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Reuters/ Jason Reed – U.S. President Obama greets residents of a Las Vegas suburb.

One Year to Go: President Barack Obama's Uphill Battle for Reelection in 2012

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Despite recent signs of a modest upturn in President Barack Obama's political fortunes, the 2012 election is likely to be close and hard-fought.

More than in any contest since 1992, the economy will be the overwhelming focus. But fundamental clashes about the role of government will also be in play against a backdrop of record low public confidence in our governing institutions. And contests involving incumbents tend to be referenda on their records more than choices between candidates. If the election pitting Obama against the strongest potential Republican nominee, former Massachusetts Governor Mitt Romney, were held tomorrow, the president would probably lose.

But a year is a very long time in American politics, and three factors could change the odds in Obama's favor. Economic growth could exceed expectations, and the unemployment rate—long stuck at 9 percent—could come down fast enough to restore a modicum of Americans' shattered hopes for the future. The Republicans could commit credal suicide by nominating a presidential candidate outside the mainstream or unqualified for the office. And the Obama campaign could make a wise decision to focus first and foremost on the states—principally in the Midwest—that have decided presidential elections in the past half century and are poised to do so again next year. If the president tries to rerun his 2008 campaign under very different circumstances, he could end up turning potential victory into defeat.



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Setting and mood

With little more than a year until the presidential election, several recent surveys illuminate the terrain on which the campaign will be waged. Let's begin with the October 2011 CBS/NYT survey, which finds that only 10 percent of the electorate trusts the federal government to do what is right most of the time—by far the lowest level of confidence ever recorded. Only 9 percent approve of the way Congress is doing its job, which pretty much narrows its base of support to staff and family members. A parallel Gallup survey (September 26, 2011) found an “historic negativity” toward government, with fully 81 percent of respondents expressing dissatisfaction with the way the nation is being governed.

According to CBS/NYT surveys, from Obama's inauguration through the end of 2009, on average, 39 percent of the electorate thought that the country was generally heading in the right direction—not great, but much better than the 2008 average of 13 percent. But things have gone downhill ever since: “right direction” averaged 33 percent in 2010 and 28 percent thus far in 2011. As of early November it stands at just 21 percent.

It's not hard to see why people feel this way. To an extraordinary degree, public attention is focused on a single issue. Fifty-seven percent of the people regard the economy and jobs as the most important issues facing the country,

compared to 5 percent for the budget deficit, 2 percent for health and education, and 1 percent for poverty, crime and war. (Neither abortion nor moral values registers even 1 percent.)

Most people think the economy is doing badly, and they don't expect things to improve anytime soon. This represents an abrupt change. As recently as the first quarter of 2011, more people thought the economy was getting better than getting worse. By September, only 12 percent saw improvement, while 43 percent were experiencing decline. Indeed, four in five Americans think the economy is still in recession, and only 37 percent think it will be better a year from now. Only 15 percent think they are better off than when Obama became president, versus 35 percent who feel worse off.

A recent *Wall Street Journal* analysis illuminates the harsh reality underlying this assessment. During the 2007-2009 recession, median household income declined by 3.2 percent. Since the official end of the recession in mid-2009, it has declined by an additional 6.7 percent. Median household income now stands below what it was in 2000. For most American households, the past ten years have been a lost decade.

While some groups have done worse than others, few have been spared. Median income for households headed by high school graduates has declined by 13.6 percent since 2007. But those with some college education have lost 12 percent, and even those headed by college graduates have lost 6.9 percent. Young adults and those nearing retirement have been especially hard-hit in the past two years: since mid-2009, household incomes of those under 25 are down 9.5 percent, 25 to 34 year olds have surrendered 9.8 percent, and households headed by workers in their early 60s have shed 10.7 percent on top of a 10.8 percent decline in 2007-2009—a staggering 21.5 percent loss overall.

During the early phase of the Obama administration, the vast majority of Americans blamed former president George W. Bush for the country's economic woes. While they still do, President Obama is increasingly being held responsible as well: 53 percent of the voters now blame him a “great deal” or a “moderate amount” for the economy, up more than 20 points. Not surprisingly, most Republicans have held him responsible from the very beginning, and most Democrats still don't. The big swing has come among Independents, whose “blame Obama” percentage has risen from 37 percent in early 2009 to 60 percent in the fall of 2011 (Gallup, September 21, 2011).

Despite the success of the “Occupy Wall Street” movement in shifting the national conversation toward the role of large financial institutions, by a margin of 64 to 30 percent, Americans still blame government more than Wall Street for our economic plight. Not surprisingly four in five Republicans blame government more. But so do 65 percent of Independents. And even Democrats do as well, albeit by a narrow margin of 49 to 46 percent. This is not to say that financiers are off the hook: 45 percent of Americans think they deserve a great deal of blame. But even more—56 percent—say that about the federal government (Gallup, October

19, 2011).

Another Gallup finding highlights the ongoing collapse of public confidence in government. A survey released on September 19, 2011 found that Americans now believe that the federal government wastes 51 cents of every dollar it spends, the highest estimate ever recorded. Twenty-five years ago, that figure stood at only 38 cents. While estimates of waste at the state and local level remain lower than for the federal level, they have also risen by double digits in recent decades.

Trust in the political system is low because politicians aren't seen as providing answers. In mid-September, 43 percent of the people thought that Obama had a clear plan for creating jobs. Five weeks later, after a non-stop presidential jobs tour, that figure has fallen to 38 percent—unimpressive, but far better than the Republicans in Congress, who have persuaded only 20 percent that they have a jobs plan. But the people aren't grading the president on a curve: only 35 percent approve of the way he is handling job creation, and only 38 percent approve of his handling of the economy as a whole. (By contrast, public approval of his handling of foreign policy and Iraq stands at 50 and 60 percent, respectively. But these aren't likely to be voting issues next year.)

The American people have noticed that partisan polarization is blocking agreement on the issues they care most about: only 28 percent express any confidence that Democrats and Republicans can get together on job creation. And they don't like the gridlock at all. Fifty-one percent think that it's more important for political leaders to compromise in order to get things done, versus only 28 percent who prefer leaders to stick to their beliefs even if little gets done. Liberals and Democrats opt for compromise, as do moderates and Independents; conservatives, Republicans, and Tea Party supporters want leaders to stand fast, come what may (Gallup, September 26, 2011).

While both political parties stand near record lows in public esteem, the people do not tar them with the same brush. For example, 69 percent think that the policies of the congressional Republicans favor the rich, versus 9 percent for the middle class and 2 percent for the poor. Only 15 percent believe that Republican policies treat all groups equally. Here are the comparable figures for the Obama administration: 28 percent, 23 percent, 17 percent, and 21 percent. The American people know what Republicans stand for, and they don't much like it. By contrast, they can't figure out what Obama stands for—and they don't much like that either.

The economic issues facing the country go beyond growth to encompass distribution as well. The CBS/NYT survey asked the people a blunt question: "Do you feel that the distribution of money and wealth in this country is fair, or do you feel that the money and wealth in this country should be more evenly divided among more people?" Twenty-six percent of the respondents thought that the current pattern is fair, versus 66 percent who thought the distribution should be more even.

A recent report from the Congressional Budget Office (CBO), which analyses trends in household income, further clarifies the terrain on which the campaign

will be fought. Its core finding can be stated simply: in the three decades from 1979 to 2007, the distribution of household income became substantially more unequal, even taking transfer payments and taxes into account. The bottom four quintiles saw their share of income drop, while the share going to the top quintile rose from 43 percent to 53 percent. And in that top quintile, nearly all of the gain went to the top 1 percent, whose share rose 9 percentage points, from about 8 percent to 17 percent. Among that rarified group, average real household income after taxes rose by 275 percent, versus 35 percent for households at the median. When the “Occupy” movement talks about the 99 percent, they’re on to something. And so are the people as a whole.

CBO identifies the widening dispersion of income derived from wages and salaries, capital and business income, and capital gains as the major reason for the increasing inequality of household income: all these sources of income have become less equal. In 1979, the bottom 80 percent of households received 60 percent of total labor income, 33 percent of business and capital income, and 8 percent of capital gains. By 2007, those figures had fallen to 50, 20, and 5 percent, respectively.

Taxes, it turns out, are not a big part of the story. Indeed, CBO finds, income taxes became somewhat *more* progressive between 1979 and 2007, in part because they declined sharply for those at or near the bottom, many of whom now receive net tax benefits through the Earned Income Tax Credit and other programs. That progressivity is why Republicans have begun complaining about the large number of Americans who pay no income taxes.

Payroll taxes, on the other hand, have become increasingly regressive. The lowest quintile of households surrendered less than 5 percent of their income to payroll taxes in 1979, versus 8 percent in 2007. And these two trends have roughly cancelled each other out. By one frequently used measure, CBO finds, “the federal tax system as a whole was about as progressive in 2007 as it was in 1979.”

In sum, say the people, we have an urgent task of generating jobs and economic growth right now. Over the longer term, though, they doubt that the long-cycle trend toward increasing inequality is compatible with either economic or civic health. Unless the situation changes dramatically, we can’t expect the market to reduce inequality; it certainly hasn’t during the past three decades. If the people want more equality, which they say they do, they can only get it through public policy. But if they don’t think they can trust the government to get the job done, they’re stuck with a status quo they dislike.

That pretty much defines where we are with a year until the presidential election. The people want change, but they have no confidence in the public sector as the change agent. That would seem to give the edge to the anti-government party, but unfortunately for the Republicans, the people think they’re out to serve the interests of the rich, who already have too much. That would seem to give the edge back to Obama and the Democrats. But unfortunately for them, the people can’t figure out whose interests Obama and the Democrats want to serve—or

whether they have a plan that could translate good economic intentions into tangible results.

Obama's Political Challenge

A number of indicators that have proved significant in the past suggest that President Obama faces a substantial reelection challenge. Let's start with the economy.

Unemployment (%)			
	<i>At Inauguration</i>	<i>November of Year 3</i>	<i>November of Year 4</i>
Carter	7.5	5.9	7.5
Reagan	7.5	8.5	7.2
G. H. W. Bush	5.4	7.0	7.4
Clinton	7.3	5.6	5.4
G. W. Bush	4.2	5.8	5.4
Obama	7.8	9.0*	8.6**

* *through October 2011*

***Federal Reserve Board projection, November 2011*

Economic Growth (%)		
	<i>Year 3</i>	<i>Year 4</i>
Carter	3.1	-0.3
Reagan	4.5	7.2
G. H. W. Bush	-0.2	3.4
Clinton	2.5	3.7
G. W. Bush	2.5	3.5
Obama	1.4*	2.7**

**first three quarters of 2011*

***Federal Reserve Board projection, November 2011*

Consumer Confidence (Fall of Year Three)	
Carter	63
Reagan	91
G. H. W. Bush	69
Clinton	88
G. W. Bush	94
Obama	56

Personal Financial Situation (Fall of Year Three)

	<i>Better Off than a Year Ago</i>	<i>Worse Off than a Year Ago</i>
Carter	30	27
Reagan	28	39
G. H. W. Bush	26	44
Clinton	48	31
G. W. Bush	41	38
Obama	28	45

As of the fall of year three, every economic indicator places Obama at or near the bottom of recent presidents, underlying how crucial the next year will be for the president's reelection chances. If growth were to accelerate to (say) 3.5 percent and unemployment were to fall by a full percentage point to 8.1 percent, the president's electoral prospects would brighten considerably. Unfortunately, few forecasters are projecting that the next year will be that strong, and many fear that Europe's troubles will exert downward pressure on U.S. growth. The Federal Reserve Board's November 2011 report projects economic growth between 2.5 and 2.9 percent in 2012, down significantly from its June projection of 3.3 to 3.7 percent. That implies a 2012 unemployment rate of between 8.5 and 8.7 percent, versus the June projection of 7.8 to 8.2 percent. (The Organization for Economic Cooperation and Development is even less optimistic, projecting a U.S. growth rate of only 1.8 percent for 2012.)

Turning now to political indicators, consider the broadest measure of presidential standing—job approval. This number is especially significant because in elections going back to 1956, the incumbent's eventual vote share has always been within the margin of error of his approval rating. Here's how Obama stands relative to his recent predecessors:

Approval, October of Year Three (%)

Obama	43
G. W. Bush	55
Clinton	48
G. H. W. Bush	64
Reagan	47
Carter	31

Source: Gallup, November 1, 2011

The decline in Obama's approval has varied by race and ethnicity. Support among African Americans, which peaked at 92 percent in spring 2009, still stands at a robust 84 percent. By contrast, support among whites has declined by 25 points, from 58 to 33 percent, while support among Hispanics has fallen by an

astounding 34 points, from 82 to only 48 percent (Gallup, September 7, 2011).

To minimize the influence of short-term factors, we can look at long-term averages.

Obama's job approval (%)

	<i>Whites</i>	<i>Hispanics</i>	<i>Independents</i>	<i>18-29 year olds</i>
2009 (yearly average)	50	73	54	67
2010 (year average)	38	59	42	57
2011 (Jan-June)	40	55	44	55
2011 (late September)	32	51	36	45

Source: AEI Political Report, October 2011, analysis of Gallup surveys

We can also ask how Obama now stands relative to his 2008 general election performance. In the most recent comprehensive assessment by the Pew Research Center (October 6, 2011), he is tied with Mitt Romney, 48 to 48, which represents a five point drop from his vote share three years ago. The breakdown of these totals is revealing:

Obama's Share (%)

	November 2008	October 2011
Republican	9	7
Democrat	89	88
Independent	52	41
Conservative	20	25
Moderate	60	53
Liberal	89	83
White	43	38
Black	95	95
Hispanic	67	60

Race/ethnicity. While Obama's support among African Americans is rock-solid and likely to remain so, his support has dropped by 5 percentage points among whites and by 7 among Hispanics. If his white support remains depressed, he will face difficulties in much of the Midwest. And unless he can regain support among Hispanics, he will be hard-pressed to repeat his remarkable 2008 victories in Colorado, Nevada, Virginia, and North Carolina, or to mount a credible challenge in Arizona.

Party ID. While Obama's support among Democrats and Republicans is virtually unchanged from 2008, he has suffered an 11 percentage point drop among Independents. This is not entirely surprising. Despite the fact that many

self-identified Independents in fact lean toward one party or the other, these voters as a group have been extraordinarily volatile in recent elections. John Kerry won 49 percent of their vote in 2004—not bad, but not good enough. In 2006, their discontent with the Bush administration and the Republican Congress led them to give fully 57 percent of their vote to Democratic candidates, giving the party a sweeping victory. In 2010, Independents’ disillusionment with government under unified Democratic control led to a stunning 20 percentage point drop from the previous midterm election, to only a 37 percent Democratic share, a total that Obama has scarcely improved during the past year. His current level of support among Independents is incompatible with winning a majority of the popular vote in 2012.

Ideology. In recent elections, no Democrat has won the presidency without at least 60 percent of the two-party moderate vote. The reason is straightforward: conservatives vote for Republicans and liberals for Democrats. But because there are twice as many conservatives as liberals, Democrats need a supermajority of moderates to prevail. While Obama received 60 percent of the moderate vote in 2008, he currently stands at only 53 percent—as with Independents, a level incompatible with winning a popular vote majority next year.

In recent decades, party identification and voting have become more closely aligned, so that partisan affiliation is an increasingly important leading indicator of electoral outcomes. Here again, Democrats’ prospects have declined significantly since their triumph three years ago. In 2008, Democrats plus Democratic-leaning Independents amounted to 51 percent of the electorate, versus 39 percent for Republicans and Republican-leaning Independents. By late summer of 2011, Democrats’ 12 percentage point edge had shrunk to only 4 percentage points (47 to 43). They lost 6 percentage points among white voters overall and 10 among whites making less than \$30,000. Losses among young voters ages 18 to 29 were especially noteworthy—10 percentage points among young whites and 7 overall (Pew Research, July 22 2011. For a detailed examination of the moderate and Independent vote, see William A. Galston and Elaine C. Kamarck, “The Still-Vital Center: Moderates, Democrats, and the Renewal of American Politics,” *Third Way*, February 2011).

Voter interest and enthusiasm are other key political variables. Here again, changes since the previous presidential election have worked in favor of Republicans. At this point in the 2007-2008 cycle, 30 percent of the population reported following national political news “very closely” compared to 35 percent in the current cycle. Increases have been particularly pronounced among Republican-leaning groups: 17 percentage points among conservatives, 16 among voters aged 65 and over, and 12 among Republican identifiers. By contrast, interest among liberals is up only 4 percentage points; among Democrats, only 7. Among moderates, interest has actually declined by 4 percentage points—a troubling sign for a group from which Democrats need supermajority support (Gallup, October 28, 2011).

Similarly, only 45 percent of Democrats report being more enthusiastic than usual about voting, while 44 percent say they are less enthusiastic. By contrast, 58 percent of Republicans say they are more enthusiastic, versus only 30 percent who are less so. These figures represent a sharp reversal of patterns in the previous presidential cycle. In January of 2008, the more/less enthusiastic split among Democrats was 79 to 15 percent, versus a roughly even split among Republicans. In effect, the parties have traded places over the past four years (Gallup, September 29, 2011).

The loss of enthusiasm is especially pronounced among young adults, who formed a key part of Obama's winning coalition in 2008. A comprehensive study from the Pew Research Center finds that the "Millennials" (voters born after 1980) feel disillusioned, are paying far less attention to politics than they did four years ago, and care less intensely about the outcome of the next election. In the days following the November 2008 election, young adults said that Obama made them feel hopeful (69 percent) and proud (65 percent), versus only 43 percent and 45 percent respectively in November of 2011 (Pew Research Center, "Angry Silents, Disengaged Millennials: The Generation Gap and the 2012 Election, November 4, 2011).

If it continues, the enthusiasm gap will have a significant impact on Obama's prospects next year. The coalition he assembled in 2008 rested on historically large turnouts from groups that tend to be more weakly attached to the electoral process and are more influenced by charismatic candidates with whom they identify. By contrast, the core of the Republican coalition consists of groups whose participation, though not unaffected by their level of enthusiasm for the nominee, tends to be less variable. Current signs point to high turnout by seniors, who McCain carried in 2008 by 53 to 45 percent and who are even more opposed to Obama today than in 2008. In a head-to-head competition with Romney, Obama loses seniors by 10 points (Pew, October 6, 2011).

Along with enthusiasm, intensity of support and opposition affects turnout and voting. The October 2011 *Washington Post*-ABC News poll found that four in ten Americans strongly disapproved of how Obama is handling the job of president, up from 28 percent in January. During the same period, the share of Americans who strongly approve has declined from 30 to 21 percent. Only 43 percent of Democrats strongly approve of the president's job performance, versus 74 percent of Republicans who strongly disapprove. Forty-three percent of Independents strongly disapprove, as do 47 percent of those aged 65 and over. In 2008, the intensity gap favored Obama and the Democrats; in 2012, the shoe will almost certainly be on the other foot.

Since Obama's inauguration, the public's evaluation of his presidential qualities has become much more negative. In January of 2009, 70 percent of the people saw him as having strong leadership qualities, versus only 42 percent in August of 2011; 56 percent saw him as being able to achieve his goals, a figure that declined to 27 percent. Fifty-two percent once believed that he shared their

positions on the issues, versus only 38 percent now. In September 2011, 32 percent of the people said that Obama had met their expectations for presidential performance, while 60 percent said that he had fallen short (NBC/Wall Street Journal surveys, January 2009-August 2011; CNN/ORC survey, September 2011; Pew Research, August 2011).

And finally, voters' perceptions of the parties' ideological positions in relation to their own, an often-overlooked variable in the political equation. In mid-2005, as disaffection with the Bush administration and the Republican Party was gathering momentum, the Pew Research Center asked Americans to place themselves and the political parties on a standard left-right ideological continuum. At that time, average voters saw themselves as just right of center and equidistant from the two political parties. Independents considered themselves twice as far away from the Republican Party as from the Democrats, presaging their sharp shift toward the Democrats in the 2006 mid-term election.

In August of this year, Pew posed a very similar question, but the results were very different. Although average voters continue to see themselves as just right of center, they now place themselves twice as far away from the Democratic Party as from the Republicans. In addition, Independents now see themselves as significantly closer to the Republican Party, reversing their perceptions of six years ago.

There's another difference as well. In 2005, Republicans' and Democrats' views of their own parties dovetailed with the perceptions of the electorate as a whole. Today, while voters as a whole agree with Republicans' evaluation of their party as conservative, they disagree with Democrats, who on average see their party as moderate rather than liberal. So when Independents, who see themselves as modestly right of center, say that Democrats are too liberal, average Democrats can't imagine what they're talking about.

Compounding the problem, the American people are gradually polarizing. According to Gallup (August 1, 2011), twenty years ago, as Bill Clinton began his presidential campaign, self-described moderates formed the plurality of the electorate—43 percent; conservatives were 36 percent, liberals 17 percent. By the summer of 2011, the conservative share had risen to 41 percent and liberals to 21 percent, while moderates declined to 36 percent, surrendering their plurality status to conservatives. Because nearly all conservatives now vote for Republicans and liberals for Democrats, the share of the shrinking pool of moderates that Democrats need to build a majority is larger than ever.

Overall, it's hard to avoid concluding that the ideological playing-field heading into 2012 is tilted against Democrats. This reality only deepens the strategic dilemma the White House now confronts. The conventional strategy for an incumbent is to secure the base before the general public gets fully engaged and then reach out to the swing voters whose decisions spell the difference between victory and defeat. By contrast, the Obama team spent most of 2011 in what turned out to be a failed effort to win over the voters who deserted Democrats in

droves last November, in the process alienating substantial portions of the base. To rekindle the allegiance and enthusiasm of core supporters, the president now finds himself having to draw sharp ideological lines, risking further erosion among Independents and even moderate Democrats. Tellingly, a number of at-risk Democratic senators up for reelection in 2012 have refused to go along with key elements of the president's recent fiscal and jobs proposals.

Granted, ideology isn't everything. Political scientists have long observed that Americans are more liberal on particulars than they are in general—ideologically conservative but operationally liberal. (Surveys have shown majority support for most elements of the president's jobs and budget packages.) And the Republicans could undermine their chances by nominating a presidential candidate who is simply too hard-edged conservative for moderates and Independents to stomach. But in the face of widespread skepticism and disillusion, it will be an uphill battle to persuade key voting blocks that government can really make their lives better. If not, the public will continue to equate public spending with waste, and the anti-government message will continue to resonate.

Campaign strategy and the Electoral College

As Gerald Seib rightly reminds us (*Wall Street Journal*, September 27 2011), presidential campaigns are won and lost state by state in the Electoral College, not in the nationwide popular vote. (Once in a while, this turns out to be a distinction with a difference; just ask not-quite President Gore.) Based on state results from the past five elections, Seib argues that the Electoral College gives Democrats a distinct advantage: they've won 18 states plus the District of Columbia, totaling 242 electoral votes, in each of those elections, compared to only 13 states with 102 votes for the Republicans.

That's true but not decisive. The real issue is whether one party enjoys a structural advantage in the Electoral College such that its popular votes are distributed more efficiently than the other's. If so, that party should be able to win an Electoral College majority with less than 50 percent of the two-party popular vote.

In 2008, Barack Obama beat John McCain with 365 electoral votes to McCain's 173. Now let's do alternative history based on two assumptions: (1) the two-party popular vote was evenly divided; and (2) Obama's margin in each state was reduced by the same amount—7.26 percentage points—yielding an equal division of the popular vote. Under that scenario, Obama would have lost five states that he actually won—Indiana, Florida, North Carolina, Ohio, and Virginia—with a total loss of 86 electoral votes. Under this scenario he still would have prevailed in the Electoral College, 279 to 259. That would seem to validate the hypothesis that Democrats enjoy a structural edge: they get 10 more electoral votes when the popular vote is evenly divided.

But not so fast: the 2008 presidential election was the last to be carried out based on the 2000 census, and the distribution of Electoral College votes did not reflect population shifts that have occurred in the ensuing years. The 2012 presidential election will, and it makes a difference. Reapportionment shifts 6 electoral votes from Democratic to Republican states. If we rerun the 2008 election with the 2012 electoral vote allocation plus an even split of the popular vote, Obama wins by a very narrow margin—273 to 265. So the current Democratic structural advantage is 4 electoral votes—not nothing, but not much either. The probability that Obama could win reelection without a majority of the popular vote is extremely if not vanishingly low.

The president, moreover, is facing an uphill climb in many of the states he carried in 2008. He won't have the luxury of building his campaign on a solid-blue foundation of 242 electoral votes.

Consider the evidence. In the most recent Gallup/*USA Today* survey (November 4, 2011), Obama is tied with Romney in 12 key swing states, all of which Obama carried in 2012. These include the heartland states of Iowa, Wisconsin, Michigan, Ohio, and Pennsylvania. According to individual state surveys, Obama's job approval rating stands at 43 percent in Virginia, Pennsylvania, and Ohio, and at only 39 percent in Florida. He leads the strongest potential Republican nominee, Mitt Romney, by 45 to 41 percent in Ohio and 45 to 43 in Pennsylvania but trails him 44 to 45 percent in Virginia and 40 to 47 in Florida.

Pennsylvania, victory in which is necessary but not sufficient for any successful Democratic presidential candidate, presents a particularly troubling case for the Democrats. A recent Franklin and Marshall College poll found that only 42 percent of Pennsylvania voters believe President Obama deserves reelection; 52 percent do not.

Veteran Republican pollster Bill McInturff has done a useful analysis based on Gallup surveys conducted during the first half of 2011. Obama's state-by-state standing can be divided into three groups: blue states totaling 215 electoral votes where his approval rating is at or above 50 percent; red states totaling 162 electoral votes where his approval is at or below 43 percent; and purple states where it is between 44 and 49 percent. There are 13 states in the final category: ten that Obama carried in 2008 (Iowa, Pennsylvania, Florida, North Carolina, Virginia, New Mexico, Ohio, Nevada, Colorado, and Oregon) versus only three that McCain won (Georgia, Mississippi, and Arizona). The McCain 2008 states that are in play total 33 electoral votes, while the Obama 2008 states at risk total 129. Given these daunting challenges, what are the Obama campaign's strategic options?

In some presidential cycles, an incumbent's reelection strategy doesn't matter all that much. When the economy is very strong (1984), the incumbent wins big; when it's very weak (1932), he loses even bigger. And when a party chooses a nominee seen as outside the mainstream (1964, 1972), it suffers a crushing defeat.

It's possible that one or more of these circumstances could prevail next year.

The economy could over- or under-perform current projections; the Republicans could choose a nominee who's too conservative or lacks credibility as a potential president. But it's more likely that both the economy and the presidential nomination contest will yield results in the zone where strategic choices could prove decisive. In that context, two 2011 developments offer clues to President Obama's emerging reelection strategy.

The first was a Ron Brownstein interview with David Axelrod, who said that he saw Michael Bennet's 2010 senatorial victory in Colorado as "particularly instructive." As Brownstein noted, Bennet prevailed by mobilizing "enough minorities, young people, and socially liberal, well-educated white women to overcome a sharp turn toward the GOP among most of the other white voters in his state." The second event was DNC chair Tim Kaine's selection of Charlotte, NC as the site for the 2012 Democratic convention. In the process, he rejected three Midwestern finalists—St. Louis, Minneapolis, and (most notably) Cleveland. Taken together, these straws in the wind suggest that the Obama's 2012 campaign will focus more on the Democratic periphery—territory newly won in 2008—than on the heartland, where elections have been won and lost for the past half century.

This choice could turn out to be a mistake of epic proportions, for two reasons. First, the survey findings reported in the previous section make it unlikely that a mass mobilization of weakly connected "new coalition" voters—especially Hispanics and young adults—will succeed to the extent that it did in 2008. And second, the United States looks a lot more like Ohio than like Colorado.

Here's a snapshot from the relevant exit polls.

	2008 presidential election	2010 Colorado senate	2010 Ohio senate
Less than HS	4	1	3
HS only	20	12	25
Some college	31	20	32
College grad	28	39	24
Post-grad	17	28	15

The 2010 Colorado electorate was a total outlier (67 percent with a BA or more), while Ohio was a near-microcosm of the national presidential electorate. Every Midwestern state for which exit polls are available looked pretty much like Ohio.

Now let's look at the Gallup state-by-state survey released on February 21, 2011. It shows that between 2008 and 2010, Democratic identifiers and leaners have declined as a share of the electorate in every state. The median loss was 6.1 percent. And every Midwestern state was at or above the median.

Registered/lean Democratic, 2008-2010

Wisconsin	-9.2
Iowa	-8.9
Illinois	-8.2
Ohio	-7.8
Missouri	-7.2
Indiana	-6.9
Pennsylvania	-6.5
Michigan	-6.3
Minnesota	-6.1

No wonder that Democrats lost 2010 Senate races in Wisconsin, Ohio, Iowa, Missouri, Indiana, light blue Pennsylvania, and even dark blue Illinois, or that they lost gubernatorial races in Pennsylvania, Ohio, Michigan, Wisconsin, and Iowa. Small consolation that Democratic gubernatorial candidates managed to scratch out victories in Illinois (by 20,000 votes out of 3.5 million cast) and Minnesota (by 9,000 out of 2 million.)

The Midwest is home to large numbers of white working class voters, who accounted for nearly 40 percent of all voters nationwide in 2008. Obama has never done very well with this group, losing them by 2 to 1 to Hillary Clinton in the primaries and by 58 to 40 percent to McCain in the general election. And they turned against Democratic candidates in the vast majority of 2010 House and Senate races.

As a recent Washington Post/Kaiser/Harvard survey reveals, white working class voters are even more disaffected today. They are gloomy about the present and think it will be a long time before the economy recovers. They fear that the job market of the future will have little use for workers with their level of education and skill. Only 14 percent say that the president's economic policies are working, and a large majority think that his administration isn't doing enough to look after their economic interests. Remarkably, when asked which party better understands the people's economic policies, they give the Republicans a 14 percentage point edge. Moreover, white working class voters have long tended toward conservatism on social issues, nationalism in foreign policy, and hawkishness on defense.

Given all this, it's tempting to look toward states like Colorado, where, Brownstein notes, Bennet won despite losing blue-collar white women by double digits and blue collar white men by more than 2 to 1. His winning coalition was built on minorities, young people, and college-educated white women—precisely the groups Ruy Teixeira highlighted in an impressive analysis published in March 2009. He argued that the confluence of demographic, geographic, and attitudinal changes underway for decades heralded a “new progressive majority.” Not only was the political salience of social issues in decline, but also majorities of Americans had endorsed a stronger role for government, guaranteed health

coverage, and clean energy. A principal driver of these shifts was the declining share of white working class voters and the rising tide of minorities and highly educated professionals.

In a less noticed portion of his piece, Teixeira offered a cautionary note. The white working class “is still an enormous group of voters—still larger than white college graduate voters—and there are good reasons to suspect that the exit polls may significantly underestimate the size of this group.” He went on to observe that “Progressives ignore that large a group at their peril . . . [their] already large deficit among the white working class—clearly their biggest political vulnerability—could easily become larger. If that happens, any fall-offs in support among their core and emerging constituencies could put the progressive majority at risk, despite continuing demographic trends in their favor.” This is a pretty good description of what transpired during Obama’s first two years.

The seduction of the Colorado model is obvious. But the consequences of succumbing to it could be dire. Barack Obama’s path to reelection runs through Ohio and the Midwest, not around them. And that means taking seriously the concerns of the voters throughout the region who deserted Democrats in droves last year.

It’s easy to claim that the administration need not choose between a Colorado strategy and an Ohio strategy. At the level of tactics, that may be true. If the Obama campaign raises as much as or more than it did in 2008, it will be able to organize and advertise everywhere. But at a deeper level, it’s not true. The administration can have only one agenda. If its policy choices over the next 18 months are directed principally toward mobilizing “new coalition” voters, it will pay a price among the millions of others without whose support Obama would never have been elected.

To be sure, as some have argued, you could remove Ohio and several other Midwestern states from Obama’s 2008 victory column and still have enough Electoral College votes to prevail. That’s arithmetically true but politically irrelevant. My argument rests on the fact that Ohio is close to being a microcosm of the country—closer than any other large state. A candidate who can carry Ohio is almost certain to win the national election; a candidate who loses Ohio will almost certainly lose. Here are the numbers from the six post-Reagan presidential elections:

	National Democratic vote (%)	Ohio Democratic vote (%)	Difference
1988	45.6	44.2	(-1.4)
1992	43.0	40.2	(-2.8)
1996	49.2	47.4	(-1.8)
2000	48.4	46.5	(-1.9)
2004	48.3	48.7	(0.4)
2008	52.9	51.4	(-1.5)

Over these elections, the Democratic candidate's share of the Ohio vote averaged 1.5 percentage points below his national share. And the winner of Ohio prevailed in the Electoral College in all six elections.

When we take a longer view, the results are much the same. Since 1960, the median deviation of the Democratic candidate's Ohio vote share from his national share has been -1.16 percent. So Ohio is only slightly more Republican than the country, and not invariably so: as recently as 2004, the Democratic nominee actually did a bit better in Ohio than he did nationally.

Indeed, a glance at American political history over the past 150 years yields similar results. Ohio has gone with the winner in 12 of the past 13 contests. The last Democrat to win the White House without carrying Ohio was John F. Kennedy. The Electoral College math worked only because he won South Carolina, Georgia, half of Alabama's electoral votes, and even Texas, thanks to Lydon Johnson's presence on the ticket. None of these states is remotely within Democratic reach today.

The last Republican to win the presidency without Ohio? There isn't one. In the 39 quadrennial cycles since the founding of the GOP, no Republican has ever been inaugurated without Ohio in his column.

Compare these results to those from Pennsylvania.

	National Democratic vote (%)	Penn. Democratic vote (%)	Difference
1988	45.6	48.4	(2.8)
1992	43.0	45.2	(2.2)
1996	49.2	49.2	(0)
2000	48.4	50.6	(2.2)
2004	48.3	50.9	(2.6)
2008	52.9	54.5	(1.6)

Democratic candidates averaged about 2 percentage points *above* their national average in Pennsylvania. Gore won in Pennsylvania but lost in Ohio; so did Kerry. In fact, both Gore and Kerry won in Michigan, Wisconsin, Illinois, and Minnesota as well as Pennsylvania. It wasn't enough to put them over the top in the Electoral College.

If you need more evidence, put the 2008 national exit poll side by side with the Ohio exit poll. Of all the points of similarity, the following is perhaps the most telling:

	Obama's percentage of		
	<i>White Democrats</i>	<i>White Independents</i>	<i>White Republicans</i>
National	85	47	8
Ohio	85	50	8

One might argue that Ohio is less central to the new majority that Obama forged than it was to Democrats whose appeal was narrower, and there's something to that. But look at the nine states that Obama won but Kerry didn't. In three of them—Indiana, North Carolina, and Florida—his share of the vote was actually lower than in Ohio. Unless his relative appeal among them were to change, a loss in Ohio would mean losing at least three other swing states as well, putting him on the brink of defeat. That's not a chance a sensible campaign would take.

The formula for winning a national majority is essentially the same as for prevailing in Ohio. The state's economy is balanced, with shares of its workforce in manufacturing, construction, services, sales, education, health care, and the professions mirroring the national breakdown. While its median family income is about 5 percent lower than the national average, its inhabitants are no more likely to live in poverty. The difference is at the top, not the bottom: only 7.5 percent of Ohio families have incomes above \$150,000, versus 10.6 percent for the country as a whole. Similarly, while the state's adult residents are slightly more likely to have received a high school diploma, they are somewhat less likely (23.6 versus 27.5 percent) to have earned a four-year college degree or more.

Ohio's demography looks a lot like America's too. The median age of its population is 37.9 years (36.5 for the country); 13.6 percent of its population is over 65, but so is 12.6 percent of the country. African-Americans make up 11.7 percent of the population (12.4 percent of the country). Latinos constitute the only notable demographic difference: 15.1 percent of the country, but only 2.6 percent of Ohioans. This is a double edged sword for Obama. On the one hand, the paucity of Latinos in Ohio helps explain why his margin in that slate lagged his share of the national vote. On the other hand, if the predicted drop-off in next year's Latino vote comes to pass, it will have much less effect in Ohio than in any other large swing state. (All these economic and demographic figures are from the U.S. Census Bureau, factfinder.census.gov).

The most recent survey evidence strongly suggests that Ohio will once again be a battleground (Quinnipiac surveys, released in two tranches on October 25 and 26, 2011). To begin, it finds that the 2010 Republican tide has ebbed considerably. Republican governor John Kasich, elected with a strong majority just a year ago, enjoys a weak 36 percent approval rating, in part because his agenda is out of synch with that of the electorate. Although Ohioans think it's fair to ask public employees to pay more for health insurance and pensions, only 34 percent support Kasich's push to limit their collective bargaining rights. Fifty-six percent think public employee unions should be able to bargain over health insurance, 61 percent oppose banning strikes by public employees and 57 percent support a referendum to repeal Kasich's changes to Ohio's labor laws.

While Kasich made his mark in Washington as a leader on fiscal issues, the Ohio electorate is turning thumbs down on his budget. Yes, the people like the fact that the budget was balanced with spending cuts, not tax increases. Still, 55

percent of Ohioans disapprove of the way their governor is handling the budget. Fifty-two percent think that the newly approved fiscal plan is unfair to people like them; 36 percent think that the cuts go too far, versus only 22 percent who think that they didn't go far enough; and only a third believe that the cuts will help the state's economy.

If the 2012 election in Ohio were a referendum on Kasich's first two years, Obama would probably be home free. But there's good reason to believe that it won't be, as a July 2011 Quinnipiac survey showed. Fully 67 percent of Ohioans disapprove of the individual mandate in the new federal health care law—Obama's signature domestic policy initiative. A proposed amendment to Ohio's constitution blocking the mandate's implementation may well pass and will certainly keep the electorate focused on that issue. In addition, 78 percent of Ohio's voters (including 66 percent of Democrats) favor legislation requiring would-be voters to show photo identification in order to cast their ballots, a change that Democratic operatives believe would reduce their margins in lower-income and minority communities.

This brings us to Obama's chances. As of July 2011, 58 percent of Ohio's voters disapproved of his handling of the economy, despite the fact that Ohio's unemployment rate had declined by two full percentage points—from 10.6 percent to 8.6 percent—since February of 2010, versus only 0.5 points (9.7 to 9.2 percent) for the country as a whole. By October, only 44 percent thought that he deserved to be reelected, versus 49 percent who did not.

2012: Referendum, choice, or a bit of both?

By all accounts, the Obama campaign wants to avoid having the 2012 election turn into a referendum on the president's first term, hoping instead to turn it into a choice between the two major parties' candidates and visions for the country's future. But if history is any guide, that is unlikely.

During the past generation, political scientists have explored and refined the theory of "retrospective voting." It suggests that voters tend to be guided more by past results, which they can evaluate based on concrete evidence, than on future expectations, which are much harder to assess with confidence and can be manipulated. If there's a significant war, presidents and parties responsible for initiating and conducting it will receive the bulk of the praise (George H. W. Bush after the first Gulf War) and the brunt of the blame (Harry Truman in the wake of Korea). More often, it's the economy, especially key variables such as unemployment and trends in household income.

In presidential contests involving non-incumbents, voters must make a head-to-head comparison of candidates whose competence to serve in the office can only be predicted. Each voter's choice typically reflects an affirmative evaluation of the preferred candidate rather than rejection of the other candidate. In 2008, for

example, 77 percent of Obama's supporters said that they were casting their votes in favor of him, not against McCain, while 64 percent of McCain's supporters said that they were casting their votes in his favor, not against Obama (Pew Research Center, October 21, 2008).

Campaigns involving an incumbent look very different. When a president is running for reelection, the electorate is primarily motivated by its judgment of the incumbent's job performance. Consider some Pew Research Center data on recent presidential contests.

In the spring of 1992, two-thirds of George H. W. Bush's supporters said that they would be casting their vote for him rather than against Bill Clinton, while two-thirds of Clinton supporters said their vote reflected opposition to Bush. In the spring of 1996, 60 percent of Clinton's supporters said they would be voting for him rather than against Bob Dole, while 60 percent of Dole's supporters said their vote reflected opposition to Clinton. Early in 2004, more than 80 percent of George W. Bush's supporters were for him rather than against John Kerry, while two-thirds of Kerry's supporters were motivated by opposition to Bush.

To be sure, these numbers tend to shift during the general election as the contenders become better known. Still, by Election Day in 1996, only 47 percent of Dole's supporters said that they were casting their vote in his favor rather than against Clinton; by Election Day in 2004, only 43 percent of Kerry's supporters said that they were casting an affirmative vote for him.

Now look at the Pew Research survey of October 6, 2011, which showed Obama in a tie with Mitt Romney. About three-quarters of Obama's support is for him rather than against Romney, while more than two-thirds of Romney's supporters say they will cast their votes against Obama rather than for Romney. Try as Obama might to channel populist anger against the economic policies that the eventual Republican nominee is proposing for the future, most Americans are going to make up their minds based on what they think about the policies the president has already enacted over the previous four years.

In a general election contest against an unpopular incumbent (one with an approval level significantly below 50 percent), the main hurdle that the opposition candidate needs to clear is that of competence. In 1980, for example, voters made their decision in two distinct stages. Between late January and mid-April, Jimmy Carter's approval rating sank from 58 to 39 percent and never exceeded 43 percent for the remainder of the campaign. This represented stage one, in which the voters concluded that they didn't want to return Jimmy Carter to the Oval Office for a second term—if they had a reasonable and non-threatening alternative. In the second stage, which occurred immediately after the sole presidential debate, they decided that despite their earlier doubts, Ronald Reagan represented such an alternative. Reagan's humorous and avuncular affect in the debate dispelled fears that he might be the second coming of Barry Goldwater. To filch a phrase from Mike Huckabee, Reagan was clearly a conservative, but he wasn't angry about it.

That's why the Republican nominating contest matters—indeed, why it may

well determine the outcome of the general election. There's scant evidence right now that a majority wants to reelect Obama, whose approval rating is currently averaging around 44 percent. (I can find no evidence of a successful reelection campaign involving an incumbent president with an approval rating lower than 48 percent on Election Day.) But if the Republicans insist on choosing a candidate whose self-presentation reinforces a hard-edged conservatism, they may make history and lose anyway.

Granted, Mitt Romney is a flawed candidate whose vulnerabilities can be exploited, especially in intra-party combat. But in a general election, he has a better chance than any other Republican of reassuring persuadable voters that he represents a safe and competent alternative to the incumbent. Unless the economic environment changes a lot during the next twelve months, skepticism about Obama's performance as president could well be enough to propel Romney to victory, if not one of landslide proportions.

Republican primary voters, of course, are free to choose whomever they want to serve as their nominee. Early in 1980, let us recall, many Democrats believed that Reagan would be easier to beat than his principal rival—George H. W. Bush—because his brand of conservatism would alienate swing voters. One might argue that history is repeating itself, with Romney filling the role of Bush 41 and Rick Perry starring as Reagan.

Perhaps. But having spent more than two years as Walter Mondale's issues director during his presidential campaign, I had the opportunity to size up Reagan's record and political skills. Rick Perry isn't his equal as governor, and he certainly isn't his equal as a candidate. It remains to be seen whether he can recover from a memorably disastrous start to become a party unifier who can energize both the Tea Party base and Main Street conservatives without repelling the moderates and independents who will decide a close election.

That doesn't seem likely. If economic circumstances are truly dire next November, Perry might win anyway. But in more competitive circumstances where the qualities of the challenger can make the difference, he won't.

As for Herman Cain, it appears unlikely that he will end up as the Republican nominee, and even less likely that he could be elected president. When it comes to the Oval Office, voters gravitate toward candidates with either experience in elective office or distinguished records as military leaders. Even if Cain is able to survive allegations of sexual harassment, Republicans will almost certainly turn elsewhere when they are faced with a real decision.

Over the next six months, then, Republicans will decide how much they want to win the 2012 election. Indeed, the party's fate next November is in its own hands—and to that extent, very much out of President Obama's.

Yes, it's early, and as a useful Gallup analysis (July 21, 2011) shows, an incumbent's ratings in the 12th quarter of his presidency are more predictive than are those in the 11th, the quarter Obama has just completed. But it's not too early to

see the basic options for 2012. If the economy performs significantly better than current consensus expectations, Obama wins. If not, we're in for a repeat of 1980, when a majority of the electorate was willing to fire the incumbent, but only if they felt comfortable with the challenger—a sentiment that didn't crystallize until the pivotal Carter-Reagan debate. If the Republicans in 2012 nominate a mainstream conservative who seems competent and non-threatening, they may well win. If they nominate a Tea Party favorite, they'll commit credal suicide, as each party ends up doing about once a generation.

Conclusion

History and political science converge to suggest that President Obama will not be able to turn the election into a pure choice between two candidates, as he did in 2008. He cannot run away from his record; he must figure out how to run on it. Therefore, he must mount a more persuasive defense of his economic stewardship than he has thus far. Doing that will require more than talking about jobs bills and denouncing Republicans for thwarting them. Rather, he must do two things that he has failed to do up to now: convey a deep understanding of the suffering so many Americans are undergoing, and place our current ills in a narrative context that both explains why it has proved so difficult to restore vigorous economic growth and offers some hope for a better future.

When it took office in 2009, the Obama administration fundamentally misjudged both the nature and the severity of the economic crisis. As a result, it failed to set and manage public expectations. On the contrary, it led the people to expect that with a large stimulus package, unemployment would peak at 8 percent and then decline. When instead unemployment surged past 10 percent, a disastrous loss of trust and confidence began, and the divisive and seemingly interminable wrangling over health reform accelerated the decline.

While a good case can be made that the administration's actions averted a financial catastrophe, saved the U.S. auto industry, and helped lay the foundation for future progress, the president has not yet made it. He must. But to do so persuasively, he must acknowledge that he made serious misjudgments—about housing, credit conditions, and the investment climate, among other matters—that contributed to his failure to meet expectations. A touch of humility would not weaken President Obama. On the contrary, it would humanize him and make the defense of his record more credible than it otherwise would be.

Despite current economic conditions, defending the president's economic record is not necessarily a fool's errand. A recent Quinnipiac survey asked a revealing question about Obama's economic policies. Thirty-six percent of respondents said that those policies had made things worse, versus only 11 percent who thought they had improved the situation. That sounds very bad for the president. But fully 42 percent endorsed a third option: while Obama's policies have not improved the economy, they have prevented it from becoming even

worse. And a pretty good case can be made that they're right (Quinnipiac University poll, November 3 2011).

When large numbers of voters believe something favorable to your cause that has the additional merit of being true, a candidate has something solid on which to build. The conventional wisdom is right, as far as it goes: "It could have been worse" isn't much of a bumper-sticker. But it's a place to start. If Obama can persuade the American people that in the face of massive difficulties, a solid foundation has been laid for future progress, he may be able to place our current woes in a more favorable light and induce swing voters to swallow their disappointment over his policies thus far. If not, he will have to hope that Republicans follow their hearts rather than their heads.

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