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CLAREMONT MCKENNA COLLEGE

THE STABLE AMERICAN MIND: UNDERSTANDING ATTITUDES TOWARDS GOVERNMENT AND TAXES, 1990-2011

SUBMITTED TO
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AND
DEAN GREGORY HESS
BY
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INTRODUCTION

While the American political discourse is crowded with issues, few are so consistently a subject of attention and controversy as government and taxes. The terms of foreign policy debates change drastically as the global political climate shifts, and social and cultural issues arise and fade as social and cultural mores develop. But issues like the role and size of the federal government, the appropriate level of federal spending, and whether taxes are too high are to be noted for their enduring relevance, their subjection to ideological conflict, and the durability of the terms under which the debate is fought. Despite changing circumstances, citizens and leaders still fight over some of the same basic questions with reference to myriad specific issues. A Congressman’s level of favorability toward the concepts of “government” and “taxes” is often determinative in how they vote on many issues. And Congressmen are in this era increasingly bound to abide by their constituents’ own ideological preferences if they are to be re-elected.

As such, understanding American public opinion towards the concepts of “government” and “taxes” is critical to any attempt to predict the United States’ political and policy trajectory moving forward. The American economy is still in the midst of an employment crisis in the aftermath of the Great Recession, and intensity of debate over how to restructure America’s government and economy to return the nation to prosperity is high. In the context of the drawn-out battles within our
divided government this past year over the federal budget and the debt ceiling, comprehending mass opinion regarding government and taxes could not be more important to anyone hoping to achieve electoral or legislative success.

In 1992, Northeastern University political scientist William G. Mayer published a study of how and why American public opinion had changed between 1960 and 1988, entitled *The Changing American Mind*. Mayer assembled and analyzed public polling data on a whole host of issues from the previous thirty years; on issues such as welfare, regulation, and the economy, he concluded that opinions had fluctuated over the course of his period of study for a variety of reasons. Among the most interesting points in his analysis is that data from the late 1970s “show a broad-based reaction against liberal economic policies, apparently centering on a declining faith in the capacity of government (especially the federal government) to intervene effectively in the economy and to solve or ameliorate the country’s social and economic ills.”¹ The late 1970s was a period of economic stagnation and public distress that the government could not seem to do anything about.

Ronald Reagan capitalized brilliantly on this widespread public feeling. He ran for office on a platform, based on the theory of supply-side economics, of steep cuts in federal taxes and domestic spending. His first inaugural address in 1981 is an eloquent description of his ideological vision of government and its relationship to

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the people. After saying that “government is not the solution” for the nation’s economic troubles, Reagan went on to maintain that “it is not my intention to do away with government. It is, rather, to make it work—work with us, not over us; to stand by our side, not ride on our back. Government can and must provide opportunity, not smother it; foster productivity, not stifle it.”

On this national stage and on many in the future, Reagan warned against the potential for a government that has “grown beyond the will of the people” to stifle America’s productivity and creativity. A new conceptualization of government—that of a stifling and overbearing overlord that hindered our development—pervaded America’s political discourse, and reshaped the terms of our ideological debates about taxes and spending.

Though Reagan did not succeed in implementing the purest conservative vision of his agenda, his program of cuts in spending and reduction on regulations has been credited with the roaring American economy of the mid-late 1980s. The apparent success of Reagan’s conservative vision allowed it to achieve pre-eminent status within our political discourse and a definer of debates for many years, and the dominance of such a conservative ideology precipitated what Mayer and many other scholars have referred to as “the liberal malaise.” Indeed, he writes, “it is unlikely that liberals of the early twenty-first century will look back on the 1980s with any


Ibid.
great feelings of reverie or fondness.”⁴ And conservatives have ever since sought to frame issues in terms most favorable to their side. According to political scientist William G. Jacoby, Republicans usually frame issues of government spending in the broadest terms possible, hoping to echo the warnings against “government” that had earned Reagan so much political and policy success. ⁵

My mission in this thesis has been to construct an update of Mayer’s analysis of public opinion, specific only to the determinative concepts of “government” and “taxes.” My aim was to discover how public opinion on these ideas and issues has changed in the 1990s and 2000s, and understand some of the factors that precipitated these changes. More specifically, I wanted to see the extent to which Reagan’s vision of government and taxes still dictates public discourse on these issues, and its influence on the opinions of American voters. In doing so, I hope to better understand how and why the American public feels as it does today, and better anticipate and understand political and policy outcomes in the future.

To this end, I hypothesize that public opinion has fluctuated mildly over the course of our time period, but that features of Reagan’s conservative vision continue to define the terms of our debate and form the playing field on which debates over government and taxes are argued.

**METHODOLOGY**

⁴ Mayer, 315  
In attempting to write as accurate an update to Mayer’s work as possible, I have modeled my own analysis on his. I began by gathering response data from to a variety of questions regarding government and taxes from public polls conducted in the last two decades. Then, I divided the data by similarity of question intent or wording to establish clear trends of opinion on over time to see how public opinion has changed since the early 1990s. I began my analysis of how public opinion had changed by conducting a mathematical analysis of the impact of generational replacement on public attitudes. I continued my analysis by examining the influence of the key economic and fiscal indicators of annual GDP growth rates, annual unemployment rates, and annual deficit numbers. Finally, I examined the impact of important political events of the time period that related to government and taxes.

My analysis was constrained at times by a lack of relevant data. This fact has posed a challenge to other scholars of public opinion; one of the difficulties in analyzing past opinions on economic and fiscal issues, wrote Mayer, is that “we lack the rich data series for most economic issues that we have on such topics as the death penalty and defense spending.” For many of the issues I wanted to test and analyze, polling organizations had simply not asked enough relevant questions over time that were similarly worded enough to be worthy of comparison. As such, I was not able to be as precise about other factors as Mayer was.

One of these factors is the composition of the sample. While Mayer limited his analysis strictly to polls that sampled adults nationally, in some cases the only data available for a certain span of time were from polls that sampled only

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6 Mayer, 270
registered voters. Mayer’s reasons for keeping his analysis to polls sampling one kind of group are sound; however, for the purposes of this analysis, I believe that the characteristics of the two groups are similar enough to merit effective comparison. Additionally, while I tried to be as limiting as I could in including comparing questions that were worded identically, in some cases I do compare responses to questions whose wording may have been different enough to change responses.

As such, this analysis is far from definitive; it is but a starting point for further study and debate over public opinion in the past two decades. Despite its weaknesses, this analysis has led to some interesting conclusions. I found that public antipathy towards government and taxes rose up and down noticeably but undramatically over the course of our period. I found that generational replacement exerted a measurable but relatively insignificant impact on changing attitudes in this period. Rather, I found changes in key economic and fiscal indicators, as well as several highly debated policy initiatives, to have a much greater impact on public opinion. Critically, I found that opinion changes as measured by polling data occurred in such a way as to reflect that Reagan’s vision of government as a potentially overgrown and overbearing source of problems in society rather than a solution still wields power in our ideological debate over government and taxes.

CHAPTER ONE: HOW PUBLIC OPINION CHANGED

Methodology

The first task in any analysis of changing public opinion is to determine exactly how responses to similar polling questions changed over the given time
frame. To begin, I compiled every polling question and response I could find that addressed Americans’ attitudes towards the taxes and government. I then grouped all responses according to the precise wording of the questions and listed them chronologically. From there, I could observe trends in American attitudes in response to specific kinds of questions over time, and see fundamentally how opinions regarding government and taxes developed from the early 1990s to the present.

**The Role of Government**

Respondents’ attitudes can be altered significantly depending on how a polling question is worded, so in this kind of analysis it is most helpful when a polling organization asks an identical question at multi-year intervals. Helpfully, the Gallup Organization asked adults nationwide whether “government is trying to do too many things that should be left to individuals and businesses” or “government should do more to solve our country’s problems” on an annual basis between 1992 and 2011.7

This poll shows that at the beginning of our time period, the American electorate thought government was too big and supported reductions in federal spending. In August of 1992, 50% of poll respondents thought government was “doing too much”, while 43% thought government “should do more.” The proportion of anti-government responses to this question increased in the first few

years of President Clinton’s first term, to 60% by 1996. These diminished through the late 1990s; the average portion of anti-government responses from October of 1998 through early September of 2001 was 53%, down from an average of 59% for the period from December of 1995 through April of 1998. Anti-government attitudes plummeted in the poll taken one month after the 9/11 terrorist attacks (see Chapter 4 for analysis), but by September of 2002 had recovered to 50%—precisely the same proportion of respondents who said that government was “doing too much” ten years beforehand.8

The percentage of responses to this Gallup question indicating anti-government attitudes remained near 50% for the rest of President Bush’s two terms of office. But between March and August of 2009, the percentage of respondents who thought government was trying to do too much rose from 50% to 57%. Attitudes since then have remained level in the mid to high 50s to the present, averaging 56%. When Gallup asked this question in September of 2011, 56% of responses indicated anti-government attitudes. Concern that government is doing too much and should reduce its activities is now almost as widespread as it has ever been since 1992.9

Government vs. Business


9 "Government." Gallup.Com
Understanding attitudes about government in relation to business and industry is key to understanding more general opinions about the government’s role in the economy. Data from a Gallup question asking respondents if they think “there is too much, too little, or about the right amount of government regulation of business and industry” is incomplete, but still helpful to my analysis of attitudes towards government in the last two decades. These data illustrate a similar trend.

In 1993, a plurality of adults—37%—were concerned that there was too much government regulation of the private sector. Gallup did not ask this question again until 2001. In February 2002—at which point national security issues dominated the political dialogue—the percentage of respondents saying that there was too much government regulation had sunk to 28%. However, as with attitudes about the role of government, the percentage of anti-government responses to this question quickly increased in the next few years, to 37% by 2003. Attitudes remained level for the rest of President Bush’s time in office; from 2003 to 2008, the proportion of anti-government responses averaged 36%.10

After President Obama took office, the percentage of respondents concerned about too much regulation rose significantly. When Gallup asked the question in September of 2011, a full 50% of respondents chose this answer. Concern that government may unreasonably interfere with the activities of the private sector is now much higher than it was in the mid-1990s.

The Size of Government

10 The analysis in this paragraph is based on: "Government." Gallup.Com
While not as reliable as analysis based on the repeated asking of an identical question, examining responses to questions probing similar issues posed by different polling organizations over time can still provide interesting insights. I conducted just such an examination of one topic area, and responses indicate a similar trend in attitudes.

The topic area of examination consists of questions whose responses shed light on attitudes about the size of government. Some of these questions ask respondents directly if they think that government is “too big;” others address the issue more indirectly, asking respondents if they think government spending or programs should be cut back.

Once again, data indicates that anti-government attitudes were widespread at the beginning of our period. According to a November, 1991 Gallup poll, 67% of adults nationwide favored “reducing the size and budget of all government agencies except law enforcement.”\(^{11}\) These anti-government attitudes became more widespread through President Clinton’s first term; a \textit{Time}/CNN/Yankelovich poll early November of 1994 reported 72% of adults nationally as saying they favored a “legislative agenda that would reduce the size of government.”\(^{12}\) And data from a Gallup poll taken in 1996 asking respondents to choose whether they were for or against “a reduction in the size and budget of all government agencies” showed 71%


of respondents choosing the anti-government position. Even when re-electing a Democrat to a second term as president, the American population’s anti-government streak was strong.

However, the late 1990’s saw a lessening in anti-government responses to questions addressing the size of government. According to a January 1998 poll by Gallup/CNN/USA Today, 58% of adults nationwide though that the government was “too big.” Then, according to a Gallup poll taken in October of 2000, 62% of adults favored “a reduction in the size and budget of all government agencies.” By the beginning of President Bush’s term, Americans still wanted reductions in government size and spending, though such attitudes were less intense and widespread than they had been five years prior.

Attitudes regarding the size of government remained fairly stable throughout President Bush’s two terms, based on analysis of response to a question Gallup asked annually from 2001 through 2011 (with the exception of 2009). The question asked respondents to choose whether they were “very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied” with “the size and power of the federal government.” In January of 2001, the percentage of respondents saying they were either “very” or “somewhat” dissatisfied was 30%. This figure sank to 23% in 2002,

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15 “Government.” Gallup.Com
probably a reflection of the 9/11 terrorist attacks, whose aftereffects were still dominating the political discourse at the time (for analysis, see Chapter 4). However, dissatisfaction with the size and reach of government rose steadily throughout Bush’s second term of office, from 35% in 2003, to 41% in 2006, to 47% in 2008. Under President Obama, dissatisfaction with the size and power of the federal government had reached new highs, with 56% of respondents to this Gallup question indicating anti-government attitudes.\(^\text{16}\)

**A Simple Question: Are Taxes Too High?**

Unfortunately, no polling organizations asked identical questions probing Americans’ attitudes regarding taxes repeatedly over the course our period. As such, I was forced to compile similar questions by topic area to find trends in opinions, as I did when analyzing American attitudes towards the size of government. The first of these topic areas consists of questions that ask respondents whether they feel their taxes are too high.

At the beginning and through the 1990s, antipathy toward taxes and antipathy towards government seemed to enjoy a direct statistical relationship. As might be expected from a populace with a demonstrated distrust of government, at the beginning of our time period most Americans thought that taxes were too high. According to a National Public Opinion Research Center survey taken in February of 1992, 50% of adults in that year said that taxes are “too high,” with an additional

24% who thought that taxes were “much too high.” Anti-tax attitudes remained high throughout President Clinton’s first term of office. In October of 1993, 69% of respondents to a Business Week/Harris Poll survey said that taxes were “much too high” or “somewhat high,” followed by 68% of respondents to an Institute for Social Inquiry poll said that taxes were “too high” in October of 1996.

As with anti-government sentiment, however, anti-tax attitudes diminished somewhat in the late 1990s. Only 65% of respondents said taxes were “too high” in both a Kaiser poll taken in June of 1996, and in a Time/CNN poll taken in March of 1997. When asked an identical question by Time/CNN in April of 1998, the percentage of respondents saying that taxes were “too high” had diminished to 62%. By September of 1999, the percentage of adults who thought taxes were too high had sunk to 59%, according to an American Viewpoint poll.

Breaking from trends of attitudes towards government, anti-tax attitudes continued to fall. By April of 2004, only 51% of respondents to a Fox News/Opinion Dynamics poll said that taxes were too high.\textsuperscript{22} There was no relevant data on this topic I could find for the next six years, but in May of 2011, despite increasing anti-government attitudes, only 52% of respondents to an Allstate/\textit{National Journal} poll said taxes were “too high.”\textsuperscript{23} President Obama’s term of office has not coincident with an increase in anti-tax attitudes.

\textbf{An Obvious Answer: Should Taxes Be Cut?}

The second topic area for which I compiled responses for analysis consists of questions whether taxes should be cut. Questions in this category include those that directly ask respondents if they support tax cuts; also included are questions asking respondents to assess what level of priority cutting taxes should be given by public officials.

Considering that at the beginning of our period most Americans thought taxes were too high, it is unsurprising that similar majorities wanted to see their taxes cut. In a \textit{Washington Post} survey taken in March of 1990, a whopping 83% of voters thought that cutting taxes should be the government’s highest priority, an otherwise high priority, or at least a medium priority. The percentage of


respondents that said cutting taxes should be a high, or “the highest” priority, was 44%.24

Responses to questions asking whether taxes should be cut continued to reveal significant anti-tax attitudes throughout President Clinton’s first term of office. According to a Democratic Leadership Council survey taken in 1994, 65% of adults who had voted in the 1992 presidential election thought that cutting taxes should be the “single highest”, among the “top few”, or “near the top” of the list of priorities for the government.25 Note that the Democratic Leadership Council was a partisan Democratic organization. In an December, 1996 NBC/Wall Street Journal poll, 32% of respondents said that cutting taxes should be the definitive top priority of the government, while an additional 24% rated “reducing taxes” at either 8 or 9 on a 10-point scale on what the government’s top priority should be.26

Americans’ preference for tax cuts remained level throughout the late 1990s and did not diminish like anti-government attitudes had. In a Time/CNN poll taken in June of 1998, 66% of respondents said that taxes should be cut.27 Shortly after

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George W. Bush’s inauguration in February of 2001, 67% of Americans said cutting federal income taxes should a “top” or “high” priority, according to a Gallup/CNN poll.\(^{28}\)

Unfortunately, no data for the period between 2001 and 2008 could be found that was based on questions worded similarly enough to those above for sound analysis. However, as with questions testing whether Americans thought that taxes were too high, data from the end of the decade suggests that anti-tax attitudes softened significantly through the latter years of President Bush’s terms of office. By August of 2008, only 60% of Americans wanted their taxes reduced, according to a CNN poll.\(^{29}\) The trend in response to questions about tax cuts matches the trend of responses questions as to whether taxes are too high.

**Conclusions**

In conclusion, American attitudes toward the issues of government and taxes have followed similar enough trends since 1990 to suggest that the issue of taxes and the issue of government as a general concept are highly interrelated in the minds of Americans. But what is the significance of the up-and-down fluctuations?

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Does it reflect any meaningful and lasting shift in American attitudes towards their government and the taxes that go to supporting it?

Regarding government, the answer to this question must be “no.” At no point did responses indicating antipathy towards government ever drop more than ten percentage points below its peak for a prolonged period of time. Today, negative opinions of government are just as widespread as they were twenty years ago.

The significance of trends in anti-tax attitudes is less clear. Americans today certainly do not like taxes by any stretch, as demonstrated by the fact that majorities still say that taxes are “too high.” However, anger about taxes seems to have greatly diminished from where it was in the mid-1990s. Whether we are in a temporary dip, whether the phenomenon of the mid-1990s was a temporary spike, or whether we are in the midst of a paradigm shift in attitudes towards taxes, are matters for further analysis.

Americans today remain highly suspicious of government activities, with little faith that government can do more than it already does to fix this nation’s problems. As such, they are inclined to resist tax increases, preferring that government make things work with the resources already at its disposal. Americans seriously doubt the efficacy of any expansions in revenue or outlays. However, they are more inclined to give their money to the government that at other times in the past two decades.

CHAPTER TWO: THE IMPACT OF GENERATIONAL REPLACEMENT

30 Allstate/National Journal Heartland Monitor Poll #.060311.R21
Generational Replacement: A Theoretical Framework

I have just concluded a lengthy explanation of exactly how public opinion changed regarding taxes and the size of government since 1990, but as yet I have not delved into why. This will be the endeavor of the remainder of this thesis.

Generational replacement influences public opinion in any society. According to Paul Abramson, about a sixth of the potential electorate in a given election year is too young to have voted eight years previous, and half of the entire electorate is “replaced” every twenty years. The theory of generational replacement as a mover of public opinion is based on a single important precondition: that a group of people born within a period of time—a cohort—“are characterized by some set of attitudes and opinions that differ in systematic and relatively durable ways from those held by their parents and grandparents.”31 If this is indeed the case, public opinion will inevitably change as older generations die and younger cohorts come of age.

Generational replacement is a good place to begin analysis of why public opinion changed. Any other attempt at causal analysis of public opinion changes is premised on the idea that people are actually changing their minds about issues, based on any number of influences. Cohort replacement allows for aggregate change where individual change is entirely lacking. Its analysis allows us to distill change brought on by people changing their minds from that change which occurs simply because old people are dying and young people are growing up.

There are two theories to explain why a group of people born in a certain time period might maintain observably different habits of opinion from those born in a different span of time. The first of these posits that each cohort is irreversibly impacted by major public events that occur when that cohort becomes politically active for the first time. To use the example provided by Mayer, party identification data from the 1950’s “show a particularly strong Democratic allegiance among those born between 1910 and 1923.”\(^{32}\) Apparently, writes Mayer, “the personality and accomplishments of Franklin D. Roosevelt exerted a special force on those who cast their first votes” from 1932 through 1944.

The second theory explaining the ability of generational replacement to impact public opinion emphasizes the varying ways in which tools of political socialization shaped different generations in different ways.\(^{33}\) For example, a person born in 1920 grew up in an environment where homosexuality was absolutely considered to be an unacceptable lifestyle. A person born in 1990, by contrast, might have learned about sexual orientation in a different context. Discrimination against gays and lesbians has today certainly not been eradicated, but acceptance of homosexuality in the past several decades has become mainstream. It is easy to see that cohort replacement has a powerful impact on aggregate opinion.

There is a substantial body of research that illustrates the power of generational replacement to alter aggregate opinion. According to a Pew Research Center study entitled “The Generation Gap and the 2012 Election”, each age cohort

\(^{32}\) Mayer, 145  
\(^{33}\) Mayer, 143
maintains its own pattern opinion of over time. Among cohorts currently of voting age, the report says, the “Millennial” generation that came of age around the year 2000 is generally much more friendly to government spending and activities over time. This would suggest that generational replacement has exerted a strong influence on public opinion regarding government and taxes over the course of our period.

Other research offers support to this hypothesis as well. According to Plutzer and Berkman’s (2005) report on “The Graying of America and Support for Funding of the Nation’s Schools,” younger cohorts today are friendlier to education spending than older ones. However, the report also says, “every cohort becomes more supportive of educational spending, rather than less, as they reach their 60s and 70s.” These conclusions would also suggest that the influence of generational replacement on opinions regarding government and taxes in the last twenty years is substantial.

Empirical Framework

Mayer’s analysis likewise revealed that cohort replacement’s influence is determinative when it comes to opinions on social and cultural issues; however, writes Mayer, “as a general matter, data indicates that intracohort change, rather


than generational replacement, has been the driving force behind most of the recent changes in American economic attitudes.” My own analysis has led me to a similar conclusion.

Unfortunately, too few of the polls from which I took data were available to run cross-tabs. Those polls that did have crosstabs available for analysis divided ages at irregular intervals. Altogether, data from Chapter do not show how distinct cohorts responded to similar questions over time—necessary for determining the impact of generational replacement. This limits my analysis.

Fortunately, the American National Election Study has conducted time-series polls on two questions relevant to our topic, and has made available cross-tab analysis of these polls. Asked every two years to see how American public opinion changes from election to election, the ANES time series polls are a great way to see how opinion changed in response to a given specific question over time. It is on these two questions that I have based my analysis of generational replacement’s impact on public opinion regarding government as a general concept.

A simple calculation, taken from Mayer’s analysis, allows us to see how much of change in opinion in response to a specific question over time is due to generational replacement, and how much change is due to other factors. Put simply, one can estimate the impact of cohort replacement by determining what public opinion would have looked like without it.

How much would responses differ if the composition of the sample by generation was held constant? To answer this question, one must multiply a given

36 Mayer, 173
cohort’s distribution within a sample at time 1 with that cohort’s opinion levels at time 2. One must perform this operation for all cohorts across the same time period, and then sum all the products. The resulting number illustrates what public opinion would have looked like at time 2 if no generational replacement had taken place since time 1. In turn, by subtracting this figure from the actual population attitude at time 2, one arrives at the estimate of change stemming from population turnover.37

The first of the two questions posed at two-year intervals by the American National Election Study asked respondents to choose between two options: whether they wanted to “cut government services/spending” or “increase government services/spending.” I have chosen to analyze opinion in response to this question at three intervals that showed statistically significant changes: from 1990-1996, from 1996-2000, and from 2000-2008.

**Empirical Analysis**

Responses illustrate a trend similar to those demonstrated in Chapter 1 on questions about government spending. In 1990, 22% of respondents answered that they would like to see cuts in government services and spending, while by 1996, that number had risen to 31%. In 2000, after the completion of President Clinton’s tenure percentage of respondents who wanted cuts in services and spending had sunk to 18%. By 2008, it had risen again, this time by six percentage points to 24%.38

37 The explanation in this paragraph is based on: Mayer, 149
Generational replacement’s impact on these changes in opinion is inconclusive. The figures are illustrated in Table 2.1, and the percentage of changes attributable to generational replacement are comparable to those reached by Mayer in his analysis of generational replacement’s impact on changes of opinion regarding fiscal and economic issues. Notably, the amount of change attributable to generational replacement in opinions regarding these economic questions is far smaller than the amount of change attributable to generational replacement in response to questions about social and cultural issues. Certainly, the estimates are not nearly large enough to conclude that changes in opinion in response to these questions were driven primarily by generational replacement.

Table 2.1: Effect of Generational Replacement on Percentage of Respondents Choosing “cut services/spending”

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<th>Total Change</th>
<th>Change due to G.R.</th>
<th>% Due to G.R.</th>
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<tr>
<td>1990-1996</td>
<td>9</td>
<td>-0.63</td>
<td>-7.00%</td>
</tr>
<tr>
<td>1996-2000</td>
<td>-13</td>
<td>-1.63</td>
<td>-12.53%</td>
</tr>
<tr>
<td>2000-2008</td>
<td>6</td>
<td>0.14</td>
<td>2.33%</td>
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Analysis of changes in opinion regarding a second question bears out these conclusions. This question asked respondents to answer whether they trust the federal government “none of the time,” “some of the time,” “most of the time,” or “all

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39 Mayer, 155
of the time.” I also analyzed responses from 1990-1996, 1996-2000, and 2008, because as with the previous question, these were the intervals in which changes in responses were statistically significant.

The trend in responses to this question is also similar to that demonstrated in Chapter 1, though less so. In 1990, the percentage of respondents selecting “none of the time” or “some of the time” was 71%; it 1996, it had sunk to 67%. By 2000, it was all the way down to 56%; however, by the 2008 election it risen back up to 70%.

The impact of generational replacement on this trend of responses is, as with the previous question, inconclusive. Indeed, the impact of changes due to generational replacement in the first two time intervals is negligible. In the period between 2000 and 2008, however, 52% of the change in opinion was due to generational replacement. This difference could be attributable to the historically low popularity of the Bush administration as millions of voters were coming of age in time for the 2008 elections. The complete figures are shown in Table 2.2.

Table 2.2: Effect of Generational Replacement on Percentage of Respondents Choosing “none of the time” or “some of the time”

<table>
<thead>
<tr>
<th>timespan</th>
<th>total change</th>
<th>change due to G.R.</th>
<th>% change due to G.R.</th>
</tr>
</thead>
</table>

Conclusions

Data analysis does not indicate clearly how much impact generational replacement has on opinions regarding government spending and government as a general concept. But this analysis shows that opinions on these questions are certainly not conclusively affected by generational replacement. When compared to a similar analysis of changing opinions of cultural and social issues, where generational replacement’s influence is determinative, one can see how relatively little generational replacement has impacted opinions on government and taxes. By this analysis, it can be determined that the changes in aggregate opinion regarding government stem from the changing minds of the voters themselves.

CHAPTER THREE: THE IMPACT OF FISCAL AND ECONOMIC INDICATOR DATA

The Big Picture: Fiscal and Economic Indicators, Understood Politically

The analysis I have just concluded indicates that generational replacement has had a minimal impact on American attitudes about government and taxes since 1990. As such, we can conclude that most fluctuations in public opinion regarding these issues are due to people actually changing their minds.
But what factors caused people to change their minds? Some potential factors to examine are key fiscal and economic indicators. Government spending and taxes are the absolute determinants of the nation’s fiscal situation. They are also integrally related to the well being of our economy. As such, it will be most useful for my analysis to begin by examining the relationship between public attitudes regarding government and taxes and three key indicators: the size of the federal surplus or deficit, annual GDP growth rates, and annual unemployment figures.

Downey’s (2009) study confirmed that though there is a demonstrable relationship between GDP growth rates, fiscal data, and attitudes towards government spending, it may be very small indeed. However, writes, Downey, there may not be “enough variation in either GDP growth or deficit to allow them to have a large impact on opinion on spending.”

However, to conclude from Downey’s study that economic and fiscal indicators never have lasting and meaningful impact on public opinion regarding spending and taxes would be misguided. In most instances, fiscal and economic indicators are not visible or proximate in their impact enough to citizens in ways that could change their minds on issues. Additionally, releases of new fiscal and economic data do not usually constitute major public events. However, in some cases, particularly large or otherwise meaningful changes in fiscal or economic indicators, such as when the nation moves from deficit to surplus, or when the economy falls into recession, do constitute major public events that can alter the

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political and economic outlook of the nation in a big enough way to change minds on an aggregate scale. In their 2003 analysis of public attitudes towards the federal budget, Barker and Muraca highlight the importance of “sociotropic economic evaluations of the economy” to making up the minds of voters.\(^\text{42}\) In this analysis, when year-to-year analyses of economic and fiscal indicators against public opinion data are inconclusive, it was still useful to see if major changes in these indicators bring about any meaningful impact where smaller fluctuations did not.

To analyze what kind of changes in fiscal and economic changes lead to what kind of changes in public opinion, I have come up with hypotheses based on three theories of political behavior outlined by Downey in his study of what factors impact public opinion on federal spending (2009).

**Hypotheses**

The first theory is that Americans are more inclined to be favorable to government activities when they know they have been paid for and do not increase the nation’s debt burden. Indeed, as Downey posits, “as the budget deficit increases, people want less government spending to help balance the budget.”\(^\text{43}\) Therefore, I hypothesize that as deficits shrink and as surpluses increase, opinion towards government activities will become more positive, and antipathy towards taxes will sink.


\(^{43}\) Downey, 8
The second theory Downey outlines is based on the idea that “as the economy grows, the average person would be better off and thus less likely to require government services; conversely if the economy is shrinking, people may favor more government spending on services to aid those affected by the downturn.” Therefore, my hypothesis is that higher GDP growth will be positively correlated with antipathy towards government activities and taxes, as economic growth theoretically precludes the need for government spending and activities to stimulate it or help those in need. Based on this same theory, I hypothesize that the unemployment rate will be negatively correlated with anti-government and anti-tax attitudes, on the theory that with more people out of work, more people will want the government to spend money to “to help those affected by the layoffs.”

**Fiscal Data and Government**

Analyzing the interplay between these two sets of data to test this hypothesis from year to year yields unpredictable and inconclusive results. For example, in each year from 1990 through 1995, the US ran a fiscal deficit of somewhere between $290 billion and $163 billion. The percentage of respondents telling Gallup that government was “doing too much” remained level from 1992 to 1993. But from 1993 to 1995, the percentage registering an anti-government response to the question rose by ten points, despite a nearly $100 billion reduction

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44 Downey, 7
45 Downey, 8
in the deficit over the same time period. These results go against my hypothesis that the public will become friendlier to government spending as deficits shrink.\textsuperscript{46}

In the second half of the 1990s, the deficit began to shrink much more rapidly. From 1995 to 1997, the deficit shrunk from $163 billion to $21 billion. In 1998, the nation ran a fiscal surplus of $69 billion.\textsuperscript{47} From 1997 to 1998—two years after the deficit began to drop dramatically, and the same period in which the nation’s balance sheet went from deficit to surplus—those responding that government is “doing too much” dropped four percentage points, to 55\%.\textsuperscript{48} From there, as the nation remained in surplus through 2001, those responding that the government was “doing too much” continued to fall, bottoming out at 48\% in the year 2001.\textsuperscript{49}

The US quickly went back into deficit in the following year; by 2004, the US was running a record-high deficit of $412 billion.\textsuperscript{50} This figure was much higher than the deficits that were accumulated in the early 1990s, when antipathy toward government was at its peak. However, at no point between 2002 and 2007 did the percentage of respondents telling Gallup that government was “doing too much”

\textsuperscript{47} Ibid.
\textsuperscript{49} Ibid.
\textsuperscript{50} "B-78. Federal Receipts, Outlays, Surplus or Deficit, and Debt, Fiscal Years, 1944-2012."
increase dramatically.\textsuperscript{51} The percentage of respondents registering anti-government attitudes remained in the low 50s and high 40s through 2007—throughout which time the US ran deficits between $160 billion and $318 billion.\textsuperscript{52} Once again, changes in the nation’s fiscal situation did not bring about the hypothesized change in public opinion regarding government.

However, in 2008 the deficit began to increase sharply, rising from $160 billion to $458 billion. In 2009, it skyrocketed to $1.4 trillion, and has remained above $1 trillion since.\textsuperscript{53} The public did not respond immediately, but in 2010, the percentage of respondents telling Gallup that the government was “doing too much” increased from 51\% to 56\%, where it remains today.\textsuperscript{54}

Despite inconclusive results achieved when conducting a year-to-year analysis of the relationship between fiscal data and views of government, there is an identifiable trend in this relationship when considering it only in the context of major changes, such as when the US moves from deficit to surplus, or when the deficit climbs astronomically. In the two instances in the last 20 years where such events have occurred, there have taken place relatively major shifts in opinion regarding government activities in general. When the nation went from deficit to surplus in the late-1990’s, the federal government appeared much more responsible, and could clearly afford its budgeted activities; as such, the public became more inclined to support government activities in general. Similarly, when

\textsuperscript{51} “Government.” Gallup.Com
\textsuperscript{52} “B-78. Federal Receipts, Outlays, Surplus or Deficit, and Debt, Fiscal Years, 1944-2012.”
\textsuperscript{53} Ibid.
\textsuperscript{54} “Government.” Gallup.Com
the deficit increased by a trillion dollars in a single year, it drastically altered public perceptions of government spending and responsibility—and was therefore coincident with a increase in public antipathy towards government activities in general. The move from surplus to deficit from 2001-2002 did not lead to an increase in anti-government attitudes; this can be attributed to the dominance of national security issues in the political discourse after the 9/11 terrorist attacks.

**GDP Growth Rates and Government**

A year-by-year comparison of GDP growth rates to responses to the Gallup Poll question cited above also yields inconclusive results. In some time periods, such as from 2000-2006, antipathy towards government activities and GDP growth rates did enjoy a direct relationship, though not to a consistent degree from year to year.\(^55\) However, in other time periods, such as from 1994 to 1996, falling growth rates coincided with increases in antipathy towards government.\(^56\) Similarly, climbing growth rates in the late 1990’s coincided with mild decreases in unfavorable opinions regarding government spending.\(^57\) Unfortunately, limiting the analysis to instances of major change in GDP growth also fails to yield conclusive results when compared with responses to the Gallup question on the role of government.

However, there does appear to be a demonstrable trend in responses to a Gallup question asking whether there was “too much government regulation of

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\(^{56}\) Ibid.

\(^{57}\) Ibid.
business and industry” when analyzed against GDP growth numbers. Though there was no data, save from 1993, for this question before the year 2001, data available from the last ten years is helpful when limited to periods of major changes in growth rates. As the US was coming out of a recession, in 2001, the proportion of respondents saying that there was “too much government regulation of business and industry” was 41%. As the nation moved out of recession, the percentage of respondents giving this response remained fairly level in the mid-30s. When the nation began to re-enter recession in 2007, the figure rose from 36% to 38%, where it remained until 2009. That year, when the US economy contracted by 2.6 percent, 45% of respondents told Gallup that there was too much government regulation of business and industry.

Unemployment Rates and Government

The unemployment rate and antipathy towards government activities and spending enjoyed a direct relationship, according to our analysis of the ANES time series poll that asked respondents to choose whether they would rather “cut services and spending,” keep spending level, or have “more services and spending.” From 1990 to 1992, unemployment rose from 5.6% to 7.5%; but the proportion of respondents choosing “cut services/spending” rose from 22% to 26%. From 1996 to 1998, unemployment fell from 5.4% to 4.5%, and the percentage of respondents choosing “cut spending” sank from 31% to 26%. When unemployment sank to 4% in the year 2000, the proportion of respondents choosing “cut spending” fell all the

58 "Government." Gallup.Com
59 Ibid.
way to 18%. As unemployment was creeping back up at the end of the last decade, at 5.8% by 2008, the portion of Americans wanting to see government spending cut rose as well.60

A similar relationship is predictably borne out when analyzing Americans’ responses to the Gallup question asking if there was “too much government regulation of business and industry” against unemployment data. Please see Table 3.1 for details.

<table>
<thead>
<tr>
<th>Year</th>
<th>% change GDP</th>
<th>“too much gov’t”</th>
<th>“too little”</th>
<th>“right amount”</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>1.1</td>
<td>41</td>
<td>17</td>
<td>38</td>
</tr>
<tr>
<td>2002</td>
<td>1.8</td>
<td>32</td>
<td>31</td>
<td>33</td>
</tr>
<tr>
<td>2003</td>
<td>2.5</td>
<td>37</td>
<td>25</td>
<td>35</td>
</tr>
<tr>
<td>2004</td>
<td>3.6</td>
<td>37</td>
<td>24</td>
<td>34</td>
</tr>
<tr>
<td>2005</td>
<td>3.1</td>
<td>34</td>
<td>23</td>
<td>40</td>
</tr>
<tr>
<td>2006</td>
<td>2.7</td>
<td>36</td>
<td>28</td>
<td>30</td>
</tr>
<tr>
<td>2007</td>
<td>1.9</td>
<td>38</td>
<td>26</td>
<td>33</td>
</tr>
<tr>
<td>2008</td>
<td>0</td>
<td>45</td>
<td>27</td>
<td>31</td>
</tr>
<tr>
<td>2009</td>
<td>-2.6</td>
<td>49</td>
<td>24</td>
<td>27</td>
</tr>
<tr>
<td>2010</td>
<td>2.9</td>
<td>50</td>
<td>27</td>
<td>21</td>
</tr>
</tbody>
</table>

Fiscal Data and Taxes

It makes sense that public attitudes towards taxes, then, would have a similar relationship with fiscal data as do public attitudes towards government. Once again: this hypothesis is based on the assumption that as government becomes more

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fiscally responsible, people are more inclined to send the government their money. A government running significant deficits comes across as severely irresponsible, however; and voters are much less inclined to give up their money to be spent by irresponsible parties.

Available data on attitudes towards taxes is not as available as data on attitudes regarding government, and so analysis of attitudes towards taxes in relation to fiscal data cannot be as complete. However, those numbers that we do have illustrate a similar relationship. From the beginning of our period through 1995, as the deficit fluctuated between $290 billion and $163 billion, the proportion of voters responding that taxers were “too high” or “much too high” remained relatively level in the high 60s.61 Year-to-year changes in the deficit over this time period cannot be considered major events, and coincident changes in opinion regarding taxes were likely due to other factors. In the late 1990s, after the nation had been running a surplus for a few years, opinion towards taxes had improved. The proportion of respondents telling pollsters that taxes were too high sank to the low 60s.

Hereafter, however, the trend in the relationship between taxes and fiscal data departs from that of the relationship between fiscal data and attitudes towards government activities. The return to deficit in 2002 did not precipitate a decline in favorability towards taxes; instead, the number responding that taxes were “too high” continued to sink to the low-mid 50’s by the middle of the decade. According

61 "B-78. Federal Receipts, Outlays, Surplus or Deficit, and Debt, Fiscal Years, 1944-2012."

38
to a 2011 poll, 52% of adults now think that taxes are “too high” or “much too high”,
despite the skyrocketing deficits of the past two years. 62

**GDP Growth Rates and Taxes**

Minor changes in growth rates did not to seem to have a meaningful impact
on public opinion. However, when GDP changes occurred that were strong enough
to constitute major news events and spark actual changes in people’s lifestyle, a
trend does emerge. When GDP growth was surging in the late 1990’s, the proportion
of respondents to polling questions saying that taxes were “too high” or “much too
high” fell from the mid-60s to 59% in 1999. 63 When growth plummeted during the
2001 recession, the average percentage of respondents to two separate polls saying
taxes were “too high” was 67%, but when growth recovered in the middle of the
decade, antipathy towards taxes fell once more. 64 The year 2001 is the last for which
I was able to obtain both GDP data and data from responses to questions as to
whether taxes were too high.

**Unemployment Rates and Taxes**

Year-to-year examination of unemployment rates against opinions regarding
taxes yields inconclusive results. But once again, by limiting the analysis to times of
major changes in the economic indicator, a similar trend emerges. Falling
unemployment in the late 1990s was followed by falling percentages of poll

.060311.R21: 1st Roper Center for Public Opinion Research version. FD America
[producer], 2011. Storrs, CT: The Roper Center, University of Connecticut
[distributor]
64 Ibid.
respondents who said that taxes were either “too high” or “much too high.” Likewise, rising unemployment in the early 2000s saw increases in the percentage of respondents who thought taxes were too high, while falling unemployment once again made Americans more comfortable with giving the government their money.65

Conclusions

My analysis confirms my basic hypothesis about the relationship between the nation’s fiscal situation and public opinion. Though relatively minor changes in fiscal data do not have any predictable impact on public opinion, major changes in the US’ fiscal status do have meaningful impact. As I noted above, major reductions in the deficit make the federal government appear responsible and clearly able to afford its budgeted activities; as such, the public became more inclined to support government activities in general. Similarly, deficits can increase so much or so rapidly that they drastically alter public perceptions of government spending and responsibility—and therefore precipitate public antipathy towards government activities in general.

Analysis of the relationship between public opinion on taxes and fiscal data yields no useful conclusions, or even any interesting observations. Year-to-year changes in the deficit, as with attitudes towards government activities, did not have a discernible impact on opinion towards taxes. However, the trillion dollar deficits since 2009 have also not had the predicted impact on public opinion. Please see Chapter 4 for further analysis of this phenomenon.

The results of my analysis entirely contradicted my hypothesis for the relationship between the economic indicators and public opinion. GDP growth rates enjoyed a direct relationship with both anti-government and anti-tax sentiments; unemployment rates exhibited indirect relationships with both trends of opinion.

These conclusions go entirely against the Downey’s theories of political behavior, where economic hardship increases public desire for government activity to help those most affected, and greater acquiescence to the taxes necessary for providing such aid. When growth is strong, Americans are more content to pay taxes, since they don’t need the money so badly anyway. They are content for the government to do what it wants—so long as the economy is growing, who can complain about what the government does? And when growth is weak, Americans suspect an overreaching government as a prime culprit, or at least view a cutback in government activities as a potential solution. When jobs disappear, Americans do not cry out for aid from the government—rather, this analysis would indicate that Americans prefer government “stay out of their way”, and rebuild on their own.

These public attitudes are very similar to the vision of government and its relationship to society outlined three decades ago in Ronald Reagan’s inaugural address. These data confirm that Reagan’s conservative ideology is still a key determinant of the terms of national debate in the US, and that the inherent distrust of the federal government in nearly all circumstances that was popularized in the Reagan remains widespread throughout the country.
CHAPTER FOUR: THE IMPACT OF POLICY INITIATIVES AND POLITICAL EVENTS

A Framework for Understanding the Impact of External Events

So far in this analysis, I have shown that generational replacement exerts a minimal impact on public opinion regarding government and taxes, and concluded that most changes in opinion over the last two decades stem from Americans actually changing their minds. In attempting to determine which factors have caused these minds to change, I first examined the relationship between public opinion and key fiscal and economic indicators like the size of the deficit, GDP growth rates, and unemployment rates. But what role have major political events that addressed issues of taxes and spending had on public attitudes since 1990? Determining how exactly certain events affected public opinion, and to what extent, is difficult to quantify.

The Pew Research Center for People and the Press’ report on the “most closely tracked stories” from 2001-2011 is helpful in determining which major news stories were consuming the most public attention, and therefore, had strong potential to alter mass opinion. For this study, Pew accumulated data responses from surveys examining what proportion Americans were following which stories most closely. This compilation lists the twenty-four major stories that the largest percentages of respondents said they were “following very closely.”

Unfortunately, Pew does not provide such a study for the first half of our period, from 1990-2000. For these ten years, I must rely on my understanding of
historical context to determine which issues relating to government and taxes had the visibility to impact public opinion.

Soss and Sanford’s (2007) analysis of public opinion feedback to the enactment of welfare reform in 1996 constructs a helpful framework for evaluating the impact of major policy initiatives on public attitudes. This framework is based on the notion that all policies can be defined by where they fall on two spectrums. The first spectrum describes the visibility of the initiative or policy to the public—issues that normally receive high amounts of public scrutiny are highly visible, while policies that receive little media coverage or otherwise public attention are less visible. The second spectrum runs from distance to proximity, in which policies that have genuine, real-world implications for large portions of the population are proximate, and those policies with little practical impact on the lives of most of the population are distant.66

Within this framework, policies can fit in one of four quadrants. Policy initiatives in the visible/distant quadrant “function for unaffected publics as expressions of group values.”67 It is for major policy initiatives that fall in this quadrant that Soss and Schram provide a detailed framework for analysis of how those initiatives impact public opinion. When the policies challenge established group values, “feedbacks producing mass arousal become more likely,” whereas

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67 Soss and Schram, 122
when policies confirm established values, they tend to solidify opinion where it was before the initiative gained public attention.\textsuperscript{68}

These tools are imprecise, but precision in quantifying the impact of events on public opinion is impossible. With them I was equipped draw some preliminary conclusions, as a basis for further study.

**1990-1996: Anti-Government Sentiment at its Peak**

The first major political event of our period directly relating to government and taxes was President George H.W. Bush’s breaking of his famous “no new taxes” from the 1988 presidential campaign. When he issued his famous promise in a televised debate, it drew applause from across the nation. When Bush broke the pledge in 1990 to reach a deficit-reduction deal with the Democrats who controlled Congress, the nation at large was unhappy, with 54\% of respondents to a Gallup Survey in July of 1990 saying that they disapproved of the inclusion of tax increases in the plan.\textsuperscript{69}

The episode strengthened the nation’s antipathy towards government. By cutting a deal with Democrats rather than standing on principle, Bush appeared to have betrayed. He had also reinforced the image of the government in Washington as secretive and untrustworthy. Clinton’s success in attacking Bush for breaking this

\textsuperscript{68} Soss and Schram, 123
pledge in the 1992 campaign confirmed the staunchly anti-tax mood of the electorate at the time.\textsuperscript{70}

Given Americans’ demonstrated suspicion of the federal government, it should not be surprising that President Clinton’s all-out effort to pass a health care reform bill in 1993-1994 was unsuccessful. Written behind close doors under the supervision of the President’s wife, Hillary Rodham Clinton, the plan was confusing and complex. Clinton’s citation of the country’s “health care crisis” as justification for the reform drive rang hollow to most citizens who were generally happy with their health insurance coverage. Indeed, most who were happy with their health care coverage at the time feared the changes that a system-wide restructuring effort would bring. To many Americans, Clinton’s plan embodied the negative stereotypes of government programs propagated by conservatives since the early 1980’s—an overgrown, overreaching, expensive, and unnecessary attempt to improve society.

The plan’s heavy media coverage and its complexity made it highly visible and distant to the American public. Using Soss and Schram’s framework, we can understand the impact of the reform effort on public opinion. By challenging the widespread conviction that government expansion was more of a threat than a solution to urgent problems, Clinton’s reform effort met with public disapproval and was never enacted in any form. The President’s job approval ratings sank, and Republicans capitalized by seizing control of Congress in 1994 for the first time in

40 years. Not coincidentally, public antipathy towards government and taxes began to reach new heights in 1994.

1996-2000: A Diminishing of Hostility

As I have shown, anti-government and anti-tax attitudes diminished somewhat through President Clinton's second term. I have already noted the likely influence of the elimination of the fiscal deficit, falling unemployment, and high growth rates on the shift in attitudes. Did major political events of the period contribute to the change as well?

The 1996 welfare reform compromise reached by President Clinton and Speaker of the House Newt Gingrich replaced the Aid to Families with Dependent Children with the more work and responsibility-intensive Temporary Assistance for Needy Families. Along with his famous declaration in his 1996 State of the Union Address that “the era of big government is over,” it is seen as a major turning point in President Clinton’s political career, where he assented to public demands for a reduction in the federal government’s activities and role in society.

Soss and Schram’s analysis centered on public reactions to the enactment of welfare reform, so their framework is particularly useful in this case. Welfare reform is in their study the prototypical distant-visible policy initiative; as such, it will spark public arousal to the extent that it challenges existing values or worldviews.

According to Soss and Schram’s analysis, the welfare reform law affirmed popular values and conceptions of work and welfare recipients. Write the two scholars: “‘Work,’ in this instance, was not a prior status indicating deservingness,
nor was it a trait that could simply be attached to group members. It was the behavioral standard that had been violated, the value that demanded action to hold a problematic group accountable.” As such, the law’s symbolic action of requiring welfare recipients, heretofore presumed to be lazy freeloaders, to work in order to receive benefits, merely solidified the public’s conception of welfare recipients. It also re-affirmed in the minds of voters the role of the state in the economy and society—by seeming to scale back so-called “undeserved” benefits, the government was acting consistent with the role envisioned and promoted by President Reagan. By re-affirming these popular conventions of political thought, conclude Soss and Schram, the welfare reform law of 1996 did not exert a meaningful impact on public opinion towards government and taxes.  

The years of Clinton’s second term had few major political events take place that directly related to government and taxes. Instead, foreign policy concerns—as well as a series of scandals that engulfed the White House and Congress—consumed much of the public’s attention. No major public policy initiatives sparked ideological debates about the role of government or taxes during this time period. From this, I can conclude that it was external factors like a growing economy and the fiscal surplus that most allowed for a diminishing in anti-government and anti-tax sentiments.

The presidential campaign and agenda of then-Governor George W. Bush of Texas served as a reflection of the moderate trending of opinion at the time. Instead

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71 Soss and Schram, 124  
72 Soss and Schram, 125
of emphasizing massive cuts in taxes and spending, as had Speaker Gingrich and his followers in 1994, Bush sought to find a middle ground with his own brand of “compassionate conservatism,” which was meant to respect the efficiencies of markets while using the tools of government to aid society’s most vulnerable citizens.

2000-2008: A Change in Focus

The terrorist attacks of September 11th, 2001 were the largest and most influential political event of the last two decades. According to the Pew Research Center, it was the most-followed story of the period from the year 2000 to the present, with 78% of poll respondents indicating they were following the story very closely.\(^7\) The attacks were of such scale and horror that they entirely engulfed the nation’s political discourse, re-casting the terms of every debate. Consequently, 9/11 had a very strong and significant impact on public attitudes regarding government and taxes.

When Gallup asked a sample of adults nationwide to evaluate the current role of the federal government in a poll completed on September 10th, 2001, 55% or respondents said that government was “doing too much.” When Gallup asked the same question in a poll taken one month later, only 41% of respondents said that

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government was “doing too much.” The events of 9/11 had clearly re-defined the concept of “government” in the minds of most Americans; where before, “government” had symbolized a massive administrative apparatus, a re-distributor of wealth, and a source of regulation, after 9/11 “government” came to symbolize the armed forces that would henceforth keep them safe.

Additionally, the renewed favor shown towards government in the aftermath of the 9/11 attacks is a surefire illustration of the well-documented “rally-around-the-flag” effect. According to this theory, Americans tend to register much higher approval of their governmental institutions and leaders in time of national crisis. For example, see how President Bush’s job approval ratings skyrocketed to over 90% in the immediate aftermath of the 9/11 attacks.

The sudden drop in anti-government sentiment was temporary, but the continued threat of terrorist attacks, the revamping of national security and intelligence policies and institutions, and the foreign wars launched in response to these attacks continued to dominate the national political discourse for several years. These developments themselves made the political environment of the 2000s vastly different from that of the 1990s.


Indeed, data from the Pew Center shows that issues relating to government and taxes consumed little public attention from 2001-2011. Of the twelve stories Pew reported as having consumed an large degree of public attention that took place between 2000 and 2008, only one had anything to do with economic issues—the incidence of high gasoline prices in September of 2005. The rest of the stories related to threats to public safety, like the 2003 DC sniper and the plot to blow up transatlantic flights in 2006, or foreign policy, like the wars in Iraq and Afghanistan. Whereas some of the biggest stories of the 1990s related directly to government and taxes, the years from 2000 into 2008 were generally bereft of major events with potential to directly and meaningfully impact public opinion. This can account for the relative stability of survey-reported public attitudes in these areas over the course of those years.

**2008-present: Economic Issues Retake Center Stage**

This static political atmosphere changed suddenly in September of 2008. Then, the housing collapse, resulting financial crisis, and the recession they precipitated brought economic issues from the back of the public discourse all the way to the front. According to Pew data, of the twelve most-followed stories of the past decade that took place from mid-2008 to the present, seven of them were about some aspect of the economic collapse. Of these, three directly concerned issues in which government and taxes played a central role. These were, in order of how closely the public was following them: the debate over the Wall Street bailout, the

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77 Ibid.
debate over President Obama’s health care reform plan in March of 2010, and the debate and passage of Obama’s stimulus passage of February 2009. I will utilize Soss and Schram’s framework to analyze the impact of these events on public opinion in chronological order.

The Troubled Asset Relief Program (TARP)—the 700 billion dollar bailout of major US financial institutions passed hastily by Congress in September of 2008—falls squarely within the visible-distant quadrant of Soss and Schram’s framework. Having been requested by Treasury Secretary Henry Paulson as necessary to avoid complete financial collapse, debate over the controversial proposal received heavy media coverage, making it highly visible to the American public. At the same time, the immediate and direct impact of the proposal was felt only by a handful of banks and financial institutions, making it distant.

As such, according to Soss and Schram’s framework, the bill’s likely impact on public opinion can be determined by examining the extent to which the proposal affirmed or challenged commonly held values. It is not difficult to see that the bill’s intent and execution flew in the face of some of America’s most widely held values. By giving money to failing businesses with no strings attached, it violated American principles of fair competition. By spending unheard-of sums of money without raising any additional revenue, it violated any sense Americans had of fiscal responsibility. Most of all, the program seemingly rewarded those who had through

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negligence precipitated a financial crisis, entirely at the expense of taxpaying citizens.

Consequently, the program sparked a great deal of negative public arousal. To the American people, the government had just spent $700 billion that it didn’t have in order to bail out culprits who by their own shady activities thrust the economy into peril. Public antipathy towards government did not spike yet for a few months, but public anger over the TARP program sowed the seeds for rising anti-government sentiments after President Obama took office.

President Obama’s stimulus package of February 2009, as a direct response to the recession and employment crisis precipitated by the financial collapse, also received heavy media coverage, and was highly visible to the American public. It was more proximate to the American public than was the TARP program; however, its impact was sufficiently temporary and diffuse for it to be considered distant from the public for purposes of this analysis. Therefore, as with the TARP bailout, it was the symbolism of what the policy affirmed or challenged that precipitated changes in public opinion.

The stimulus did not challenge such fundamental American values as competition and fair play as the TARP program did; however, it flew in the face of some of the widely held conceptions of government, popularized in the Reagan era, that I explained in my introduction and demonstrated through analysis of fiscal and economic indicators in the preceding chapter. On its face, the stimulus package was a massive program of government spending aimed at diminishing the impact of the employment crisis and re-starting the nation’s economic growth. These basic
features of the bill went against suspicions that government is the more the source of economic problems than it is of solutions, and against beliefs that a reduction in government spending is generally good for economic growth.

Critically, almost three years later, the employment crisis is still with us. The stimulus could not stop the massive loss of jobs that was engulfing the nation, despite promises from the Obama administration that it would significantly mitigate the employment crisis. Therefore, the stimulus package precipitated highly negative public opinion feedback. The combination of the bill’s failure to deliver fully on its stated promises and its challenge to widely held suspicion of government has contributed to the spiking number of Americans who thought government was doing too much and should retreat from its activities.

In considering the impact of the two above events on public opinion, I must mention the critical fact that both of these initiatives added untold billions of dollars to the fiscal deficit. Once seemingly insignificant, the annual deficit was now equal to a very substantial portion of the nation’s gross domestic product.\(^79\) This was by far the largest deficit most Americans had ever seen; its on public perception of government spending, analyzed in Chapter 3, should not be underestimated.

The final major political event since 2008 directly relating to government and taxes was the passage of the Affordable Care Act, otherwise known as “ObamaCare”. This expansion of the federal government’s role in the provision of health care insurance and services to the public also fits within Soss and Schram’s

“visible-distant” definition for policy initiatives. As the president’s signature
domestic policy proposal, it received intense media coverage. And even though it
claimed to have benefits for all Americans, the bill was complicated enough that
most Americans could not tell that it was going to directly affect them.

Like the stimulus package, the Affordable Care Act went against Americans’
inherent suspicion of government expansion as a necessary solution to a social
problem. On its face, ObamaCare constituted a significant expansion of government
activity and responsibility. It appears that in this era, most American voters were
not willing to consider such expansions in government as reasonable or affordable
policy solutions. Most of all, Americans could not see how the proposal remotely
addressed the most urgent national problems of the time—the employment crisis.
To most Americans, it appeared that their government was undertaking massive
new responsibilities at the expense of working to solve what was actually an urgent
national problem.

Therefore, the Affordable Care Act from its initial conception sparked
ferocious public arousal. We all remember the raucous town hall meetings, very
often in direct protest of the bill that lawmakers faced when at home visiting their
constituencies in August of 2009. This was but a more graphic and active expression
of the disapproval that Americans were registering nationwide. In a context in
which the federal government had within the previous year enacted the TARP
program and the stimulus package, the Affordable Care Act looked to be an
irresponsible and out-of-touch overreach of the government’s boundaries, causing
Americans’ anti-government sentiments to rise sharply. Tellingly, percentage of
respondents telling Gallup that government was “doing too much” rose by seven percentage points between March and September of 2009—the precise time period when coverage of the health care debate, and public reactions against it, began to intensify.\textsuperscript{80} The Affordable Care Act is the President’s signature achievement, yet it has helped push anti-government attitudes to their highest levels of the last fifteen years.

**Opinions on Taxes in the Present Day**

Most interestingly, for the impact these three major policy initiatives have had on opinions of government in the last three years, they have not exerted a significant influence on opinions of taxes. As I noted in Chapter 1, in May of 2011, the rising antipathy towards government, only 52\% of respondents to an Allstate/Nat’l Journal poll said taxes were “too high.”\textsuperscript{81} This figure represents no significant change over the previous decade; the influence of the financial crisis and the massive government efforts to combat it appears to have been minimal.

I can only speculate as to the reasons for this. One potential factor is fear over the fiscal deficit. As the long-term threat posed by our skyrocketing national debt has come into focus, the need to reduce our annual deficits has become an immediate political imperative. And most Americans understand that tax cuts only

\textsuperscript{80} "Government." Gallup.Com
lead to greater fiscal shortfalls. Understood in the context of fear over the national debt, the diverging paths of opinions regarding government and taxes makes more sense. Americans want to reduce the deficit, so they resist any new federal spending that is not paid for; at the same time, they are willing to pay their fair share of taxes. At this difficult time for the United States, Americans seem willing to make the financial sacrifices they need for the good of society—they just distrust the people in charge of spending the money.

Conclusions

The use of Soss and Schram’s framework and my understanding of the political environment allowed me to draw conclusions about why public opinion has undergone changes since 1990. First, fiscal and economic indicators are important, though not entirely determinative; in general, as I showed in Chapter 3, strong growth rates and fiscal surpluses tend to make voters more comfortable with government activities, while weak growth rates and fiscal deficits generally leads to rising anti-government sentiments.

These trends also confirm influence that political values ascendant during Reagan’s presidency continue to exert in our political culture. In general, Americans are suspicious of their government, and when economic problems occur, view it as more likely to be the their cause rather than their solution. As such, when the government attempts to act in contradiction of this concept of government and undergo any kind of expansion to solve national problems, public disapproval of the
general concept of “government” increases; when government actions affirm these Reagan-era values, anti-government attitudes remain level or diminish.

CONCLUSIONS

Few issues in American politics are as enduring and relevant sources of ideological conflict as the appropriate role and size of government and taxes. Understanding the public mind on these issues is critical to an accurate understanding of the political trajectory of the United States.

For Americans, a large number of issues are evaluated against one’s conception of the role of government and taxes. As in the late 1970s, the climate of public opinion in the last twenty years has been one of distrust in, as Mayer wrote, “the capacity of government (especially the federal government) to intervene effectively in the economy and to solve or ameliorate the country’s social and economic ills.”82 This distrust has led to a deep suspicion that by expanding and spending money to attempt to solve social problems, the government in fact is growing beyond its intended boundaries and hindering the robust development of our economy and society.

My research found that public opinion on government and taxes fluctuated substantially but undramatically between 1990 and 2011. It was the combination of these widespread suspicions of government with certain external factors, such as major changes in fiscal and economic indicators or major political events and policy

initiatives, that brought about the fluctuations in public opinion on government. When problems occurred and the government attempted to counter them through expansions of responsibility or increases in spending, the public reacted against what they saw as overreach. When hard economic times came upon the nation, Americans increasingly favored reductions, not expansions, in government as a potential solution.

Negative opinions of taxes have not always coincided with negative opinions of government. In particular, though anti-government sentiment has spiked since 2009, antipathy towards taxes has remained relatively level. I have already speculated that this may be due to an increased willingness to sacrifice in a time of stagnant employment and skyrocketing debt.

There is always the potential for another paradigm shift in the way Americans think about issues of government and taxes, particularly in times of crisis or stagnation. It was in just such an environment in the late 1970s that an increasingly conservative vision of government and society began to shape the playing field of our national discourse.

Change could likewise be underway at this moment. Public polling indicates that Americans are today more pessimistic about the long-term direction of the country than at any point in several decades. In times of crisis, our citizens have often been willing to accept any policy that works, even if it violates established political conventions. Americans’ conceptual views of government in the next two decades will in large part be determined by the outcome of the expansionist policies undertaken by the Obama administration.
BIBLIOGRAPHY


