

GREENBERG QUINLAN ROSNER RESEARCH

May 10, 2010

The Economy Project

Citizen Opinion

The problem from the front lines

- **The growing gap between macro economy and micro experience of the white working class**
- **The economic gap for the new Democratic base voters (RAE) – high hopes of unmarried women, the young, Latinos and African Americans – potentially diminished by toughest economic experience.**
- **The unsuccessful progressive narrative**

Elements

- **Monthly economic tracking: macro and micro indicators**
- **Web and panel survey (re-interviewed each month) – on the changing economic experience and progressive messages**
- **In-depth interviews with 1) white working class and non-college, and 2) RAE voters.**
- **Summer national survey on the economy**

Findings from in-depth interviews

- This recession experienced as a profound personal financial crisis – produced by lost jobs, hours and wages, but defined by lost income, compounded by debt and high prices, like gas, putting people at the edge.
- White working class skeptical of Obama's economic approach (health care, spending and bailouts for undeserving).
- But RAE, support approach, acknowledges help from the government and more hopeful will succeed
- Rich understanding of caused this crisis: high debt, inflated housing market, everybody leveraged, Banks and Wall Street excess, greed from top down, while government took a pass and failed to do its job. Sounds like they have read *Too Big to Fail* and *The Big Short*.
- The big banks, Wall Street, CEOs and undeserving auto companies got bailed out (by Bush and then Obama) with our money, while we struggled.

**Note: Based on research for Citizen Opinion.*

Findings from in-depth interviews, continued

- Democrats profoundly weighed down by a new understanding of debt and spending. This is not the old liberal, big spending worry. The Democrats' economic approach is increased spending and debt, making them part of the worldview that produced the crisis. It will come to haunt America.
- People have personal strategies for succeeding in this new economy, centered on getting education, training and skill – and seem pretty optimistic they can do okay and that country will come back.
- But diminished expectations for themselves (just to have a little expendable cash) and for the 'middle class dream' (able to go to Disneyworld, not deep in debt, can pay bills).
- Worry about gap between middle class and CEOs.
- Hope America still a model to the world.

**Note: Based on research for Citizen Opinion.*

The economic crisis

What happened was I remember this too in 2008, September, ... people were getting homes and not paying for their homes, bad credit. They were letting homes become abandoned and then the banks... I think the greed from like lenders and brokers, the greed to make money right away, I don't think that's right. ... Someone has to hear this because we can't have this happen again, misleading people on paper on getting home loans where they don't qualify, they can't afford and eventually in the long run, everybody is going to hurt. And then the banks... sort of knew about it and sold it to Wall Street and then they lost, and then they want the governmentall I hear on the news is how the government is helping Wall Street. And the American people and the middle class are being left behind. (IDI 44, CA, Industrial/Manufacturing, Some Coll.)

**Note: Based on research for Citizen Opinion.*

The economic crisis, continued

[Just] like with the banks and stuff like that, the people that have all the money already are getting bailouts while people that are struggling are getting nothing. So I would say, I mean, I don't know what you would call that group, the business, the higher business groups .. that's who I think are hurting us and just not really caring or trying to help. They're just worried about their bottom line and keeping the money that they have already. (IDI 42, IL, Industrial/Manufacturing, Some College)

When it was the bad economy, I would see people in the store with calculators sitting there like, okay, I've got this much and I can only spend this much. And I'm like, this is terrible that we have people go out with calculators and I've been there. Now I hardly see anybody do it anymore. And I said, well maybe it's slowly starting to get better. And the prices are going down a little bit. (IDI 3, SC, Clerical, Some College)

The economic crisis, continued

Well business is business. If you let the business go wild it's going to go wild, you know, even though [there are] rules, it will .. take the money and run. I think you've got to make sure you stay on top of it, I mean, you've got to have laws, you've got to have protection, you know. You can't, you can't do this because it's going to crash the economy. Look at the bank I was with; it failed. You know, thank God I was insured but that's because of the government but the majority of banks did fail and the reason why is because nobody cared or nobody kept track of what was going on. (IDI 34, CA, Construction, Some College)

...[A]s long as those people [CEOs] are up there grabbing money as fast as they can go this place, the United States is doomed. (IDI 26, FL, Construction, HSG)

Spending and deficits

That federal government is a monster to me...[i]t's real simple, they enslaved me by proliferating the government and that is not anything that was ever in that piece of paper they call the constitution. [Examples?] ... taking my money and giving it to General Motors when they should be filing a chapter 11, and that's just, you know, I won't even get into the bankers, nothing but a bunch of money thieves. If I printed money out of thin air they would come arrest me for counter fitting and the banks do it all the time and it's great, charge people interest to. (IDI 26, FL Construction, HSG)

He has been trying to extend government stimulus packages to people to try to stimulate the economy. Again, where is that money coming from? It's coming from other countries back into ours. But yet we are going further into debt to try to keep our economy afloat. I don't think it's going to work on a long term. (IDI 6, IN, Unemployed, Some College)

I'm not happy with most Republicans at this point either....but this spending is just too, too much. When do we stop spending and just....something is just.....you can't just put a band-aid on everything when it's really a gunshot wound. I don't know. I'm just like disgusted by it. The spending is just way, way too much. There are just too many unnecessary things put into these bills to make all these other lobbyists and other people happy. This is crazy. It's like filing bankruptcy and then going out on a shopping spree on Rodeo Drive. You've got to be kidding me. (IDI 30, FL, Service, Some Coll.)

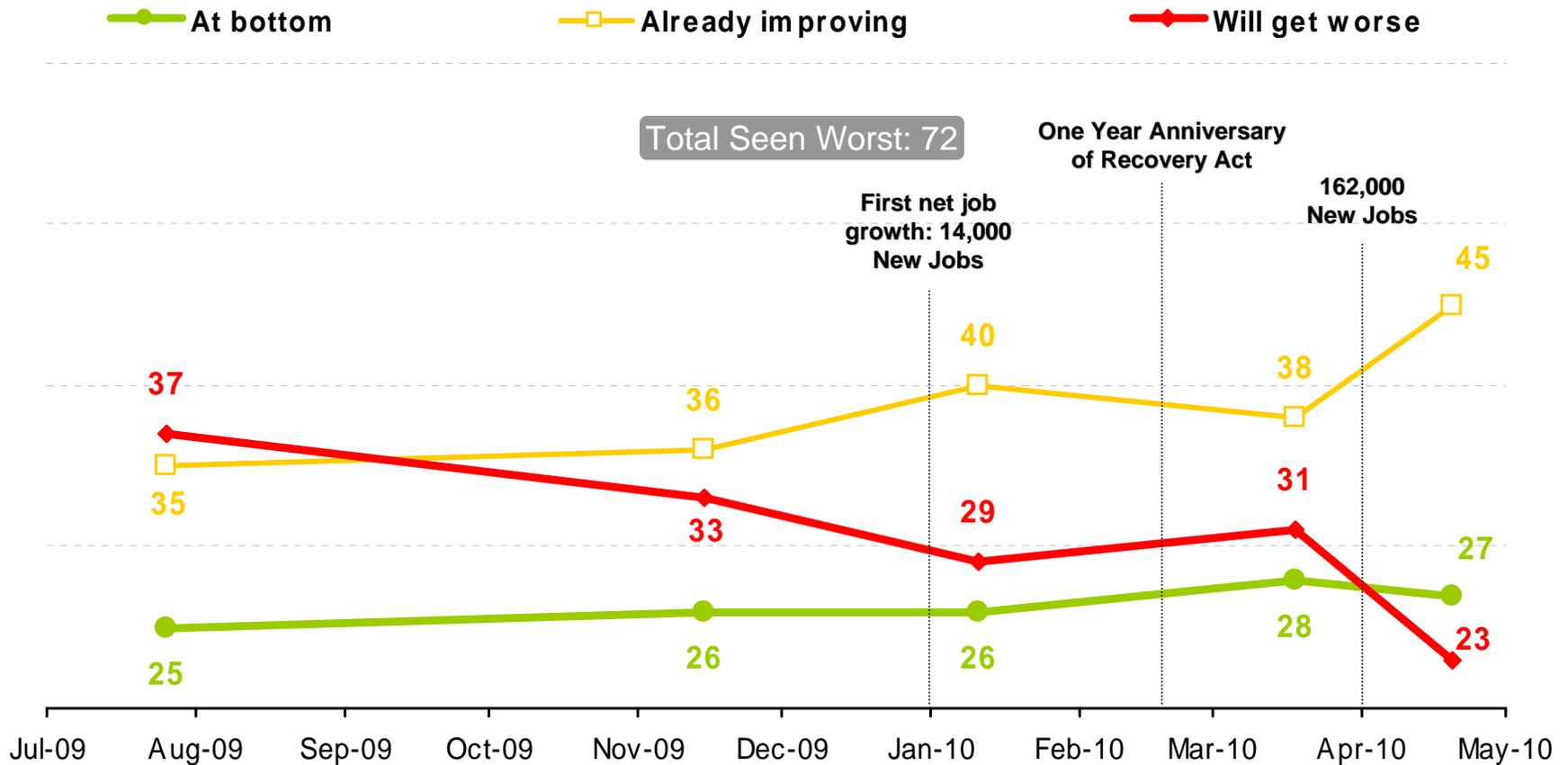
'Middle Class Dream'

[Anything I didn't ask?] I think that you've covered a lot of it. I just want people to be able to have an opportunity, like you said, that American dream. I want people to feel.... like people from other countries coming into our country, I still want them to think that it is the American dream, not just well it once was the American dream. I still want them to think that because the more opportunities people have, the better life it will be for everybody. (IDI 3, SC, Clerical, Some College)

Economic tracking – an economic but not political turn

Real economic indicator: economic optimism

Now, thinking about the nation's economy, do you believe the economy has already bottomed out and is starting to improve, is at the bottom but is not yet getting any better or has not yet bottomed out and will still get worse?

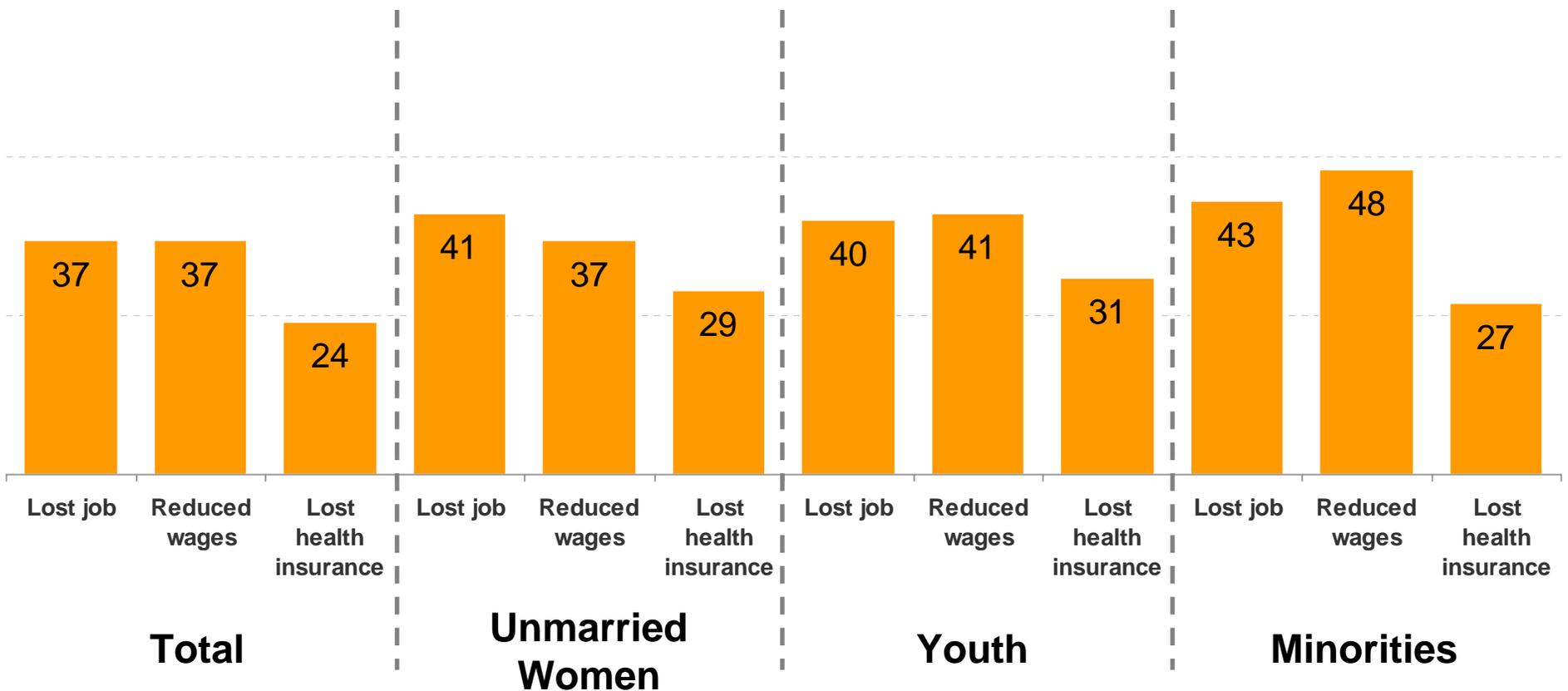


*Note: Data from Democracy Corps surveys conducted since July 2009. Data reflects full sample of 2008 voters.

The real economic indicators: the new American electorate

I'm going to read you a list of economic experiences some people have recently had. For each one, please tell me if you have directly experienced this in the last year, if your family has directly experienced this in the last year, or if someone you know well, like a friend, neighbor or co-worker, has experienced this or if no one you know well has experienced it.

■ Percent impacting you and your family

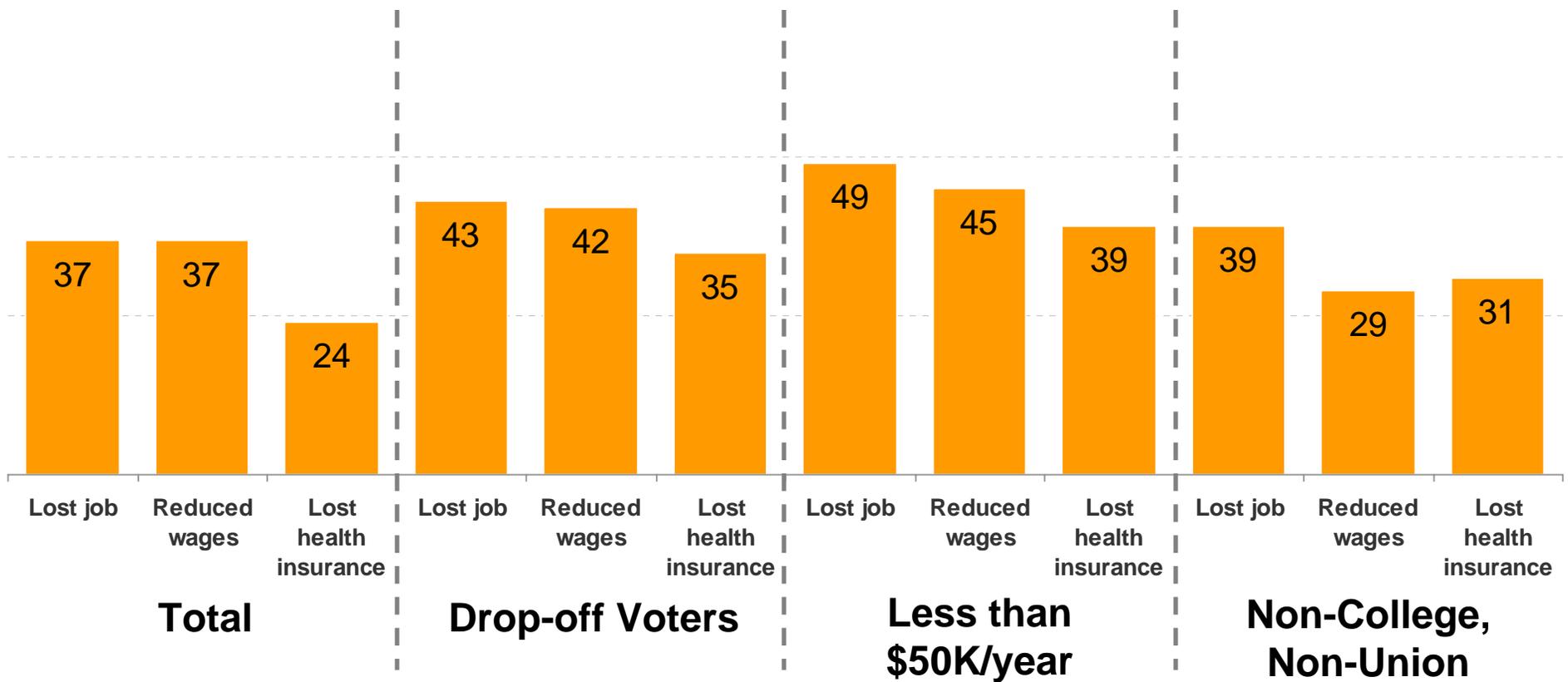


*Note: Based on research for Citizen Opinion.

The real economic indicators: Drop-off voters and lower income

I'm going to read you a list of economic experiences some people have recently had. For each one, please tell me if you have directly experienced this in the last year, if your family has directly experienced this in the last year, or if someone you know well, like a friend, neighbor or co-worker, has experienced this or if no one you know well has experienced it.

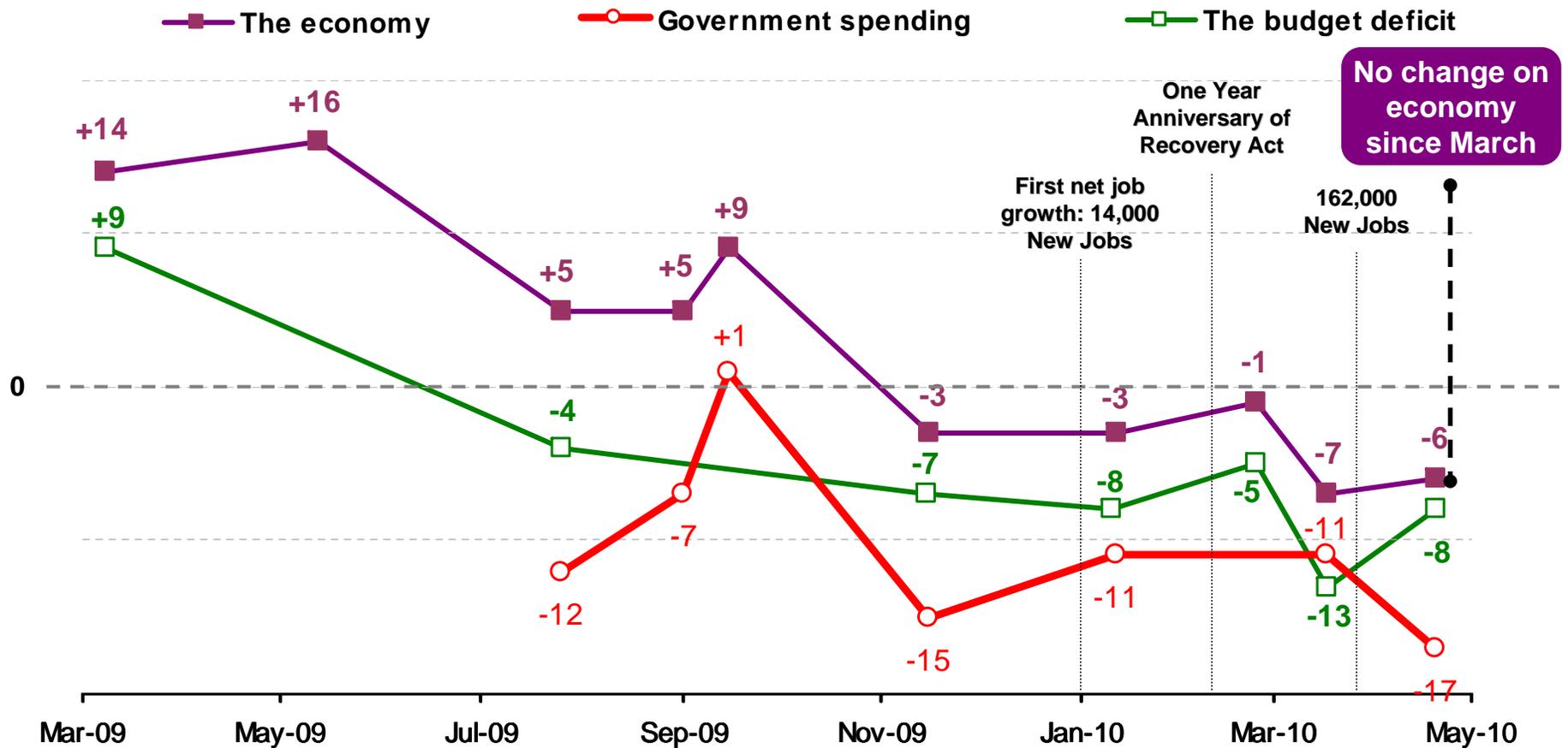
■ **Percent impacting you and your family**



*Note: Based on research for Citizen Opinion.

Which party better on economic issues: no change economy

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.



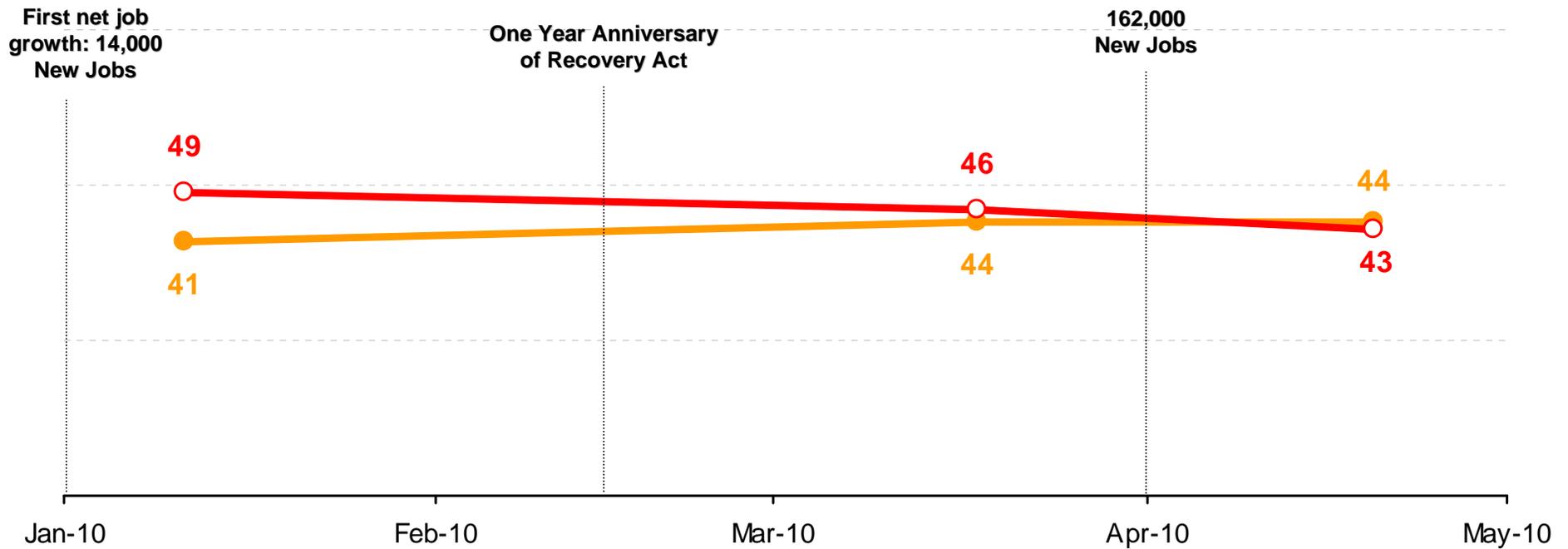
*Note: Data from Democracy Corps surveys conducted since March 2009. Shows "Democrats - Republicans" net.

Obama/Dems: for ordinary people or Wall Street: latter dropping

First Statement: Obama and the Democrats are more concerned with creating jobs for ordinary Americans.

Second Statement: Obama and the Democrats are more concerned with bailing out Wall Street.

● More concerned with jobs ○ More concerned with bailouts



1st – 2nd
Net Difference -8

-2

+1

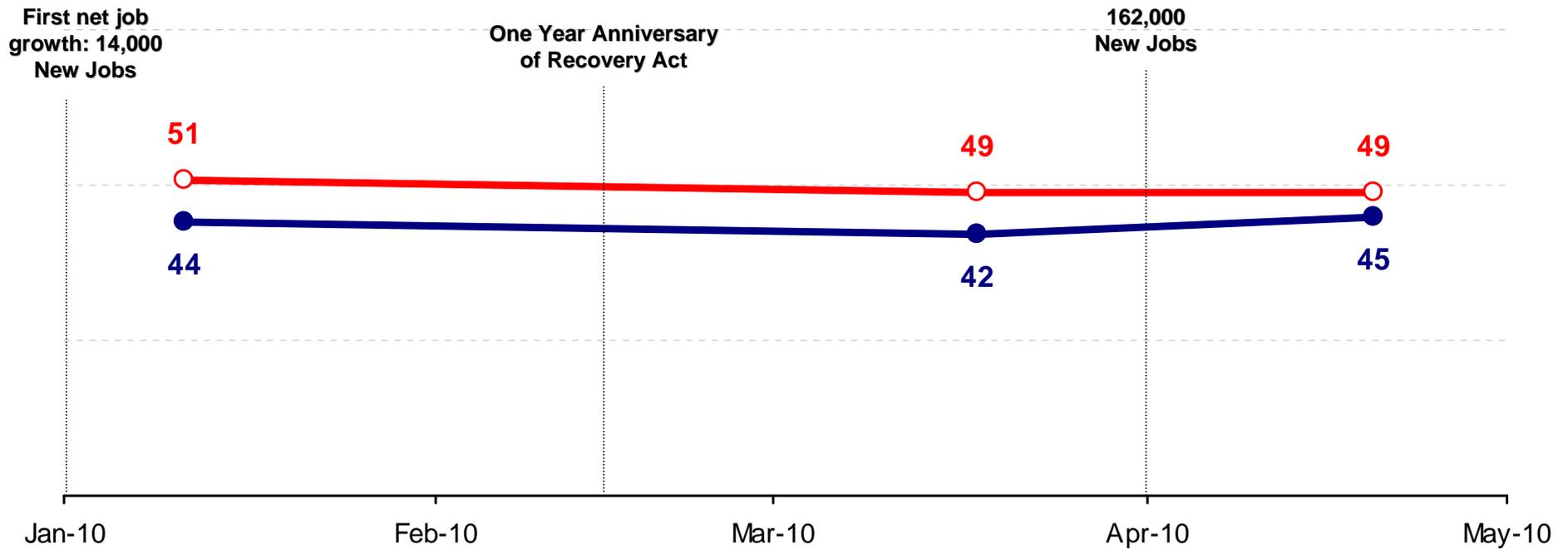
**Note: Based on research for Citizen Opinion.*

Don't jeopardize recovery or cast protest vote: small rise in former

First Statement: Looking at what is happening with the economy, I am leaning toward voting for the Democrats so we don't jeopardize the chance of an economic recovery.

Second Statement: Looking at what is happening with the economy, I am leaning toward voting for the Republicans to protest the direction the economy is heading.

- For Dems, not jeopardize recovery
- For Reps, to protest economy direction



1st - 2nd
Net Difference -7

-7

-4

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