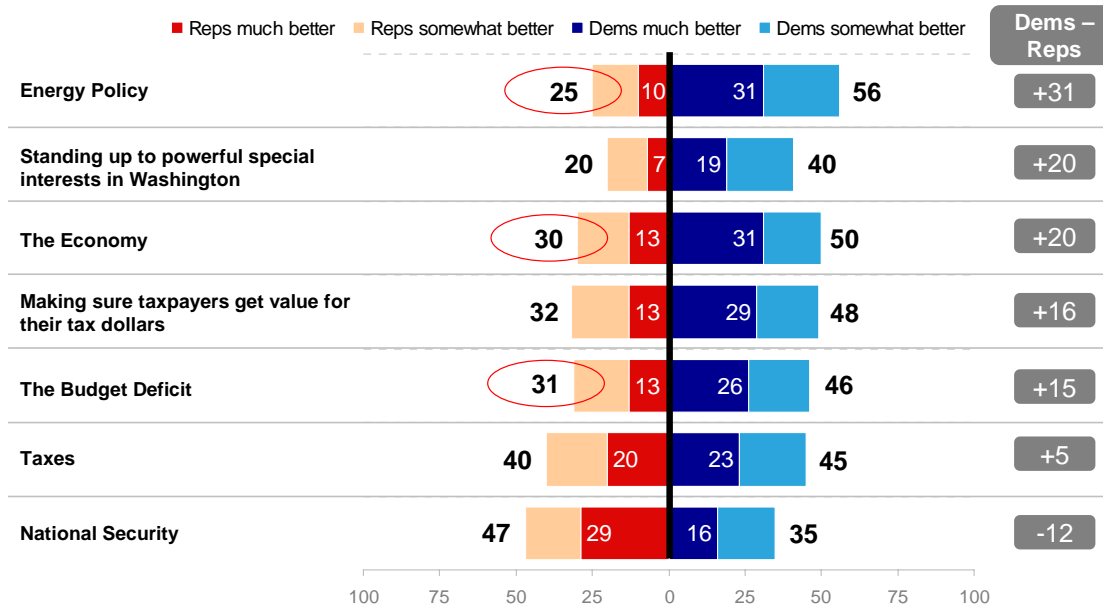


Congressional Democrats do not swamp Republicans by quite the same margin that Obama enjoys, but they still dominate their GOP counterparts on most key issues, at least doubling their partisan advantage on 5 of the 7 issues tested and enjoying leads of 20 points or more on the economy, energy and special interests.



Congressional Democrats dominate virtually all issues

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 in Congress or the Republicans in Congress 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.



Voters Show Strong Support for Key Tenets of Obama’s Budget

In a clean test, without messaging or description, a solid majority of 53 percent of voters favor President Obama’s plan for the federal budget (against just 38 percent who oppose). Support for Obama’s budget breaks heavily along partisan lines, with nearly nine-in-ten Democrats supporting the budget but three-quarters of Republicans opposed. A 47 percent plurality of independents backs the president’s plan. Significantly, voters under 40 are much more likely to favor Obama’s budget (60 percent favor, 31 percent oppose) than those 40 and over (50 percent favor, 41 percent oppose). Support is also extremely strong (64 percent favor, 28 percent oppose) among the 35 percent of voters who are “very concerned” that they or someone in their household will be out of work and looking for a job in the next 12 months.

Perhaps more important, voters overwhelmingly side with the president on the critical arguments that underlie his budget.

Rebalancing the Tax Code. By an overwhelming 62 to 32 percent margin voters agree that we need to balance the tax code so the middle class pays less and the wealthiest pay their fair share rather than agreeing with the Republican argument that raising taxes on those with higher income punishes successful Americans and would damage the economy. This argument could be a potent wedge issue that defines a new coalition as not only Democrats, but independents and even moderate Republicans as well, support rebalancing the tax code by wide margins. Moreover, the idea garners nearly two-thirds support from white seniors, white older non-college



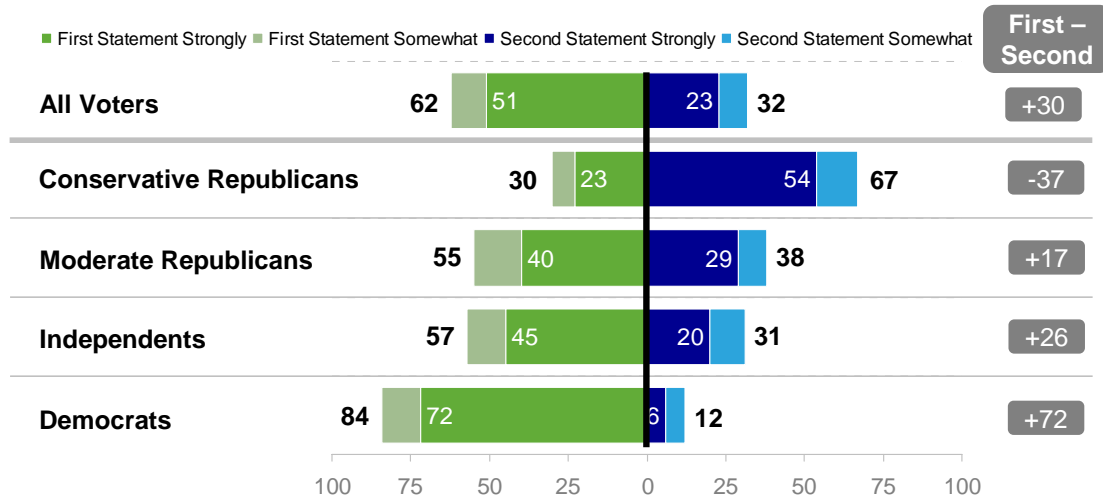
voters and white non-South rural voters, three key groups that were cool to Obama on Election Day.

Support to rebalance tax code crosses ideological divide

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: We need to rebalance 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.

Second Statement: Raising taxes on those with high incomes is class warfare that punishes successful Americans and would damage our economy.



Taxes. By a 21-point margin (57 to 36 percent), voters reject the Republican argument that Obama’s budget will damage the economy by raising taxes on entrepreneurs and small businesses in the middle of a recession, and agree, rather, that it will help the economy by cutting taxes on the middle class and small business while waiting until after the recession to raise any taxes – and then, only on the wealthy.

Deficits. Voters also side decisively with President Obama on two key debates about the deficit. By a 61 to 32 percent edge (with six-in-ten independents and moderate Republicans agreeing), voters say it is more important to make long-term investments that lead to new jobs and industries than it is to reduce the deficit and pay down the debt, an argument Obama made forcefully in his address to a joint session of Congress last month, and is likely to repeat in support of the health care and energy components of his budget.

Additionally, by an even larger 68 to 24 percent advantage, voters say Obama’s goal of cutting the deficit in half is the best we can hope for given our situation, soundly rejecting the Republican argument that Obama’s budget does not do enough to balance the budget. To go along with the 86 percent of Democrats and 64 percent of independents, a 51 percent majority of Republicans also side with Obama on this debate.

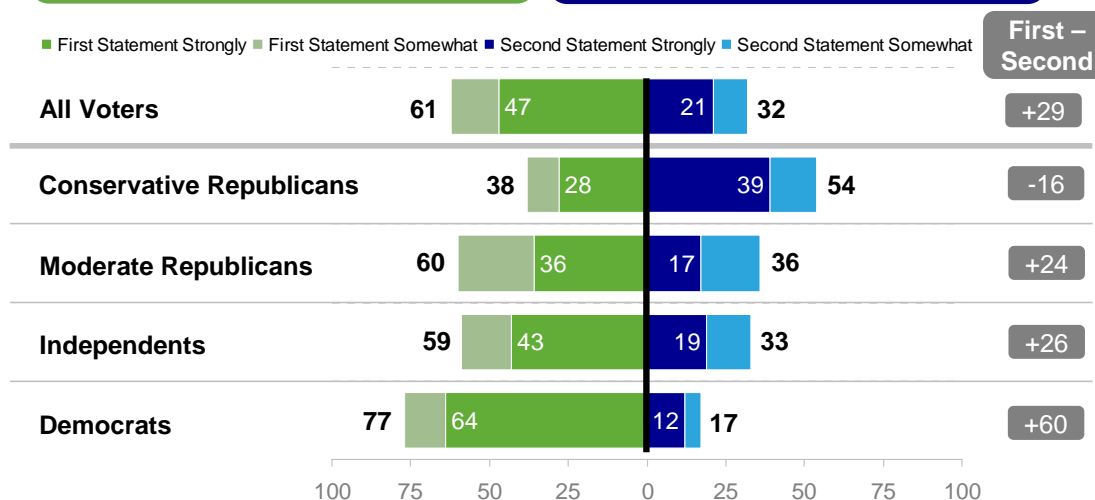


Long-term investments far more important than watching the deficit

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 fully restore America's economic strength it is more important to make long-term investments that will lead to new jobs and new industries.

Second Statement: In order to fully restore America's economic strength it is more important to reduce the deficit and pay down the national debt.



Democrats Best Republicans in Debate on Key Budget Issues

While President Obama and the Democrats have large advantages on some of the central debates over the budget, when the debate moves to specific elements of Obama's proposal they retain a significant edge. In an exercise unique to the bipartisan NPR survey, the Democratic and Republican pollsters wrote their strongest messages on each issue. In all four areas tested – taxes, the deficit, energy and health care – the Democratic message prevailed.³

On health care, the Democratic message that Obama's budget will finally deal with skyrocketing healthcare costs and millions without coverage defeats the Republican message that the Democratic budget would create a government-run bureaucracy that rations care by 53 to 42 percent a margin – nearly twice the Democrats' 6-point partisan advantage in the NPR survey.

³ Results in this section are based on a national survey of 800 likely voters conducted by Public Opinion Strategies in conjunction with Greenberg Quinlan Rosner for National Public Radio, March 10-12 & 14.



Democrats win debate on energy, cap and trade

Next, I'm going to read you some pairs of statements. After I read each pair, please tell me which statement comes closer to your own view, even if neither is exactly right. On the issue of the budget and energy...

Dem Statement: Energy for the economy

Democrats say President Obama's budget will help build a clean energy economy that creates jobs, kick starts new businesses and cuts our dependence on foreign oil. We're falling behind Germany and Japan in renewable energy and it's time for America to lead again. The plan caps global warming pollution, makes corporate polluters pay a fee and rewards alternative energy like wind and solar while cutting taxes for the middle class.

■ Total Democratic Statement



Total Democratic Statement

Rep Statement: Energy tax on all

Republicans say the Democratic budget creates a huge new tax on energy that will send American jobs overseas to places like China and India, and raise taxes on anyone who uses electricity or drives a car. America needs to develop alternative energy sources like wind, solar, and biofuels and tap proven energy reserves here at home. But energy taxes that fall disproportionately on the poor and middle class are unfair and wrong.

■ Total Republican Statement



Total Republican Statement

**Note: Survey of 800 likely voters conducted by Public Opinion Strategies in conjunction with Greenberg Quinlan Rosner for National Public Radio March 10-12 & 14.*

Democrats win the debate on energy and Obama's proposed cap-and-trade system by the same 53 to 42 point margin with a message emphasizing the need to build a new clean energy economy that creates jobs and kick starts business by reclaiming world leadership in renewable energy technologies.

A majority of voters also side with the Democrats on taxes (52 to 43 percent), rejecting the Republican attack that Obama's budget is a \$1.4 trillion job-killing tax hike on families and small businesses in favor of the Democratic argument that it will put the middle class first by cutting taxes for 95 percent of Americans and asking the wealthy and corporations to pay their fair share. Finally, the Democratic deficit message that the president's budget will cut the inherited trillion-dollar deficit in half by returning to responsible policies while meeting national needs earns a solid majority of support (51 to 45 percent) when matched against the Republican attack that the budget combines out-of-control spending and job-killing taxes that break the Democrats' promises of fiscal responsibility.

The results of these specific budget debates also reveal how close the Republicans are to becoming a regional party. On health care, energy and even the traditional Republican issue of taxes, Democrats win these message debates by between 16 and 24 points in every region of the country except for the south, where the Republican messages manage victories of about 5 points (see Table 1).

**Table 1: Budget Issues Statement Pair Results By Region**

Issue	Northeast		West		Midwest		South	
	Dem - Rep	Net	Dem - Rep	Net	Dem - Rep	Net	Dem - Rep	Net
Budget and Taxes^{[1]4}	56 – 39	17	57 – 39	18	57 – 39	18	44 – 51	-7
Budget and Energy	60 – 36	24	57 – 40	17	58 – 40	18	44 – 49	-5
Budget and Health Care	56 – 40	16	58 – 39	19	57 – 35	22	45 – 50	-5
Budget and the Deficit	52 – 45	7	55 – 42	13	59 – 35	24	41 – 53	-12

⁴ Please see the Frequency Questionnaire for full language of messages tested.