

Date: July 9, 2008
To: Friends of Democracy Corps and Greenberg Quinlan Rosner
From: Stan Greenberg, James Carville and Ana Iparraguirre

RE: OFFERING REASSURANCE AND CHANGE

A special national Democracy Corps poll on the new stage of the 2008 election

Barack Obama has slowly moved up to a 4-point lead over John McCain in the race for president (49 to 45 percent) in this special 2,000-sample Democracy Corps survey, a margin consistent with the most recent national poll estimates.¹ In an important step following a difficult primary, he has consolidated about half the Democrats he will need to match earlier presidential runs. He achieved that by diminishing some of the polarization around his image and providing key reassurances that have more voters saying he “has what it takes to be president.” There is every reason to believe that Obama will continue to elevate his support as he chooses a vice-presidential nominee and as he more boldly defines the choice in the election.

It is important to note that this progress has been accompanied by some diminished enthusiasm and few gains among independent voters. In contrast, McCain has been able to improve his image after a period of slippage and has recently found a way to get heard on the economy, energy and Iraq. Obama’s campaign has only just begun to engage with the big issues before the country and to define the choice boldly in a way that engages voters, fully consolidates Democrats and wins over independents – though he clearly has the opportunity to do all three.

We recognize that the protracted primary has left a short period to do a lot. Obama will have to provide important reassurance on his biography, values and moderation, while offering a sense of purpose, direction and choice at a time of deepening crisis and demand for change. The Obama campaign clearly understands that it will have to be seen as leading the change in this change election.

The most encouraging news in the poll is that Obama has raised his support among Democrats from 80 to 85 percent. If he gets it up to 90 percent – where McCain now stands with Republicans and that Kerry achieved earlier – it is hard to imagine how Obama would lose given the current party advantage in the country. Among self-identified Democrats, Obama lags most

¹ Democracy Corps national survey of 2,000 likely voters conducted June 22-24, 2008 by Greenberg Quinlan Rosner.



behind Kerry's 2004 and the Democrats' 2006 performances with white non-college voters and white men; among base-groups, he lags with white older unmarried women.

The Emerging Images of the Candidates

Obama and McCain have both emerged with comparable, modest net-positive images at the outset of the general election battle, but the shifts in the latest Democracy Corps survey set off some warning signals.

Obama has become less polarizing (intense positives and intense negatives each down 2 points) and he has improved his overall favorability significantly with white non-college Democrats, white Democratic women, white older Democrats and moderate and conservative Democrats. That no doubt contributed to his vote gain among Democrats. Overall, he has made some modest headway on reassurance: 59 percent say he is a strong leader, 54 percent say he has what it takes to be president (up 2 points), and a minority of 47 percent now says, "just too many questions to take a chance on him as president" (down 2 points).

But that has come with a price worth noting. Not surprising is the drop in intense positives among liberals, liberal Democrats and white young voters, as we can see in the graph below. More worrisome is the broader drop in intense responses on key attributes – "*on your side*" (describes "very well" dropped from 27 to 21 percent), "*strong leader*" (dropped from 31 to 26 percent), and "*will bring the right kind of change*" (dropped from 28 to 24 percent). Overall, only 51 percent say Obama is "*on your side*" (down 4 points) and only 52 percent say he will "*will bring the right kind of change*" (unchanged). Obama seems to have lost some definition in this transition, and he has only just begun to articulate the change in ways that engage voters.

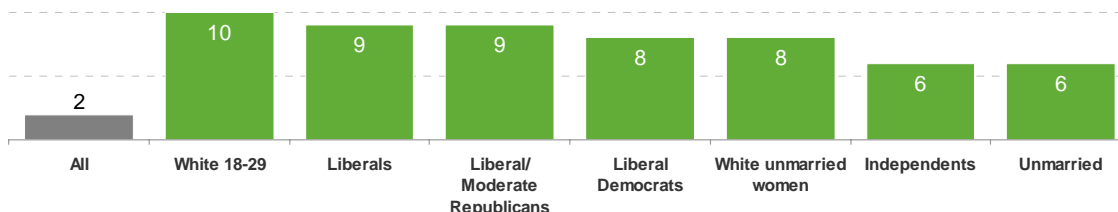
McCain paid a price earlier after his primary. The attacks on Obama and his continued appeals to the right produced a marked drop in favorability. But that drop has stabilized, and in the most recent period he has managed an increase in the intense favorable reactions to his name (up from 15 to 18 percent) and a decline in those intensely negative (from 29 to 24 percent). McCain has successfully taken some of the edge off his image on Iraq and his identification with Bush – where intense negatives are down 4 to 7 points. Also, McCain improved his standing on personal attributes like "*cares for people like you*" (49 to 56 percent total describes well), "*honest and trustworthy*" (63 to 68 percent) and will "*keep America strong*" (58 to 62 percent).



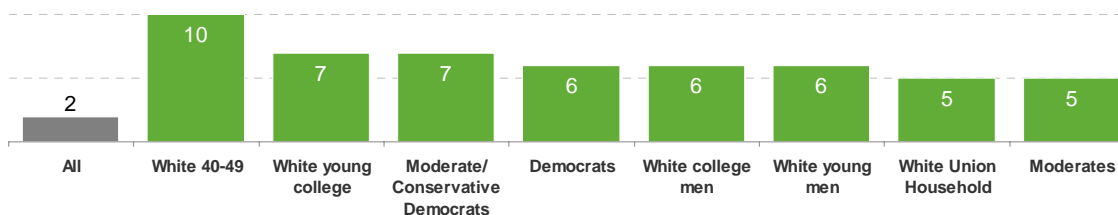
Obama sees decline in intense favorable, unfavorable feelings

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.

Intense favorable decline



Intense unfavorable decline

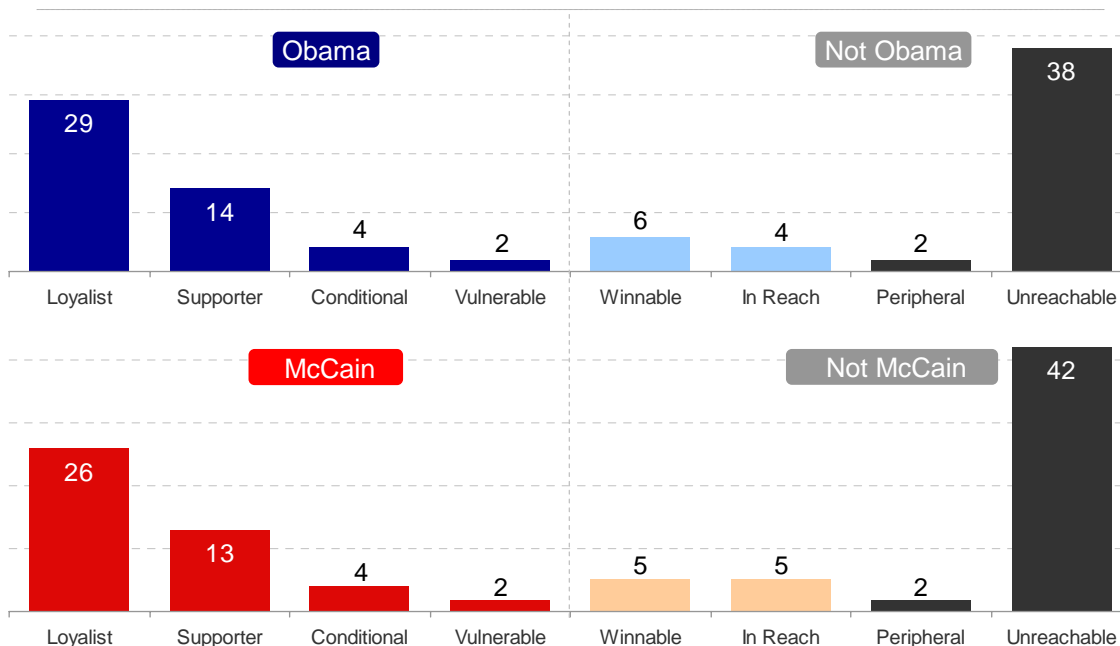


The Stable Structure to the Vote: No Immediate Trend

The patterns of Obama's support have remained stable over the past three months, as reflected in our *Voter Choice Scale*, constructed from eight survey questions. The close of the primary did not produce a surge in strong supporters ("loyalists") or much of a rise in Obama's overall vote. His 4-point edge in the race is reflected across the board: 4 points more loyalists and strong supporters and 4 points less "unreachable" than McCain in his scale. But for now, Obama and McCain have identical numbers of "vulnerable" supporters and "winnable" voters, suggesting the race is stable at the current 4-point lead and not trending up or down at this point.



Voter Choice Scales: parallel worlds



When we tested various vice-presidential options, few moved the Obama or McCain vote more than a point either way. However, we were able to produce a 3-point increase in Obama’s vote by pairing him with Al Gore, who “will be given the responsibility to make America energy independent and the world leader on combating global warming.” That was as much a measure of mission as strength of candidacy – but it did double Obama’s margin in the race, suggesting the potential for further upward gain.

McCain Gets Heard on Energy and the Economy

With voters becoming increasingly concerned about a weakening economy, the presidential candidates publicly debated their economic and energy proposals before the July 4th break (this memo does not reflect this week’s economic discussion). While McCain trailed Obama by 4 points in the race and, in our last poll, by 6 points on handling the economy, he won the positive economic debate posed in this survey.² The McCain narrative focused on tax cuts for the middle class and businesses, simplification of the tax code, support for free trade, and a vow to “root out government waste and pork-barrel spending in Washington.” When compared to a positive Obama narrative that discussed tax cuts for the middle class, a rejection of tax cuts for big corporations, and that promoted the renegotiation of free trade agreements and investment in education and alternative fuel sources, the McCain narrative won by 5 points (50 to 45 percent).

² Democracy Corps national survey of 1,014 likely voters conducted May 13-15, 2008.



That McCain won this positive economic debate is important, suggesting that the support for Obama and his party was not so strong as to block McCain from getting a hearing. It also suggests that any effective economic program has to include bold measures to clean up government and make it accountable – the power of McCain’s focus on pork barrel spending. As we have noted in earlier memos, voters want to change government and Washington first while on their way to changing the economy and America.

However, this is a change election and the “negative” economic debate produced a very different result. Obama’s advantage more than doubles his vote margin. By a 49 to 40 percent margin voters side with the Obama narrative that accuses McCain of continuing Bush’s policies of favoring the rich, spending billions in Iraq and cutting spending for education, student loans and transportation when compared to McCain’s argument that Obama will increase taxes and spending and eliminate free trade agreements. The difference is especially pronounced among independents who favor McCain’s positive economic narrative by 16 points but side with Obama’s negative narrative by 4 points – a 20-point net difference.

Positive economic debate

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

When it comes to the economy, Barack Obama says we have forgotten about the middle class. His plan cuts taxes for 95 percent of American families, and also eliminates special tax breaks for big corporations and invests in companies that create American jobs. In addition, he will renegotiate trade treaties to protect American workers from unfair trade practices, invest in research and education to create the jobs of tomorrow and invest in new energy sources to bring down the cost of gas.

OR

John McCain says we need to cut taxes for middle class families, as well as for American businesses and corporations, which face the highest tax rates in the industrialized world. We need simpler, fairer tax code without thousands of pages of rules and regulations from the IRS. We need to maintain free trade, which lowers costs for American consumers and creates jobs. We also need to root out government waste and pork-barrel spending in Washington.



Negative economic debate

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

When it comes to the economy. Barack Obama says that John McCain's economic plan is too much like the failed policy of George Bush. Like Bush, McCain favors tax cuts for the wealthy and big corporations, including oil companies. Like Bush, he would continue to spend billions a month in Iraq, money which could be invested here at home. In addition, McCain's plan would cut 160 billion dollars from early education, student loans, affordable housing, and transportation, just when Americans need these programs the most.

OR

John McCain says Barack Obama's plan represents the wrong kind of change. Obama has called for higher income taxes, Social Security taxes, capital gains and dividend taxes and even new taxes on energy, amounting to a trillion dollars in new taxes. In addition, he has proposed a massive increase in federal spending, including a federal takeover of health care, which is one-sixth of the U.S. economy and the reneging on U.S. trade agreements, which will increase costs to consumers and cost us jobs.

The debate over energy and gas prices presents a greater challenge for Senator Obama and the Democrats, who have not yet advanced a compelling narrative despite real legislative successes and impressive programs for the future. The public is deeply concerned about gas prices and want the government to act to address the immediate price consequences, and to act now for achieving energy independence in the medium and long-term. By a 16-point margin voters place more importance on reducing gas prices than addressing energy conservation and global warming, and in order to achieve this goal a majority of voters believe that coupling an investment in alternative fuels with increased domestic production of oil is preferable to alternative fuel investment combined with energy conservation alone.

Consequently, John McCain enters the offshore drilling debate with voters' favor. Six-in-ten voters favor McCain's proposal to drill in some U.S. coastal regions to help lower the price of gas. McCain's proposal is overwhelmingly favored by independents and Republicans (69 and 86 percent, respectively) and even gathers support among more than one third of the Democratic electorate. More importantly, McCain's message adding domestic oil production to a policy of alternative energy investment and conservation is favored over Obama's message that blames oil companies, calls for investments in alternative energy and rejects limited offshore drilling. Although this survey was conducted before Obama released his latest energy ad with a much stronger message, McCain's advantage on this issue shows that voters want real and bold answers to this problem.



Debate on energy and gas prices

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

When it comes to energy and gas prices, Barack Obama says foreign oil imports are costing our economy 1.4 billion dollars a day. The recent increase in gas prices makes it plain that we cannot be held hostage by oil companies any longer. He will invest \$150 billion in clean, renewable energy, including bio-fuels to end the oil monopoly, and increase fuel standards further for American cars and trucks. He strongly opposes lifting the limit on offshore oil drilling saying it will do little to reduce the price of gas and is not worth the environmental cost.

OR

John McCain says we need to invest more in alternative fuels and conserve more. This is not only good for the country, but for the environment, and he led the effort in the U.S. Senate for a comprehensive plan to reduce global warming. But he also says that we need more domestic production of oil and has proposed lifting the federal ban on offshore oil drilling to help reduce our dependence on foreign oil and stop sending money to countries friendly to terrorists.

While we are not excited about highlighting these findings, they underscore the importance of Democrats offering a compelling narrative and choice when gas prices are rising through the roof and people are struggling with lost income and jobs. They should be winning this argument – with a sharper attack on what McCain is really offering and a bigger offer for the short term and long. While we are currently researching this subject, a stronger Obama and Democratic response would include:

- Energy independence through alternative energy and American energy sources
- Relief now from high prices with energy tax credits to offset prices and encourage weatherization for this winter
- Require oil companies to drill now on their existing leases
- Change in the way we make cars to create a significant rise in fuel efficiency – something opposed by McCain
- Finally, have an energy policy for America, not the oil companies

The issues and political environment favor Obama and the Democrats, but with nearly 80 percent saying the country is off track, voters are paying a lot of attention to the issues impacting their lives and the country's future, and they are paying a lot of attention to the qualities of the candidates. On all fronts, Democrats have an immense opportunity to break open this election.