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To: Friends of the Roosevelt Institute and Friends of Democracy Corps

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Getting America to Rewrite the Rules of the Economy

Executive Summary

After hearing a candidate's pointed message attacking trickle down economics and promising to level the playing field for the middle class and America, the disengaged get more engaged and voters get more supportive of that leader. But that campaign context understates the possible moment and opportunity. The public is also ready to repudiate trickle down economics, the most important intellectual idea since Reagan, and turn away from its attendant conservative policies. It is ready to embrace the intellectual framework and bold policy options necessary for America to achieve inclusive growth.

That is the strong conclusion of the first phase of public opinion research conducted for the Roosevelt Institute. Its charge was to determine whether its *Rewriting the Rules* analysis and recommendations were actionable in the short and long-term. What it offered sounded like a new common sense: the economy is governed by underlying rules; they are a choice and we have the power to change them. But can this serious formulation win the intellectual argument with elites and the public, can its bold policies win acceptance, can the resulting political messages defeat opponents and energize and motivate a disaffected citizenry?

This first phase of research included six focus groups in Atlanta, Denver, and Cleveland among African American women, Latino men, the white college-educated and working class men and women.¹ After the focus groups, we conducted a national survey of 900 likely 2016 voters.² It included an elaborate experimental design that measured how the Roosevelt formula tested against a conservative economic posture, as well as against a more mainstream progressive one that did not address inequality.

¹ Greenberg Quinlan Rosner, on behalf of Democracy Corps and the Roosevelt Institute, conducted 6 focus groups: African American women and college educated men in Atlanta, Georgia on July 20th, college educated women and Hispanic men in Denver, Colorado on July 22nd, and white non-college educated women and white non-college educated men in Cleveland, Ohio on July 23rd.

² Greenberg Quinlan Rosner, on behalf of Democracy Corps and the Roosevelt Institute, conducted a national survey of 900 likely 2016 voters from September 12-16, 2015. The survey consists of respondents who voted in the 2012 election, or registered since, and were selected from the national voter file. Likely voters were determined based on stated intention of voting in 2016. Margin of error for the full sample is +/-3.27 percentage points at 95% confidence. Margin of error will be higher among sub-groups.



The scale of support for these disruptive changes suggests we may be going into a distinctive period. The 1910 and 1912 national elections created momentum for progressive reform; 1932 and 1936 elections brought the New Deal; 1980 and 1984 elevated market individualism, deregulation and low top income tax rates; Ross Perot in 1992 and the conservative surge in 2008 and 2010 elevated worries about the national debt and austerity.

The results reported here will lead one to consider: what is the scale of opportunity in the elections ahead?

- The core principles and rules in the *Rewriting the Rules* report have huge levels of intense support with the public. More than 80 percent agree and nearly 60 percent ‘strongly’ agree that “the rules of the economy matter and the top 1 percent have used their influence to shape the rules of the economy to their advantage.” And an intense majority of 54 percent strongly agrees that “leveling the playing field” for working Americans and small businesses would bring greater economic growth and rising incomes.
- Conservative economic principles are greeted skeptically, to say the least. The country only splits evenly on whether regulations of big business end up hurting small businesses and jobs. And the term trickle down is greeted negatively by two-to-one (45 to 21 percent) of the public and across all ages and classes.
- In this survey, the non-emotive term, *CEOs of large businesses* are viewed very negatively; indeed, two to one negative (45 percent coolly and only 25 percent warmly).
- The current conservative economic narrative is barely competitive with the Roosevelt rewriting the rules narrative. The former narrative uses the language of prominent conservatives and Republicans, focusing heavily on big government, regulation and spending that is strangling the economy. But the Roosevelt economic narrative is viewed as more convincing by a 12-point margin (73 to 61 percent).
- The more the Roosevelt and conservative economic narratives are debated, the bigger the civic effects and greater the political advantage for the party aligned with it. Those respondents who heard this ideological debate (one half of the respondents) rated the Roosevelt messages at the end survey 5 points higher, compared to those who heard no such debate. That suggests the more these economic ideas are put front and center, the higher the support for change in the political domain.

This research is unique because we are not testing policies developed by pollsters or advocacy groups. We tested policies that the Roosevelt economists believe would be effective levers in changing the rules of the economy and producing a broadly shared economic growth. Well, it is now clear, the public embraces that agenda, while the conservative economists’ agenda is barely credible.



- The level of support for the Roosevelt economists' recommendations to progressive leaders suggests a public ready for serious changes across a broad range of areas. Nearly 80 percent of people polled see the top policies as effective. And the level and intensity of support are, remarkably, about 20 points higher than for the policies advanced by conservative economists for the Republican presidential candidates.
- The broad agenda prioritized by the public includes policies that seek to reform politics and campaign funding, help working families, invest in infrastructure, increase taxes on the top 1 percent to support investment, help independent contractors and small businesses, and address CEO pay and corporate governance.
- The public is more supportive of these policies when the agenda starts with reforming the corrupt system of financing politics. A sophisticated public believes that the richest individuals and corporations are using their money to write the rules of the economy. Thus, they see the most effective economic policies as ones that bar secret money, require immediate disclosure, bar corporate contributions and empower small donors.
- By contrast, the public views the policies that dominate the Republican Congress and presidential debates as least effective: only a third of the public believe reducing regulations produced by unelected bureaucrats, repealing and replacing Obamacare, and closing our borders to protect workers would be very effective in bettering the economy. The current conservative economic policy agenda barely seems relevant to the public

The Roosevelt narrative and policies were crystallized as a 'Level the Playing Field' progressive message, and it is electorally compelling. It gets a stronger and more intense response than the conservative one. It leads the disengaged to be more engaged, particularly the target audiences of the new American majority. It also produces much stronger results than a mainstream progressive message that is silent on inequality and proposes modest changes. Roosevelt's message has the virtue of energizing the base, without diminishing its appeal to independents and swing working class voters.

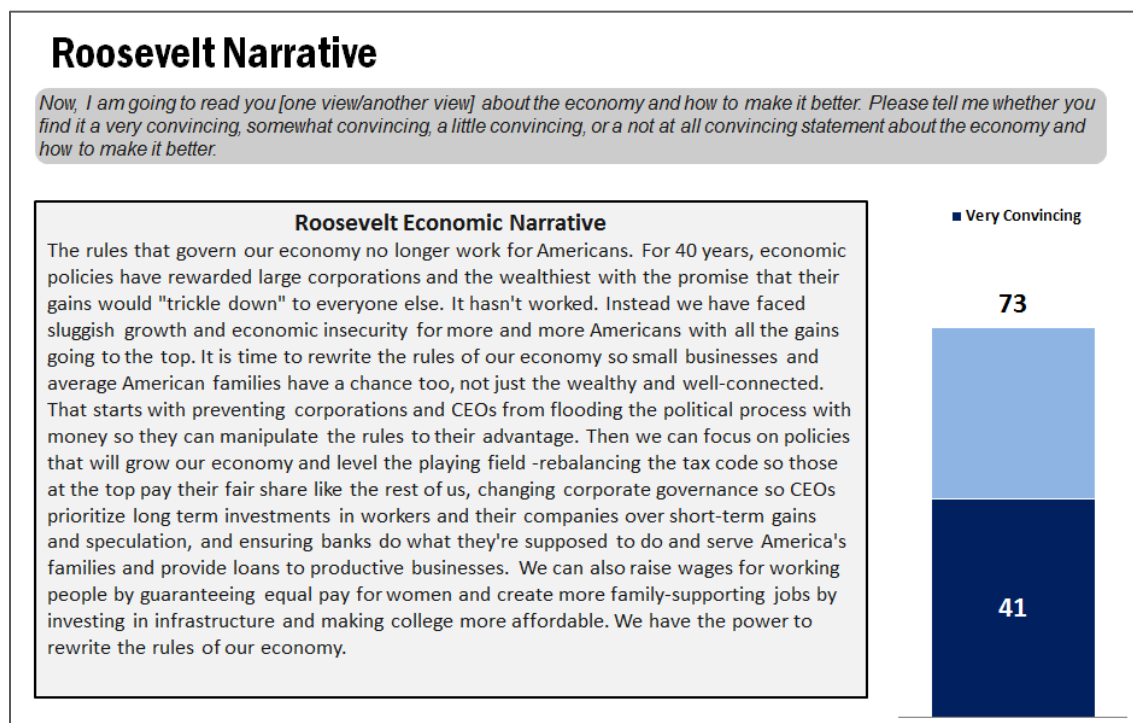
- The *Level the Playing Field progressive* message scorns trickle down, seeks an economy that works for the middle class, seeks to stop the toxic influence of corporate money, and seeks to level the playing field so we can grow the middle class and America again. It gets a dramatically more positive reception than a very realistic conservative message. This progressive message scores 12 points better overall.
- The *Level the Playing Field Democratic* message performs dramatically better than a mainstream Democratic message with self-identified Democrats and, the critical swing group, white working class voters. It is more motivating for Millennials, and it performs equally well with independents. The mainstream message, which does not mention inequality or tax increase on the wealthy, is only competitive because Republicans rate it 12 points higher than one that seeks to level the playing field.



The final and most important result is the re-engagement of the disengaged. At the end of the survey, the big ideological debate, the bold policies, and competing Roosevelt and conservative messages energized the Rising American Electorate of racial minorities, unmarried women and Millennials who could comprise 55 percent of the voters in 2016.

- The percent choosing 10, the highest level of interest, jumped 17 points among racial minorities, 11 with off-year drop-off voters, 11 points with the Rising American Electorate, 12 with unmarried women, and 11 with Millennials.

Presented below are the narratives, policies and messages that emerged in this first phase of research for the Roosevelt Institute.





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| <p>Voter Policy Priorities:</p> <p>Political Reform</p> <p><i>Transparency: Get rid of secret money in our political system by requiring full disclosure and transparency of all political money raised or spent in a campaign immediately online for all to see.</i></p> <p><i>Change Political Donations: Stop the wealthy and big corporations from spending unlimited amounts of money on elections and empower small donors by matching small contributions from voters.</i></p> |
| <p>Working Families</p> <p><i>Equal Pay: Increase pay for a huge share of the working population by making sure women earn the same pay as men for doing the same job.</i></p> <p><i>Paid Sick and Leave: Require employers to provide employees with paid sick days and family leave to care for themselves or a loved one when needed and to ensure that women do not lose their jobs when they have a baby.</i></p> |
| <p>Investment</p> <p><i>Infrastructure: Make major government investments in rebuilding American roads, bridges, and schools, creating good jobs in the process.</i></p> |
| <p>Tax Top To Invest</p> <p><i>Tax Rich to Invest: Increase taxes on the richest 1 percent to fund investments that will grow the economy in the long term like in public education, scientific research, and infrastructure.</i></p> |
| <p>Independent Contracting</p> <p><i>Entrepreneurs: Make it easier for independent contractors and entrepreneurs to go out on their own and start a small business by making benefits like health care, retirement, or sick leave portable between jobs.</i></p> |
| <p>CEO and Corporate Governance</p> <p><i>CEO Pay: Restructure the rules around CEO pay to reduce the incentives for CEOs to inflate stock prices for their own gain and at the expense of the firm's long term investment in research and development, capital equipment and employee training</i></p> |

Leveling the Playing Field Message

We need an economy that works for the middle class, not an economy governed by trickle down. Today, people struggle to earn enough to sustain a family, yet corporations use donations and lobbyists to manipulate the rules in their favor. It's time to rewrite the rules to promote growth that benefits all Americans. We can't change everything overnight, but we can start by reducing the toxic influence of corporate money in politics. Then we can finally rebalance our tax code so those at the top pay their fair share and we can ensure CEOs behave in a way that helps America, not just their bottom lines. We can rein in the big banks, help small businesses get loans, make sure women get equal pay, and lift the burden of college debt. And we can invest in modernizing our infrastructure and training skilled workers. Let's level the playing field so we can grow the middle class and America again.

The Ground Rules: what is success?

America has reached a tipping point and it is possible that in 2016 55 percent of the voters will be the Rising American Electorate of African Americans, Hispanics, Asians and other racial minorities, unmarried women and Millennials; it is possible 63 percent will be the new American majority that includes the growing secular voters.

But those potential voters are demonstrably discontented with what is happening in the economy, society and politics, and they stayed home in the 2014 off-year election that produced the lowest



turnout since during World War II. So, success is getting them engaged, building intensity in their preferences and raising their intention to vote. That is goal number one.

Research for Democracy Corps and Women's Vote Action Fund shows that the Democrats have also lost support with white working class voters, particularly in the off-years, in their own base of white unmarried women and white Millennials and most importantly, with white working class voters. That has allowed Republicans to make huge gains in state elections and the Congress in the Midwest and Northeast where Democrats won only 40 percent of white working class voters in 2012. So, legitimately, the white non-college voters are the real swing vote.

Independents are important too, but their numbers are shrinking because of the partisan polarization of the country and many have pretty strong partisan leanings. If progressives break even among independents, they are in a strong position to win the argument because of the partisan imbalance in favor of Democrats. This survey gives Democrats a 9-point advantage in party identification; the average of the public polls has been 8 points.

From *'middle class,' 'CEOs' and secret money to 'level the playing field'*

It is hard to overstate how frustrated the public is with the economy, corporate and political leaders, and politics and the U.S. Congress. That is true for the new American majority where over half of the Rising American Electorate says the country is headed in the wrong direction.

As we shall see, the progressive's economic critique and narrative, policies and message dominate the conservative narrative and policies because the progressive solutions embrace the plight of the middle class, address the corrupted political system, seek to level the playing field, and have bold policies the public is demanding. Conservatives at every point are out of touch with this emerging reality and consciousness. But are the progressives running for office ready to take up to this challenging bold message?

The starting point is the middle class. Americans know the middle class is shrinking, under pressure and among the principal losers in today's economy. They think hard work is no longer rewarded – and that is one of the operative rules in the economy. It is emotive language because the term recalls lost virtue and contains hopes for how things could be.

The economic discussion in every focus group centered on the state of the middle class, and that was true whether the participants were black, Hispanic, men or women, college educated or working class. Participants use the term 'middle class' to describe themselves, to describe their own aspirations, and to tell America's economic story.

Participants describe a middle class that is struggling now more than ever in an economy where they think only the rich and poor are growing. The middle class is eroding, and their children will have it even tougher.



The starting point: the state of the middle class

[Who are the losers in this economy?] I just feel like the people who play by the rules. I feel like that's the problem is that people don't play by the rules. They either are taking advantage of the top by their tax evasion and the political lobbying and the people that don't represent them that represent the corporation. And then the people who are, like Brenda mentioned taking disability when they don't – shouldn't be. Across the board, the rules are not enforced.

(College woman, Denver)

I don't know, I think there should be a balance, somewhat. Like she had said, there should be something for the middle, because you shouldn't just give everything to the wealthy. You shouldn't give everything to the poor. There should be some sort of balance in between. And it's like what our government's supposed to do. There's supposed to be some sort of balance, but we're not doing that anymore.

(White non-college woman, Cleveland)

The middle class is not as large as it used to be. .. I think the wealthy and the bigger businesses are gaining more power. It's not trickling down to the middle class, and it's causing a lot of the middle class to become lower. I think, it's a smaller group of people today than it used to be.

(White non-college woman, Cleveland)

The rich get richer and what about the middle class people or the poor people? It just harder and harder for them every day.

(Hispanic man, Denver)

We do need a frame for how to invest in our families and our community, and to ensure that we can afford the middle-class life. I sort of feel like the middle class is sort of vanished away. You know, you either have ...the haves, or the have-nots.

(African American woman, Atlanta)

I consider myself to be middle class, slightly upper, but I've worked hard all my life - gotten ahead, raised my family. It's become so much harder in the last 20 years. I think correcting these specific situations would allow me to continue to progress.

(White non-college man, Cleveland)

They recall past generations, parents and grandparents, who were not wealthy but did not have to struggle to the same degree.

The winners in this new economy are the CEOs and corporations who use their influence to shape the rules to their advantage at the expense of the middle class. CEO compensation and the contrast with what is happening with the average worker is volunteered as the primary evidence used to describe the current economy. They believe that is why today's companies are investing less, outsourcing and paying lower wages. Corporate governance has become a mainstream issue.



CEOs, corporate greed central to what is wrong with the economy

CEOs say, "I've got a company. I'm gonna move it overseas and pay less – have more people and pay less." And I know the government gives these companies big, huge tax breaks to do that.
(White non-college man, Cleveland)

Where you're talking about like corporations like you think if you just leave them alone they're going to do what's right for people when you got – the ones that drive me nuts are like Apple and GE; they make billions of dollars paying no taxes and then they go over to Luxembourg, Europe, the islands, so they're using our capital money that we're spending to go get stuff, they don't reinvest – well they reinvest in jobs but they spend it overseas instead of spending it here which is kind of crazy I think.
(College man, Atlanta)

When people don't – When they're not being watched or regulated, they do – they're greedy. They were probably paid to get – reduce the tax rate on capital gains and inheritance.
(White non-college man, Cleveland)

If you have a big corporation or you're in a big corporation you have money. Money talks. You know? And you could influence people with your wallet. You know? Make a large donation to the president or at a dinner, at a state dinner. If you have money those things will get you in with people and how your opinions will help influence theirs. But, if you don't have money how is someone going to take you serious? If you're bagging groceries or you're a maid cleaning someone's house?
(Hispanic man, Denver)

It seems like the people in management get more money. The people that are doing the actual work are getting less money or getting further behind. And they should be getting caught up with management as far as wages go, but they're not.
(White non-college man, Cleveland)

It's talking about doing bold changes to rewrite laws but it gets so complicated because how do you rewrite laws when there are all these monopolies and the people making decisions are getting paid through interest groups and all these other things.
(College man, Atlanta)

That people understand that changing the rules in corporate governance may allow for more company investment and increases in wages may be one of the more important findings of this research. It shows that people understand how these rule changes impacted them and how new rules could produce a better outcome.

The biggest doubt for them in embracing the Roosevelt agenda is whether the political class would ever let changes to the rules happen. Focus group participants believe that CEOs and corporations will simply use the power they have accumulated under the current rules to block or squash changes.

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In this survey, *CEOs of large businesses* are viewed very negatively; indeed, two to one negative (45 percent coolly and only 25 percent warmly). Nearly one third (30 percent) offer an intense negative response to the simple description, CEO.

This unseemly alliance only gets broken when policies seek to limit the role of money in campaigns and government. People are conscious that the Supreme Court unleashed unlimited campaign donations by corporations and the wealthy. They think money buys power and a govern-



ment that acts for the corporations and special interests. They think they are watching a political process that produces crooked and enriched politicians.

The public is far, far ahead of the politicians and pundits on understanding the huge infusion of corporate money and how that allows those at the top to write the rules to their advantage. That is the starting point for the public, even before the introduction of the content of the *Rewriting The Rules* report in the groups. The *Citizens United* decision comes up unprompted and many cite the massive spending in campaigns and elections by corporations as the primary factor in what gets done and for whom in the current economy.

And while these are people who vote and participate in the political process, they believe that corporate money and influence trumps anything they can do and that politicians are branded and owned by the lobbyists and special interests who contribute to them. Americans believe that politicians will work for those moneyed interests, not the people.

Money creating corrupt politicians

We have a lot of crooked politicians. We have – we're talking about special interests and lobbyists that are just working for some people and leaving everybody else out. And you know it'd be nice to be able to start from the ground up.
(College woman, Denver)

They [politicians] may come in thinking that they want to do this, and then in reality they get paid off not to.
(White non-college woman, Cleveland)

At the end of the day, politics is about money. You know, we buy our representatives. You know, we don't necessarily get them into office because we voted. A lot of it has to do with money, you know.
(African American woman, Atlanta)

Corrupt politicians that don't stand like for their people but for the lobbyists that are influencing decisions and paying for their next campaign.
(College woman, Denver)

... but when you talk about the rules, I don't know if any of you remember Leona Helmsley when she went to jail and there was this interview and she was like, the rules are for the little people. And as you're talking about the rules I was sort of thinking about that and thinking about people like Martha Stewart who the rules didn't apply to her in terms of insider trading. So is that what you're seeing when you say the – who makes those rules?
(College woman, Denver)

Because I think a lot of politicians, whoever's backing them, that's what they're gonna vote for rather than what people really want. So if they're being backed by somebody who doesn't support a certain subject, then they're not gonna go for it even if that's what the majority of the people really want.
(White non-college woman, Cleveland)

A growing majority in the country, now at 55 percent, embrace “a plan to overhaul campaign spending by getting rid of big donations and allowing only small donations to candidates, matched by taxpayer funds.” The growing realization about corruption has produced a growing willingness to use taxpayer funds to change this equation.

Such changes would allow government to “*level the playing field*” for the middle class and working people. That is the language people turn to, not inequality or reducing inequality. The for-



mer term captures the way inequality is translated through politics to an unfair advantage that is marginalizing the middle class. It is a powerful call to action.

‘*Inequality*’ does not elicit an emotional response, nor does it carry a preponderant meaning for people. Indeed, voters are as likely to welcome a plan to reduce the size of government as to reduce inequality in this survey. That is because the term does not have a preponderant definition. People are as likely to talk about women not getting paid equal with men or blacks not having equal rights or opportunities.

But people do turn to ‘leveling the playing field’ as a term and reforms that would really make an understandable difference.

Leveling the playing field

I think it's kind of a redistribute or leveling the playing field. But, I think when you were thinking about what would you call this, I mean, when you had Franklin Delano Roosevelt he called that the new deal. When I think about this, this is a fair deal. This is a fair deal for everybody and that's what I think about when I read some of these ideas. This is a fair deal.
(Hispanic man, Denver)

I mean I don't even think we need this comprehensive agenda part. We just need to get campaign finance reform, like just to stop this influence of special interest, to allow – I mean there will always be people advocating for their interests I guess. But if we could just level the playing field.
(College woman, Denver)

I don't think you should just give money out to people but I mean if you had more of a level playing field like at least give somebody a chance.
(College man, Atlanta)

I think access to healthcare and education because I think those are just the very basics to make everything a level playing field and gives other people the opportunity to move ahead.
(College woman, Denver)

I think what that would do is level the playing field, so that you'd have more ideas as far as what these reforms would be, because those candidates that aren't beholden to these corporations they might have more face time on TV or whatever that would be.
(Hispanic man, Denver)

I guess it's just one of those things that needs to be a better leveled playing field. What's – everybody should have the same opportunities.
(College man, Atlanta)

The operative economic principles

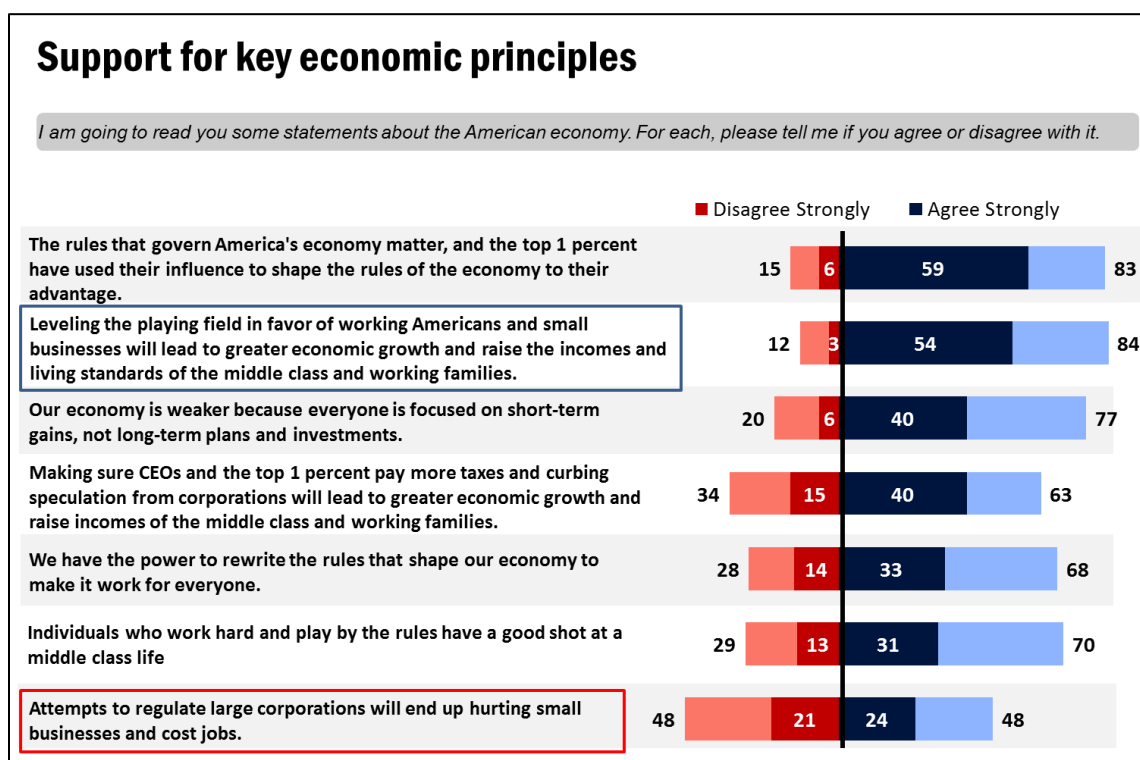
The public accepts a number of economic principles that we choose to call the rules that underlie the economy. They form the building blocks for the dominant economic narrative, what policies people will embrace and for what messages will prove most engaging.

We now know concretely that more than 80 percent agree and nearly 60 percent strongly agree that “the rules of the economy matter and the top 1 percent have used their influence to shape the rules of the economy to their advantage.” That is the heart of Roosevelt’s *Rewriting the Rules* report. And a strong majority of 54 percent strongly agrees that “leveling the playing field” for



working Americans and small businesses would bring greater economic growth and rising incomes. That means the public is quite prepared for the report's initial assertion: reducing inequality can create growth, not put it at risk.

There is also broad but less intense agreement that planning for the long-term produces a stronger economy and that asking the top 1 percent to pay more and curbing speculation would create growth and raise incomes.



Two thirds say we have the power to rewrite the rules, but only a third strongly agree. People are reluctant to give up entirely on the idea that democratic forces can bring the change that is needed.

Similarly, they are not willing to abandon the idea that hard work and playing by the rules can give one a shot at the middle class: 70 percent agree with that, though only 31 percent strongly.

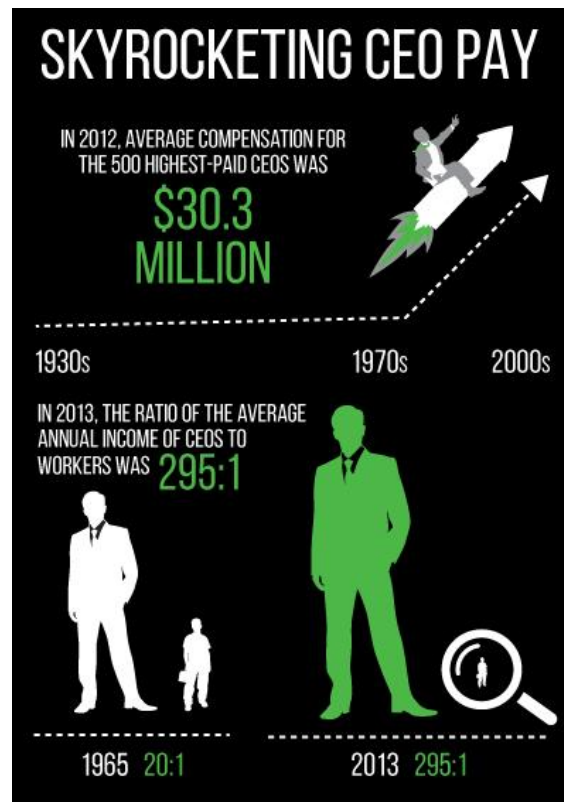
Conservative principles do not fare so well, which should be the indicator that conservatives may not be ascendant in this America. The country is split evenly on whether regulations of big business end up hurting small businesses and jobs.



The CEO and wage ratio connects the dots

Nothing illustrates this world and principles and rules more than the ratio of CEO compensation to what their employees earn. They think it represents a change from the past and it leads them to focus on corporate culture and corporate governance – key potential policy areas.

People raise this disparity on their own, yet when they see the infographic that shows the true scope of the disparity and the change over time, it sends shockwaves through focus group participants. The 295:1 ratio is higher than they realized, eliciting reactions that are emotional and colorful.



This makes me mad. It really does. It upsets me because nobody needs that much money. Nobody needs that much money and I'm no – You don't. You think you do, you don't.

Sickened. That's all I can say. (White non-college woman, Cleveland)

Basically CEOs Suck. (College man, Atlanta)

I mean I'm mesmerized by it. I mean that's an amazing number. I had no idea. I'm more surprised that it could be so high. (College man, Atlanta)



I think this isn't something that surprises me, because every time you watch in the news you read, "This CEO got this big payout." Then they drove the company in the ground. Bunch of people got laid off or they lost their retirement or whatever that was. I think these CEOs that are making this money, how much money is enough? And what is their responsibility to others, you know. (Hispanic man, Denver)

Winning the intellectual argument

As the *Rewriting the Rules* report makes clear, the 1980s brought the ascendancy of market individualism, deregulation and lower taxes – and that was grounded in a theory of trickle down economics. The burst of gains for those at the top would bring greater economic growth and shared prosperity. They won the intellectual argument that gave us the Reagan revolution, with its very uneven effects across the country.

Well, this survey makes it clear; the conservative narrative has lost credibility, while Roosevelt's seems much more convincing. It calls out explicitly the results of trickle down economics: rewarding large corporations which produce lower growth and lower economic security. The progressive narrative says let's rewrite the rules to work for average Americans and small businesses. The narrative starts with stopping CEOs and corporations from flooding politics with money so government works for them. That allows government to focus on policies that will grow the economy and level the playing field.

The Roosevelt rewriting the rules narrative has a 12-point overall advantage on being convincing (73 to 61 percent) and an 8-point advantage in intensity (41 to 33 percent). The conservative narrative uses the language of prominent conservatives and Republicans, focusing heavily on a big government, regulation and spending that is strangling the economy. That narrative is not even in the game.



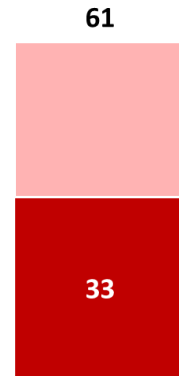
Conservative Narrative

Now, I am going to read you [one view/another view] about the economy and how to make it better. Please tell me whether you find it a very convincing, somewhat convincing, a little convincing, or a not at all convincing statement about the economy and how to make it better.

Conservative Economic Narrative

Our economy is being crushed by the weight, the cost, the ineptitude, and the corruption of the federal government, and we need to challenge the status quo in Washington to get the economy back on the right track. Exploding government regulation has made it harder for people to see rising incomes and harder for businesses to create new jobs and hire more workers. This has hurt families and stopped growth that would help everyone. But, some continue to push for a new period of big government and big government spending that has failed to end poverty and left more and more people dependent on government. They want more and more regulation that is strangling small businesses. Instead, we need to get government out of the way and give the innovators and entrepreneurs the freedom they need to rebuild the economy from the ground up. We need to get our economy growing much faster by throwing out the corrupt tax code and lowering tax rates. We need to change every aspect of regulations that are job killers, including Obamacare, so that we can increase economic growth, create more jobs, and strengthen the economy for everyone.

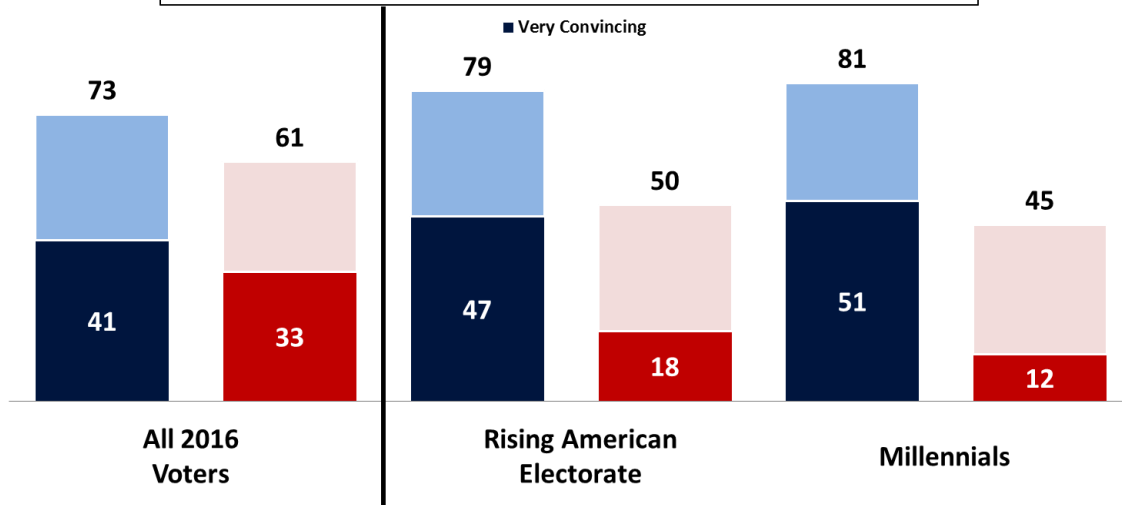
Very Convincing



Roosevelt narrative scores higher than conservative narrative with stronger intensity among key groups

Now, I am going to read you [one view/another view] about the economy and how to make it better. Please tell me whether you find it a very convincing, somewhat convincing, a little convincing, or a not at all convincing statement about the economy and how to make it better.

Roosevelt Economic Narrative vs. Conservative Narrative





What may be most important for this project is the intensity of the response among the Rising American Electorate, including racial minorities, Millennials and unmarried women. Nearly half of some of these groups respond that the Roosevelt narrative is very convincing.

There is strong evidence that the “Rewriting the Rules” narrative can reach white working class women – over half of whom respond strongly to it. Of course, the opposite seems to be true for white working class men.

In the focus groups, respondents understood and welcomed the narrative. Participants picked up on it and began to use the language on their own in the discussion, particularly the idea of needing to level the playing field by rewriting the rules, changing the rules, and fixing who has the power to make the rules. Not only do participants adopt the rules-language in the initial discussion of the narrative, but they also continue to use it and it becomes part of the thread of the later discussion.

Trickle down has a common-sense meaning and power, and that is a large part of the reason that it is so central to the conservative narrative and has been dominant for 30 years. In the national survey, the concept gets a two-to-one negative greeting (45 to 21 percent) – and that is reflected across all ages and classes.

The emotional power is evident in the focus group responses where people describe a failed policy that never could have worked: the rich would act in their own interest and are “greedy.” Accordingly, they easily believe that will be the result of today’s conservative economic policies.

Trickle down economics is dead, but more connected to corporate greed than Reaganomics

We need to move away from trickle down economic policies. So like, we tried it, the corporations are doing great, their profits are at record highs and it hasn't trickled down. (College woman, Denver)

Well I think that was really the beginning of deregulation and the support and putting out the idea of trickledown economics. If we enrich the top, if we enrich the corporations, all of us are going to prosper from that and I think that was ultimately the economic message that we believed in. Well obviously it didn't work because the big investor class in the businesses obviously didn't invest in the people that they were hiring with all that extra money. They were putting it overseas, et cetera. (College man, Atlanta)

They're still saying, hey just keep loosening the regulations and letting the market do what it needs to do and the lobbyists do what they need to do and let corporations do what they need to do to grow and it will eventually trickle down and all those will rise. [Will that happen?] It hasn't worked before. (College woman, Denver)

I agree with a lot of it and I like the idea that, you know, this isn't – this didn't happen by accident. You know? There were political decisions and economic decisions that happened without a lot of people's consent and that led to this. (Hispanic man, Denver)

The people at the top of the companies make a lot of money and that doesn't necessarily translate down to the people at the bottom. They don't hire more people, they don't pay them more money. They just collect more themselves. (College woman, Denver)

...but it doesn't reach us, the middle class, as much as, I think, it was intended. (White non-college woman, Cleveland)

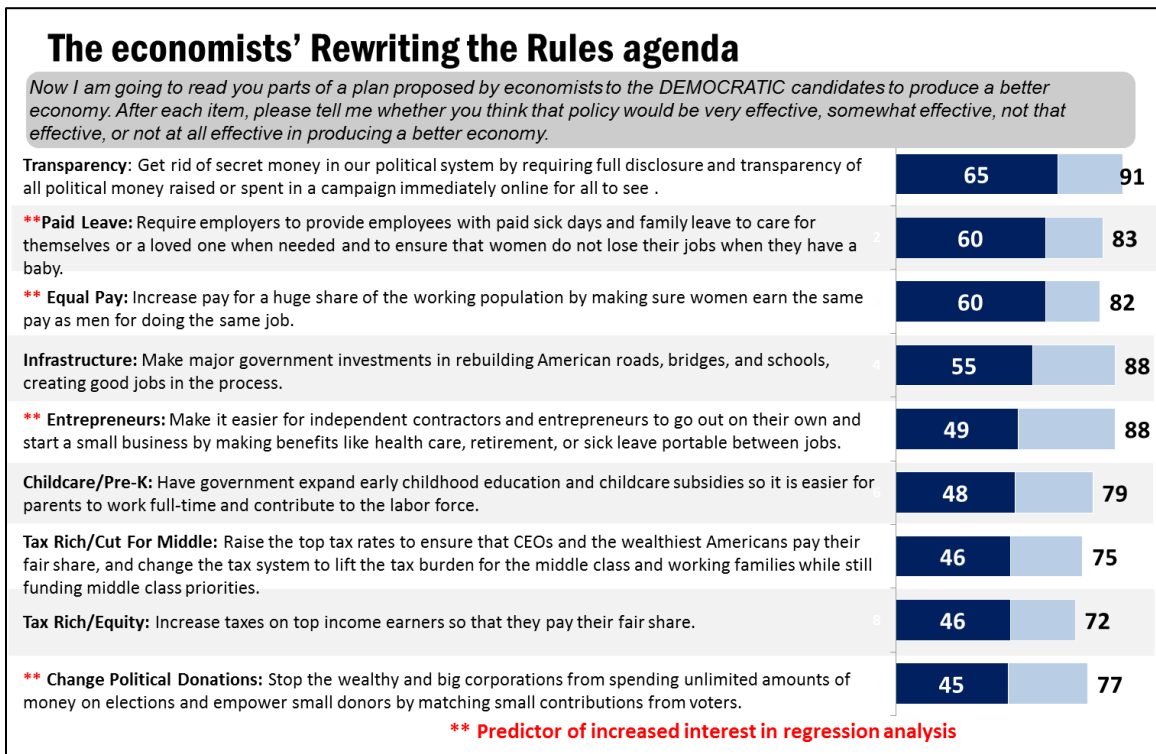
I think at that time it was kind of a new kind of idea this kind of trickledown economics. And I think the idea was really based on the fact that, you know, I'm a businessman. I'm going to do the right thing. I'm going to do this trickledown economics that's going to have impact across multiple facets or multiple populations. I think it was a great idea. I don't know in practice it really worked the way that Reagan or others wanted it to work. I think it needs to be a balance between that and too much overregulation on businesses and things like that. (Hispanic man, Denver)



The public embraces economists’ bold agenda to rewrite the rules

The public embraces, with real intensity, key parts of the ambitious policy agenda advanced in *Rewriting the Rules* to put America on a very different economic path. And the level and intensity of support stand at a very different degree – about 20 points higher than for the policies advanced by conservative economists for the Republican presidential candidates. The voters seem to share the judgment of analysts: this is a party bereft of ideas.

The level of support for the liberal economists’ recommendations to the progressive leaders suggests a public ready for serious changes across a broad range of areas. The top policies are seen as effective by about 80 percent of people polled; but more importantly, two-thirds believe that the top policy of greater transparency in campaigns would be very effective in producing a better economy. A striking 60 percent say that about paid sick days and family leave and equal pay for women; 55 percent about making major new investments in modernizing roads, bridges and schools; and, 49 percent about helping independent contractors and entrepreneurs. Nearly half view the other top Roosevelt policies as very effective, including raising taxes on the top 1 percent to fund investment and middle class priorities.





What is unique about this survey are the policies tested. They are not policies that tested well in other polls. The 18 policies tested were the ones the Roosevelt economists said would be the most effective in changing the rules of the economy and producing broadly shared economic growth.

In addition to the policies tested in this poll, we tested other policies recommended by the Rewriting the Rules report in focus groups, among them, updating labor laws to increase protections for workers and to allow workers to unionize and bargain for wages and benefits without fear of retribution from management. Economists agree that such worker empowerment is critical to tightening the labor market overall and raising wages. In focus groups, the college-educated women, white working class women and people of color seemed to agree, acknowledging that the decline of unions led to lower pay and more manipulation of workers.

Just speaking from a union perspective, having a husband that's in a union, and the unions had a lot of power. They went from having a lot of power to not having a lot of power, you know what I mean, as far as their income, the economy, stuff like that. (White non-college woman, Cleveland)

Just, you know, before the eight hour workday and before labor laws and unions and, you know, the Haymarket affair and all of that like, I mean, things were bad. I don't know if you guys ever read the – what do they call it? I think it's called [The] Jungle or some thing, something similar to that, but about working in a meat factory. And, I don't know. It's good to have those around, because those empower. They'll cut what they need to to



increase their profit and a lot of times that comes at the hands of the workers. (Hispanic man, Denver)

One of the reasons why I think we should update the labor laws is because it gives us the clear idea of what to expect when we are in the workplace, and then just what we, the rights that we have as an employee of that company...So I think when we have a concrete idea, or know exactly what's going on, then, you know, it makes things better on our part. (African American woman, Atlanta)

Public polling also shows a consistent rise in those saying that unions should have more influence, growing from 25 percent in 2009 to a 37 percent plurality today.³

Political reform policies. The public will only entertain engaging with these policies if they start with reforming the corrupt system of financing politics. A sophisticated public believes that the richest individuals and corporations are using their money to write the rules of the economy. In the focus groups and poll, they see the most effective economic policies as ones that bar secret money and require immediate disclosure of contributions. Policies that bar corporate and unlimited campaign contributions and empower small donors are also very strong and impactful in raising public engagement.

- For swing voters, these policies dominate everything else: two thirds of white working class men and three-quarters of the men say it would be very effective; 71 percent of independents find the policies very effective.

Work and family policies. The next cluster of policies would require employers to dramatically change the fortunes of working women and families. The public supports with great intensity introducing paid sick days and paid family leave and increasing pay by ensuring women get equal pay for equal work. There is also strong support for early childhood education and child care subsidies so more parents can move into the labor force.

- For the white unmarried women and white working class women, who are the most disengaged, these policies get their attention and potential engagement. Three quarters of white unmarried women say equal pay would be very effective, topping all other policies on their agenda. Transparency tops the list of white working class women, but 64 percent say paid sick days and family leave would be very effective, ranking 2nd on their list of priorities.
- It is important to note that 59 percent of white working class men say equal pay for women would be effective and ranks 2nd on their agenda as well.

Investment. The public strongly embraces the effectiveness of long-term infrastructure investment. They rally here to major ‘government’ investment in modernizing roads, bridges and

³ Gallup national poll among 1,011 adults, Aug. 5-9, 2015.



schools to create jobs. A large majority, 55 percent, say that would be very effective, and not surprisingly, it is a key part of the agenda of white working class voters.

Independent contracting and small business. For the public, right behind infrastructure is support for independent contracting and small business. It also leads to greater civic engagement when liberal economists offer policies to help “independent contractors and entrepreneurs” go out on their own and start new businesses by making benefits more portable.

- Many of the participants in the focus groups were either already part of a small business or sharing economy (several worked as Uber drivers) or had hopes of starting or owning a small business someday. These policies got the attention of the public because they were responsive to these important new contours in the economy.

Raising taxes on top 1 percent and CEOs. There is strong support for the policy agenda that raises taxes on CEOs, the wealthiest Americans, top income earners, and the richest 1 percent. About three quarters say these are effective and about 45 percent very effective – which puts them among the top policies – and ahead of virtually every conservative policy.

- These policies have about the same level of intense support whether you propose simply raising their taxes to be fair, to lower the tax burden of middle class families, or to use the money to fund long-term investment in education, science and infrastructure. The last, however, seems to be the tax policy that has the biggest effect on public engagement.

CEO pay and corporate governance. Finally, there is strong public support for policies that address CEO pay and corporate governance. About three quarters support and 43 percent strongly support this new area of policy innovation: “Restructure the rules around CEO pay to reduce the incentives for CEOs to inflate stock prices for their own gain and at the expense of the firm's long term investment in research and development, capital equipment and employee training.” This is very aligned with what people think is happening with CEOs and American corporations.

In the focus groups, participants expressed enthusiasm for these proposals, though they were skeptical that they could be implemented. First of all, they believed it was only possible if you were to break the power of those special interests who would mobilize to stop these proposals. That is why participants kept coming back to campaign donations.

I think some of these are important things to do for the economy, but I'm not sure they're going to happen unless there's not a fundamental change about politics. I mean, you know, I think a lot of politicians know what they need to do and they know what the right thing to do [is] – what they need to change, but they don't want to do it, because then they're not going to get the money they need to be on MSNBC or NBC or television one or whatever it is, because [they're] beholden to Microsoft or Nike or whatever it is. So what they say and what they do are two different things. So, I mean, that's overall – I think without that comprehensive change in what that is I don't think you can make some of these things that are important like affordable daycare for people. (Hispanic man, Denver)



Many believed the plan would be more credible and possible if done in stages or phases, starting with the things that would have the biggest effect and change the way things have been operating. They really hoped for bold action, making clear these set of policies would be a “start.”

The conservative economists’ agenda: on the margins

The conservative economists’ policy agenda for the presidential candidates is not taken seriously by the public. Given the broad public and new American majority’s views of the country, these policies barely seem relevant.

The highest scoring conservative policy is cutting tax rates for individuals and families, but their actual policies are largely for the top brackets, not average families. The liberal economists are as likely to include tax credits for low wage workers and the middle class, so it is not obvious conservatives will have the advantage on taxes.

Among the conservatives’ strongest testing policies are reversing the welfare spending that, since 2008, has kept people out of the labor force. Three quarters say that would be effective, including 46 percent who say very effective. That score, however, would only get you to 7th place on the liberal list for progressives.

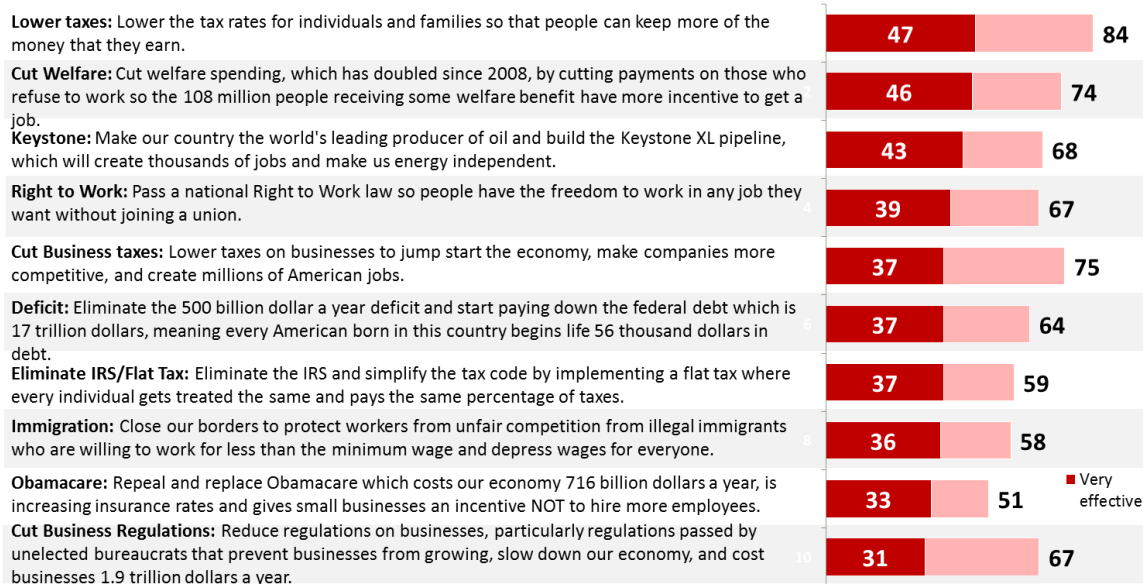
And of course, what is described as welfare includes unemployment insurance and food stamps, not what has traditionally been called welfare in the U.S.

Getting the Keystone pipeline built would be important for creating jobs and getting America energy independent: two thirds say that would be effective, and 43 percent very effective.



The conservative economists' agenda for presidential candidates

Now I am going to read you parts of a plan proposed by economists to the REPUBLICAN candidates to produce a better economy. After each item, please tell me whether you think that policy would be very effective, somewhat effective, not that effective, or not at all effective in producing a better economy.



Interestingly, the least popular policies with voters are also currently dominating the policy debates among Republican presidential candidates and in the Republican Congress. Only about a third of the country believe the following policies would be very effective: reducing regulations produced by unelected bureaucrats, repealing and replacing Obamacare, and closing our borders to protect workers from unfair competition.

The lack of support for the issues at the center of the Republican policy debate underscores how much conservative economic policies are on the defensive in this period. It also suggests a more absolute rejection of the conservative economic thinking.

Roosevelt message gets engagement and support

The delivery and ultimate test of this new climate where progressive economic thinking and policies about rewriting the rules can deliver change is whether candidates for office can fashion messages that engage voters and create a mandate for change. What this survey shows is that this larger intellectual debate magnifies the power of these political messages, builds up intensity of support and leads more people to say they are interested in politics.

When posing a progressive message not governed by trickle down—that seeks an economy that works for the middle class, that seeks to stop the toxic influence of corporate money, and that seeks to level the playing field so we can grow the middle class in America again—that Leveling the Playing Field message gets a dramatically more positive reception than a conservative message informed by the current field of Republican candidates. The Level the Playing Field pro-



gressive message scores 12 points better overall and 7 points more among those who view it much more positively.

These messages get the attention of this new American majority, raising the highest level of interest in the election by more than 11 points, and potentially impacting 2016 and beyond.

A more mainstream progressive economic message does not deliver in the same way. It produces a dramatically less intense and motivating response among Democrats, Millennials and white working class voters.



In an experiment, one half of the respondents heard the competing Roosevelt and conservative economic narratives, as well as the policies. Those respondents gave the Level the Playing Field message a score of 5 points higher, compared to those who did not hear that ideological debate. The more these issues are discussed in civil society, the higher the support for the political messages. The conservative messages are not helped particularly. That reinforces the conclusion that this is a moment when progressive economic ideas can be hegemonic.

The competing narratives, policies and messages produce a major 8-point increase in the number of respondents who agree that taxing the top 1 percent and curbing speculation will produce greater economic growth and raise incomes. It also produces an 11-point increase in those believing that we have the power to rewrite the rules to shape our economy. These are two fundamental principles or rules of the *Rewriting the Rules* report. The former says that this debate and political battle will increase belief in the core levers of rewriting the rules and empower people to believe change is possible. That is a pretty satisfactory result.

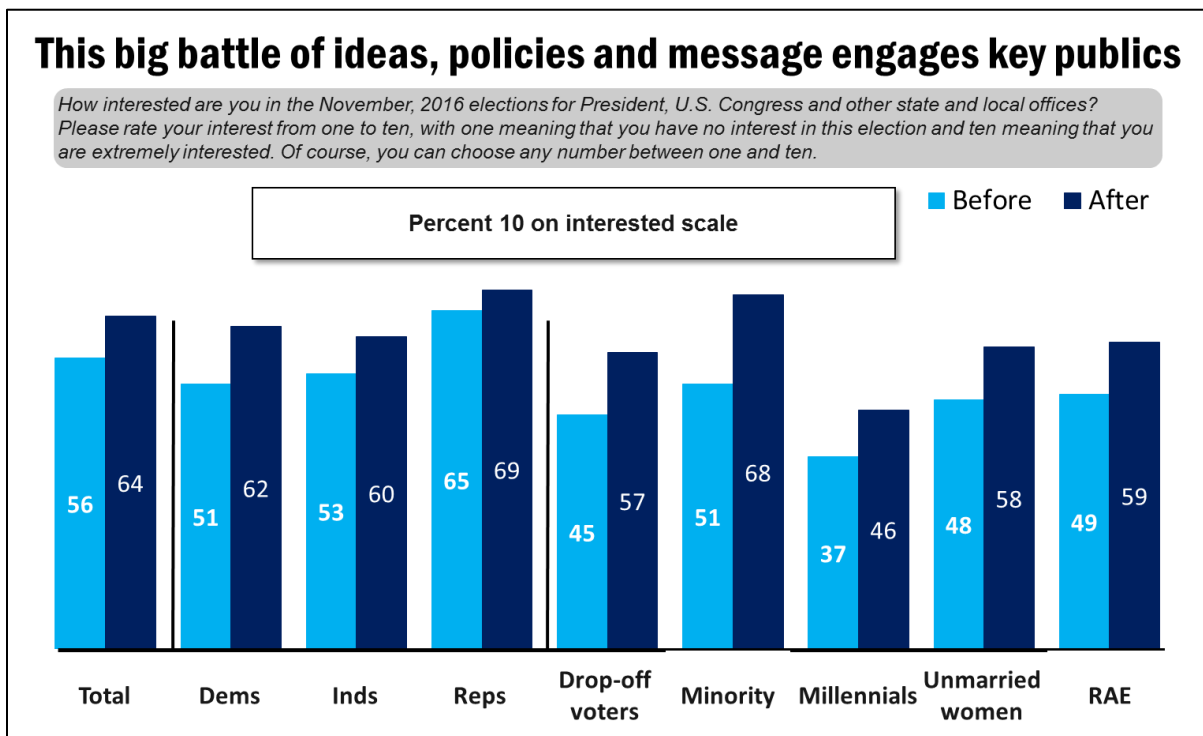


Making sure CEOs and the top 1 percent pay more taxes and curbing speculation from corporations will lead to greater economic growth and raise incomes of the middle class and working families.

We have the power to rewrite the rules that shape our economy to make it work for everyone.

Conservatives have turned out more consistently in elections because, among other things, they embrace their beliefs more strongly, they feel more strongly their opponents are dangerous, they hold a stronger partisan identity, and they think by voting, they may be able to stop their opponents from doing the worst. So, if the goal is to raise voter turnout in a sustained way, the new American majority needs to embrace beliefs with more intensity, see how dangerous conservative governance is, hold stronger partisan identities and be empowered to vote – believe that your vote can affect what happens in government.

Focusing on rewriting the rules of the economy is indeed part of the answer on how to re-engage the disengaged. At the end of the survey, we asked again the level of interest in politics now, with 10 the highest point on the 10-rung scale. Interest in those rating their level of interest as a “10” jumped with the following groups: minorities up 17 points, drop-off voters up 11 points, the Rising American Electorate up 11 points, unmarried women up 12 points and Millennials up 11 points.





Democrat Hillary Clinton was well ahead of Donald Trump in this survey, though the lead was exaggerated by a number of Republican voters who were opting to support another candidate. The experiment here also showed a consolidation of the Hillary Clinton vote against Donald Trump at the end of the poll, though we will conduct this test again when the Republicans are more united in their support of a potential ticket.

Level the Playing Field progressive message dominates Mainstream progressive message

The Leveling the Playing Field message gets a more intense response, performs dramatically better with self-identified Democrats and the critical swing group, white working class voters. It is more motivating for Millennials and it performs equally well with independents. The mainstream economic message is competitive only because Republicans respond so much more positively to it.

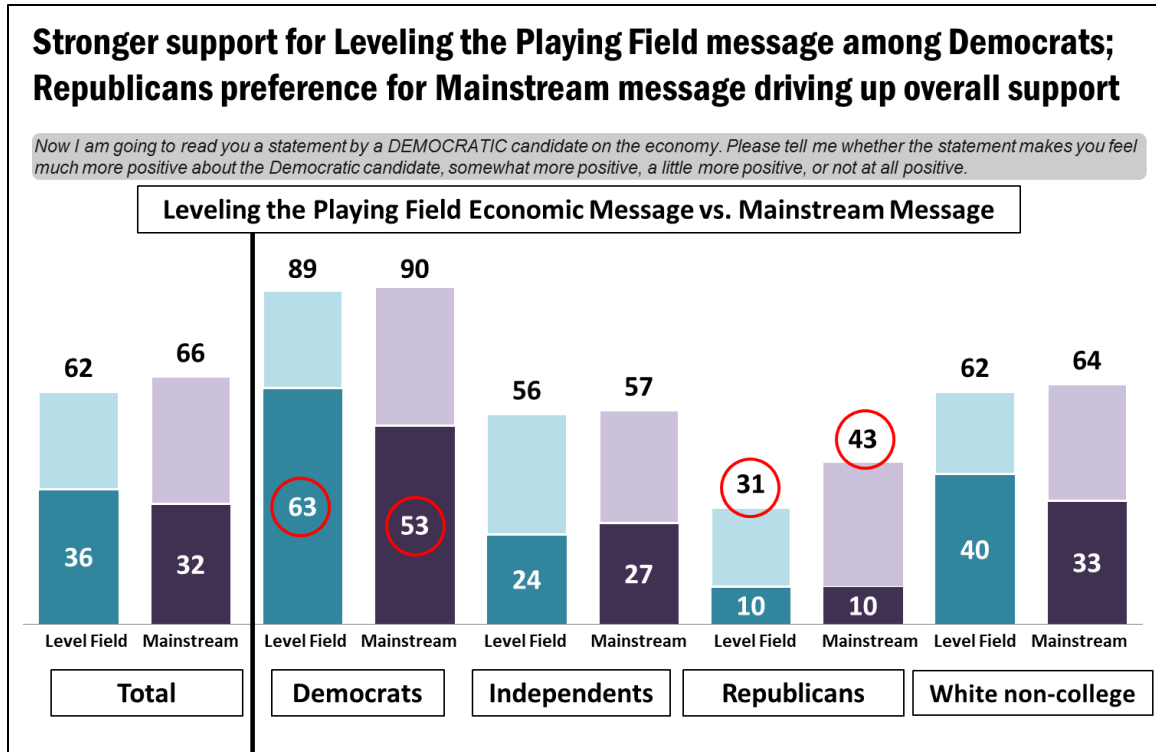
It is the Leveling the Playing Field Democratic message that is able to motivate the broad progressive base and perform equal or better with swing voters.

Mainstream Progressive Message

The economy is doing better but Americans are still uncertain about their future and progress can be undone at any time. We need to promote an agenda of economic growth that will benefit all Americas. Raising the minimum wage, modernizing our infrastructure, and finding ways to make college more affordable will all make Americans more economically secure. We also need to address the shortage of jobs and skilled workers available by modernizing worker training programs that can prepare adults for the good jobs of today and tomorrow. And we need to reform our antiquated tax code to make it easier for businesses to expand here rather than abroad to bring jobs and money back into our economy.

The Mainstream progressive message acknowledges a better economy that still has an uncertain future where progress could be put at risk. Its priority is growth that benefits all. It champions acting on the minimum wage, infrastructure and college affordability. It addresses the shortage of jobs by modernizing worker training. It champions tax reform that brings jobs and money back to America.

It does not talk about inequality, trickle down economics, leveling the playing field, raising taxes on the top earners, or addressing corporate governance. It does not include reforms to clean up a corrupt politics.



This graph settles the issue by showing that energizing the base does not trade off support among independents and swing voters.

With Democrats, 63 percent are much more positive about a Democratic candidate who articulates this message, which is 10 points higher than the mainstream message. With independents reacting identically to both messages, there is no reason to believe the mainstream message allows Democrats to expand their vote. Indeed, the opposite. A striking 40 percent of white working class voters react very positively to the Roosevelt message, 7 points higher than for the mainstream one, because it is much more in tune with their take on the country and the changes that are needed.