

AEI Political Report

Alan Greenspan, Ben Bernanke, and Inflation

Someone once told the editors of *Political Report* about a poll in which Americans identified the Federal Reserve as a fine Kentucky bourbon. The editors have never been able to find the poll, but we have found others recently that suggest that Fed chairman Alan Greenspan, like a good bourbon, has aged well.

Early reports suggest that Fed chair designate Ben Bernanke shares Greenspan's commitment to taming inflation. Public opinion is on their side. No issue has ever been mentioned by more people as the country's top problem than inflation. In the 1970s, almost 75 percent volunteered it. By contrast, the top problem today—Iraq—is mentioned spontaneously by only 21 percent.

Q: As you may know, Alan Greenspan has been chairman of the Federal Reserve for the past 18 years. Do you think history will remember the 18 years of Greenspan's leadership of the Federal Reserve . . . ?

Mostly as a time of economic prosperity 56%
Mostly as a time of economic decline 29

Source: AP/Ipsos Public Affairs, October 2005.



Gas Prices Top The News

In an early November Pew Research Center poll, 61 percent of those surveyed picked gas prices as the news story that they were following very closely. Nearly four in ten said they were paying attention to news stories about oil company profits. Americans were much less interested in the indictment of Vice-President Cheney's chief of staff I. Lewis Libby or the president's nomination of Judge Samuel Alito to the Supreme Court. African-Americans were twice as likely as whites (44 to 21 percent) to have followed closely news stories about the death of Rosa Parks.

Q: Now I will read a list of some stories covered by news organizations this past month. As I read each item, tell me if you happened to be . . . ?

Following very closely

High price of gasoline	61%
Situation in Iraq	41
Oil company profits	37
Condition of the economy	35
Hurricane Wilma	34
Death of Rosa Parks	25
Libby indictment	24
Bird flu outbreaks	22
Alito nomination	21







Source: PSRA/Pew Research Center, November 2005.

Gauging Gas Prices

High gas prices continue to cause anxiety for many Americans. In a late-October Gallup poll, respondents said that gas prices were their top financial problem. A recent AP/Ipsos poll found that Americans think that a fair price for a gallon of gasoline is about \$2.00. People in other countries surveyed give a much higher figure. Oil companies are being cast as the villain once again, and their ratings are low. In an October Pew Research Center poll, 20 percent had a very or mostly favorable opinion of them. By contrast, 45 percent had a favorable opinion of Congress, and 82 percent of the military.

Q: What would you say is a fair price for a [gallon/liter] of gasoline?

Fair Price (mean, in \$, converted from liters)

United States	 \$1.99
Canada	 \$2.72
Australia	 \$2.94
France	 \$4.08
Germany	 \$4.87
U.K.	 \$5.16

Source: AP/Ipsos Public Affairs, October 2005.

Party Standings A Year Before the Midterm Elections

While the 2006 midterm elections are still a year away, the Democratic Party is leading the Republican Party on nearly every issue, according to the latest ABC News/*Washington Post* poll. For the first time, Democrats have pulled even with Republicans on handling the U.S. campaign against terrorism.

Q: Which political party, the Democrats or the Republicans, do you trust to do a better job handling . . . ?

	Republicans	Democrats	Change in Democrats' Fortunes (2002–2005)
The economy	34%	56%	+23 points
The U.S. campaign against terrorism	42	42	+36
The situation in Iraq	37	48	+37
Education	32	55	+14
Social Security	29	56	+7

Note: Top five issues shown.

Source: ABC News/*Washington Post*, October–November, 2005.

Judge Alito

While Judge Samuel Alito's initial support is not as strong as John Roberts's was before he was confirmed as Chief Justice of the Supreme Court, majorities of Republicans and a strong plurality among Independents say that Judge Alito should be confirmed. A third of Democrats also favor his confirmation.

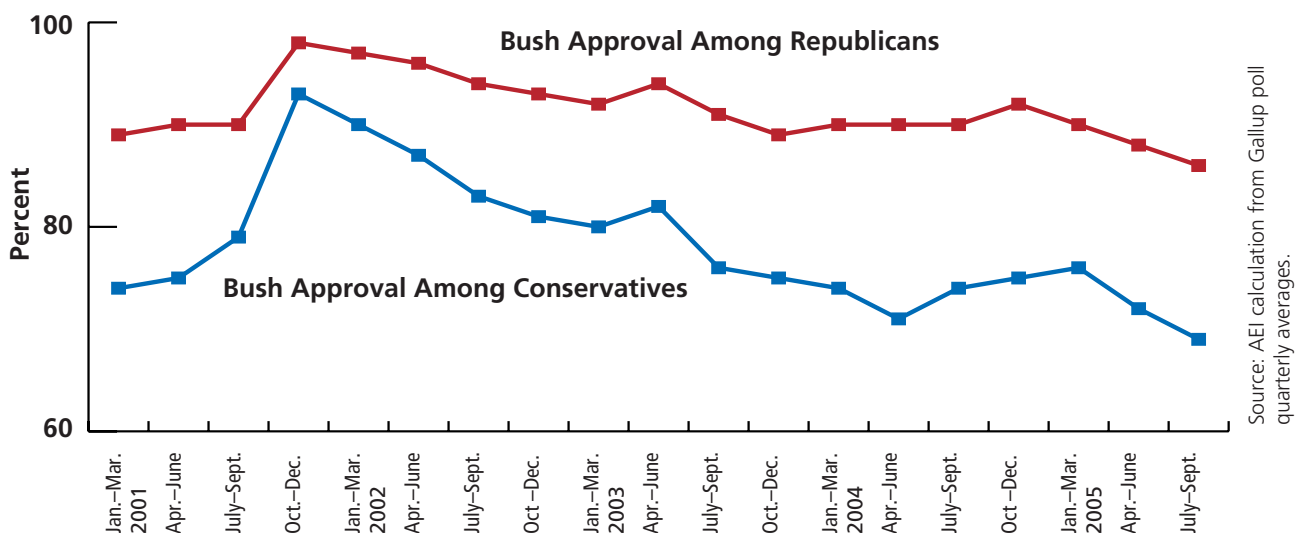
Q: On another subject, as you may know, Bush has nominated federal judge Samuel A. Alito to serve on the U.S. Supreme Court. Do you think the U.S. Senate should . . . ?

	Samuel Alito		John Roberts	
	Confirm	Not Confirm	Confirm	Not Confirm
Democrats	33%	43%	41%	40%
Republicans	73	11	84	7
Independents	48	30	58	21
National response	49	29	59	23

Source: ABC News/*Washington Post*, October–November, 2005.

Bush Approval Among Conservatives and Republicans

President Bush's approval numbers among the general public are at an all-time low. His support among his most ardent followers, self-described Republicans and conservatives, has dipped recently, too, but not dramatically. New polling by Pew and Gallup shows the drop in Bush's ratings among Republicans concentrated among liberal and moderate Republicans, not conservative ones.



2005 Elections

Democrats clearly got the best of the 2005 election cycle with victories in the Virginia and New Jersey gubernatorial races, while Republican Michael Bloomberg easily won his reelection bid in New York City. This marks the fourth consecutive term for a Republican in City Hall. Bloomberg won by twenty points, a wider margin than either he or Rudy Guiliani had won by in the three previous mayoral elections.

In New Jersey, Jon Corzine won by a comfortable 6.5 point margin. Democrats also added one seat to their majority in the legislature. With New Jersey and New York going as expected, the key race was in Virginia where many observers anticipated a nail-biter. Democrat Tim Kaine beat Republican Jerry Kilgore by a surprising 6 point margin. Virginia has voted Republican in each presidential election in the past forty years. The governorship has been more volatile. Virginia has a one-term limit on gubernatorial service, and in the past sixteen years, the governorship has been held by two Democrats and two Republicans. Helping Kaine was current centrist Democratic governor Mark Warner, whose approval ratings are above 70 percent.

Northern Virginia tends to vote more Democratic than the rest of the state, but Kaine racked up even larger victories there than expected, dominating the inner suburbs Arlington and Alexandria with nearly 75 percent and winning Fairfax County with 60 percent. Kaine even won the normally Republican exurban communities of Loudon and Prince William counties. Republicans lost a net of two seats in the state legislature; Democrats won three formerly Republican seats in Northern Virginia.

The big winner here may be Governor Mark Warner, who will likely run for president. This election shows his strength in a Republican state. Even though he will not be the favorite in the Democratic field in 2008, he would be an attractive vice presidential choice for the Democratic nominee.

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Election Reform Initiatives

Two initiatives to change redistricting to a non-partisan process lost badly in Ohio and California. In California, the redistricting measure would have established an independent commission to draw new lines for the 2006 election. It was opposed by Democrats and some left-leaning reform groups, as there was speculation that the measure might help Republicans who are not in control of the legislature. Like all of Governor Schwarzenegger's ballot measures in the special election, it was defeated. In Ohio, a different measure would likely have hurt Republicans, who have a 12 to 6 majority in the Congressional delegation. This measure would have required the creation of as many competitive districts as possible. Several other election reform measures on the Ohio ballot also lost. One would have taken election administration responsibilities away from the elected secretary of state and one would have imposed more restrictive campaign contribution limits. Some had anticipated that the recent scandals involving Governor Taft and the depressed approval ratings of Republicans in the state would have driven up support for these measures, but both lost badly.

Current Commentary

“Judge Alito Doesn't Show Congress Enough Deference”

AEI resident scholar Norman J. Ornstein argues that Supreme Court nominee Samuel Alito has not shown proper deference to Congress in his rulings.

<http://www.aei.org/publication23406>

“Pollitics”

AEI resident fellow Karlyn H. Bowman discusses the latest poll numbers on President Bush's effect on congressional elections, gasoline prices, the environment, spousal notification for an abortion, and the royal family.

<http://www.aei.org/publication23408>

“Filibuster Dilemma”

AEI research fellow John C. Fortier says that Senate Democrats might not have the stomach for a filibuster of Supreme Court nominee Samuel Alito and probably would not have enough votes to defeat him anyway.

<http://www.aei.org/publication23404>