

Mike Berman's

WASHINGTON POLITICAL WATCH

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**It Is Not About Them
The Presidential Race
Romney Hits on 3rd of 3
The Perils of Turnout
The Match Race
Unemployment/Right Direction-Wrong Track
The President
The Congress**

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The Schedule
25 Days to the Election

October 11, 2012	Vice Presidential Debate – Danville, KY
October 16, 2012	2 nd Presidential Debate – Hempstead, NY
October 22, 2012	3 rd Presidential Debate – Boca Raton, FL
November 6, 2012	Election Day

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It is the natural instinct of most candidates, and their most dedicated followers, to come to behave and believe that the campaign is about them, the candidate. After all, a losing candidate carries the personal burden of the loss long after most others have forgotten the race.

The reality is that the campaign is not about them, the candidate. It is about the hundreds of millions of people whose lives will be affected for better or for worse long after election day.

This is certainly the case in 2012. Whether it's Mitt Romney or Barack Obama, whomever is elected on November 6th will have an extra-ordinary impact on millions of Americans. Both men would do well to keep that reality in mind.

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The primary thrust of the Obama campaign has been to diminish Mitt Romney. Little attention has been paid by the campaign to messaging about the future and what voters can expect in a second Obama term. Until October 3rd and the first debate, that strategy appeared to be working. Since the debate, however, that strategy is open to question.

Impact of First Debate

Mitt Romney had three chances to change the dynamic of the Presidential contest. The first two chances, the announcement of his V.P. candidate and his national convention speech, did not do the trick.

The first debate was Mitt Romney's third and last chance to change the dynamic of the contest and he scored. He scored with an audience that was the largest for a first Presidential debate since 1980, when Jimmy Carter and Ronald Reagan debated a single time.

CNN's post-debate survey of registered voters had Romney winning by 67% to 25%. A CBS post debate poll of "undecided voters" resulted in a Romney win of 46% to 22%.

Perhaps the most important impact of the debate was on the morale of the Romney campaign team. No matter how professional and experienced a person or group may be, morale craters when your campaign has had a month like the Romney campaign has had. (I know, I have been there more than once.) The debate performance will give the team a new lease on life or, as one commentator noted, at least the perception thereof.

Various "fact check" sources opined that Obama and Romney both played a bit fast and loose with the "facts."

For whatever the reason, the President made clear that he was not particularly interested in being there or in really engaging in the contest. It was as if Obama did not care what the interested public thought about him or his

performance in the last four years. A number of media analysts reminded folks that Obama’s debate performance in 2008 was nothing to write home about.

Romney, to his credit, pulled himself up by his suspenders, and came to the podium with a plan which he implemented.

Part of the just acclaim given to Romney and the disappointment with the President resulted from the fact that, in advance of the debate, a strong majority believed that Obama would win. [Gallup]

There has been some expectation that Romney would make a turn on his substantive positions, beginning with the Republican convention. The expectation was that he would move toward the center. That did not happen at the convention, but instead with the first debate. Romney’s positions have become increasingly moderate, and conservatives are looking the other way. They have a greater interest in beating Obama than in whether Romney is “pure.”

Now the pressure is on Vice President Biden and Congressman Paul Ryan as they enter the “cage” on October 11th.

The chart below is based on Gallup data. (Keep in mind that the Gallup number is based on a rolling 7 day average.)

<u>Pre-Debate</u>		<u>1st Debate</u>	<u>Post-Debate</u>	
10/2/12	Obama 49 RV Romney 45 RV	10/3/12	10/9/12	Obama 50 RV Romney 45 RV
				Obama 48 LV Romney 48 LV
9/25/08	Obama 48 RV McCain 45 RV	9/26/08	10/2/08	Obama 49 RV McCain 42 RV
9/26/04	Bush 53 RV Kerry 42 RV	9/30/04	10/3/04	Bush 49 RV Kerry 47 RV
	Bush 52 LV Kerry 44 LV			Bush 49 LV Kerry 49 LV

10/2/00	Gore 47 RV Bush 39 RV	10/3/00	10/10/00	Gore 45 RV Bush 40 RV
	Gore 46 LV Bush 44 LV			Gore 45 LV Bush 45 LV
10/5/96	Clinton 54 RV Dole 35 RV Perot 5 RV	10/6/06	10/12/96	Clinton 55 RV Dole 34 RV Perot 5 RV
	Clinton 54 LV Dole 36 LV Perot 5 LV			Clinton 53 LV Dole 35 LV Perot 4 LV
10/9/92	Clinton 50 RV Bush 34 RV Perot 9 RV	10/11/12	10/14/92	Clinton 47 RV Bush 32 RV Perot 15 RV

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Who will come on election day

As with all potentially close elections, it comes down to voter turnout. So far, the general public interest is lagging the level of interest at this same time in 2008 and 2004. However, the largest drops seem to be among those who heavily favor Obama, those 18-34 years of age and Hispanics.

When identifying “likely voters,” the NBC/WSJ survey looks at three pieces of data. The survey uses a ten-point scale reflecting interest in the election, voting history, and the age of the respondent.

Using only the ten-point scale, on which a score of 10 or 9 is treated as sufficient interest in the election to make a person likely to vote, here is a look at potential voter interest in 2012, 2008 and 2004 at roughly the same time in the election season.

Interest in voting on behalf of Romney voters is running ahead of McCain in 2008 and about even with Bush in 2004. Interest in voting by Obama voters is running well behind Obama in 2008 and Kerry in 2004.

Even more dramatic for Obama, only 52% of those 18-34 years of age show a strong interest in the 2012 election. That is 21 points behind where they were in 2008, and 19 points behind where they were in 2004. Only 59% of Hispanic voters are showing a strong interest in the election compared to 77% in 2008.

Percentage scoring a 9 or 10 on the question of their interest in the election

2012	Obama	Romney	Men	Women	18-34 yrs	Hispanics
9/30	71	81	72	75	52	59
2008	Obama	McCain				
10/5	85	78	79	78	73	77
* 2004	Kerry	Bush				
Estimate	82	82	80.5	79.5	71	xx

* The NBC/WSJ was not in the field in 2004 at a time similar to the timing of its late September 2012 and early October 2008 surveys. The 2004 number in the chart above is the average of two NBC/WSJ surveys ending on September 16 and October 18, 2004. Set out below are the individual results of those surveys.

2004	Kerry	Bush	Men	Women	18-34 yrs	Hispanics
10/18	84	84	83	81	74	xx
9/16	80	80	78	78	68	xx

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The PEW survey approaches this issue in a slightly different manner. It asks “How much thought have you given to the coming election? Quite a lot or a little?”

Currently, 73% say they have put quite a lot of thought into the election. This is up from the 70% who had that response in mid-September.

However, there is a substantial difference in how Romney and Obama supporters respond. A spread in Romney’s favor of 4 % points in September has grown to 15 % points post-debate. In September, 73% of Romney supporters and 69% of Obama supporters said they had given quite a lot of thought to the election. Post-debate, the percentage of Romney supporters grew from 73% to 82%. The percentage of Obama supporters fell from 69% to 67%.

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The Race

The following are survey results from media-related polling organizations, Gallup and PEW. [WW tends to find them more consistently reliable. This is not to say that all non-media sources are not reliable. Polls like Democracy Corps and Resurgent Republican are examples of non-media surveys that WW finds to be reliable. However, the slant of some non-media sources – left and right – leave something to be desired. When it comes to State polls, it is sometimes necessary to reference polls that do not meet basic standards.]

[As is often the case, Charlie Cook has a special way of describing a plethora of polls – national and State – whose methodology, etc. is suspect. He refers to them as CRAP – Computer Response Attitudinal Polls.]

And, since this is the season when the focus should be on “likely voters,” registered voter numbers are listed separately. Certain surveys are testing both registered and likely voters in the same survey, and they will be listed in the separate sections.

The most dramatic shift reflected in the post-debate PEW survey, which found Romney leading Obama by 49% to 45% among likely voters, is the change among women. In mid-September, Obama led Romney among likely women voters by 15 % points. Now, with this group, the race is dead even at 47%.

<u>Survey</u>	<u>Last Date</u>	<u>Obama</u>	<u>Romney</u>
		<u>Likely voters</u>	
Gallup	10/3-9	48	48
PEW*	10/4-7	45	49
	10/3	1 st Debate	
CNN/ORG	9/30	50	47
NBC/WSJ	9/30	49	46
ABC/WP	9/29	49	47
FOX News	9/26	48	43
NBC/WSJ	9/16	50	45
PEW	9/16	51	43

CBS/NYT	9/12	49	46
FOX News	9/11	48	43
ABC/WP	9/9	49	48
CNN/ORC	9/9	52	46
CNN/ORC	9/3	48	48
CBS	8/26	46	45
ABC/WP	8/25	46	47
CNN/ORC	8/23	49	47
FOX News	8/21	44	45

Registered voters

Gallup	10/3-9	50	45
PEW	10/4-7	46	46
Gallup	10/7	50	45
Gallup	10/6	49	46
	10/3	1 st Debate	
NBC/WSJ	9/30	51	44
Gallup	9/17	47	46
NBC/WSJ	9/16	50	44
PEW	9/16	51	42
Gallup	9/11	50	43
Gallup	8/27	46	47
CBS	8/26	46	45
NBC/WSJ	8/20	48	44

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Below is a chart of the 9 States which are described as the battleground States. North Carolina is new to this list since the last Watch. Obama won them all in 2008. Bush won 7 of them in 2004 and 7 of them in 2000. As opposed to the national match race, the availability of reliable Presidential campaign polling on a State-by-State basis is quite modest. There are only a few with which WW is comfortable. The following should be read with that caveat in mind.

Obama leads marginally or better in each of these States at the present time, but in only 3 of them is he at 50% or better.

	Current Obama/Romney Polling	Obama Approval/Disapproval Rating	Un-Employment	New Voting Law	2008	2004	2000	State-wide Races	Competitive Congressional Races
Colorado	46/50	43/50	8.2		Obama	Bush	Bush	None	2 of 7
Florida	49/45	46/47	8.8	X	Obama	Bush	Bush	Sen.	7 of 27
Iowa	48/44	46/47	5.3		Obama	Bush	Gore	None	2 of 4
Nevada	47/46	45/48	12.1		Obama	Bush	Bush	Sen.	2 of 4
New Hampshire	50/44	43/50	5.7	X	Obama	Kerry	Bush	Gov.	2 of 2
North Carolina	41/50	45/48	9.7		Obama	Bush	Bush	Gov.	4 of 13
Ohio	45/44	44/48	7.2	X	Obama	Bush	Bush	Sen.	3 of 16
Virginia	50/47	46/48	5.9	X	Obama	Bush	Bush	Sen.	1 of 11
Wisconsin	49/47	49/45	7.5		Obama	Kerry	Gore	Sen.	2 of 8

Approval/Disapproval Ratings are from Gallup Daily Tracking

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The Electoral College

Here are cuts at the Electoral College that WW will regularly reprint as we head toward the Presidential election. 270 Electoral votes are needed to win.

	<u>Cook</u> <u>4/24</u>	<u>Cook</u> <u>7/2</u>	<u>Cook</u> <u>10/1</u>	<u>Rothenberg</u> <u>10/5</u>	<u>Wash Post</u> <u>10/6</u>
Solid/Likely Dem	182	201	201	237	196
Lean Dem	45	45	54	32	59
Total	227	247	255	269	255
Toss Up	101	85	92	63	77
Lean GOP	19	15	0	15	36
Solid/Likely GOP	191	191	191	191	170
Total	210	206	191	206	206

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InTrade Prediction Market

As of 10/9/12, the price per share being bid for Obama shares is \$6.10, while the bid price for Romney shares is \$3.83. The following are the percentage chances that Obama or Romney will win the election.

	<u>1/12</u>	<u>2/16</u>	<u>3/20</u>	<u>4/26</u>	<u>8/15</u>	<u>9/20</u>	<u>10/9</u>
Barack Obama	50.6	60.3	59.9	60.2	56.7	69.4	61%
Romney	--	--	--	38.2	42.3	30.5	39.1%

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Unemployment

The unemployment rate for September was 7.8%. This is the same as it was in January 2009, when Barack Obama took office. The unemployment rate hit 10% later that year and has been above 8.0% ever since.

Ordinarily, the unemployment rate would be the story of the moment, but currently it is being overshadowed by the continuing story of the first debate.

	<u>BLS*</u> (Adjusted)	<u>Gallup **</u>
September	7.8%	16.5%
August	8.1%	16.6%
July	8.3%	17.1%
June	8.2%	17.3%
May	8.2%	18.0%
April	8.1%	18.2%
March	8.2%	18.0%
February	8.3%	19.1%
January	8.3%	18.7%
Average 2011	9.0%	18.7%
Average 2010	9.6%	18.8%
Average 2009	9.3%	

*Seasonally adjusted rate/Bureau of Labor Statistics

**Gallup combines an unadjusted unemployed rate with those who are working part-time but want full-time employment.

Right Direction/Wrong Track

Over the last three months the percentage of Americans who say the country is going in the right direction has jumped from 30% to 40%. And the number saying the country is on the wrong track has dropped from 64% to 53%.

<u>Date</u>		<u>Right Direction</u>	<u>Wrong Track</u>
9/30	NBC/WSJ	40	53
9/29	ABC/WP	38	60
9/27	Pol/GW/BG	38	56
9/16	NBC/WSJ	39	55
9/12	CBS/NYT	38	57
8/25	WP/ABC	29	69
8/20	NBC/WSJ	32	61
8/9	Pol/GW/BG	32	61
7/22	NBC/WSJ	32	60
7/16	CBS/NYT	30	64

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PRESIDENT OBAMA

The President's job approval rating in Gallup on October 9 was 53% approval and 42% disapproval.

The following are several additional cuts at the President's job approval rating during 2012. With the exception of CNN/ORC surveys in March and September the President's approval rating has topped out at the 50% mark.

	<u>NBC/WSJ</u>	<u>NYT/CBS</u>	<u>WP/ABC</u>	<u>CNN/ORC</u>
Sept 2012	49/48%	----	49/49%	50/49%
Sept 2012	50/48%	49/46%	53/46 (WP)	<u>51/46%</u>
Aug 2012	48/49%	---	47/50%	49/48%
July 2012	49/48%	44/46%	47/49%	---
June 2012	47/48%	---	---	50/59%
May 2012	48/46%	50/48%	47/49%	49/50%
Apr 2012	49/46%	48/42%	50/45%	49/48%
Mar 2012	50/45%	41/47%	46/50%	<u>51/45%</u>
Feb 2012	---	50/43%	50/46%	50/48%
Jan 2012	48/46%	45/47%(CBS)	48/48%	47/51%

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Americans continue to rate Obama negatively on the economy, with 51% disapproving and 46% approving. On foreign policy, 49% approve of the job Obama is doing; 46% disapprove of his performance. This is identical to the rating he received earlier in the month. [NBC/WSJ 9/3012]

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A Partial Picture of Obama's Tenure

The following is a series of markers of Obama's time in office as of October 8, 2012. [FactCheck.Org/Annenberg Public Policy Center]

- * Unemployment , 7.8% (Same as it was the month he took office)
- * S&P 500, +81%
- * Manufacturing Index, +48%
- * Consumer Confidence Index, +86%
- * Total Federal Debt, +52%
- * Debt Held by the Public, +79%
- * Real Household Income, -5%
- * Real Family Income, -5%
- * Persons in poverty, + 6.4 million
- * Food Stamp Recipients, +46%
- * Regular Gasoline Prices, +106%
- * Petroleum Imports, -23%
- * Annual Handgun Production, +68%

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THE CONGRESS

In mid-September 13% approved of the job that Congress is doing at this time. This is the lowest number recorded at this point in an election year going back to 1974.

It is not clear to what extent votes cast in the Presidential contest affect voting behavior down the ballot for the Senate, the House or for State and local offices.

THE U.S. SENATE

Democrats	51
Republicans	47
Independents	2 (caucus Dem)

In the last Watch, control of the Senate appeared to depend on the races in Connecticut, Hawaii, Massachusetts, Missouri, Montana, Nevada, North Dakota, Wisconsin. To that group North Carolina is now added.

The number of Safe & Leaning Democratic seats is 17. The number of Toss Ups has moved from 8-10, and the number of Safe & Leaning GOP seats has dropped to 6.

Arizona and Indiana, which had been previously rated as Leaning Republican, are now rated as Toss Ups, and Nebraska, which had been rated as Leaning Republican, has now moved to Safe Republican.

Among the Toss Ups, 4 are currently held by Republicans and 6 are held by Democrats.

Assuming that Safe and Leaning Democratic seats end up that way after election day, the Democrats need to win 4 of the Toss Up States to have an actual majority, or 3 to gain a majority with the vote of the Vice President.

However, so many of the races are so close that, while the odds might seem to favor Democratic control of that body, it is not hard to see a path for Republican control of the Senate, perhaps with the help of a new Vice President

Here is how the 33 Senate elections, made up of 23 Democratic incumbents (including 2 Independents) and 10 Republican incumbents, look to me at this time. (D=Dem incumbent in office, R=GOP incumbent in office, I=Ind. incumbent in office). *Italic* reflects retirement.

Safe Democrat(12)	Leaning Democrat(5)	TossUp(10)	Leaning Republican(0)	Safe Republican(6)
California	Florida	<i>Arizona</i>		Mississippi
Delaware	Maine	<i>Connecticut</i>		Nebraska
Maryland	<i>New Mexico</i>	Hawaii		Tennessee
Michigan	Ohio	Indiana		<i>Texas</i>
Minnesota	<i>Virginia</i>	Massachusetts		Utah
New Jersey		Missouri		Wyoming
New York		Montana		
Pennsylvania		Nevada		
Rhode Island		<i>No. Dakota</i>		
Vermont		Wisconsin		
Washington				
West Virginia				

	<u>Democrats</u>	<u>Republicans</u>
Seats not up in 2012	30	37
Safe in 2012	12	6
Leaning in 2012	5	0
Total	47	43

Toss-ups 10 (4R/6D)

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THE HOUSE OF REPRESENTATIVES

Continued Republican control of the House is not in doubt. On the face of the current composition of the body, it would appear to require 25 new Democratic members. In fact, since up to 10 sitting Democrats may lose their

seats, the real number is closer to 35. It is not unrealistic that the Democrats might pick up a net 5 or 6 seats.

By 47% to 46%, registered voters say they would vote for the Democratic candidate in their district if the election was held today. In the fall of 2011 the preference was Democratic by 51 to 44%. In March and August it was even at 47% to 47%, essentially as it is now. [Gallup]

The chart below reflects the Cook Political Report’s current Competitive House Race Chart through October 5, 2012. [Thanks to “The Cook Political Report.”]

THE U.S. HOUSE OF REPRESENTATIVES

Republicans 242
 Democrats 193

	<u>1/20/11</u>	<u>6/14/12</u>	<u>8/2/12</u>	<u>9/13/12</u>	<u>10/5/12</u>
TOTAL Dem	193	182	181	178	178
Solid Dem	150	157	156	157	157
Likely/Lean Dem	39	25	25	21	21
Toss-up	10	24	25	37	39
D	4	9	9	15	15
R	6	15	16	22	24
Likely/Lean GOP	53	42	41	30	26
Solid GOP	183	187	188	190	192
TOTAL GOP	242	229	229	220	218

“The Rothenberg Political Report” has also posted a report that deals with the entire House. [Thanks to the Rothenberg Report.]

	<u>1/12</u>	<u>6/12</u>	<u>8/2/12</u>	<u>9/14/12</u>	<u>10/5/12</u>
Safe Democrat	166	162	159	165	161
Competitive	78	75	75	68	72
D Favored		9	9	8	9
Lean D		10	12	4	8
Toss Up/Tilt D		4	5	6	9
Toss Up		11	10	15	15

Toss Up/Tilt R		15	14	11	10
Lean R		13	13	10	9
R Favored		13	12	14	12
Safe Republican	191	198	201	199	202

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