

MEMO Published May 21, 2024 · 6 minute read

# Three Democratic Vulnerabilities on the Economy

How well does “respects and rewards hard work” describe congressional Democrats and Republicans?

↓ -15 DEMS     ↑ +8 GOP

ALL VOTERS

*Third Way,*

There have been enough barrels of ink spilled about how Donald Trump leads President Joe Biden on the economy. Our new nationwide poll from Impact Research <sup>1</sup> reiterated that trend and showed that there are no silver bullets to magically turn that deficit into an advantage. But we did uncover that President Biden and Democrats have **three specific vulnerabilities that must be addressed to move the needle.**

Specifically, voters think Democrats 1. Don't care about economic growth, 2. Prefer handouts over hard work, and 3. Don't understand or care about business. Below, we break down voter sentiment on each of those vulnerabilities and offer some recommendations to overcome them.

Record job growth, record new business starts, and record stock prices should help an incumbent do better on the economy, even with inflation as a headwind. But the president and many Democrats

aren't connecting with voters on the economy. A different approach is essential to lead to a different outcome before November. In our survey, a Democrat who addressed these vulnerabilities gained 10 points in favorability on economic issues—showing a clear path forward.

## **Vulnerability #1**

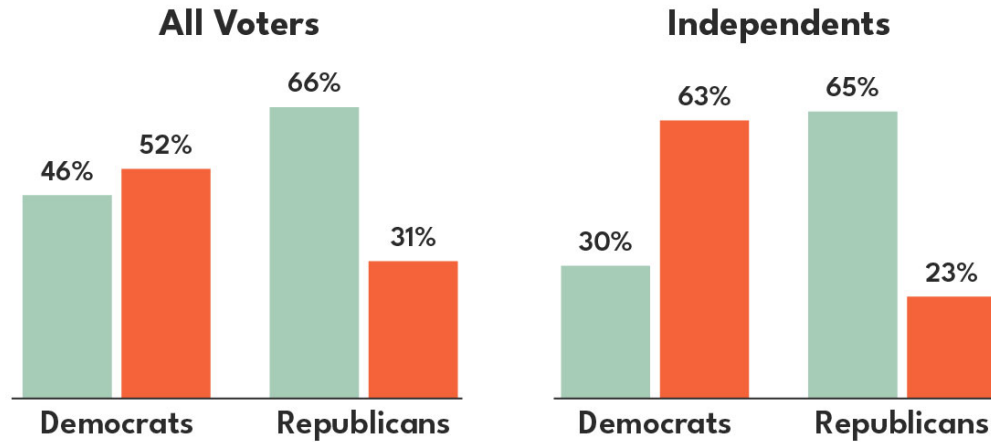
### **Voters believe Democrats don't care about economic growth.**

Despite all-time bests on jobs, unemployment, stock prices, and three years of solid economic growth, Biden is not seen as an economy-first president. On a 10-point scale, voters rate Biden a 4.5 on the economy with Trump at 5.9. Think of this rating as a Richter scale where a difference of 1.4 is significant. Biden is lean negative; Trump is fairly positive.

- All voters: Biden (4.5) and Trump (5.9)
- Independents: Biden (4.3) and Trump (5.5)
- Latinos: Biden (5.1) and Trump (5.3)
- Non-college: Biden (4.3) and Trump (6.0)

**Republicans hold a stunning net 41-point edge on the attribute of “cares about economic growth.”** Democrats are seen as indifferent about growth while Republicans are seen as focused upon it.

**Q:** How well or not well does “cares about economic growth” describe Democrats and Republicans?



**Source:** Impact Research, online and text-to-web survey among 800 likely general election voters nationwide + 200 oversample of voters of color, April 1-8, 2024, 3.5-percentage point MoE.

Even though Joe Biden policies kept the US out of a recession and led to millions of new jobs, by a 50-42% margin, voters believe President Biden’s economic policies have done more harm than good coming out of the difficult environment of the pandemic economy. The President is -7 among Independent voters and -12 among non-college educated voters on that question.

## Vulnerability #2

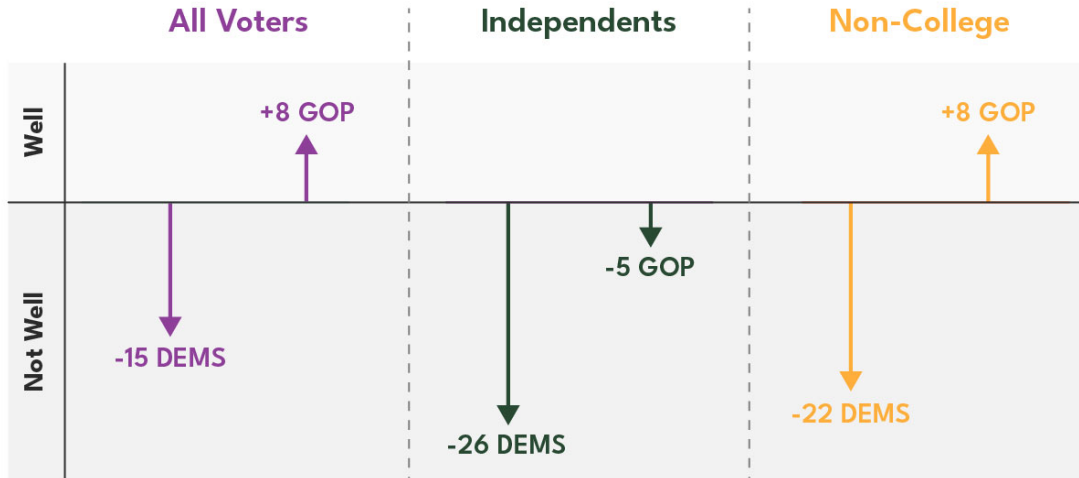
### Voters believe Democrats prefer handouts and don’t value hard work.

Voters believe Democrats’ economic policies promote handouts and economic dependency over rewarding work and economic opportunity. Democrats are tied to handouts by a 21-point margin among Independents and by a 3-point margin among Latino voters.

By 15 points, voters say “respecting and rewarding hard work” is an attribute that does NOT describe Democrats. Democrats trail Republicans by more than 20 points on respecting and rewarding hard work among all voters, non-college voters, and Independent voters.

Perhaps as a result of this party baggage, Scranton Joe Biden merely breaks even with billionaire Donald Trump on “understanding the needs of working people.”

**Q:** How **well** or not **well** does “respects and rewards hard work” describe Democrats and Republicans?



**Source:** Impact Research, online and text-to-web survey among 800 likely general election voters nationwide + 200 oversample of voters of color, April 1-8, 2024, 3.5-percentage point MoE.

## Vulnerability #3

### Voters believe Democrats don't understand or care about business.

Voters believe by a 13-point margin that a successful economy needs a successful business environment. Large corporations may be suspect, but small businesses are adored and business in general is liked by voters across the board.

However, by a 51-point margin, **voters say Republicans are pro-business, while they say Democrats are anti-business by nine points.** What's key: pro-business doesn't translate to anti-worker, as both parties score almost identically on whether they are pro- or anti-worker, with Democrats +4 and Republicans +1. A plurality didn't know how to describe Democrats' stance toward business which reflects that they have an opportunity to define themselves better on this.

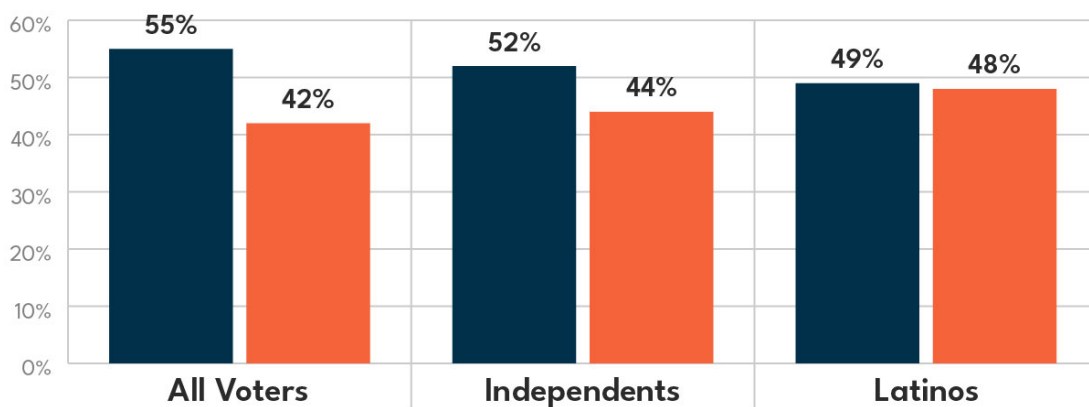
Further, **Biden trails Trump by a net 22 points on understanding the needs of small business owners in America.**

Given a choice between policies that help business grow or policies that require business to increase pay and benefits, voters choose “both” by overwhelming margins. It's not that they have an

unconditional love of business or don't have populist tendencies; they just don't see how an economy that works for them can exist without American businesses growing and prospering.



**Q:** When businesses succeed, it is good for everyone because the economy is stronger, which gives people more money to spend, the stock market does better, and there are more jobs, OR when businesses succeed, it mostly benefits those at the top who keep the profits for themselves while workers continue to struggle.



**Source:** Impact Research, online and text-to-web survey among 800 likely general election voters nationwide + 200 oversample of voters of color, April 1-8, 2024, 3.5-percentage point MoE.

## Addressing the Vulnerabilities

Most voters have an amalgam of progressive, conservative, and populist tendencies on the economy. In addition, values infuse those views on the economy with how each party approaches it. When an elected leader of one party reaches over to claim values often ascribed by the other party, they can turn vulnerabilities around. For the President and Democrats, that means three things.

**First, embrace growth, opportunity, work, and earning.** Economic growth rates under Joe Biden surpass any presidency since Bill Clinton, yet the phrase “economic growth” is rarely spoken by Democrats. New business starts have surpassed any presidency since Clinton, but President Biden and congressional Democrats aren't touting business success—even though his most significant economic legislation either starts, grows, or brings business home.

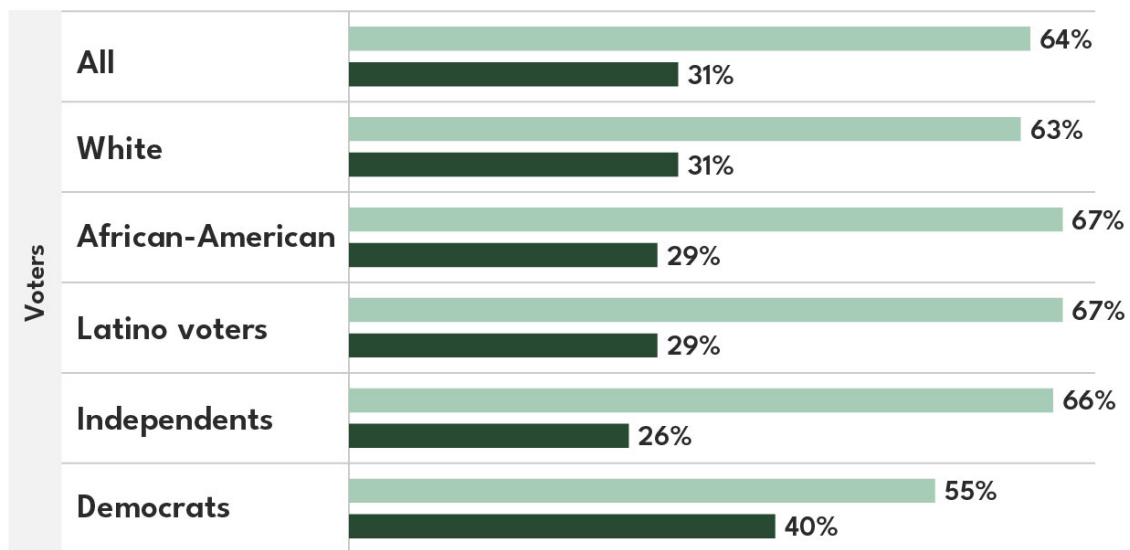
More Americans are earning a living at a paying job than at any time in our history, and we talk about jobs, but not **hard work or earning**—values essential to the American Dream. People want to work hard and be rewarded for it, with good-paying jobs that help them deal with the rising costs.

Democrats miss the mark when they don't meet people where they are: they value a hard day's work, and so should we.

In our polling, we found that a growth message focused on the values of "opportunity" and "earning" trounces a "middle out and bottom up" message often used by high profile Democrats.



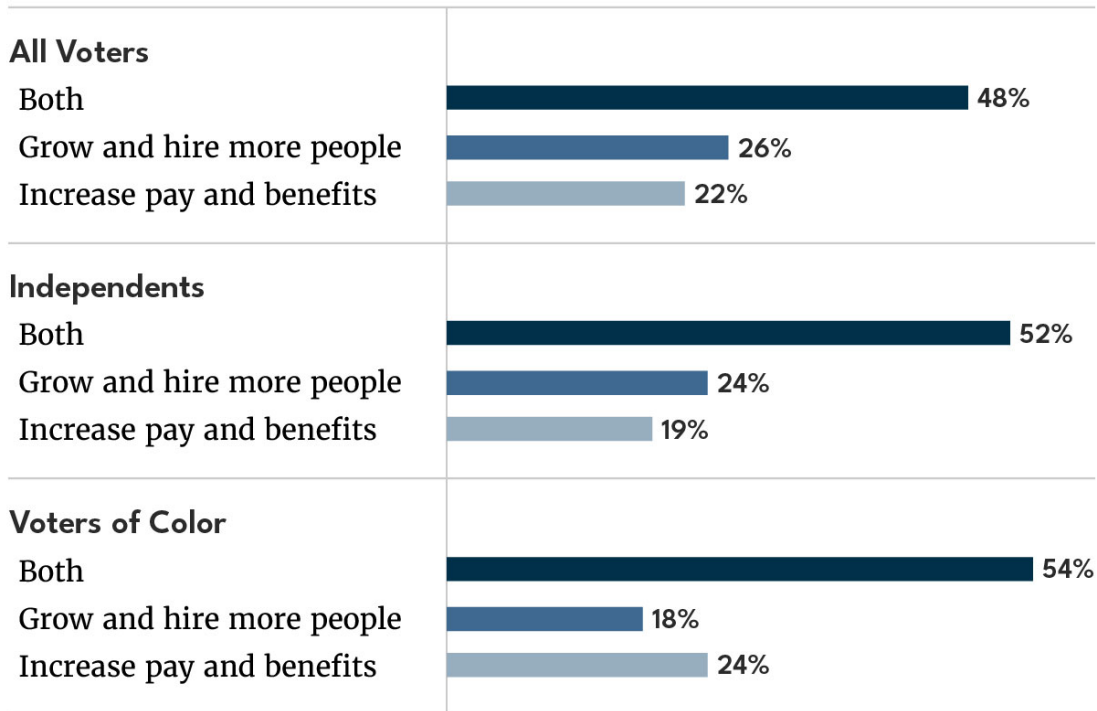
**Q: “Do you prefer ... A plan to grow the economy so that everyone, everywhere has the opportunity to earn a good living where they live,” OR ... “A plan to grow the economy from the middle out and bottom up so that everyone has a chance at the American Dream.”**



**Source:** Impact Research, online and text-to-web survey among 800 likely general election voters nationwide + 200 oversample of voters of color, April 1-8, 2024, 3.5-percentage point MoE.

**Second, a Democrat can be both pro-business AND pro-worker.** When the choice is between policies that help business grow or policies that require business to increase worker pay and benefits, voters choose “both” by large margins. Voters do not believe business success is at odds with worker success—quite the opposite, one begets the other. A message about being a pro-business, pro-worker, pro-opportunity Democrat was the top message among persuadable voters and was in the top 3 of 12 tested Democratic messages for White, African-American, Latino, and Asian American voters.

**Q: Do you prefer economic policies that help businesses grow and hire more people, or economic policies that require businesses to increase pay and benefits?**



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**Third, better language delivers better results.** A Democrat who is pro-growth, pro-business, AND pro-worker moves the needle. This Democrat was fighting so people had the **opportunity to earn a good life where they lived**, supported business but wanted corporations and the wealthy to **pay their fair share to reduce the deficit**, and had pragmatic ideas on **bringing manufacturing and supply chains back home**, funding apprenticeships, and making health care affordable. This Democrat substantially gained on the economic attributes bedeviling Democrats.

## The Right Messaging Moves Democrats 10 pts on the Economy

Well Not Well

How well does “looks out for working people” describe Democrats?



How well does “cares about economic growth” describe Democrats?



How well does “respects and rewards hard work” describe Democrats?



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The Democrat above resembles Joe Biden, but they only hear one side of this from Biden and most Democrats. But it’s not too late to take on our vulnerabilities and close the economic trust gap that Democrats face.

## **ENDNOTES**

- 1.** Impact Research, online and text-to-web survey among 800 likely general election voters nationwide 200 oversample of voters of color, April 1-8, 2024, 3.5-percentage point MoE.