



To: Dan Carol
Next Economy Partnership Project

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Energy Findings in the Latest Next Economy Poll
Research Findings and Strategic Recommendations

Gerstein | Agne recently completed a national survey of 2012 likely voters¹, building on focus group research conducted over the preceding six months, focused on the economic challenges facing the country. Our goals were to better understand how Americans view today's economy and how they believe our country can best address the rapidly changing global economy it faces. Our focus groups revealed a clear consensus that the fundamental nature of this economy has changed, that America is falling behind countries such as China and India, and that America must raise its game or risk falling even further behind. Cynical voters are tired of the same old slogans from politicians of both parties and desperate for solutions and strategies that recognize the new economic realities we face. The tremendous potential of clean energy, particularly renewable energy and the promise it holds for the future of American manufacturing, was central to these discussions and dominated much of our research into specific policy ideas that promise the job creation and economic growth these voters demand.

- **Current views of economy reveal deep discontent, uncertainty** – Our recent poll reinforces the depth of voters' economic concerns, with skyrocketing gas prices wiping out any signs of optimism we saw in the Spring. Americans' growing frustration has created a mindset where proposed solutions must be large enough to address the fundamental changes voters see in the economy but immediate enough to produce short-term success. Voters are deeply skeptical of both parties and reject slogans or generalities that may have worked in previous election cycles. They are demanding results and will only respond to an economic narrative that includes success stories that demonstrate how ideas are translated into American jobs and long-term economic growth.

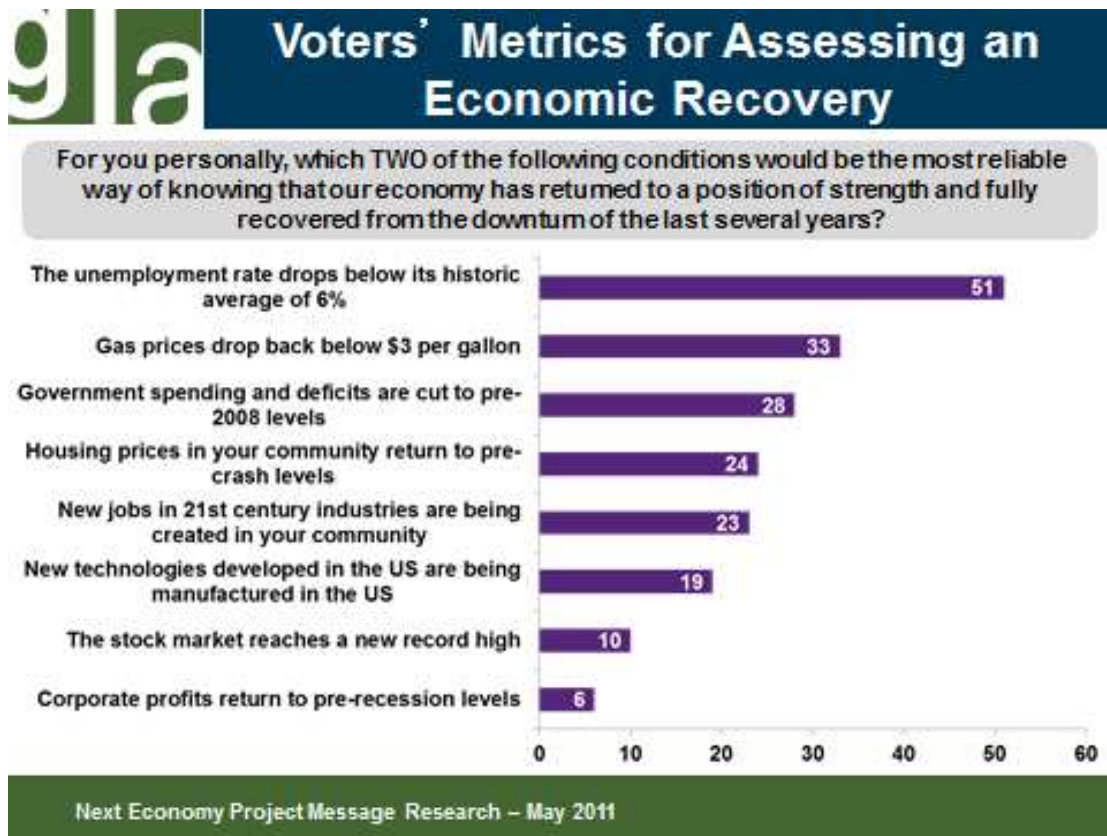
Frustration over gas prices and our country's continuing dependence on foreign oil is central to voters' economic views, and the potential of new energy solutions is always raised unprompted as a central part of any new economic solution. Voters recalling gas price spikes in 2008 and even gas lines from the 1970's are profoundly frustrated that we

¹ Gerstein | Agne Strategic Communications conducted a national survey of 1,000 registered voters who indicated they are likely to vote in the 2012 election, including 800 landline interviews and 200 interviews conducted via cell phone. The survey results were weighted by gender, age, and race and have a margin of error of +/- 3.1%.



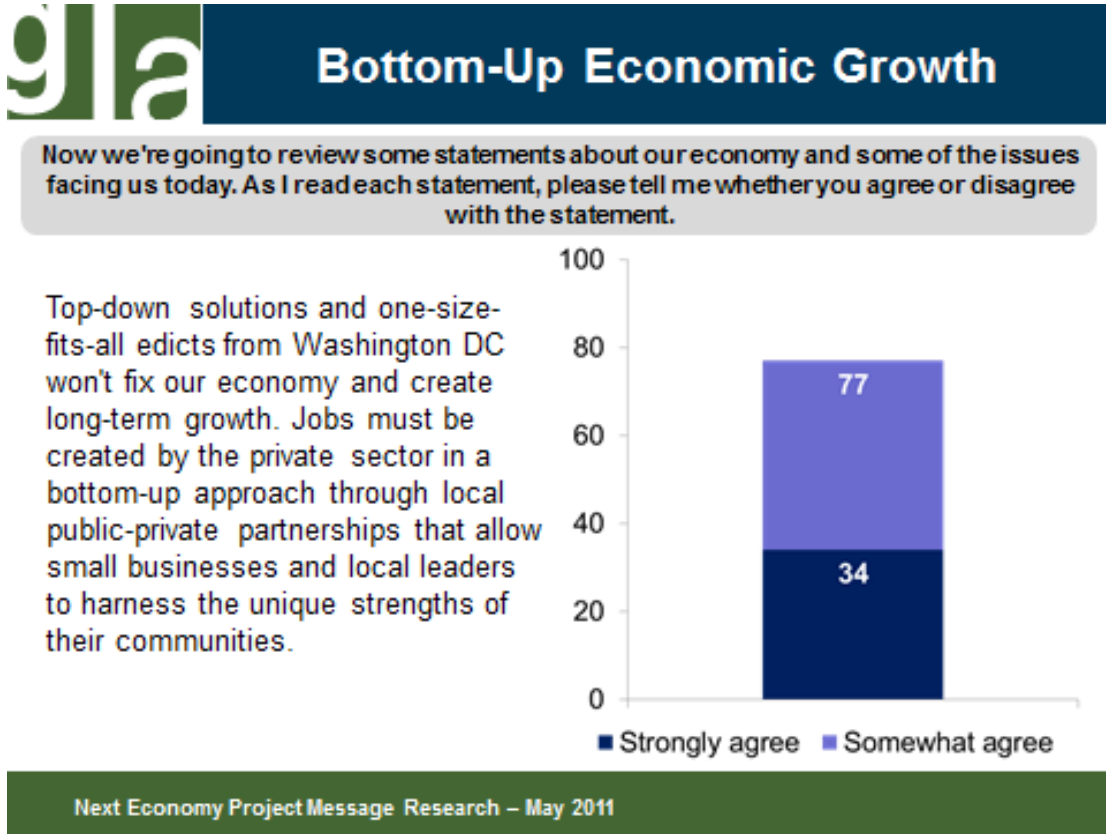
still face the same fundamental challenges today and do not understand why we have not come further in developing and deploying alternative energy solutions. True to their rejection of slogans and easy answers to hard problems, they don't show strong interest in promises of 'green jobs' or a revolutionary new approach. But they do respond strongly to calls for expanding and replicating locally grown small businesses that are creating good jobs, especially 'made in America' manufacturing jobs, with the fact that so many of these examples are clean energy serving as an added bonus rather than the central narrative.

- **Understanding how voters measure economic success** – Voters understand the depth of changes that have taken place in our economy and do not expect a quick fix, but they are desperate for some sense of progress or momentum. While the media and government elites focus on metrics such as the stock market and GDP, average Americans do not closely follow these measures and instead measure economic success through metrics that are much more relevant to their daily lives. Jobs remain the most important measure available, with gas prices emerging as the next critical measure.



It is important to note that the focus on spending and deficits is driven disproportionately by base Republican voters, with housing and 21st century jobs in local communities more relevant to persuadable voters across the spectrum. Stock market growth and corporate profits are the least relevant signs of success.

- **The power of bottom-up growth and success stories** – The focus on jobs, of course, creates the question of where these jobs will come from, and Americans overwhelmingly believe that the answer to this question is a bottom-up approach that puts more power in the hands of local communities and small businesses.



More than 3-in-4 voters agree with this vision of economic growth, with little partisan drop-off, but focus groups reveal that they are not sure what bottom-up growth looks like and whether it can produce jobs on a scale equal to the challenges we face. This once again demonstrates the importance of success stories in any economic narrative. These success stories don't need to be grandiose in scale – voters are more impressed with a dozen jobs that look like the future and that they can see being replicated in their own community than non-specific promises of millions of job. And clean energy advocates don't need to focus on 'green jobs,' just 'jobs' – voters already see clean energy as central to future economic growth, and we see more interest in a focus on small businesses, local communities, and 'made in America' than 'green energy.'

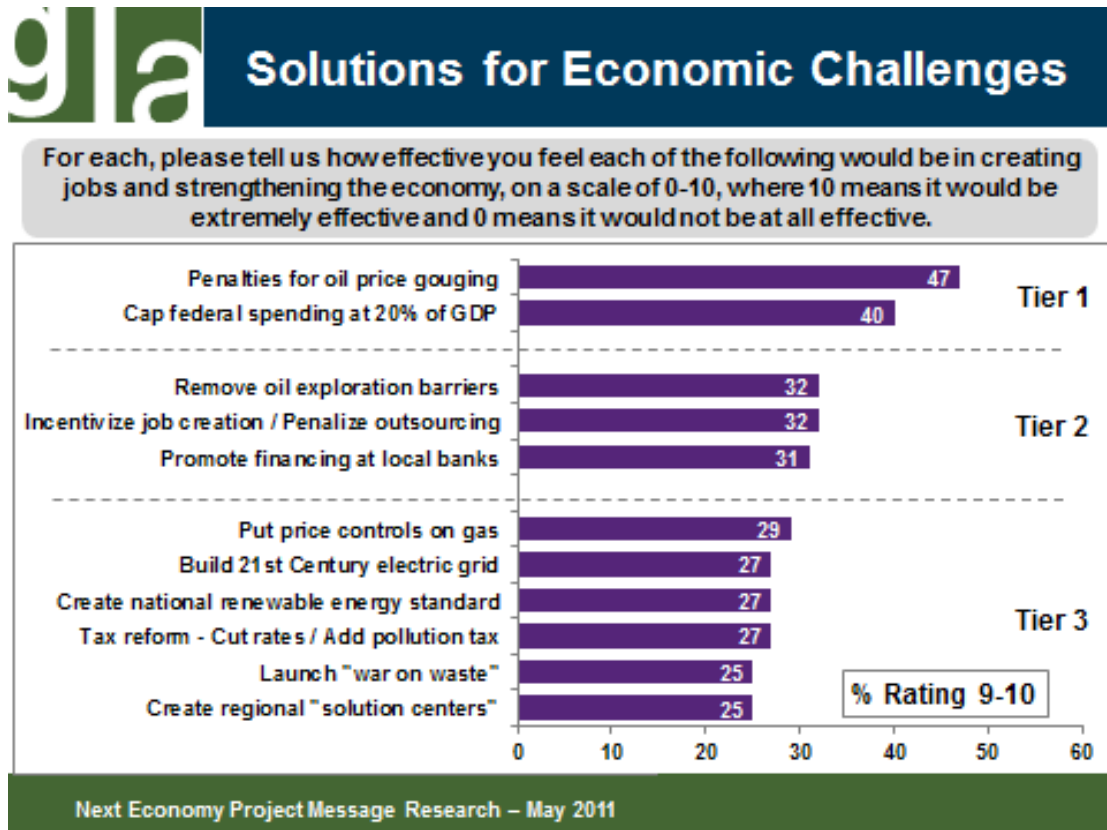
- **Focus on oil companies a double-edged sword** – Any discussion of our economy, let alone energy policy, must recognize the politics of the current debate around oil companies and their role in the hardships facing American families. Voters hold oil companies directly responsible for putting their own profits ahead of what's best for our country and exploiting our dependence on them, regardless of the consequences. Their



anger toward these companies is palpable in focus group discussions, and our poll failed to identify an attack that was too strong to level against them in this environment, with 73 percent agreeing that ‘America’s economic recovery is being held hostage by multi-national oil companies.’ By more than 2-to-1, Americans support eliminating subsidies for oil companies and instead investing that money in clean energy technologies. And this is where the politics of this issue get difficult.

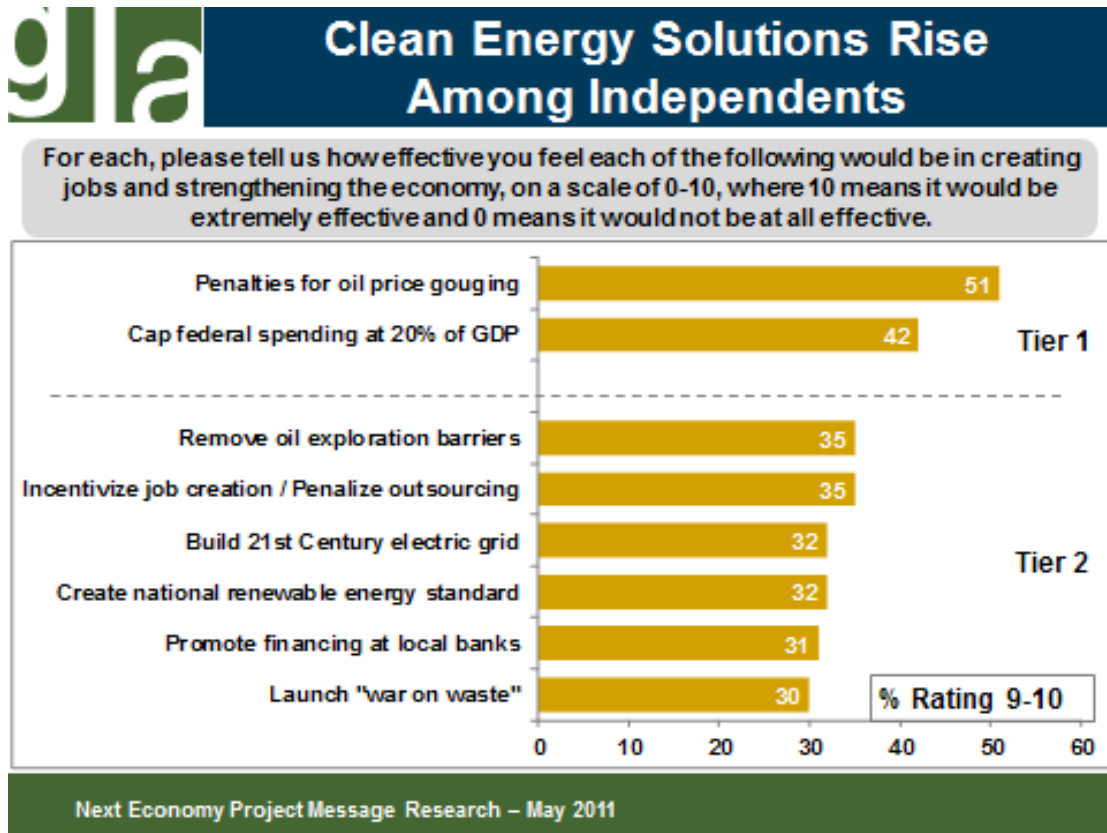
There are clearly political points to be scored in attacking oil companies and holding their defenders in Congress accountable. But with voters’ primary focus on jobs, the opportunity costs of a prolonged focus on oil companies must be weighed against the low likelihood of winning real policy changes in this debate and the importance of staying focused on the actual job outcomes that the public prizes most. When setting up a contrast with those protecting the interests of oil companies, it will be more effective to focus first on your own plans to invest in bottom-up growth and new American jobs, with their failure to hold oil companies accountable framed as an obstacle to these plans.

- **Energy Solutions Among Most Popular Economic Policies** – Looking at specific policy proposals – some currently before the Congress and others not yet at that level – and how effective voters believe they would be in creating they economic growth they demand, we found an attack on oil company profiteering, tax incentives for American manufacturing, and investment in financing through local banks to be the most effective, along with some traditional conservative GOP standards.





However, when we look at the same question among persuadable voters, and particularly self-identified Independents, we see a number of clean energy initiatives pushing up into the second tier of solutions. These include investment in a 21st century smart grid to more efficiently and effectively network and distribute renewable energy across the country, a national renewable energy standard (we found no benefit in shifting this to a ‘clean energy standard’ and including nuclear rather than simply solar and wind power), and a ‘war on waste’ that offers consumers and businesses new incentives to buy more fuel efficient cars and appliances and make basic upgrades to their homes and businesses.



- **Further Energy Solutions on the Horizon** – Some new and broad-based energy policies tested in our focus groups and polling also sparked voter interest, but need to be developed further to answer voters’ doubts and capture their attention.
 - A tax swap that would encourage conservation and spur alternative energy growth by lowering personal income tax rates while increasing energy taxes is supported by 46 percent of voters and opposed by 36 percent, but there is little intensity in this support, and voters’ intense focus on gas prices would make any increase in gas taxes difficult to defend in this environment.



- A number of questions in the survey suggest that the public will continue to support public investment in clean energy because of its importance to American competitiveness. Nearly 2-in-3 voters believe that, “Because of strategic investments they have made in education, infrastructure, and support for home-grown industries, countries like China and India are better equipped than the U.S. to compete and win in the 21st century global economy.” This suggests voters would be interested in a range of new ideas that would create clean energy investment trust funds and 21st century smart grid “infrastructure” banks, especially if these proposals emphasized bottom-up growth models. These proposals range across the political spectrum from the renewable energy trust fund proposed in HR 909 by Reps. Devin Nunes (R-CA) and Paul Ryan (R-WI) to Senator John Kerry’s BUILD Act.
- Another idea that raises many questions but shows promise in appealing to skeptical voters is an Energy Independence Investment Fund, which would allow Americans to invest a small monthly amount in a venture fund that would invest in start-up companies across America, giving them both an opportunity to advance America’s energy independence and a ‘piece of the action’ in the country’s most important emerging industry.

NEXT ECONOMY PARTNERSHIP PROJECT



There is one clear idea that currently unites everyday Americans, business leaders and elected officials like no other: *America needs a plan to accelerate job creation, get gas prices under control and raise our game in the more competitive 21st Century energy economy.* This plan needs to be national in scale, but skeptical Americans have lost faith in top-down mandates and empty promises from Washington. Instead, they want to see a national plan implemented bottom-up to maximize local strengths and assets across the country.

Beyond that, there is little agreement among the American public or policy elites about how we meet the challenge. It is clear that there are no silver bullets or quick fixes. So figuring out what works, what doesn't, what's missing and what unites us – must be a collaborative project linking many actors, institutions and geographies. Enter the *Next Economy Partnership Project*.

Accelerating Bottom-Up Success

While political stalemate is the daily story out of Washington DC, good things are happening in communities across America as new clean economy businesses and models begin to take root. *The Next Economy Partnership Project* was launched in 2010 to:

- Build a common language for bottom up innovation
- Lift up success stories in the near term
- Accelerate long-term, bi-partisan policy breakthroughs and bottom up outcomes

Our effort is modeled on the Turner Foundation Partnership Project, which successfully used shared technology services to accelerate collaboration among civic participation groups in the late 1990s. In this case, we are using public opinion research and collaborative message development to create currency for policy innovators to make a strong case for change. Our work to date has already had measurable impact:

- Through over a year of briefings and convenings, we have gathered together a growing community of formerly “silo-ed” groups around a new, bottom-up narrative for regional innovation, jobs and low-carbon outcomes. *Now we hope to go deeper and wider with targeted state and regional level messaging and success story development.*
- From our focus group research, we have confirmed that voters see an indispensable role for government, but one that is highly focused on local partnerships, local job creation councils and new, flexible approaches that give clean economy entrepreneurs and citizens a greater voice in how federal money is spent. *Now we hope to define exactly what “more for less” government must look like in the 21st century.*
- We have successfully engaged key White House, federal and state officials around the high-impact potential of regional innovation. *Now we hope to accelerate development and deployment of the missing policy & finance mechanisms needed to scale the work.*

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