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The American Public and the Next Social Contract:

Public Opinion and Political Culture in 2007

CLIFF ZUKIN
Foreword by Mark Schmitt

THE NEXT SOCIAL CONTRACT

New America Foundation

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FOREWORD: MARK SCHMITT

The first premise of the New America Foundation's initiative on the Next Social Contract is that the structures that help American workers and their families balance economic security and opportunity involve much more than a set of government programs. What we call the social contract is a set of formal and informal systems and assumptions, involving individuals, employers and government, that provide, as Arthur M. Schlesinger, Jr. put it, "security in the context of freedom and freedom in the context of security." These assumptions have evolved through the course of American history, shaped by the crises and historical accidents from which they were born. Together, they are rooted in the deepest ethical and social principles of our founding and our sense of American identity.

But the social contract is not merely a creation of the past. It depends on the continuing consent of the governed in the present. Every political battle over domestic or economic policy has been in some sense a measure of public attitudes about those aspects of the social contract that we are ready to change and those that we still consider important. Public opinion both reflects the evolution of the social contract (as in, for example, the abiding support for Social Security, both as a program and a symbolic legacy of New Deal reforms) and maps out what is possible in the next evolution of the social contract.

However, the relationship between public opinion and public policy is neither literal nor direct. We live under many laws that, if put to a direct vote, would be resoundingly defeated. Others reflect a general preference, such as for tax cuts, but are implemented in ways that fail to represent the views of the median voter. Some represent the strongly held views of a minority, along with the reluctant consent of the rest, while others protect critically important minority rights. Many laws simply reflect the temper and political mood of another era, which have yet to be challenged or changed. Our political institutions are not entirely democratic, and the idiosyncrasies of the Senate, the federal budget process, and the winner-take-all nature of our elections all distort policies.

At the same time, we often find policies that seem to enjoy majority support suffer defeat, even without the intervening distortions of political institutions. For example, ideas that perform well in polls are often defeated in ballot initiatives, when opponents are able to tap into underlying values that lead voters to fear change.

So in looking at the relationship between public opinion and the social contract, we have sought not to look at public support for particular programs, but instead at the deeper values that would animate public debate about change. For example, we know that a majority of Americans would strongly favor measures to provide access to health care for all, but we also know—from experience—that if a universal health policy is described as expanding government's role in health care, it will provoke a backlash.

So the task of rebuilding the American social contract for the future will require a deep understanding of the deepest attitudes of Americans—attitudes about community, government, and family, about our obligations to one another, and about the mutual responsibilities of employers and workers. Rather than commissioning original research on public opinion about policy proposals that are so new that voters are unlikely to have a view on them, we decided that the first step would be to look at what we know from existing research about the underlying attitudes that will shape the reaction to policy proposals when they do come forward.

While analysts sometimes look at two public attitudes and say that they are contradictory, in fact there is usually a way to understand the complex of opinions and see how they can fit together. That fit often illuminates the policies that will win public support and provides a guide for how to talk about those policies. So, for example, in this paper Cliff Zukin and his colleagues note that there is an increasing acceptance of the need for mutual support and an active role for government, coupled with continued skepticism of government programs. But as he points out, the data show a deep commitment to the "golden value" of equality of opportunity. Americans favor self-reliant entrepreneurs over gargantuan corporations, but they mistrust the government to set a level playing field. These tensions shed light on a perpetual interplay between the enduring American values of independence, opportunity, and security.

One of the paradoxes of public policy in recent years has been the wide public support for tax cuts and other policies that principally benefit a small percentage of households. Some attribute this result to political misdirection or the use of

social wedge issues; others detect a belief by most Americans that they might soon be rich themselves. Zukin and his colleagues, however, employ data to argue that Americans accept inequality as part of the normal order in a dynamic economy. This finding serves as a warning against a kind of populist model of the social contract, emphasizing the illegitimate gains of the wealthy. Any social contract—and really any market economy with any set of rules—is redistributive by nature. But instead of redistribution for the sake of equal outcomes, Americans prefer to guarantee a minimum quality of life and a basic platform of opportunity.

But public opinion is not static, and the project of rebuilding the American social contract is not going to be completed tomorrow. The values driving public opinion will evolve in three ways. First, they will evolve as generations shift. The New Deal generation is passing on, the Baby Boomers moving into retirement, and a younger generation with very different values—more tolerant, more open to collective action, but also skeptical of large institutions and employers—are moving into voting-age adulthood. Second, as the economy changes, whether through a wrenching recession or because employers continue to reduce health benefits, Americans may change their basic perception of the role of government, responsibilities of individuals, and expectations of employers. And, finally, leadership and language matter. A president or other public leaders who speak about the social contract in compelling ways that connect to Americans' basic values can also guide those values in a new direction.

As the initiative goes forward, we will set out to learn more about the first two of those three, looking more closely at the emerging generation—the "millennials"—and at changing attitudes about the workforce and employment. As to the third, no research can help us predict whether that leadership or language will be found, but it is our hope that the solid empirical research of the Next Social Contract initiative, together with pathbreaking policy ideas, will help shape it.*

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** This report was prepared by the John J. Heldrich Center for Workforce Development at the Edward J. Bloustein School of Planning and Public Policy, Rutgers University, in response to a request by the New America Foundation's Next Social Contract Initiative for a concise and timely review of existing public opinion research focusing on American attitudes about the provision of public benefits. The research project was headed by Prof. Cliff Zukin and was carried out with the assistance of Josh Appelbaum, Timothy McKinnon, and Allison Kopicki of the Bloustein School's Masters Program in Public Policy, Krista Jenkins, Ph.D., and Theresa Thonhauser, Ph.D. The review of published opinion studies was intended to be comprehensive as of June 30, 2007. Data have been sporadically updated through the end of the year on more timely aspects of public opinion topics.*

When we speak of the *social contract* we refer to the bargain between the public and the individuals and institutions they allow to govern them. Individual citizens yield the idea of complete freedom in order to have an orderly society; they both give to and take from government. There is an inherent tension between individual freedom and collective obligation. In a dynamic society such as ours the social contract is constantly evolving, albeit usually slowly.

While the evolution of the social contract is fascinating from an historical context, tracking the relationship between citizens and their government offers evidence of a divided soul. Ours was a government created out of necessity rather than nicety, for protection rather than preference. We did so grudgingly and with suspicion, which endures 200 plus years later. Hence, it is a love-hate relationship. Perhaps least appreciated and most significant may be the we-versus-us nature of the relationship. A quick assessment of public opinion data could easily lead to the observation that a minority of the public seem to fully recognize that "we the people" are the government. Few in the general public understand the connection that we *are* the decision-makers we rail against.

The last time our social contract underwent major revision was during the New Deal. Our expectations of our government—and of employers and civil society—regarding health care, employment, and social insurance are rooted in the programs of that era. But much has changed since the 1930s. The full participation of women in the labor force, the changing composition of families, advances in medicine and an increase in the life span, the advent of high technology, and globalization, among other social and economic changes, have caused the existing social contract to fray. If we are to think creatively about a new social contract, we must understand what the American public wants from its government and what obligations bind its individual citizens to the collective good.

Against the backdrop of the presidential campaign and the change in leadership that will take place in 2009, we undertook a review of the published public opinion literature addressing the provision of public benefits in the United States—including research reports, survey instruments, data archives, and scholarly books and journals. We focused on findings that describe the existing relationship between the governed and the government, the public's views regarding social programs and entitlements, and changing attitudes in the post–Big Government era following the systematic retrenchments of the 1980s. Although we concentrated on this period, for comparative purposes we also looked back at the development of public opinion and the political culture surrounding the social contract over the last 50 years.

We identified a broad range of public opinion sources from academia, public interest and advocacy groups, foundations, and mass media. A detailed list of the literature consulted and supporting data for the conclusions presented here comprise two fat appendices, and may be found on both the New America Foundation's Web site, **www.newamerica.net** and the Heldrich Center's website at Rutgers, **www.heldrich.rutgers.edu**.* We were particularly interested in how public opinion shapes national values and informs policies governing employment, health care, education, family, retirement and Social Security, taxes, economic opportunity, and the environment and climate change.[1]

Understanding how the public views the current social contract—or what it wants from the next social contract—is not an easy task. Americans often hold contrary views on public questions: we want more government services, but we want to pay less in taxes. Public opinion often seems confused or

** These appendices take up as many pages as does this published report, and we encourage readers to consult them. We believe there is solid evidence for all the assertions presented in this published report, and have tried to carefully document the evidence that has led us to these statements. But, we wanted to produce a readable report, one that was not so bogged down with numbers that it was going to be a cure for insomnia. For greater detail, please see the appendix summary at the end of this document.*

contradictory. We have tried to present an accurate roadmap of Americans attitudes, but there is no way to draw a curved road as a straight line.

This report is divided into three sections. The first section explores the basic values of the American public, and how these values are important in everyday life. The next section documents American opinion on the important issues of the day: education, Social Security and retirement, taxation and government expenditures, heath care, job satisfaction and financial security, and the environment and climate change. The report concludes with our assessment of the implications of public opinion for the next social contract.

POLITICAL CULTURE AND VALUES

Values underpin all social contracts. Political scientists often refer to the dominant values at any moment as the "political culture." Each country's political culture is unique, a product of its settlement patterns, history, and national experiences. Values in a political culture normally change very slowly, weighted down as they are by the forces of history, socialization, experience, and mythology. Yet political cultures do change—gradually through such evolutionary means as generational replacement and sometimes relatively quickly as a result of such upheavals as war, depression, or disaster.

The values that define a political culture are tremendously important because they set the boundaries of policy options. They act as a passive restraint on decision makers, who are governed by the law of anticipated consequences. Any proposed policy that is antithetical to a society's basic values will be dead on arrival. Semantics may play a role, as in the discussion of "mandated" versus "universal" health care coverage. But the political constraints are real, and it is essential to recognize that the next social contract must be consistent with Americans' core values.

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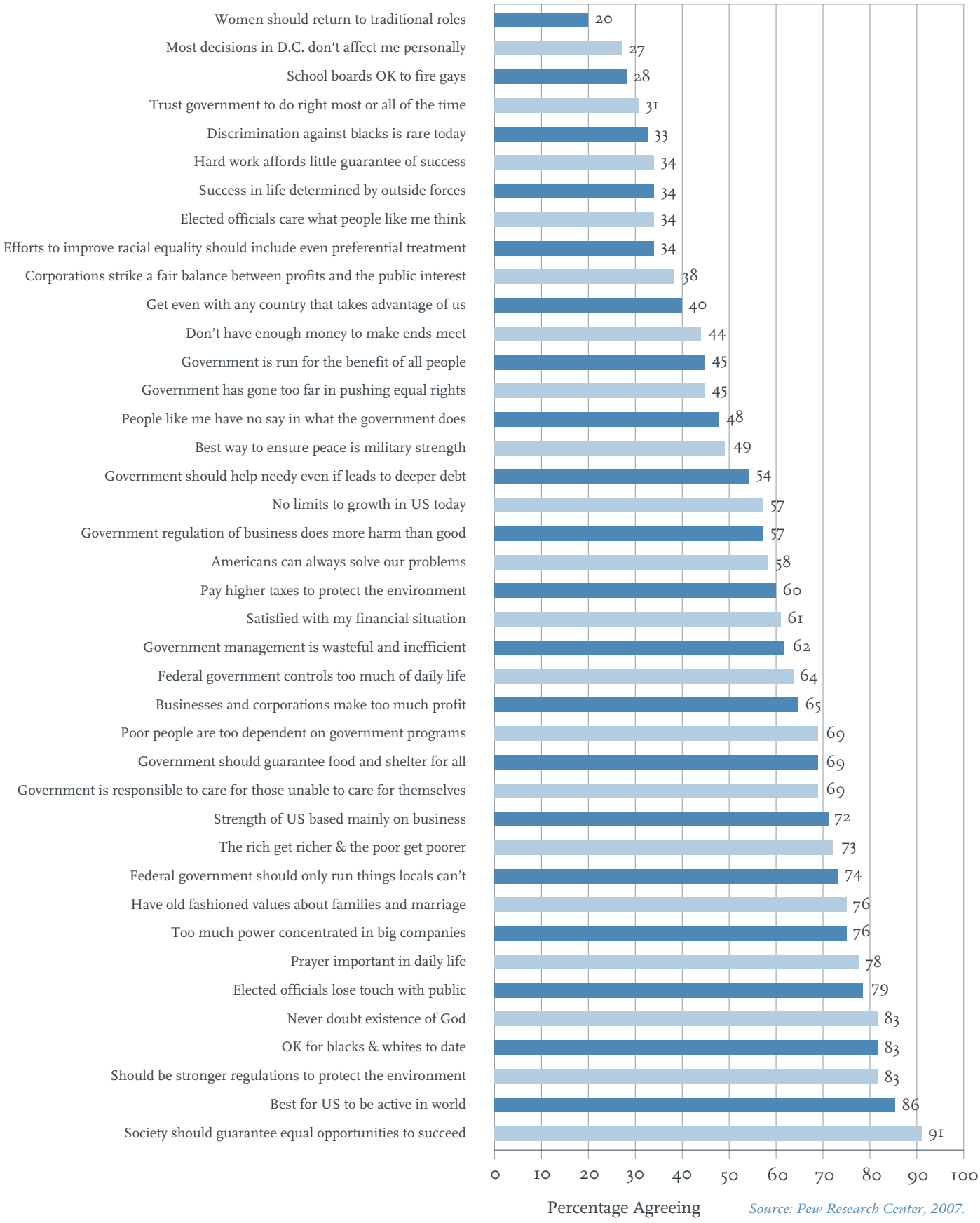
It is also important to understand that there may be a mix of conflicting values in any political culture. Furthermore, opinion is not static. This makes the task of identifying core values difficult. Individuals' responses to survey questions may be misleading in the absence of any situational context. Moreover, individuals are not required to reconcile their inconsistent views—except perhaps in the voting booth.

In this section of the report, we first identify the core values that characterize the American public, based on an extensive review and comparison of available survey data. There follows a discussion of what citizens see as the government's proper role and responsibility in delivering benefits and services. We conclude by identifying recent changes in the political culture.

Identifying Core Values

If issues are the brain of the body politic, values are the heart. We often discuss issues of the day in terms of our shared culture and history. Politicians compete to define issues in terms that resonate symbolically with American traditions. We do not hear the phrase "socialized medicine" in the context of the health care debate. Indeed, even the phrase "universal health care" is often to be avoided. The point here is that a new social contract must be compatible with existing American values. But what are America's core values? In a society that values both choice and life, making the abortion debate intractable, they may not be obvious.

Percentage Agreeing with Value Statements



Source: Pew Research Center, 2007.

Thankfully, there is an abundance of data on this topic, largely driven by the efforts of the Pew Research Center for the People and the Press. The center, which has been tracking American beliefs and attitudes for a long time, issued its most recent major report in March 2007. Our observations regarding America's core values are based primarily, though not entirely, on the data collected by the organization.

The following are core American values that are of consequence for the next social contract:

A commitment to ensuring equality of opportunity. This may be said to be the "golden" value. Nine out of ten of those surveyed by Pew agreed with the statement, "Our society should do what is necessary to make sure that everyone has an equal opportunity to succeed." But this does not inevitably translate into broad support for government to level the playing field or to remedy past discrimination. Only a third of those surveyed believe that we should improve the lives of blacks by means of preferential treatment. Whereas 69 percent agreed with the statements that the government should take care of people who cannot take care of themselves and that it should guarantee that everyone has enough to eat and a place to sleep, two-thirds also agreed that poor people are too dependent on government programs. Just over half said that they would be willing to give more help to the needy even if it meant that the government would go deeper into debt; 45 percent said that we have gone too far in pushing for equal rights.

So while we are committed to altruism on the one hand, we have as deep a commitment to *self-reliance, individualism, and entrepreneurship* on the other. Only a third of the public agreed that success in life is mostly determined by outside forces, and only a third agreed that hard work does not guarantee success. We are very much an earn-as-you-go society. We believe that people can make it on their own if they work hard, so long as the rules are fair. Government's role, then, is to assure that people have a chance. We believe that if people work hard and have talent, they will succeed.

A commitment to the private sector, along with a wariness of it. Over 70 percent agreed that U.S. strength is based mainly on the success of American business, although over 70 percent agreed that there is too much power concentrated in a few big companies. Almost three-quarters of those surveyed believe that the profits of private corporations are too high. However, half of those surveyed said that government regulation of business does more harm than good, although there has been a fair amount of fluctuation in this indicator.

A firm belief in God, combined with a belief in the separation of church and state. About four in five Americans say that prayer is an important part of their daily life; 83 percent say they never doubt the existence of God. Religion is the weft in the fabric of American life, with 59 percent saying religion plays a very important role in their life. Given its wealth, the United States is an outlier with respect to religiosity. Elsewhere, the more affluent the country, the fewer there are who say that religion is very important to them. It is unclear what role religion will play regarding the next social contract, but some things that Americans say they value, such as eradicating poverty or being good stewards of the environment, may be tinged with religiosity.

A belief that it is okay to be rich or at least that economic inequality is part of the normal order in America. Three-quarters of survey respondents believe that the rich are getting richer and the poor are getting poorer, and we have felt this way for years. Still, polls show very little support for government as a redistributor of income. While 45 percent say that they have trouble making ends meet, 60 percent say they are satisfied with their financial situation. Ironically, opposition to the inheritance tax comes largely from those who should expect to inherit nothing.

The United States should maintain an active presence in the world, but as a result of the war in Iraq we have become uncertain of America's efficacy and reach. Eighty-six percent of Americans surveyed agreed that "it is best for the future of our country to be active in world affairs," which may be said to be the second "golden" value. However, only 58 percent believe that Americans can always solve our problems, down from a high of 74 percent in 2002; only 49 percent now

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The public has turned inward, expressing doubt and caution about America's role in the world. The moment may be ripe for a national conversation over domestic issues and a new social contract.

think that the best way to ensure peace is through military strength, down from 62 percent; and only 40 percent now think that we should get even with any country that takes advantage of us, down from 61 percent. Clearly, the public has doubts about American power and is more cautious than in the recent past about how aggressive the United States should be in maintaining its place in the world. This trend may presage a turning inward, leading to a renewed focus on domestic concerns, a positive development for considerations of the next social contract.

The Role and Functioning of Government

The Pew survey included about a dozen or so questions that asked about government in some fashion. These include how close people feel to their government, how competent they believe it to be, how well it functions, and what the role of government should be. These are produced on page 3. This picture is not pretty. It suggests a public that is quite cynical about the motivations of governmental actors and questions the competence of the government to run programs. A number of observations may be made from these data.

Americans feel distant from their government. Four-fifths of Americans believe that elected officials lose touch quickly with those who elected them; only 45 percent believe that the government is run for the benefit of everyone. And most see government as tangential to their daily lives: only a quarter of Americans think that decisions made in Washington affect them personally. About three-quarters believe that the federal government should only run things when local governments cannot. This will make starting a conversation with the public about a new social contract a very difficult undertaking.

Americans are most comfortable with the idea of government as a guarantor of a minimum quality of life. Seventy percent of those surveyed believe that government should take care of people who are unable to take care of themselves; seven out of ten respondents are also comfortable with the government guaranteeing that all Americans have enough to eat and a place to sleep. There is little sentiment to move beyond this basic bargain: Americans value self-reliance and 69 percent think that poor people have become too dependent on government programs. However, there may be a growing sentiment that self-reliance is not always sustainable—the belief that the poor are too dependent on government has fallen from a high of 85 percent in 1994. What this means for the next social contract is that the public is willing for the government to provide a safety net for individuals who are unable to succeed on their own.

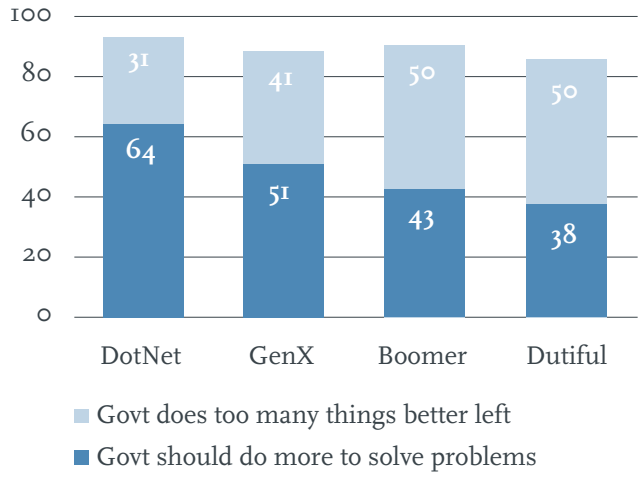
Americans have serious doubts about the government's competence. By a margin of almost two to one, people think that government is wasteful and inefficient. Only a third trust the government to do the right thing all or some of the time. Admittedly, trusting government "to do what is right" is a very vague indicator. The data do not tell us whether people lack trust in government because they believe public officials are ill-intentioned or incompetent, or because they believe that the problems the government is being asked to solve are just too big. But 25 years of anti-government rhetoric have clearly taken a toll on public confidence. It is hard to know at this point how to break through the cynicism that characterizes the public discourse about government. After all, most people are safe in their homes, the mail is generally delivered on time, and the country is prosperous, so the government must be doing something right. Perhaps this observation needs to be emphasized in discussing the social contract.

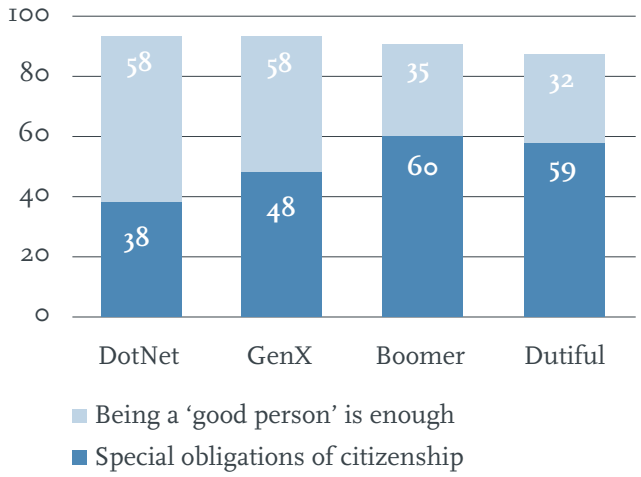
Changes in Values and Attitudes

Values change slowly, as noted earlier. Change in most cases is like a pendulum with a small swing arc. But here are three noteworthy changes in the political culture of late—most having to do with the changing composition of the citizenry by generational replacement. Each is accompanied by a nugget of evidence.

There has been a significant change since 1994 in social attitudes and values, with the country moving to the left. Larger numbers of Americans now favor government action to help the disadvantaged, and there is increased support for government weaving a larger social safety net. According

Generational Attitudes Toward Government and Citizenship





Source: NCES1 Survey, Don't know responses have been omitted.

to the Pew Research Center's March 2007 report, *Trends in Political Values and Core Attitudes: 1987–2007*, Americans have become increasingly progressive, with the proportion of those who say government should take care of people who cannot take care of themselves rising from 57 percent in 1994 to 69 percent in 2007. The proportion who agree that government should provide food and shelter for those who cannot provide for themselves increased from 41 percent to 54 percent over this same period. The UCLA annual survey of incoming college freshmen shows a significant growth in the number of self-identified liberals, with about 30 percent of freshman describing themselves as liberals in 2004, up from a low of 21 percent in the early 1980s.

Younger Americans are different from older generations in some important ways. They are more willing to see government play a larger role in addressing social problems than their elders. They see a more expansive role for government, are less suspicious of the motivations of public officials, and see more of a role for government in problem solving relative to "businesses or individuals."[2] Younger Americans are also less ideological and judgmental. This shows up dramatically in the acceptance of interracial dating and of gays and lesbians, and means that in some ways we will simply outgrow social conservatism.

> Younger Americans see a more expansive role for government, are less suspicious of the motivations of public officials, and view the government as able to solve problems. They are also less ideological and judgmental.

Younger Americans are going to be less good citizens than their elders. It is vitally important to recognize that the next social contract is going to involve people who think differently about the nature of government than those who came before them, recognize fewer obligations of citizenship, and may in turn demand less from the political system. How this will play out remains to be seen. But there are clear differences in age cohorts over the meaning of citizenship. Younger people are less likely to feel that the obligations of citizenship require them to be politically informed or to vote. It is unclear whether young people will also expect less from their government, or if they will be more oriented toward the market than government.

We feel less confident of America's power in the world. There will be a hangover from the war in Iraq that will make Americans cautious about future international involvement. We are likely heading toward a period of turning inward. According to the Pew Research Center's 2005 report, *America's Place in the World*, 42 percent of respondents agreed with the statement that the United States

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should "mind its own business internationally and let other countries get along the best they can on their own." Such isolationist sentiment was also evident in the mid-1970s after the Vietnam War, and in the 1990s after the end of the Cold War. This may mean that the time is ripe for a discussion of domestic issues and a new social contract.

The Issues

In this section, we focus on interpreting public opinion in six areas: education, Social Security and retirement, taxation, health care, job satisfaction and security, and the environment.

EDUCATION

Americans view primary and secondary education as a birthright. While they do not believe in guaranteeing individual success, they believe every individual ought to have the opportunity to succeed, and they see education as key to the chance of a prosperous life. Data from various polls suggest that about 85 percent of Americans see education as a core value. Depending on the poll, anywhere from 60 percent to 70 percent of respondents say that they would support increased spending on education even if this would result in higher taxes; a similar number say that they would approve of a tax of $100 on themselves for this purpose.

However, the public is schizophrenic in its attitudes toward education and educational reform. While Americans are concerned about the quality of education in the United States, they blame social conditions, rather than educators or parents, for its perceived failures. Even though they believe that the nation's educational system is in trouble, they think their local schools are fine. They want federal money but local control. They appear to favor a standardized national curriculum. Yet at the same time, they believe that the state and, especially, local governments should have the most say about what is taught in public schools. They favor reforming the current system, but they do not want to give the federal government a green light to conduct a complete overhaul.

Public Attitudes Regarding the Educational System

According to Gallup, only 29 percent of American adults have children in grades K-12. Moreover, about one in five children are home-schooled or attend private or parochial rather than public schools.[3] So while almost all Americans are a product of the public education system, the vast majority currently have only a passing knowledge of the system. The relatively small number of people who have children in or are otherwise involved with the public school system is relevant when considering how the public evaluates the nation's schools.

In a recent Phi Delta Kappa poll (conducted annually with Gallup), 49 percent of those surveyed gave the schools in their community a grade of A or B (this percentage has remained relatively unchanged since 1974 when the question was first asked). The percentage of As and Bs climbs to 56 percent among parents with children in public school and to 64 percent when parents grade the school their oldest child attends. Yet, when asked to evaluate the "nation's schools," just 21 percent of the public awards them an A or B grade.

Public Perceptions of Weaknesses in the Current System

Perhaps because most Americans have little direct involvement with the schools, interpretations of public opinion regarding education are heavily dependent on what is being asked and how questions are worded. Many studies show that the public believes that schools are in need of greater funding and that teachers should be paid more; in fact these two concerns often rank above public concerns about overcrowding, lack of discipline, or drug use. But when pollsters ask other sorts of questions, the "problems with education" look different. For example, in response to a 2006 PDK-Gallup survey, which asked whether the

There is often a disconnect between the questions pollsters are asking, the public's true concerns, and the policy debate.

problems currently facing public education were due to the performance of the local schools or to societal problems, a sizable majority (70 percent) said it was the effect of societal problems, compared to just 22 percent who said it was poor school performance. Here the subject of funding does not come up. Thus there is often a disconnect between the questions pollsters are asking, the public's true concerns, and the policy debate.

Public Perceptions of Government's Role in Education

When it comes to the subject of public schools, policymakers often find themselves caught in the whipsaw of federalism versus localism. This is because the public still sees public education as the province of state and local government; at the same time, it thinks Washington could be doing more to improve the quality of education. Americans are decidedly for local control of educational content, with only 14 percent saying that the federal government should have the most influence over what is taught in public schools. Support for local control has changed little in 25 years. At the same time, there is some evidence to suggest that the public wants greater federal oversight. According to an April 2000 Gallup/CNN/USA Today poll, 46 percent of respondents said the federal government should be more involved in education, 22 percent said it should keep its involvement about the same, and 29 percent said it should be less involved.

There is similar confusion with respect to attitudes regarding the use of public money for private schools, which has a good deal to do with the questions being asked. Survey questions probing the depth of support for assisting low-income families or for parental choice may lead to findings that are at odds with survey questions testing the public's support for vouchers. Pollsters who begin with the presumption that public schools are poor before asking about the use of public money for private schools are likely to elicit different responses than those who do not. Public opinion is also likely to appear muddled when surveys do not distinguish between private secular schools and religious schools. Undoubtedly, there is much insight that might be teased out of the available data. The important point is that it is essential to pay attention to how questions with respect to education are framed in order to gain an accurate reading of the public debate.

As for the No Child Left Behind (NCLB) Act and its historic federal grab at control over public education, the program has not left a large mark on public consciousness. About half the public (46 percent) knows "very little" or "nothing" about NCLB, according to a Phi Delta Kappa survey from 2007. About a third of those surveyed (31 percent) had a favorable opinion of the program, 40 percent had an unfavorable opinion, and a 29 percent did not know enough to express an opinion. A secondary analysis of the data, focusing, for example, on the responses of public school parents, might shed more light on the topic.

The bottom line is that primary and secondary education is an area ripe for redefinition in the next social contract. The right to a good education is a core American value. The public views the educational system as somewhat troubled, and it observes a need for modest reforms instead of an overhaul. The public's preference is for improving the public school system. Moreover, it views education as primarily a local issue. Thus this is an area

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where the federal government is probably more appropriately seen as helping rather than leading.

Finally, it is worth noting that there is a lack of good data on public attitudes in three critical areas: 1) access to and affordability of higher education, 2) the need for and access to life-long learning, and 3) trade and professional schooling. All of these would seem to be important elements of a new social contract.

SOCIAL SECURITY AND RETIREMENT INCOME

Americans are clearly worried about how they will provide for themselves in their "golden years." A 2006 Gallup/USA Today survey found that a significant majority (74 percent) was "very" or "somewhat" concerned about not having enough money to live comfortably in retirement; 42 percent said they were "very concerned." Two-thirds (66 percent) said that they were "very" or "somewhat" concerned about running out of money before they died. As these responses came from a cross-section of both young and old adults, it is quite likely the numbers understate the concerns of older Americans.

To some extent, this worry is tied to problems that plague Social Security. But there is so little faith in the viability of Social Security that apprehension is actually much broader than worries about that program per se. People are worried about their financial security in the most fundamental terms. It is sobering to note that relatively few Americans—perhaps a quarter of the public—believe that Social Security will be their main source of funds for retirement. Far more believe that they will need to shoulder the responsibility of funding their retirement themselves through a variety of mechanisms.

The public is clearly amenable to reforming Social Security. The only question is, in what way? This is a difficult question to answer because the various proposals for changing the system have not led to anything approaching consensus. According to AARP, 68 percent of Americans think that Social Security is among the most important of all government programs. The public also believes that participation in Social Security in some form should not be voluntary, and that the program is in trouble and in need of fixing. We can conclude little else about majority sentiment toward Social Security and retirement income from the available data.

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The Problem

The perception that Social Security is headed for insolvency has been a dominant thread in the weave of public opinion for decades. Only 15 percent of respondents to a 1977 Gallup poll said that they were "very confident" in the future of the Social Security system; another 35 percent said that they were "somewhat confident." Thus it is clear that few Americans have been counting on Social Security to bankroll their retirement. According to a Gallup poll conducted in late 2005, only 21 percent of adults expect Social Security to be their "main source" of income when they retire. Just over half said they thought Social Security would be a "minor" source of retirement income, and 25 percent said they did not expect to receive any retirement income at all from Social Security. Unfortunately, we were unable to analyze the answers to this question by age grouping from the published literature.

By some measures, Americans are actually slightly more optimistic now than they were 10 years ago that Social Security will be there to help them. In the 2005 Gallup poll, 40 percent of respondents said they believed that they would receive all or most of the benefits they were entitled to, up from 26 percent in 1995.

Fixing Social Security

Support for giving individuals greater control over their contributions to Social Security has waxed and waned over the years, with opinion divided today between those who believe that changing the system is more risky than maintaining the status quo and those who want the system changed. Current support for personal retirement accounts fluctuates according to how questions are posed.

Source of Retirement Income for Non-Retired Adults

	Major	Minor	Not a source
401(k), IRA, Keogh or other retirement savings account	47%	31%	19%
A work-sponsored pension plan	26%	30%	42%
The equity you have built up in your home	26%	34%	35%
Social Security	25%	51%	22%
Individual stock or mutual fund investments	19%	41%	38%
Other savings such as a regular savings account or CDs	19%	51%	28%
Part-time work	18%	50%	28%
Annuities or insurance plans	7%	32%	59%
Money from inheritance	7%	31%	60%
Rent and royalties	6%	26%	66%

Source: Gallup, 2006.

For example, questions about personal retirement accounts that include references to risk yield less support than questions where risk is not mentioned. Question wording matters most when public opinion is least settled. In this case, getting a handle on public opinion is complicated by the fact that the language opinion pollsters have employed in exploring this issue is riddled with jargon.

In a survey it conducted in 2007, AARP asked about a variety of proposals to shore up Social Security. It found that, in general, the public is least likely to support proposals that entail benefit cuts, such as raising the retirement age to 70, indexing benefits to longevity, imposing a 5 percent benefit cut on new retirees, or modified price indexing (whereby future benefits would be cut by 1 percent each year a person has contributed to Social Security, with low-wage earners exempt). According to this survey, the public is more likely to favor revenue enhancement strategies, including gradually increasing the income cap to $150,000, increasing the payroll tax by 0.5 percent for both workers and their employers, changing the benefit formula to make it more progressive, and investing part of the Social Security Trust Fund. Other surveys have produced similar findings (except where respondents are presented with a "none of the above" option, which wins out).

Other Sources of Retirement Income

In 2006, Gallup asked people how much they expected to rely on various sources of income when they retired. Forty-seven percent of those polled said that their "major source" of retirement income would be a 401(k), IRA, Keogh, or other retirement savings account, suggesting that many are planning to go it alone as they prepare for life after work. Next in line were work-sponsored pension plans and home equity, followed by Social Security, individual stock or mutual fund investments, other savings accounts, and part-time work. As with the issue of education, we noted a disjuncture between questions pollsters ask and reality: about half of working Americans do not have access to a regular retirement savings plan through their employers.

These responses suggest that Americans are decidedly dubious of the government's ability to assist them in their later years. By and large, they expect to assume personal responsibility for retirement savings and sees saving for the future as partly tied to their employer.

Surveys show widely varying estimates of support for the idea that the government should help those who do not invest wisely in personal retirement accounts. According to a January 2005 CBS/New York Times poll, 84 percent of Americans believe that it is not the government's responsibility to make up the losses of those who lose money investing in such accounts, whereas 60 percent of respondents to a February 2005 PSRA/Newsweek survey said that "government should be responsible for protecting them in some way" from individual investments that perform poorly and lose money.

As we will see in a number of other areas, people want government protection, even though they do not want the government to guarantee outcomes. There is no question that most Americans are deeply concerned about not having enough retirement income. It may be our greatest unspoken national anxiety. There is some evidence to suggest that people view this as a personal problem—one they do

The next social contract should focus less on a "big government" approach to retirement savings and more on giving incentives for individual planning. Other policies such as building assets are also compatible with such core American values as independence, opportunity, and security.

not want to talk about, even though they have no clue what to do. In this context, it may be possible to advance policies in the next social contract that focus less on a "big government" approach to retirement savings and more on giving incentives for individual planning. Certain proposed policy solutions (e.g., asset-building) are also compatible with such core American values as independence, opportunity, and security. Our review of the public opinion literature in this area suggests that there is a lot we do not know about "economic insecurity" and how it is experienced in everyday life.

TAXATION AND FEDERAL EXPENDITURES

Americans have never much liked paying taxes, but like our Colonial forebears, we accept taxation that we believe to be fair. We pay our taxes willingly when we think the revenue is appropriately handled by the government and goes toward the general good in support of safety net programs, education, and the nation's defense. We also want Washington to keep a balanced budget; however much personal debt we take on, we do not want our government to be in the red. And we do not like our elected officials spending on special interests, which are always about "them" and never "us," no matter what civic or professional groups we belong to.

Public Attitudes Regarding Income Taxes

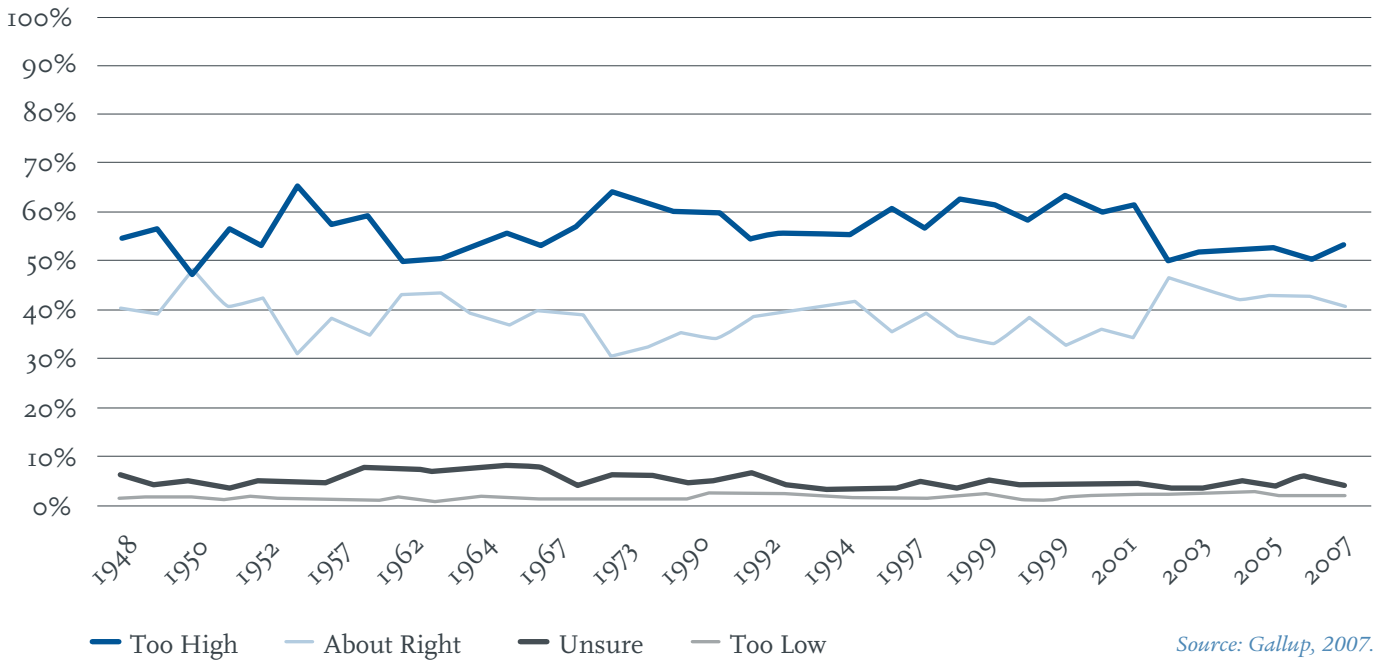
Responses about whether one's taxes are too high vary according to the question being asked. According to an April 2007 CBS News poll, a little more than half of Americans (55 percent) think they pay the right amount of federal income taxes, while 37 percent think they pay "more than their fair share." When Gallup, in a poll conducted in the same month, asked a slightly different question—"Do you consider the amount of federal income tax you pay as too high, about right, or too low?"— 53 percent said "too high," and 41 percent said "about right." Thus, not using the term "fair share" seems to increase the likelihood of respondents saying that they pay too much in federal income taxes. This is a crucial distinction, because the two questions measure different attitudes.

No one likes paying taxes, but there is far less resistance if people see what they pay as a fair contribution to the general good. When Gallup probed further, asking, "Do you regard the income tax which you will have to pay this year as fair?" 60 percent of respondents said that they did. Thus, we are not opposed to paying taxes, but we believe that we should pay as we go and that everyone has a responsibility to contribute to the collective good. What we are opposed to is paying more than our share when others are getting off easy.

There is a significant amount of grumbling about the unfairness of our current tax system. This perception is no doubt reinforced by the system's complexity. The public is clearly split on the issue of basic fairness. According to a Kaiser/Washington Post/NPR survey conducted in 2003, a miniscule 4 percent of Americans believe that the system is "very" fair. Another 47 percent say that it is "moderately" fair. But that leaves half of the public feeling that our system of taxation is unfair: a third think the system is "moderately" unfair, and 16 percent think it is "very" unfair. Almost all (87 percent) said that the tax system is too complex, with half finding it "very" complex.

Americans are wary of paying taxes, but there is far less resistance if people see what they pay as a fair contribution to the general good.

Perceptions of Federal Income Tax



Source: Gallup, 2007.

Americans are progressive in their beliefs about who pays too much. Almost half believe that lower-income (45 percent) and middle-income (47 percent) people pay too much in taxes; only 9 percent believe that upper-income people pay too much, and 5 percent say that corporations pay too much. Gallup's historical data show that the percentage of Americans who say their income taxes are too high has declined since the 1990s, with significant change in opinion after 9/11. Since 2003, 50 percent on average say that their taxes are "too high"; between 1990 and 2001, the average response was 61 percent. This change may be due to an understanding on the part of the public that fighting wars is a costly business. Or it could possibly be accounted for by the Bush tax cuts. It is difficult to know for certain. But the drop from the 65 percent who in 2001 said that their taxes were too high to the 47 percent who in 2003 thought they were too high is noteworthy, and it looks as if this change is enduring.

Public Perceptions of Weaknesses in the System and Opportunities for Reform

According to a 2005 Gallup survey, most Americans think that their local property taxes are the least fair (39 percent), followed by the federal income tax (20 percent). State sales, state income, and payroll taxes elicited roughly similar disapproval ratings, ranging from 11 percent to 16 percent.

Almost six in ten Americans (57 percent) favor making the Bush tax cuts permanent, according to a recent CNN poll. However, if questions about tax cuts are posed in context with questions about the economy, the federal deficit, and federal spending, there is less support for tax cuts in general. In this case, slightly over half (53 percent) of respondents indicate that the Bush tax cuts have not been worth it, according to a NBC/Wall Street Journal Poll conducted in 2005. Further, in the minds of most Americans, reducing the deficit is more important for a robust economy than reducing taxes.

We do not believe that the government uses our tax dollars efficiently. According to an April 2002 ABC News poll,

> If tax policy is posed in context with questions about the economy, the federal deficit, and federal spending, 53 percent of respondents indicate that the Bush tax cuts have not been worth it.

Taxes represent a challenge and an opportunity. While Americans are dissatisfied with the existing system, any potential change will be met with great skepticism.

Americans on average think the federal government wastes 47 cents out of every dollar it spends. The public thinks that the government should spend on education, health care, and social services, as well as to pay down the national debt. A March 2006 poll by Fox News asked respondents if they would rather pay more in taxes to keep current government programs going or see funding for those programs cut. Except for Iraq reconstruction, a majority of Americans said that they placed a higher priority on maintaining government programs than on cutting spending.

In April 2001, when respondents to a CBS News poll were asked to choose between using the budget surplus to cut taxes, pay down the national debt, or preserve safety net programs, 47 percent chose preserving the safety net, while only 21 percent wanted a cut in income taxes. When an ABC/Washington Post survey posed a similar question, 37 percent of respondents named either education or health care spending as their top priority; 24 percent wanted to strengthen the Social Security system, 20 percent wanted to cut income taxes, and 18 percent wanted to reduce the national debt. However, 67 percent of Americans consider spending on elected officials' pet projects to be unacceptable, according to a 2007 CBS poll.

While Americans see a number of problems with the existing income tax system—unfairness, complexity, lack of progressivity—they are suspicious of alternative forms of taxation, including the flat tax, the value-added tax, the consumption tax, and tax shifting. It may be that while people are not satisfied with the current system, they are worried that any significant change could make things worse. So taxes represent a challenge and an opportunity. While Americans are dissatisfied with the existing system, any potential change will be met with great skepticism on two grounds: First, many people do not think the government is capable of implementing positive change. Second, many people will be the suspicious that any proposed change, no matter how good it sounds, is a hidden attempt to raise their taxes to the betterment of the well-off. What we do not find in extant public opinion literature are questions regarding what should be taxed (consumption, employment) or who should be taxed. In many ways this is understandable: taxation is a complicated issue. With a public wary of change, an in-depth discussion of taxes may need to take place at an elite level before proposed changes can be presented to the general public.

HEALTH CARE

Health care is becoming an entitlement question: the public believes the government should guarantee that everyone has access to health care. It is an issue Americans care deeply about and probably the number one domestic concern, easily rivaling such pocketbook issues as the availability of jobs or the ability to make ends meet, at least during the middle of 2007. Concerns about the economy have risen since that point in time. The public expects more from government when it comes to solving the health insurance crisis, but no magic-bullet solution has emerged from recent polling. The only thing that can be said for certain is that the public acknowledges that problems in the provision of health care are severe. It is one of the few areas where Americans appear to be willing to consider fundamental rather than incremental change. However, this may not necessarily equate to a willingness to consider a nationalized health care system or some other groundbreaking scheme.

What the Public Thinks

Many poll findings are consistent with a February 2006 CBS/New York Times survey, which asked the following question:

Which of the following three statements comes closest to expressing your overall view of the health care system in the United States?

On the whole, the health care system works well and only minor changes are necessary to make it work better	8%
There are good things in our health care system, but fundamental changes are needed	56%
Our health care system has so much wrong with it that we need to completely rebuild it	34%

According to a KFF survey conducted in 2005, when asked about their preferences for the provision of health care in the United States, 49 percent of respondents said they wanted a system based on private health insurance, and 41 percent were in favor of wholesale change. These responses hint at how contentious any proposed reforms are likely to be. A 2004 survey conducted by Lake/Snell/Perry for the New American Foundation found that while three-quarters of those surveyed thought that obtaining health insurance was a personal responsibility, like having auto insurance, just half supported the idea of mandatory insurance for all adults.

It is important to note that those who have health insurance are pretty well satisfied: in response to a 2004 KFF survey, 57 percent said their health coverage plan was good and that they felt well protected regarding their health care needs; 38 percent said their plan was adequate, but they worried that they might have health care needs that it would not pay for; and 4 percent felt that their coverage was inadequate. The large body of polling data in this area supports the view that people are not dissatisfied with their health coverage or benefits; rather, they are concerned about rising costs and the security of their benefits. Unlike other subject areas with their wide array of sub-issues that have been asked about in recent years, health care is relatively straightforward. Almost all questions center on problems with the current health care system, what to do about the uninsured, and rising costs.

Public Perceptions of Problems and Solutions

Cost and access are the two primary concerns, in that order. In a KFF survey conducted in 2006, health care costs, coverage, and access were the most commonly cited problems respondents wanted the government to address, followed by issues involving senior citizens (Medicare and prescription drug benefits), medical conditions and procedures, and health insurance (HMO and managed care issues). According to a 2005 KFF survey, the public assigns blame for high health care costs to the following in roughly this order: 1) high drug and insurance industry profits, 2) malpractice lawsuits, 3) greed and waste in the provision of care, 4) the aging of the population, 5) the use of expensive, high-tech medical equipment and drugs, 6) payments to doctors, and 7) the lack of incentives to seek lower-cost doctors and services.

Americans have come to associate health care coverage with employment. A 2004 KFF poll found that among those with employer-sponsored health care, 76 percent would rather continue to get their health insurance through their employer than receive a $1,000/$3,000 individual/family tax credit for use toward purchasing health care on their own (only 17 percent chose the latter option). Fifty-five percent said they would prefer to keep their current coverage rather than get cash from their employer to buy health insurance on their own (37 percent chose the latter option). A 2005 Employee Benefit Research Institute survey produced similar results. When asked if they would prefer to receive the $6,700 that an employer might spend on coverage per worker in taxable income in lieu of health insurance, 80 percent opted for the coverage instead of the additional income; when the amount of additional income was increased to $10,000, 66 percent opted for the coverage.

Americans have come to associate health care coverage with employment, but importantly, they also want portability. 84 percent said that they favored a federal guarantee that individuals could not lose their health insurance when changing jobs.

Finally, Americans appear to want portability of coverage. In an ABC/Kaiser/USA Today survey conducted in 2006, 84 percent of respondents said that they were in favor of a federal law guaranteeing that individuals could not lose their health insurance when changing jobs; 14 percent of respondents were opposed to such a law.

With respect to fixing the employer-sponsored system, 86 percent of those who responded to the ABC/Kaiser/USA Today survey supported offering tax breaks or other incentives to businesses that provide health insurance to their employees; only 11 percent disagreed with this approach. When respondents were asked how effective they thought it would be for the government to regulate health care costs, 62 percent thought it would be "very" or "somewhat" effective; 36 percent thought it would be "not too" or "not at all" effective.

The public thinks that expanding coverage for the uninsured should be accomplished through greater funding for Medicare/Medicaid and by making it easier for employers to provide coverage to employees. It views the government as a direct provider of last resort. Again, there is relatively little support for a nationalized, government-run or -sponsored health insurance system that provides the same benefits to everyone, according to a 2006 KFF survey, which proposed a number of options for guaranteeing health insurance. The greatest support (88 percent) was for giving tax deductions to businesses and employers who provide health insurance; only 37 percent supported a single national health plan financed by taxpayers. Finally, the results of an ABC News survey in 2001 concerning taxation and health care reveal a divided public, with 52 percent in favor of spending more to provide health care for the uninsured, and 42 percent in favor of cutting federal income taxes.

Health care is a first-tier issue in the public's mind. In sum, Americans believe it is the responsibility of the federal government to make sure that everyone has health coverage. However, there is no consensus on how to achieve this, and the public's willingness to see an expanded federal role goes only so far. The public may not be willing at present to embrace a national health plan, but that may change, depending on how the issue is framed in the course of the presidential campaign. There is some evidence of a deeply rooted presumption that health care should be tied to employment, and proposals that require businesses to provide coverage are more apt to be in sync with current public opinion than proposals for a more direct federal role.

JOB SATISFACTION AND SECURITY

Work is important to Americans. In to a 2003 Gallup poll, 56 percent of Americans said that their job provides them with a sense of identity, compared to the 43 percent who said it is just something they do. Six of ten respondents to a 2006 AP/Ipsos survey said that their job was an important part of who they are as a person. It is not surprising then, that when Gallup asked Americans in 2005 what they would do if they won a $10 million lottery jackpot, a whopping 61 percent said they would continue to work.

A casual observer of the American scene would likely conclude that people are concerned about losing their jobs and unhappy with their work experience. News media accounts about Americans' economic insecurity are rife with stories of downsizing, jobs lost to overseas workers, and Americans who must choose between wage increases or the continuation of their health care benefits. It is therefore somewhat surprising that an overview of public opinion data collected in the two decades reveals far more satisfaction rather than dissatisfaction. Overall, there is little evidence of a negative trend in evaluations of work in the United States, and few report being worried about job loss in the near future. However, lurking within the findings are elements of work life that Americans do seem to be worried about; increased hours and reduced benefits, for example, mar the sanguine picture that emerges from general measures of satisfaction and security. And there is a smattering of evidence that jobs have become less important than leisure time.

> While a majority of Americans find satisfaction, security, and even a sense of identity in their jobs, worries about increased hours and reduced benefits mar this sanguine picture.

Overall Satisfaction with Jobs and Job Security

Polls consistently find that a majority of employed Americans are satisfied with their jobs. Regardless of how the question is asked, sizable majorities of Americans have positive things to say about where and how they earn their living. For example, about 85 percent say they are satisfied with their jobs, although a smaller number—40 percent—say they are "completely" satisfied. A 2005 Gallup survey found that 83 percent are either completely or somewhat satisfied with their job security. Moreover, these findings have been extremely consistent for decades. Surveys dating back to the 1960s (and one to the 1940s) find similar levels of job satisfaction.

The most recent data, from a 2007 Gallup survey of work and the workplace, reveal the following levels of satisfaction with various job attributes:

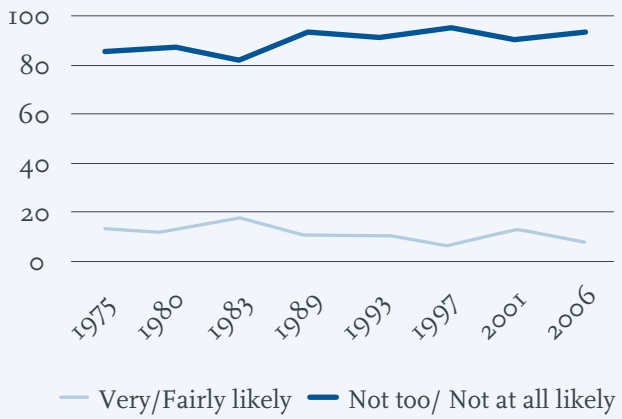
Job Satisfaction by Attribute

Job Attribute	Satisfied	Very Satisfied
Flexible Hours	88	60
Amount of work required	88	52
Job Security	84	55
Vacation Time	81	54
Recognition	80	47
Amount of Salary	75	31
Health Insurance	68	31
Job Stress	66	22
Retirement	62	31

By and large, Americans feel secure in their employment. In response to a 2006 Gallup survey, 57 percent of those polled said that it was "not at all likely" that they would be laid off in the next 12 months, and an additional 32 percent said it was "not too likely." According to a 2005 Gallup survey, only 15 percent of working respondents said that they were worried about being laid off in the near future, and just 12 percent said they were worried about their employer moving jobs overseas. This is not to say that the issue of job loss fails to resonate with American workers—just that their experience with the problem is largely indirect. A 2005 Gallup survey found that 27 percent of respondents worked for employers who had laid off employees in the previous six months; and a 2003 Gallup survey found that 60 percent of workers knew someone who had been laid off or fired recently. Even so, perceptions of job stability have stayed level over the last 30 years.

> Almost half of Americans say that their current income does not afford them the means to live the life they would like. Half rate their personal finances as only fair or poor, and a sizable third have had to go into debt to pay for basic necessities.

Thinking about the next 12 months, how likely is it that you will lose your job or be laid off: very likely, fairly likely, not too likely, or not at all likely?



Source: Gallup, 2006.

However, there are a number of findings from the Work Trends surveys conducted by the John J. Heldrich Center for Workforce Development at Rutgers University that hint at worker unease over job security issues. Consider the following findings:

- According to a 2003 study, lower-income workers were particularly susceptible to layoffs. Among workers earning less than $40,000 a year, almost a fourth (23 percent) had been laid off from full-time work. In contrast, only 11 percent of workers earning $40,000 or more a year had experienced job loss.

- In 2005, concern about job security for those currently working was at its highest level since the Work Trends surveys began in 1998, and much higher than at the start of the recession in 2000. In the spring of 2005, nearly half of workers said they were "very concerned" about this issue, compared with only 26 percent who said so

in the winter of 2000. Such concern was higher among African Americans (68 percent) and for those with less education (65 percent).

• More than half of workers (53 percent) interviewed in the spring 2005 survey said that it was a bad time to find a quality job.

Hints of Other Problems

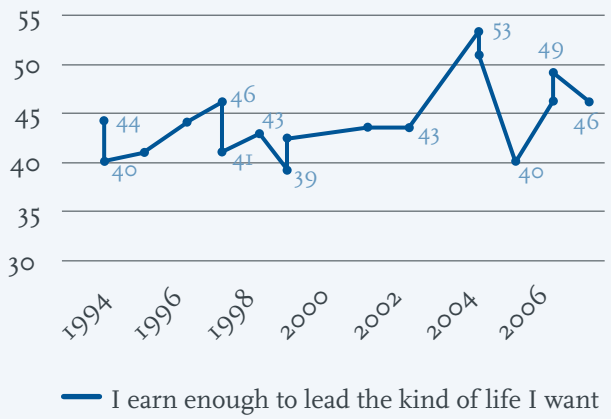
Despite the generally rosy picture of overall job satisfaction, there are clear signs that American workers would like to see improvement in some aspects of their employment. Dissatisfaction with health and retirement benefits stands out. Thirteen percent report working two jobs in 2005; another 4 percent were working three or more. A Gallup survey in that year revealed a fair amount of workforce upheaval in the aggregate:

- 41 percent said they had left a job to work for a different company
- 32 percent changed careers or made a significant change in what they did for a living
- 30 percent said their benefits had been reduced
- 19 percent said their wages had been reduced
- 15 percent said they had been laid off
- 7 percent said they had been fired.

Moreover, survey findings of recent years suggest that workers are not happy with what they are paid. Many live paycheck to paycheck. Not having enough money leads the list of worries that disturb Americans—almost half say that their current income does not afford them the means to live the life they would like. Half rate their personal finances as only fair or poor, and a sizable third have had to go into debt to pay for basic necessities. In response to a 2005 PSRA/PEW poll, 40 percent of those surveyed said they often did not have enough money to make ends meet, up from a low of 29 percent in 1999. Although it is difficult to discern precisely what is behind these numbers, it is clear that for many Americans, stagnant and falling wages are taking their toll on personal financial security. The public may be receptive to policies that address the increasing gap between wages and purchasing power.

> Americans are increasingly more likely to say working hard and spending longer hours on the job do not yield the benefits they should.

Do you now earn enough to lead the kind of life you want, or not?



Source: Pew Research Center, 2007 .

Another issue that concerns Americans is the number of hours they must spend at work. Even though some surveys suggest that people are satisfied with the number of hours they work and with the flexibility of their work schedules, other surveys point toward increased unhappiness over how hard and how many hours one is expected to work. The length of the work week rivals salary as the issue working Americans most fret about. Americans are increasingly more likely to say working hard and spending longer hours on the job do not yield the benefits they should. A recent Pew Research poll in March 2007 found that long working hours are especially taxing on those with children, particularly women. Among mothers with children under the age of 18, 44 percent believe that part-time work, as opposed to full-time work (30 percent) or not working (26 percent), would be ideal for them personally. Of course, it is possible that the concern over work hours that shows up in surveys is more about the desire of some to work fewer hours than it is about people in general feeling overworked. But taken as a whole, the findings suggest that Americans believe that their quality of life is diminished by the number of hours they must spend on the job. This trend may not lend itself to an easy fix from outside the private sector.

Public opinion surveys are weak in a number of areas concerning employment. There appears to be little ongoing work in the development of indicators of economic and job insecurity. Similarly, little attention has been paid to economic marginalization—that is, to what happens when there is a job crisis or health emergency, and how many Americans feel threatened by this. Moreover, there are few data on generational differences, the increasing diversity of the workforce, or segmentation by job type. All of these issues are likely to be fairly important in the context of a new social contract, especially as so many benefits are delivered through employers.

THE ENVIRONMENT AND CLIMATE CHANGE

"The environment" is a second-tier issue, one that engenders sympathy but not passion. This could change, but public opinion data suggest that the framing of environmental concerns will have to focus on our dependence on Middle Eastern oil, potential environmental disasters, or, less compellingly, global warming or being "green." Although it is not a pocketbook issue like the economy, a gut-level issue like health care, or an entitlement issue like education, environmental degradation does resonate among the public.

Surveys suggest that the public is growing increasingly concerned about the state of the environment,[4] accepts the reality of global warming as a manmade and thus correctable problem ("government should do something about it"),[5] worries about its long-term effects,[6] and in sum believes that we should do whatever it takes to protect the environment. In a Pew Research Center poll conducted in January 2007, 57 percent of respondents said that "protecting the environment" or "dealing with the nation's energy problem" should be a "top priority" for the president and Congress, and 38 percent said that global warming should be. However, "bread and butter" issues trump the environment as areas requiring governmental action. Significantly greater numbers of respondents to the Pew poll named dealing with the economy, improving education, and fixing Social Security and Medicare as top priorities.

What the Public Thinks

In surveys conducted by the Pew Research Center, about 50 percent of the public deemed "the environment" to be a "top priority" issue in the mid-1990s. By 2001, this number had risen to 63 percent. However, it fell precipitously after 9/11, dropping to a low of 39 percent in 2002, as environmental issues were eclipsed by other concerns. As noted above, 57 percent now say that the environment is a top priority. Opinion surveys conducted in recent years suggest that the public has some clear ideas about what should be done, and believes that the government bears responsibility to address the problems we are facing. However, the public supports governmental action only so long as it does not require individuals to change their behavior (Americans greatly value individual liberty) or impose a high financial burden on them.

When asked whether the environment or the economy is more important, the public has consistently come down on the side of environmental protection. This is not to say that people would choose the environment over their own financial and economic security, but it does illustrate that the environment is highly valued. What this suggests for the next social contract is that the public is willing to tolerate more governmental action under certain framings than it is under others. According to the Pew Research Center, 90 percent of those it polled in January 2007 agreed with the statement that there need to be stricter laws and regulations to protect the environment.

Public Perceptions About Global Warming

Concerns about climate change have risen in recent years. The issue of global warming stretches beyond environmental concerns per se, extending to worries about economic growth, national security, and personal pocketbook issues. Framing questions about energy issues as they relate to global warming is challenging given the overall complexity of the subject, but it is clear that Americans recognize that we will have to make changes in how we produce and use energy.

Much of the realization that our energy policies are likely unsustainable arises from the increase in fuel costs over the last few years. A March 2007 Gallup poll shows that concern about the availability and affordability of fuel has increased significantly since the beginning of the decade, with 43 percent now saying they worry a great deal about it, up from 27 percent in 2003. Nearly two-thirds (63 percent) of those

> As with other areas of the social contract, it matters very much how environmental issues are framed.

I'm going to read a list of steps the government can take to reduce global warming. Please say for each if that is something the government should or should not be doing.

	Should	Should Not
Starting major research effort to develop new energy sources	65%	33%
Requiring government office buildings to use renewable energy sources	60%	38%
Requiring surcharge on utility bills when energy use limits exceeded	46%	44%
Banning vehicles that do not average at least 30 mpg	44%	55%
Imposing tough restrictions on US industries and utilities	38%	58%
Setting land-use policies to discourage suburban sprawl	36%	60%

Source: Gallup, March 2007.

responding to a CNN poll said that increases in the price of gasoline caused them financial hardship in 2007. Nearly six in ten (58 percent) said higher prices caused them to cut back on their driving, and about half of respondents (48 percent) said they had to cut back significantly on household spending as a result of higher energy prices, according to a Quinnipiac poll conducted in June 2007.

A significant number of Americans (43 percent) blame oil companies for the high price of fuel, with 20 percent blaming the president; only 13 percent believe that prices have risen due to normal supply-and-demand pressures. A majority is unhappy with the way the Bush administration has handled the country's energy situation, with 63 percent expressing disapproval in an April 2007 CBS News/New York Times poll. Half of the respondents said that the Democratic Party is more likely to make the United States less dependent on foreign supplies of oil, while only 25 percent said the Republican Party was more likely to do so. About the same percentages trust Democrats (45 percent) as opposed to Republicans (30 percent) to ensure that the country has enough energy supplies.

Here again, how questions are framed changes the picture of what the public claims to want. For example, developing new sources of energy (62 percent) appears to be more important to the public than protecting the environment (21 percent) when respondents are given an either/or choice, but when they are presented with more detailed choices regarding energy sources, respondents express a preference for conservation and alternative fuels over fossil fuel sources, according to the CBS/New York Times survey. 68 percent of respondents preferred encouraging conservation over increasing the production of petroleum, natural gas, and coal resources, up from 59 percent in 2005. Opinion on nuclear power is divided: 45 percent support it, 47 percent disapprove of building more plants, and 59 percent say that they would not want a nuclear power plant nearby. Laying out the pros and cons of each energy source (such as the high cost of renewables, the danger involved in transporting natural gas, etc.) influences the level of support for each source. Cost appears to be less of an issue than safety or security concerns, with strong support for renewable energy and ethanol and tepid interest in natural gas and nuclear power.

For each of the following, please tell me whether you favor or oppose it as a way for the federal government to try to reduce future global warming.

	Favor	Oppose
Give companies tax breaks to produce more electricity from water, wind and solar power	87%	12%
Give companies tax breaks to build nuclear power plants	41%	56%
Increase taxes on gasoline so people either drive less or buy cars that use less gas	31%	68%
Increase taxes on electricity so people use less of it	19%	81%

Source: ABC News/Time/Stanford, March 2006.

The issue of personal sacrifice is important, as surveys on climate change reveal. In the CBS News/New York Times poll, respondents overwhelmingly supported mandating car manufacturers to make more efficient cars (92 percent), but 58 percent were opposed to raising gasoline taxes to promote conservation and reduce global warming. According to an April 2007 ABC News/Washington Post/Stanford University poll, a majority (70 percent) thinks the federal government should do more to combat global warming, but only 20 percent of respondents support raising taxes on electricity to encourage conservation.

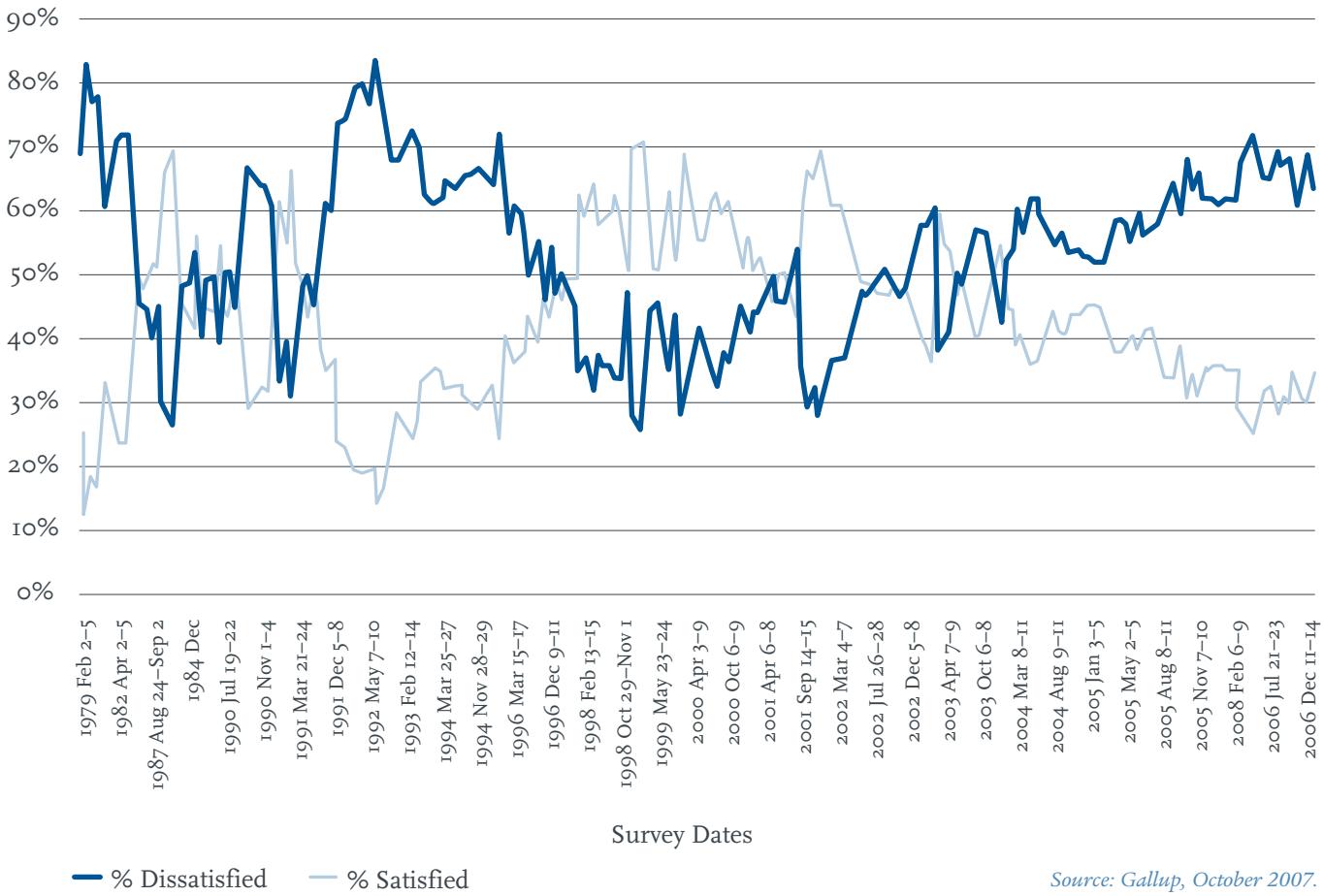
In essence, almost any government approach is acceptable with regard to the environment, so long as the proposal does not restrict personal behavior or lead to higher taxes. There also appears to be support for making corporations, rather than individuals, shoulder most of the burden.

Another complicating factor regarding climate change is that the issue has no borders. Changing energy policy in the United States alone cannot solve the problem. According to a Harris poll conducted in October 2007, 87 percent of Americans believe that climate change is a global issue and that all industrial nations must be involved in finding a solution to the problem. However, 81 percent think the United States should take the lead in combating global warming.

> The mood of the country is decidedly sour.

In terms of engaging the public to combat global warming, framing the issue is of great importance. Americans understand the need for conservation and new means of producing energy, but they are more concerned about their economic well-being. If they are asked to sacrifice—to drive less, to lower the thermostat, or to pay higher gasoline taxes—the

U.S. Satisfaction: Full Trend



Source: Gallup, October 2007.

Presidential Approval by Party Identification.

2007 Trend	Total %	Rep.%	Dem.%	Ind.%
June	29	65	6	27
April	35	77	12	28
March	33	73	9	29
February	33	71	9	28
January	33	77	10	28
Previous Junes				
2006	36	77	11	29
2005	42	85	14	32
2004	48	87	17	44
2003	62	92	40	56
2002	70	95	53	66

Source: Pew Research Center, 2007.

corporate sector must also bear some of the burden. The case remains to be made that in order to be competitive globally, the United States must invest in the new energy economy.

Environmental issues may be unique so far as public opinion goes: almost everyone is in favor of doing something to protect the environment and halt global warming. The problem with respect to the next social contract is that while environmental issues resonate with the public, we are far from consensus on how to deal with them.

IMPLICATIONS FOR THE NEXT SOCIAL CONTRACT

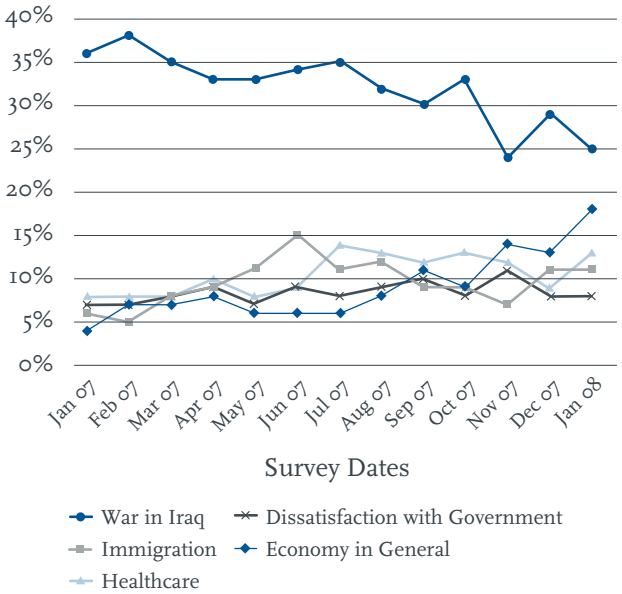
What is the climate of opinion heading into the 2008 presidential election? What is the public's appetite and tolerance for policy change? What are the opportunities and challenges facing policymakers? Incremental change is the best that can be hoped for in normal times, but are we in normal times? Probably not, for the following four reasons.

First, the mood of the country is decidedly sour. According to a Gallup survey conducted in early October 2007, only 25 percent of Americans say they are satisfied with the way things are going in the country, and 73 percent are dissatisfied. (Satisfaction with the state of the country has ranged from a low of 12 percent in 1979, when Gallup inaugurated this survey, to a high of 71 percent during the economic boom years of the late 1990s.) And, exit polls conducted with voters through the "Super Tuesday" primaries and caucuses in February 2008 consistently found "the economy" to be the dominant issue among Democrats and Republicans alike.

Second, we have Bush and Iraq fatigue—both the president and the war have become a constant source of worry for the public. The nation is tired of George Bush; at the end of an eight year term, the public typically desires a new presence in the White House.

In particular, the public is tired of the Iraq war. It is not so much that it thinks the war is a mistake, or that we are losing, but that the war drags on. In January 2008, Gallup asked Americans to name, in their own words, the most important problem facing the country. It found that Iraq leads Americans' concerns at 25 percent, but this trend is declining. At the same time, the economy has surged to 18 percent. Following next are health care, at 13 percent, and immigration, which has fallen from an April 2006 high of 19 percent to 11 percent in January 2008. The only other concern

Most Important Problem Trend



Source: Gallup, January 2008 and June 2007.

> Americans value individualism and self-reliance, we are committed to equality of opportunity, and we are suspicious of big government and big business alike. Any new social contract must take these core values seriously.

mentioned by more than 5 percent of Americans is a general dissatisfaction with government, registering at 8 percent. As concerns about Iraq and immigration have fallen, worries about health and economic issues have grown.

Third, we are ready to put 9/11 behind us. Our review of public opinion studies leads to think that we are largely recovered from the trauma of the 9/11 attacks. The new normal, in terms of the distribution of attitudes and values, looks very similar to the old normal. Although the pot got stirred up after 9/11, and opinion regarding immigration, the environment, trust in government, and other issues did change for a while, almost all trend lines have returned to pre-9/11 levels. The only notable exception is in military/foreign affairs, where we are heading into a new period of caution.[7]

Fourth, we are still far from the end of what will be the longest presidential campaign in our history. By 2009, when a new president takes office, the public will be schizophrenic: tired and skeptical, but also looking forward to a fresh beginning with some optimism. It will probably be a good time for an initiative with respect to the social contract.

However, just because the public is ready for change does not guarantee that we will be successful in moving forward. Ambitious proposals are necessarily difficult to enact. Based on our review of American attitudes and public opinion, we think there are a number of keys to success for making progress on a reform agenda such as the New America Foundation's Next Social Contract Initiative:

- The Next Social Contract will have to be framed unambitiously enough to give the public the relief it will be seeking from the public sphere. A new social/political bargain has a better chance of success if it depends more on passive acceptance and less on active public support. Americans are cynical about the motivations of politicians and doubt the competence of government. They are innately suspicious of big ideas and will likely want to turn their attention away from the political arena after the long presidential campaign. In general, Americans do not want to have to pay attention to politics and government, nor to be confronted with unpleasant truths about our efficacy, judgment, or place in the world.

- The Next Social Contract must be about what government can do to *help* Americans as individuals. We mainly see government as a benign parent: we want it to be vigilant and to insure against terrible harm, but also to remain invisible and undemanding. Since we consider our government inefficient an incompetent, we would rather it fill in the gaps and tinker at the margins. We want government to help when things are broken, but we do not want it to perform major surgery.

- The Next Social Contract must also be compatible with American political culture. We value rugged individualism, self-reliance, and personal freedom. We do not want the government telling us what to do. We are suspicious of anything big (big business, big labor). And we are skeptical about political promises. That said, the younger generation has shown an increased willingness to look to government for solutions to social problems.

- The Next Social Contract must be discussed in language rooted in Americans' everyday experiences. First, and foremost, this means not presenting ideas in terms of the (old, new, or next) "social contract." Communicating with the public is always a difficult undertaking. Americans have a low attention span when it comes to politics,[8] and the audience is increasingly fragmented given the explosion of media outlets in recent years.[9] There needs to be a direct connection between what people know in their everyday experience and what the social contract is asking of them.

There remains the question of how best to move forward in redesigning the social contract. Proposals for reining in health care costs, reducing the deficit, and increasing educational opportunities are likely to gain the most attention from the public. The state of the economy, financial and

job security, and Social Security are perennial concerns that appear large on the public radar screen, so proposals in these areas are also likely to gain a public hearing. Social justice, protecting the environment, and reducing crime and poverty are all issues that are important to many Americans, but they fail to resonate in the same way. Finally, the engineers of the next social contract would be well advised to be wary of programs that smack of government attempts to define morality, promise new military involvements abroad, or will likely lead to higher taxes. These are the "third rails" in American politics today.

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ENDNOTES

[1] Our review of published sources was completed in the late spring/early summer of 2007, before the national debate on immigration heated up. While this issue will undoubtedly have an impact on the next social contract, we have omitted it as a public opinion issue in this document. As of this writing, the debate is too unsettled for a summary synthesis to do the issue justice. Similarly, we wanted to include a section on workforce and family issues, but we were not comfortable enough with the published research to do so.

[2] See Cliff Zukin et al., *A New Engagement: Political Participation, Civic Life, and the Changing American Citizen* (New York: Oxford University Press, 2006).

[3] Data from the National Center for Education Statistics suggest that this may be an over-report, and that 90 percent of American children attend public schools.

[4] When respondents to a March 2006 ABC News/Time/Stanford poll were asked, "Compared to 10 years ago, do you think the natural environment in the world today is better, worse, or about the same?" 60 percent said "somewhat worse" or "much worse."

[5] In response to a March 2007 Gallup poll that asked about the cause of the increases in the Earth's temperature over the last century, 61 percent of those polled said "human activities" and 35 percent said "natural causes."

[6] In March 2007, Gallup asked: "If efforts to address the effects of global warming are not increased, which comes closest to your view of what will happen in 50 years—there will be extreme changes in climate and weather with disastrous consequences in some parts of the world (28 percent of respondents agreed), there will be major changes in climate and weather but most people and animals will be able to adapt (38 percent agreed), or there will be minor changes that will have little effect on the way people live (19 percent agreed)."

[7] Immigration became a hot-button issue in the summer of 2007. Most of the studies we reviewed were conducted before then.

[8] According the results of a February 2007 Pew Research Center news quiz, public knowledge of current events and political leaders has changed little in the last two decades, despite the introduction of multiple 24-hour news outlets and widespread access to the Internet. In 1989, 74 percent of respondents were able to name the vice president (Dan Quayle); in 2007, 69 percent were able to name the vice president. Pop culture news items often gain as large an audience as more "serious" news events. In September 2006, according to Pew Research Center's News Interest Index, which tracks the most closely watched news events on a weekly basis, 33 percent of respondents said they followed the situation in Iraq "very closely," while similar numbers said they followed "very closely" news reports of the death of Steve Irwin, the Crocodile Hunter (30 percent), and the fifth anniversary of the September 11 attacks (27 percent).

[9] According to the Center for Excellence in Journalism, there has been a steady and unmistakable decline in network evening news audiences over the last two and a half decades. Nielsen Media Research data show that in November 1980, 52 million Americans viewed the nightly news on a daily basis, but by November 2006 that number had fallen to just over 26 million. Americans are now getting their news from a variety of sources, rather than the three major networks. The three leading networks, ABC, CBS, and NBC, had a 57 percent share of the evening news audience in 1993; by 2006, their combined share had fallen to 34 percent.

SUMMARY OF APPENDICES

As a survey of public opinion research, this paper has drawn data from a number of sources and presented only the most vivid figures, tables, and statistics. An exhaustive list of these data sources and their original tabular or graphical representations are available in two appendices to this paper. To access these appendices, please visit the New America Foundation website at **http://www.newamerica.net/issues/next_social_contract**. They are also available at **www.heldrich.rutgers.edu**. Below is a summary of their contents.

Appendix 1: Sources and Data Collection

This appendix details our data collection methodology. It also provides a comprehensive list of which data sources we employed and where they can be found.

Appendix 2: Statistical Evidence

This appendix recounts additional statistical evidence to support the claims of the paper. It reproduces various tables and graphs to describe underlying trends in public opinion. These trends point to certain core American values, illustrate changing generational attitudes, and highlight the challenges and possible solutions in various policy areas. Together, these data paint the fullest picture of how receptive Americans are to a new social contract.

THE NEXT SOCIAL CONTRACT INITIATIVE aims to reinvent American social policy for the twenty-first century. Through a program of research and public education, the initiative will explore the origins of our modern social contract, articulate the guiding principles for constructing a new contract, and advance a set of promising policy reforms.

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