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What Next for President Obama and Democrats?

Recommended action based on three post-election national surveys

2010 was a voter revolt against Democratic governance during an economic and jobs crisis.

Above all, voters were frustrated with the lack of progress on unemployment, the seeming ineffectiveness of the president's policies, a shortage of sustained focus on economic issues, and the absence of a vision or message showing voters where the president and the Democrats wanted to take the country. They were angry about the bailouts, spending, and deficits that seemed only to put the country at more risk. Despite hopes for change, they could not see anybody battling for the middle class and American jobs during this crisis, yet politics as usual carried on – Wall Street and lobbyists continued to win out and the parties continued to bicker.

Health care reform was symptomatic of Washington not focusing on jobs and the president being inattentive. The new law was attacked as out-of-control spending. And a lot of seniors came to the polls to prevent the so-called Medicare cuts.

All of this brought a surge of conservative and senior voters to the polls. It shifted independents to the Republicans – a process that has been building for two years. It produced a white working class revolt. The Democrats took perhaps permanent losses in the South. And they took heavy losses in the industrial Midwest that cannot be permanent.

For all that, there is no evidence that this was an affirmative vote for Republicans. Their standing is no higher in this year's post-election polls than it was in 2008 and 2006. There is a lot of evidence that voters do not share Republicans' priorities, particularly on Social Security and Medicare, and voters did not mandate a consuming focus on spending cuts and deficit reduction. That voters decided to hammer Democrats for spending does not translate into a mandate for Republicans to slash spending and squander the next two years trying to repeal health care.¹

¹ This memo is based on a combined dataset of three national post-election polls conducted by Greenberg Quinlan Rosner for Democracy Corps, Resurgent Republic, Campaign for America's Future, and Women's Voices. Women Vote. These surveys were conducted November 1-3, 2010 among 2,587 voters. Data reflects national exit poll data where available.



Voters also do not share the Republicans' determination to limit President Obama to one term and stop his agenda. A large majority remains hopeful that President Obama can succeed, and above all, they want the president and the leaders of both parties to work together to get things done. Voters are hungry for a different tone during this crisis and are looking for evidence that they have been heard.

The Tea Party movement is real and helped the Republicans in 2010 but it is important to understand that nearly 40 percent of Republicans are 'strong tea party supporters.' They keep the Republicans more focused on spending and the economy, but also are more demanding that Republican leaders work to undermine Obama.

There is opportunity for the president to reach out on budget reform, energy, comprehensive immigration reform, and job creation – such as an infrastructure bank leveraging private capital – though it is not clear the Tea Party-dominated Republican Party can respond. The Republican base does indeed want the president to fail, as reflected in all these polls.

The more the president reaches out on these issues, the more opportunity he has to draw firm lines on central aspects of his agenda, including letting the top-end Bush tax cuts expire, pressing for infrastructure and energy investments, and protecting health care reform. Even in this difficult post-election environment, we battle to a draw on the toughest issues and prevail as the agenda shifts to growth.

Voters want leaders to focus on both growth and deficit reduction; indeed, they are looking for leaders to offer a vision for a successful America with a rising middle class.

But before that, there is a lot of very tough political work and some difficult decisions to make. If this was 1983 or 1995 and America was entering a period of rapid economic growth, this election and the trends emerging from it would be more than manageable. But we have to make the assumption that growth will only be moderate and that the unemployment rate will drop slowly. That means we have tough political work ahead.

It will not be fixed by facile assertions that Democrats will now have to focus on independents and moderates, or the 'center.' Frankly, Democrats can win by producing an electorate with presidential-year demographics – engagement of minorities and younger voters. Democrats cannot produce a sustainable majority without doing both.

The Tough Political Work Ahead: 'The Base'

The starting point is the new Democratic base and the areas where Democrats have been making steady gains since 2000. This is not a narrow slice of the electorate or an ideologically straightforward target. It includes the rising proportion of young people (up to one-fifth of the presidential electorate in 2012); the growing Latino bloc (at least 10 percent) that joins African-Americans and other racial minorities (to form at least a quarter); single women (more than one-



fifth) who have emerged central to the new progressive base; and union households (more than 15 percent of the electorate). They have been joined by the more diverse, professional, and affluent suburbs – identified by Ruy Teixeira and John Judis² – that have moved steadily Democratic over more than a decade, account for the Democrats’ congressional gains over that period and gave Obama big victories.

The reason why Democrats won the Congress in 2006 and the White House in 2008 is that their base is a majority of the country.

The hard political work begins in our broad progressive base.

In 2010, *African-Americans* and *Latinos* voted in large numbers and their support for Democrats largely held up. The former will need to defend Obama’s presidency in 2012 and Latinos will have to continue to grow as a proportion. Both are plausible. Moreover, the battle over immigration – as we saw in California and Nevada – can produce growing Democratic support. But other parts of the base seriously underperformed.

- ***Young people.*** Turnout among voters under 30 fell back to off-year levels, which is dismal, but for 2010 to be successful, young people will have to move back to almost one-in-five.
- ***Union households.*** In 2010, the unions’ off-year proportion of the electorate dropped, but that could be the impact of the recession, including private and public sector lay-offs. Union outreach was apparently effective, but this will happen in a difficult environment – aided if at least industrial production begins to recover.
- ***Single women.*** The single biggest base problem in 2010 was the drop in Democratic support among unmarried women. Targeted programs were small in the face of a 12-point drop in the vote for Democrats. That was felt disproportionately among older women who may have been reacting to health care and Medicare scares; and younger women – heavily non-college and lower-income – struggled in this economy.
- ***Suburban.*** Overall, the Democratic vote was down 8-points in the suburbs, though we do not have the results for more affluent suburbs. With the economy as the dominant issue, many of the issues that have contributed to Democratic gains over the past decade may have receded at this moment – Iraq and America’s place in the world, support for education, the environment, the role of religion, tolerance, and civil rights.

² Ruy Teixeira and John B. Judis, *The Emerging Democratic Majority*. Simon and Schuster, 2002.



As we shall see below, not all these voters have the same ‘hot buttons’ that drive their support and turnout and indeed, there are some issues where our base has diverse views or priorities. That includes the importance of the deficit and trade issues. Nonetheless, they do share a worldview that puts them at odds with the Republicans and conservative governance – particularly on what we should do to make America economically successful and bring back the middle class.

Ideological ‘moderates’ are indeed a priority target, but understand that moderates are our base – not a swing bloc – and form the largest portion of self-identified Democrats. Moderates are ‘anti-conservative’ and anti-Republican in their thinking: over 60 percent dislike Republicans, with only 10 percent warm in any way. However, this year, Democrats got 55 percent of their votes, down 6 points from the presidential year; their vote share also declined 6 points. The Liberal parts of the Democratic base stand out on cultural issues, like gay marriage, abortion and guns and opposed the Iraq war. The moderate parts of the Democratic base align with Democrats more on economic issues, populism and middle class programs.

This is important because ‘moderate’ Democrats are only slightly less likely than liberal Democrats to favor investment over spending cuts; and they are even more opposed to cuts in Social Security.

Both liberal and moderate Democrats are part of the Democratic base.

The Tough Political Work Ahead: Independents and Swing Voters

The *independents* were an immense problem in 2010. Indeed, the Democrats’ support among independents dropped from an 18-point Democratic advantage in 2006, to 8 points in 2008, and turning Republican by a painfully familiar 18 points in 2010. We have to get independents back to at least even where it had been before 2006. With our current broad base, we can have big elections in that realm, though obviously more is better.

Part of the problem lies in the character of the off-year electorate. The independents were more male, white, and senior than in 2006 and 2008. A presidential electorate will address some of the problem.

But much more important is the proportion of independents who called themselves conservatives. That was up from 34 to 42 percent. And while some of that may have been due to Tea Party activism and the determination of conservatives to oppose Obama, that process began in the fall of the 2008 election. There has been a conservative reaction against the government’s response to the crisis from the beginning, even before Obama took office. From the outset of Obama’s presidency, there has been a steady rise in the number who call themselves conservative and in the standing of the N.R.A. (but not pro-life groups).

We need to create a counter dynamic but understand this volatile brew. This year’s independents –



- Loved the NRA and hated big banks most of all.
- Equally detested the Democratic Party and Sarah Palin.

Good luck. Both sides have a lot of political work to do to keep independents with them.

But this translates into addressing the big losses among swing voters that reversed the gains of 2006 and 2008. Discontent with the Bush economy and reaction to globalization and Bush's focus on Iraq led to Democrats making gains with white rural voters and white non-college voters outside the South. Those were big gains and explain why Democrats began winning from Montana to Colorado and from Ohio to Wisconsin. That means Democrats have to be focused on places where they have lost heavily among these swing voters.

- ***White non-college voters.*** The Democratic vote dropped 10 points among white non-college voters. These blue collar and non-college voters felt betrayed. Many voted Democratic because of the Bush economy, but were hard hit by the economy and indeed face worsening conditions as the president spoke of economic progress. There is an immense amount of work to do.
- ***White non-South rural voters.*** The Democratic vote was down 8 points from 2006. These voters are critical to holding the Senate and reclaiming some of the Midwestern states like Iowa and Wisconsin.
- ***Industrial Midwest.*** The Democrats lost 9 points off their vote in the Midwest since 2008, falling from 53 to 44 percent. That allowed Republicans to sweep legislatures and governorships. Any successful strategy must reclaim this region – no doubt, starting with white non-college and rural voters.

The independent and swing vote is very important to the Democratic comeback, along with the critical work among the base. We reject any false choice. As we shall see below, many of the Democrats' strongest messages and policy choices reach these voters.

Agenda and Vision

The real road back begins with understanding this moment of economic crisis and the deep worries voters have about the state of the country and the middle class.

Unfortunately, the president's economic narrative – focused on the metaphor of getting the car out of the ditch and not going back to the policies that got us in this mess – was painfully weak. It tested more than 20 points weaker than messages focused on changing Washington to work for the middle class and building an America with new jobs here at home. But critically, it



tested more than 30 points weaker with all the groups that matter – independents, swing voters, seniors, and white non-college voters, all of whom voted heavily Republican in 2010.

The reason why those messages had so much power is that the electorate has a very big view of the challenges facing the country. Two-thirds of the 2010 voters strongly agreed with the following statement:

(COUNTRY IN DECLINE) America has been falling behind, while countries like China have a vision to succeed. We need our own vision for American success. Our economic problems have been building for years -- with good jobs outsourced and wages and benefits falling behind rising costs. Schools, sewers, and roads are in disrepair. We need a clear strategy to make things in America, make our economy competitive, and revive America's middle class.

The statement closed with a call for a clear strategy to make America competitive and revive America's middle class.

Testing nearly as strongly were narratives about how the big parties don't work together to fix the country's problems and ignore the voices and needs of the regular citizen, and another about the entrenched special interests that dominate politics and the need to challenge them in order to bring change.

It is important to note that the weakest message was one focused on getting the country out of bankruptcy, cutting spending, and reducing debt that leaves us dependent on China and unable to compete in the global marketplace. The country has a deeper and broader critique beyond government that progressive leaders need to understand.

Not surprisingly, the Republicans risk misunderstanding the mandate from this election. They have concluded that the country wants them to focus above all on cutting spending, reducing deficits and keeping taxes low. The post-election surveys, including the one conducted together with conservative-aligned Resurgent Republic, say --

- Voters want their members of Congress to fight big corporate special deals, work for the middle class and American jobs rather than focus on reining in governing spending and deficits and stopping higher taxes (52 to 40 percent).
- Voters want members who will prioritize BOTH cutting the deficit and growth-producing investments over cutting the deficit to make the US economy stronger and more competitive (67 to 28 percent).

Deficits are very important, but throughout these post-election surveys, voters are prioritizing growth. Perhaps as important, when we offer voters a set of policy choices, voters opt for a Democratic package by 52 to 42 percent. The alternative growth packages are set out below:



***Democratic:** We must first create jobs by rebuilding our infrastructure, providing tax credits for small business, extending all tax cuts for the middle class, and investing in education, science and technology while also working to reduce the federal deficit each year.*

***Republican:** We must cut the federal deficit by cutting spending while giving small businesses a tax deduction worth 20 percent of income encouraging them to create jobs as well as extending the tax cuts for everyone that are set to expire in January.*

Do not assume that the clubs used to punish Democrats this year translate into the preferred policies for the future.

The electorate, and particularly swing voters, are desperate for the parties to get beyond the old bickering and do things, even if that means compromise. That is the message to the president and both parties. This is embedded in their larger assessment of the state of the country and mattered in their vote. So, they are sending a message.

That is challenging for the Republicans since half of Tea Party activists said their primary motivation was to vote against Obama and because Republican voters are just not part of this national consensus. As many as 77 percent of Republicans say that “Barack Obama will lead the country down the wrong path and Republicans should oppose his plans.”

President Obama and the Democrats have an immense opportunity to reach out for bi-partisan cooperation on a range of issues – from clean energy jobs and independence, to comprehensive immigration and education reform. The spotlight should shine on the broad bi-partisan support for the new nuclear arms treaty with Russia. In any case, as with the nuclear arms treaty, Republicans will almost certainly scorn the president’s initiatives.

But the focus above all must be on a bold plan for jobs and growth. Voters want a plan for both growth and deficit reduction, and it is important for Democrats to acknowledge the importance of deficit reduction and progressive solutions on the table. In fact, those ideas are much preferred to any thing like what Congressman Paul Ryan has proposed for addressing the budget deficit. By 51 to 39 percent, voters prefer a Democratic proposal that includes higher taxes for those making over \$250,000 a year, a bank tax, a freeze on discretionary spending, and cuts in military spending.

That progressive advantage evaporates once Democrats bring Social Security cuts into their deficit reduction package.

Which takes us to the two red lines progressives will need to draw on defining points of principle – the necessary complement of reaching out on so many big issues.

- **Social Security and Medicare.** In the context of deficit reduction, voters overwhelming say, “keep your hands off Social Security.” Two-thirds say that, including 55 percent who say it strongly. Medicare cuts are a central element of the Republican budget proposals – and that could change the political equation with seniors.



- **Extending tax cuts for top earners.** We are poised to win a debate including higher taxes for the top earners as part of any approach to the deficit.
- **Health care.** Even at this difficult moment, voters split evenly on whether to repeal health care reform or to not give into insurance companies who want to go back to dropping those with pre-existing conditions and setting life-time limits. If Republicans make this their signature two-year battle, they could lose on the merits, as well as look distracted from addressing the economy.

The findings on trade are strong, but with some ambiguity. Democrats can win a trade debate by 50 to 41 percent focused on China and no NAFTA-like deals and having a strategy for exporting jobs. That position wins almost unanimous support among Democrats. There is less support for working to offset trade-imbalances, prioritizing American jobs and export and passing trade agreements to open up markets.

- Moderate Democrats are the most opposed to a trade approach with new trade agreements. A strong trade position, including attention to China is part of consolidating moderate and conservative Democrats.
- A Democratic position including trade agreements does less well with moderate Democrats.

All these findings are simply preface for the bigger voter desire to see its leaders address the big questions – how America can be a successful and leading country with a rising middle class. The voters who rose up to punish Democrats and give Republicans control of the Congress also embraced a President Obama who used this moment of learning to set a new bold course. “I have just met with the new Republican and Democratic leaders and asked them to work together with me to solve the country’s problems. Voters across the country have sent a clear message and I’ve heard it.” Then, the president took a surprising turn:

The economy isn’t creating enough jobs but we can’t go back to rising debt and dangerous bubbles. My commitment is to build a new foundation for jobs and growth that begins with making things in America again. Yes, we have to reduce our deficits, but it is not enough. We have to make investments in education, in research and innovation, in a competitive 21st century infrastructure. We have to lead in the new energy, Green industrial revolution sweeping the world. This has to be affordable, but my priority is working together to rebuild a successful America with a rising middle class.

That two-thirds responded positively is a signal to Democrats that there is a course much more appropriate to the times, with much greater opportunity for success.