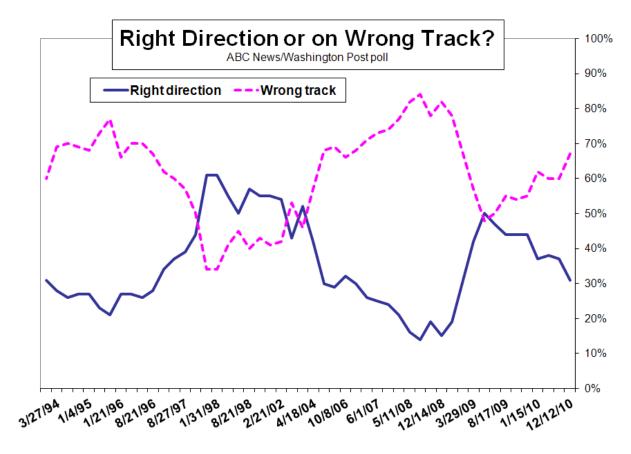
# **Persistent Economic Discontent Casts a Continuing Political Pall**

Congressional Republicans are newly competitive on several key issues, President Obama leads on compromise and sincerity – but that thick pall over Washington is the same as ever: economic gloom and the political disaffection that comes with it.

A month after voters chucked the Democrats out of control of the House of Representatives, a boost in political optimism is nowhere to be found. While a plurality of Americans, 41 percent, see the House switch as a good thing, that's fewer than said so the last two times it's happened, in 2006 and 1994. And 67 percent say the country's seriously off on the wrong track.



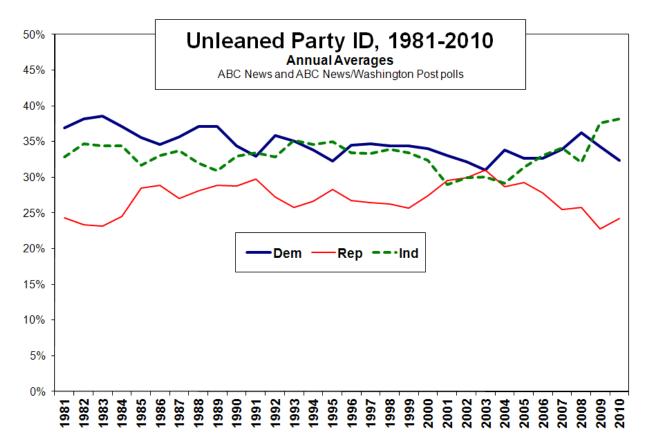
The reason is plain: A record 71 percent in the latest ABC News/Washington Post poll say they've been hurt by the recession, with nearly four in 10 hurt "a great deal." Fifty-seven percent say the economy has not yet begun to recover – up 8 points from a year ago. One in three reports a job loss in their own household within the past year; equally remarkably, 72 percent say a close friend or relative has lost a job or been laid off. Both are new highs since the recession began.

There may, however, be a glimmer down the road: In the latest ABC News Consumer Comfort Index, 28 percent of Americans now say the economy's improving – hardly a robust result, but nonetheless the most since May.

Economy aside, the federal budget deficit doesn't help the public's mood, and in that regard this poll, produced for ABC News by <u>Langer Research Associates</u>, finds some potential room to move: In order to address the deficit, nearly half of Americans, 48 percent, say they'd support gradually increasing the age at which people can receive full Social Security benefits.

That's greater support for increasing the retirement age than previous polls have indicated. Still, intensity of sentiment is against the idea – "strong" opponents outnumber strong supporters by nearly 2-1 – and a variety of other deficit-reduction ideas, including slowing the growth of Social Security benefits, eliminating the tax deduction for children under 18 and raising gasoline taxes, are very broadly unpopular.

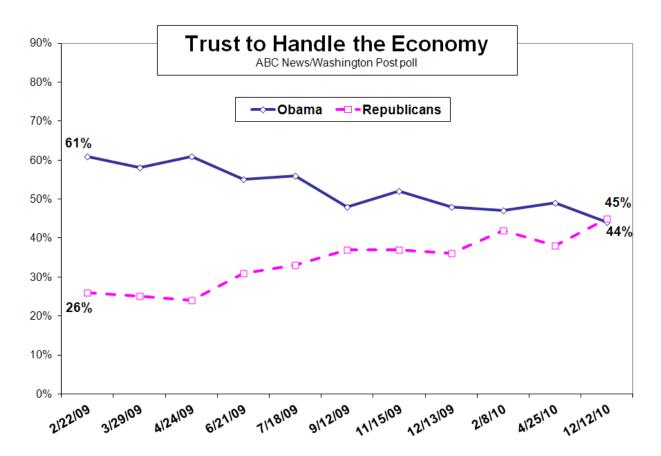
DISCONTENT – The public's political disaffection overall is marked by a departure from allegiance to the two main political parties. The number of Americans who identify themselves as political independents has maintained its record high for the second year running, surpassing self-identified Democrats by an all-time margin, and Republicans by nearly so, in ongoing ABC/Post polling dating back 29 years.



On average this year, 38 percent of adults have called themselves independents, matching the average in 2009 as the most on record. That compares to 32 percent who call themselves Democrats, 24 percent Republicans – among the worst years in historical terms for both parties. Only in one previous period, 1994-95, did independents top the political chart.

The impacts of economic discontent appear in other ways. Barack Obama has a 72 percent job approval rating among people who say an economic recovery has begun, vs. 33 percent among those who say it has not – a dramatic 39-point gap. His approval overall has slipped under 50 percent for just the second time in ABC/Post polls; it's 49 percent now.

And Obama's gone from a 35-point advantage over the Republicans in trust to handle the economy when he took office, to +11 points last spring, to -1 now, its first foray into negatives. The GOP also runs essentially evenly with the president in trust to handle the issues of taxes and terrorism, and leads, by the widest margin of his presidency, in trust to handle the deficit.



BUT STILL – The president has pushback. He slightly leads the Republicans in Congress, by 5 points, in trust to handle the "main problems the nation faces." That's a switch from past turnovers: George W. Bush trailed the Democrats by 26 points on this measure after they took the House in 2006, and Bill Clinton trailed the Republicans by 15 points in trust to handle the country's main problems after the GOP won the House in 1994.

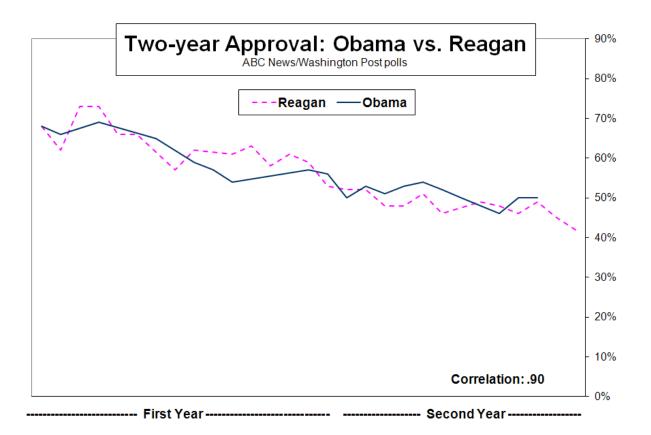
The result this time may reflect a sense that the economy, the main problem for so many, seems intractably bad no matter who's handling it.

Similarly, Obama and the Republicans run evenly in perceptions of who's taking the stronger leadership role in Washington. Again, by contrast, the Democrats led Bush by 20 points in this measure after the 2006 election, and the Republicans led Clinton by a vast 34 points in late 1994.

Obama's also more apt to be seen as willing to compromise – while 40 percent say he's doing too little to work with the Republicans, more, 54 percent, say the Republicans are doing too little to compromise with Obama. And despite complaints among some liberal leaders, few, 11 percent, say Obama's doing "too much" to compromise. (Seventy-five percent of liberals approve of Obama's job performance overall, among his best support groups.)

On specific issues, Obama leads the Republicans, by a robust 15 points, in trust to handle "helping the middle class"; and by 13 points, 51-38 percent, in trust to handle health care reform. That's even though, as <u>reported yesterday</u>, a new low, 43 percent, support the new health care law. The result may reflect the lack of consensus among critics of the law on what to do about it.

Obama also might find comfort in the fact that his approval rating continues to closely resemble that of Ronald Reagan, the last president to take office in the teeth of a recession. Reagan went from 68 percent approval at the start of his first term to 45 percent at the end of his second year; Obama's gone from 68 to 49 percent in the same period. Their ratings over their first two years in office correlate at a remarkable .9.

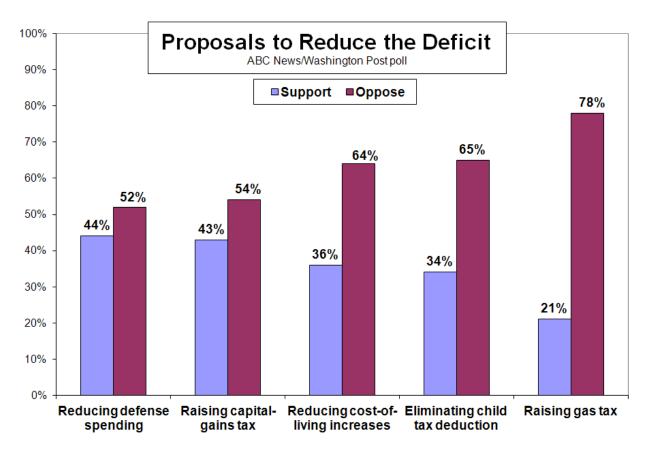


DEFICIT – Then there's the deficit, a gnarly problem that seems to offer little hope of political goodwill. On one hand, 56 percent of Americans say efforts to reduce the deficit should start now, without waiting for the economy to improve; and six in 10 see a combination of spending cuts and tax increases as the best way to proceed.

But what cuts and which taxes? Of nine individual items that have been proposed by the president's debt-reduction commission, not one receives majority support in this survey, and all but one engender clearly stronger opposition than strong support.

Three come closest: Forty-nine percent of Americans support eliminating tax deductions on mortgages of more than \$500,000, and on second homes; as many favor reducing Social Security benefits for wealthy retirees; and, as noted, 48 percent back gradually increasing the age at which people can receive full Social Security benefits. While the latter, in particular, may be a surprise, the intensity of sentiment trends negative: just 19 percent "strongly" support the idea, while 35 percent strongly oppose it.

More than half oppose each of the remaining items tested, including reducing defense spending to trim the deficit (52 percent say no), raising the capital-gains tax (54 percent opposed), reducing aid to agriculture (55 percent), reducing Social Security cost-of-living increases (64 percent) and eliminating the tax deduction for children under 18 (65 percent). Least popular of all is raising the federal tax on gasoline by 15 cents a gallon, opposed by 78 percent. (No wonder: Gas prices this week hit their highest in two years.)



In each of these, moreover, "strong" opponents outnumber strong supporters, by margins of anywhere from 12 points (on cutting defense spending) to 54 points (on raising the gas tax).

Other results mark the difficult positioning ahead in dealing with the deficit. While Americans are concerned about it, clearly they also hold other priorities, as evidenced by support for the package of tax cuts and unemployment benefit increases now before Congress. (See Monday's report.)

Also, many more see Obama, rather than the congressional Republicans as sincere in wanting to reduce the deficit – a finding in line with views of Obama as more willing to compromise. Yet at the same time Obama's own approval rating for handling the deficit is a very weak 38 percent, and, as noted, the Republicans lead him by 8 points in trust to handle it. These leave room for either side to prevail in the deficit debate – if one can find a solution the public will swallow.

METHODOLOGY – This ABC News/Washington Post poll was conducted by telephone Dec. 9-12, 2010, among a random national sample of 1,001 adults, including landline and cell-phone-only respondents. Results have a margin of sampling error of 3.5 points. Click <a href="here">here</a> for a detailed description of sampling error. This survey was produced for ABC News by <a href="Langer Research Associates">Langer Research Associates</a> of New York, N.Y, with sampling, data collection and tabulation by TNS of Horsham, Pa.

Analysis by Gary Langer.

ABC News polls can be found at ABCNEWS.com at <a href="http://abcnews.com/pollingunit">http://abcnews.com/pollingunit</a>

Media contact: Cathie Levine, (212) 456-4934.

Full results follow.

\*= less than 0.5 percent

1. Do you approve or disapprove of the way Barack Obama is handling his job as president? Do you approve/disapprove strongly or somewhat?

		Approve			Disappro	ve	No
	NET St	rongly	Somewhat	NET	Somewhat	Strongly	opinion
12/12/10	49	24	25	47	15	32	4
10/28/10	50	27	23	45	11	34	5
10/28/10 LV	46	31	15	52	8	44	2
10/3/10	50	26	24	47	13	34	3
9/2/10	46	24	22	52	14	38	3
7/11/10	50	28	22	47	12	35	3
6/6/10	52	30	22	45	12	33	4
4/25/10	54	31	23	44	11	33	3
3/26/10	53	34	20	43	8	35	3
2/8/10	51	29	22	46	12	33	3
1/15/10	53	30	24	44	13	32	2
12/13/09	50	31	18	46	13	33	4
11/15/09	56	32	23	42	13	29	2
10/18/09	57	33	23	40	11	29	3

9/12/09	54	35	19	43	12	31	3
8/17/09	57	35	21	40	11	29	3
7/18/09	59	38	22	37	9	28	4
6/21/09	65	36	29	31	10	22	4
4/24/09	69	42	27	26	8	18	4
3/29/09	66	40	26	29	9	20	5
2/22/09	68	43	25	25	8	17	7

2. Do you approve or disapprove of the way Obama is handling [ITEM]? Do you approve/disapprove strongly or somewhat?

12/12/10 - Summary Table\*

	Approve				No		
	NET	Strongly	Somewhat	NET	Somewhat	Strongly	opinion
a. The economy	43	21	22	54	15	39	3
b. Held for release							
c. The federal							
budget deficit	38	16	22	55	19	36	7
*Full sample asked	item a;	half sampl	e asked	item b;	other half	sample aske	ed item c.

### Trend:

### a. The economy

		Approve			ove	No		
		NET	Strongly	Somewhat	NET	Somewhat	Strongly	opinion
12/12/10		43	21	22	54	15	39	3
10/28/10	RV	44	21	23	54	15	39	3
10/28/10	LV	42	23	19	55	10	45	2
10/3/10		45	22	23	53	13	41	2
9/2/10		41	20	21	57	13	44	2
7/11/10		43	20	23	54	13	41	4
6/6/10		50	26	24	49	12	37	2
4/25/10		49	24	25	49	10	39	2
3/26/10		45	23	22	52	12	40	3
2/8/10		45	22	23	53	15	38	2
1/15/10		47	22	24	52	13	39	1
12/13/09		46	23	24	52	12	40	2
11/15/09		51	26	25	47	12	36	2
10/18/09		50	29	22	48	13	35	1
9/12/09		51	28	24	46	13	33	2
8/17/09		52	27	25	46	13	33	2
7/18/09		52	29	23	46	10	35	3
6/21/09		56	28	28	41	13	27	3
4/24/09		58	31	28	38	13	25	4
3/29/09		60	34	25	38	12	26	3
2/22/09		60	NA	NA	34	NA	NA	6

b. Held for release.

## c. The federal budget deficit

		Approve			Disapprove			
	NET	Strongly	Somewhat	NET	Somewhat	Strongly	opinion	
12/12/10	38	16	22	55	19	36	7	
7/11/10	40	20	20	56	11	45	4	
6/6/10	39	22	17	56	13	42	6	
4/25/10	40	20	20	55	14	42	5	
3/26/10	43	22	21	52	14	38	5	
2/8/10	40	17	23	56	16	40	4	
1/15/10	38	18	20	56	15	41	6	

12/13/09	37	16	21	56	12	44	6
11/15/09	42	19	23	53	10	43	5
10/18/09	45	20	25	51	14	37	4
9/12/09	39	17	22	55	13	42	6
8/17/09	41	19	22	53	12	41	5
7/18/09	43	19	24	49	11	38	8
6/21/09	48	22	26	48	13	35	5
4/24/09	51	NA	NA	43	NA	NA	7
3/29/09	52	NA	NA	43	NA	NA	5

3. Do you think things in this country (are generally going in the right direction) or do you feel things (have gotten pretty seriously off on the wrong track)?

12/12/10		Right direction 31	Wrong track 67	No opinion 2
10/28/10	RV	27	71	2
10/28/10	LV	27	71	2
6/6/10		37 38	60	3 2
3/26/10 1/15/10		36 37	60 62	1
11/15/09		44	55	2
10/18/09		44	54	2
8/17/09		44	55	1
6/21/09		47	50	3
4/24/09		50	48	2
3/29/09		42	57	1
2/22/09 1/16/09		31 19	67 78	2 3
12/14/08		15	82	3
10/25/08	LV	13	85	2
10/11/08	RV	8	90	2
9/22/08	RV	14	83	3
8/22/08		19	78	2
6/15/08		14	84	2
5/11/08		16 21	82	2 2
1/12/08 11/1/07		24	77 74	2
6/1/07		25	73	2
1/19/07		26	71	3
11/4/06	RV	39	59	2
10/22/06		30	68	2
10/8/06		32	66	2
5/15/06		29	69	2
11/2/05	LV	30 41	68 55	2 4
10/24/04 4/18/04	ъΛ	42	55 57	1
4/30/03		52	46	2
9/26/02		43	53	4
2/21/02		54	42	4
2/14/99		55	41	4
11/1/98		55	43	2
11/1/98	LV	55 57	44	1 4
8/21/98 7/12/98		57 50	40 45	<del>4</del> 6
4/4/98		55	41	4
1/31/98		61	34	5
1/30/98		61	34	5
1/19/98		44	50	6
8/27/97		39	57	4
6/8/97		37	60	3
3/9/97		34	62	4

10/17/96	RV	40	55	5
10/16/96	RV	42	53	5
10/15/96	RV	43	52	5
10/14/96	RV	44	51	5
10/13/96	RV	44	51	5
9/04/96	RV	40	54	6
8/21/96		28	67	5
6/30/96		26	70	5
3/17/96		27	70	3
1/21/96		27	66	6
1/3/96		21	77	3
4/5/95		23	73	3
1/4/95		27	68	6
10/31/94		27	69	4
7/20/94		26	70	4
3/27/94		28	69	3
1/23/94		31	60	10
Call for	full	trend.		

4. Overall, who do you trust to do a better job coping with the main problems the nation faces over the next few years, (Obama) or (the Republicans in Congress)?

	Obama	Reps	Both (vol.)	Neither (vol.)	No opinion
12/12/10	43	38	2	12	4
Compare to	:				
12/11/06	Bush 31	Dems 57	Both (vol.)	Neither (vol.)	No opinion 2
12/15/94	Clinton 34	Reps 49	Both (vol.)	Neither (vol.)	No opinion 6

5. Who do you trust to do a better job handling [ITEM] - (Obama) or (the Republicans in Congress)?

# 12/12/10 - Summary Table

				Both	Neither	No
		Obama	Reps	(vol.)	(vol.)	opinion
a.	The economy	44	45	2	7	2
b.	The federal budget deficit	39	47	2	9	4
c.	The threat of terrorism	41	41	4	7	7
d.	Held for release					
e.	Health care reform	51	38	1	6	5
f.	Helping the middle class	53	38	1	6	2
g.	Taxes	43	44	1	7	5

Trend where available:

# a. The economy

			Both	Neither	No
	Obama	Reps	(vol.)	(vol.)	opinion
12/12/10	44	45	2	7	2
4/25/10	49	38	1	9	2
2/8/10	47	42	1	7	2
12/13/09	48	36	1	12	3
11/15/09	52	37	1	8	1
9/12/09	48	37	1	12	2

7/18/09	56	33	1	9	2
6/21/09	55	31	2	9	2
4/24/09	61	24	2	11	2
3/29/09	58	25	1	14	2
2/22/09	61	26	1	9	3

b. The federal budget deficit

			Both	Neither	No
	Obama	Reps	(vol.)	(vol.)	opinion
12/12/10	39	47	2	9	4
4/25/10	45	41	1	10	3
2/8/10	45	43	1	9	1
9/12/09	50	36	1	12	1
7/18/09	54	35	*	9	2
6/21/09	56	30	2	9	2

- c. No trend.
- d. Held for release.
- e. Health care reform

			Both	Neither	No
	Obama	Reps	(vol.)	(vol.)	opinion
12/12/10	51	38	1	6	5
4/25/10	49	39	1	10	1
2/8/10	46	41	1	9	2
12/13/09	46	39	1	13	2
11/15/09	50	37	1	10	2
9/12/09	48	36	1	12	3
7/18/09	54	34	1	10	1
6/21/09	55	27	2	11	4

- f. No trend.
- g. No trend.
- 6. Who do you think is taking a stronger leadership role in the government in Washington these days, (Obama) or (the Republicans in Congress)?

No

Both Neither

12/12/10	Obama 43	Reps 42	(vol.)	(vol.) 8	opinion 5
Compare t	o:				
1/19/07	Bush 36	Dems 56	Both (vol.)	Neither (vol.)	No opinion 3
12/15/94	Clinton 25	Reps 59	Both (vol.)	Neither (vol.)	No opinion 7

7. As you may know, control of the House of Representatives will switch from the Democrats to the Republicans next month. Do you think that's a good thing, a bad thing, or doesn't it make any difference?

Good thing Bad thing No difference No opinion

12/12/10	41	27	30	3
12/11/06	55	17	27	1
10/22/06	45	21	32	3
1/4/95	48	20	28	3
10/31/94	32	20	45	2
10/23/94	31	18	49	1

12/11/06 and previous: "Congress"; 2006, Rep to Dem; 10/06 and 10/94, "If control of Congress switched"

8. Do you think Obama is doing too (much), too (little) or about the right amount to compromise with the Republican leaders in Congress on important issues?

			About the	No
	Too much	Too little	right amount	opinion
12/12/10	11	40	45	4
2/8/10	9	44	45	2

9. Do you think the Republican leaders in Congress are doing too (much), too (little) or about the right amount to compromise with Obama on important issues?

			About the	No
	Too much	Too little	right amount	opinion
12/12/10	8	54	32	7
2/8/10	8	58	30	4

10. Would you say this recession has hurt you financially, or not? (IF YES) Is that a great deal or only somewhat?

		Hurt			
	NET	Great deal	Somewhat	Not hurt	No opinion
12/12/10	71	39	32	29	1
9/12/09	65	33	32	35	*
2/22/09	64	30	34	35	1
1/16/09	68	37	32	32	*
12/14/08	63	30	34	36	*
6/2/91	53	16	37	46	1

11. Regardless of whether or not the recession is over, in terms of your own personal experience, do you feel the economy has or has not begun to recover?

	Has	Has not	No opinion
12/12/10	41	57	2
12/13/09*	50	49	1
11/15/09	44	54	1

\*Add "Regardless of whether or not the recession is over..."

12. In the last year, have you or has anyone living in your household been laid off or lost their job?

	Yes	No	No opinion
12/12/10	34	65	*
11/15/09	30	70	*
9/12/09	27	73	*
4/24/09*	23	77	0
2/22/09	18	82	*
12/14/08	18	82	*

\*4/24/09 and previous: "In the last few months..."

13. Thinking beyond your own household, do you have any close friends or immediate family members who have been laid off or lost their job?

	Yes	No	No opinion
12/12/10	72	28	0
4/24/09	63	36	*
2/22/09	60	40	1

14-19 previously released.

20. Do you think Obama is or is not sincere in wanting to reduce the federal budget deficit?

21. Do you think the Republicans in Congress are or are not sincere in wanting to reduce the federal budget deficit?

22. Do you think efforts to reduce the federal deficit (should be taken now), or (should wait until after the economy improves)?

 $\begin{array}{ccccc} & & \text{After economy} \\ & \text{Now} & \text{improves} & \text{No opinion} \\ 12/12/10 & 56 & 40 & 4 \end{array}$ 

23. Overall, what do you think is the best way to reduce the federal budget deficit - (by cutting federal spending), (by increasing taxes), or by a combination of both?

	Cutting federal	Increasing	Combination	No
	spending	taxes	of both	opinion
12/12/10	36	2	60	1

24. I'm going to name some proposals that have been made to try to reduce the federal budget deficit. For each, please tell me if that's something you support strongly, support somewhat, oppose somewhat or oppose strongly.

12/12/10 - Summary Table

	 NET	Support Straly	Smwht	 NET	Oppose Smwht	straly	No opin.
a. increasing the federa	al tax on	3 1				3 1	-
gasoline by 15 cents	a gallon 21	9	12	78	15	63	1
b. gradually increasing	the age						
at which people can	receive						
full Social Security	benefits 48	19	29	51	16	35	1
c. eliminating the morts	gage						
interest tax deduction	on for						
homeowners with morts	gages						
over 500-thousand do	llars and						
for second homes	49	25	25	45	18	27	6
d. reducing the yearly	increase						

e.	in Social Security benefits eliminating the tax deduction	36	14	21	64	20	44	1
	that parents can take for children under 18	34	17	17	65	19	46	1
f	reducing Social Security	34	1 /	Ι/	05	13	40	
	benefits for wealthy retirees	49	24	25	49	19	30	2
g.	reducing defense spending	44	20	24	52	20	32	4
h.	reducing federal aid to							
	agriculture	41	15	26	55	25	30	4
i.	raising taxes on the profits							
	people make when they sell							
	stocks or real estate	43	17	27	54	24	30	3
*Ha	alf sample asked items a-e; oth	er half	sample	asked	items f-i.			

25-37 held for release or previously released.

\*\*\*END\*\*\*