

Date: April 9, 2009  
To: Friends of Democracy Corps  
From: Stanley B. Greenberg, James Carville, Andrew Baumann and Jesse Contario

## **Voters Blame AIG and Geithner for Bonuses, Not President Obama**

*Scandal Proves Need for Greater Oversight of Financial Industry and Government Ineptitude*

---

A new survey by Democracy Corps and Greenberg Quinlan Rosner Research, completed shortly after reports about insurance giant AIG paying out millions in bonuses to its top executives, shows voters overwhelmingly blaming AIG management for the mess. A healthy majority of voters place the blame on AIG management while nearly a third also blames Treasury Secretary Tim Geithner for the scandal. Just one-in-ten voters place blame on President Obama, demonstrating that this was no “Katrina moment,” with respect to the president, as suggested by Frank Rich.

The scandal has simultaneously convinced voters that we need greater government oversight over the financial industry and that the federal government is incapable of preventing the kind of wasteful spending demonstrated by AIG, though a much larger majority, nearly 7-in-ten voters, say the bonuses demonstrate the need for tighter regulation. If this were a “Katrina moment,” it was only on the need for government to balance the excesses of the private sector.

This memo is based on a national survey of 1,000 2008 voters, including 166 interviewed on cell phones (120 unweighted) and 863 likely 2010 voters (871 unweighted), conducted for Democracy Corps by Greenberg Quinlan Rosner Research March 25-29, 2009.

### **AIG Management and Geithner, not Obama, Take Most Heat for Bonus Mess**

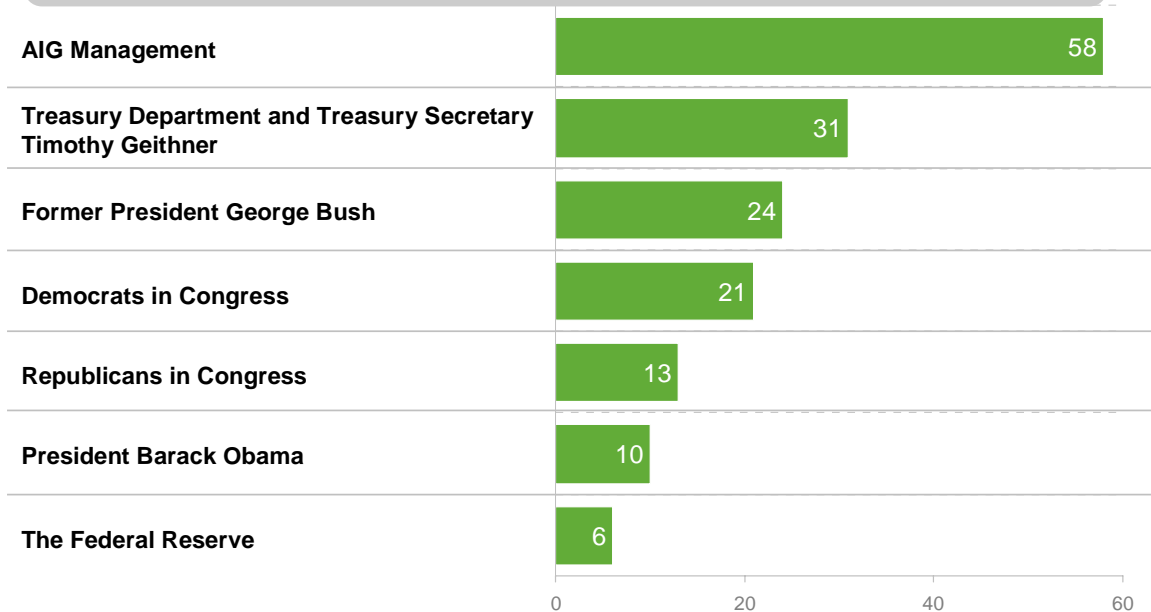
While there has been extreme outrage among voters over AIG’s decision to pay out millions in bonuses to its executives after taking federal bailout money, voters focus much of that outrage at AIG itself, rather than at politicians in Washington. Indeed, nearly six-in-ten voters (58 percent) cite AIG management as one of the two people or institutions most to blame for the bonus mess – nearly twice the amount that cite any of the other choices. Tim Geithner receives the next most blame as 31 percent of the electorate, including 22 percent of Democrats and 30 percent of independents, cite the Treasury Secretary and his department.



George W. Bush (cited by 24 percent) receives more blame than either party in Congress or President Obama, but this is driven almost entirely by Democrats, 42 percent of whom place the blame on the former president. Democrats in Congress, not surprisingly, are blamed by 40 percent of Republicans, but also 26 percent of independents, ranking them third behind AIG management and Geithner among these voters.

### AIG management, Treasury seen as more responsibly for AIG bonuses

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



President Obama shares very little of the blame for the AIG scandal as only one-in-ten voters believe the issue was his fault; just 19 percent of conservative Republicans blame Obama, showing that even the strongest partisans don't believe Obama had much control over the bonuses. Moreover, the scandal has not caused voters to lose much faith in the president as fewer than a fifth say that the bonuses raise extreme doubts in their mind about Obama and only 36 percent report significant doubts, the lowest level of the four people and institutions tested.<sup>1</sup> Indeed, nearly three-in-ten voters (29 percent) say that the AIG story raises no doubts at all in their mind about President Obama.

The same cannot be said for Geithner, as nearly half of voters (49 percent) report that the AIG scandal raises significant doubts, including nearly a quarter (24 percent) who say it raises extreme doubts about the Treasury Secretary. A majority of independent and moderate Republican voters alike report significant doubts about Secretary Geithner with 53 and 63 percent respectively reporting significant doubts.

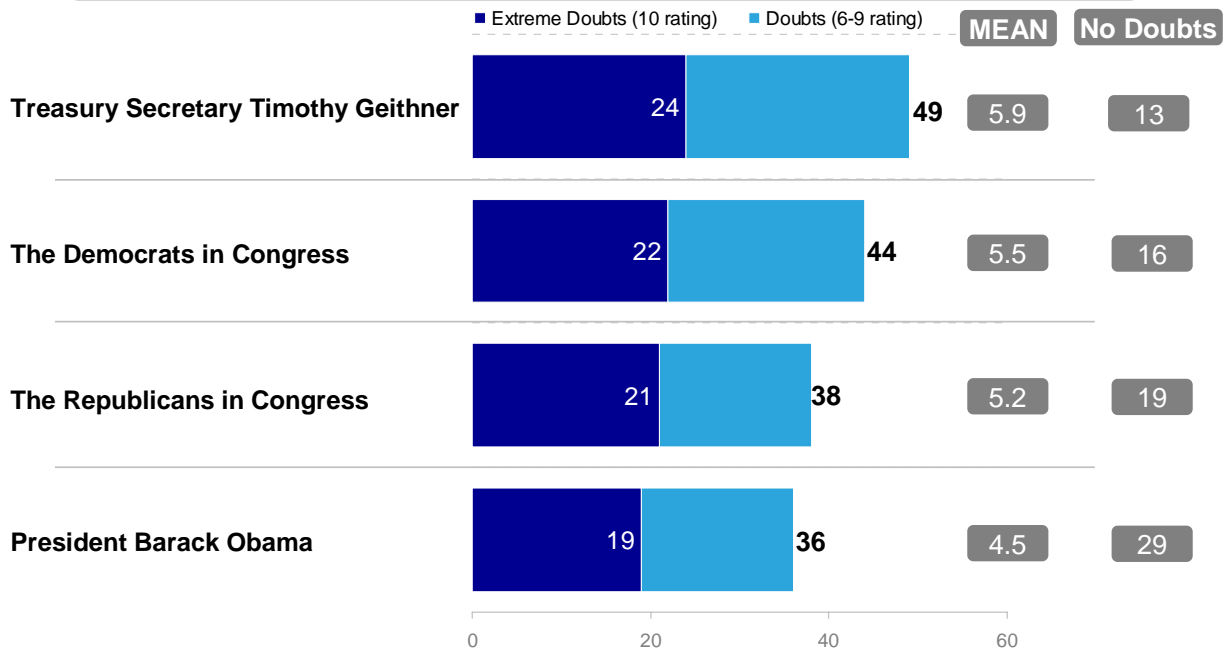
<sup>1</sup> Voters were asked how much doubt the AIG scandal caused them to have in a series of people and institutions on a 0 to 10 scale where 0 meant no doubts at all and 10 meant "extreme doubts." "Significant doubts" refers to voters who rated their level of doubts as between 6 and 10 on the same scale.



The financial crisis and AIG scandal has made Secretary Geithner a household name however feelings toward him are not as negative as one may expect. While more voters can identify Geithner by name than can identify their own member of Congress (79 percent name identification for Geithner, compared to 74 percent for members of Congress) feelings toward the Secretary remain neutral (32 percent favorable, 31 percent unfavorable). While not at all great, these numbers are far better than the severely negative ratings Republicans in Congress receive (28 percent favorable, 43 percent unfavorable).

### AIG raises doubts about Geithner, not Obama

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



### AIG Bonuses Show Need for More Regulation AND Demonstrate Government’s Ineptitude

By well over two-to-one (69 to 29 percent) voters agree that the AIG scandal proves that we need tighter government regulation over the financial industry, with 56 percent of the electorate agreeing strongly. Not surprisingly, Democrats overwhelmingly agree with this sentiment (88 percent agree, 12 percent disagree), but even 63 percent of independents and 58 percent of moderate Republicans say the AIG mess shows financial institutions need more regulation. Only conservative Republicans side the other way.

Somewhat paradoxically, while the AIG story has convinced voters that greater government regulation of the financial system is necessary, it has also made voters believe that the government is incapable of preventing wasteful spending. In fact, 56 percent of voters agree

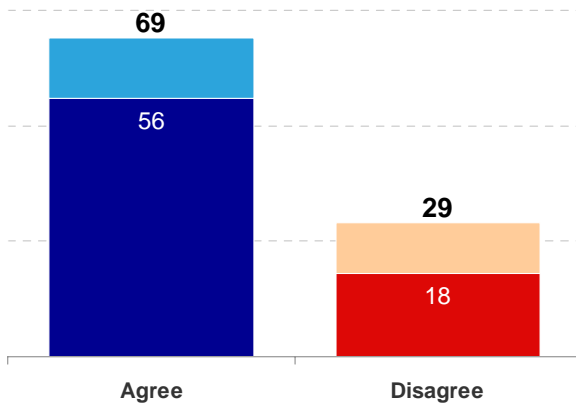


with this statement versus just 40 percent who do not. Solid majorities of both independents (61 percent) and Republicans (66 percent) concur.

### AIG shows need for tighter regulation AND government's ineptitude

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

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



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

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

