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Three Months to Election Day: What Do the Numbers Tell Us?

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Americans will choose their next president and Congressional representatives on November 6, 2012, i.e., in just under three months. At this point in the campaign, the economy continues to be the driving issue for voters. More than nine out of ten registered US voters say the economy is extremely or very important to their vote in this year's presidential election (July 19-22 *USA Today*/Gallup poll). US economic growth slowed to an annual rate of just 1.5 percent in the second quarter, compared with 2 percent in the first quarter of 2012, according to the Commerce Department economic report, published July 27, 2012. Economists assess that even 2 percent annual growth would add only about 90,000 jobs a month, too small a figure to lower the unemployment rate, which remains at 8.3 percent. This may signal trouble for President Barack Obama, whose prospects of reelection in November could hinge largely on the health of the economy.

Against this background, Americans continue to be more pessimistic than optimistic about the economy and tend to view former governor Mitt Romney as better equipped than President Obama to handle the key economic issues. On the other hand, Americans give President Obama the edge (60 percent over 30 percent) on most character dimensions, especially basic likability. These differences may help explain why President Obama and Romney remain closely matched in voters' general election preferences, despite Romney holding a decided advantage on the dominant issues. Presently, President Obama continues to cling to a lead of about two points over Romney, with perhaps a slightly greater advantage in some key swing states. In a July 27-August 2 Gallup Daily tracking, 47 percent of registered voters say they would vote for President Obama, with 45 percent for Romney if the election were held today.

The highly charged competitive status of this race is underscored in a recent series of polls conducted by Quinnipiac University in conjunction with the *New York Times* and CBS

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News in three hotly contested swing states. According to the new surveys in Ohio, Florida, and Pennsylvania, President Obama is struggling to convince voters that his actions to correct an economy with a darker outlook than when he began merit their vote for his reelection. Yet while Romney polled closely with the President when voters were asked about his ability to manage the nation's financial situation, his campaign continues to face questions about his business background and his reluctance regarding full disclosure of his tax returns.

The polls in the three states, all carried by President Obama in 2008, provide insight into challenges and opportunities for both candidates, as both campaigns are pursuing strategies focused on winning at least two of these three states. In Pennsylvania, President Obama now leads by 11 percentage points over Romney, the highest margin of the three states surveyed in this poll. While previously ranked as a toss-up and with 20 electoral votes long among the most closely watched in this campaign, the state is now ranked as "leaning Democratic." Obama's favorable rating may be a function of an unemployment rate of 7.5 percent, lower than the national average, and other positive indicators including a 14 percent increase in housing starts over 2011.

Voters are much more closely split in Florida and Ohio, where President Obama leads in both by approximately 6 percentage points. Of the coalition that he built to win in 2008, independent voters remain a problem with more than half in Florida and Ohio saying they disapprove of his job performance. Florida's unemployment rate is 8.6 percent, but new housing starts have increased by 40 percent, indicating that the perception of voters may be more colored by personal circumstances than economic indicators. Meanwhile Ohio is experiencing an unemployment rate of 7.2 percent, which while below the national average, is a bitter pill for a Midwestern state whose culture prides itself on a strong work ethic. In any case, the polling results in the two states indicate a level of voter dissatisfaction in the status quo that lays the groundwork for Romney's assertions that his business experience will yield more successful economic results.

The high stakes are not limited to the contest for the White House. Partisan dominance of both chambers of the US Congress is at stake in the upcoming elections. Currently, Democrats hold a slim majority in the Senate with 53 seats, including two held by independents that usually caucus with them, while Republicans have 25-seat margin in the House of Representatives. In the battle for the Senate, Democrats are defending 23 Senate seats, including the two independent seats, while Republicans are only defending ten. Democrats need to win 21 seats to retain their majority while the GOP needs to win 14 seats to regain control of the chamber. Of the 33 Senate seats up for grabs, 16 are currently projected safe or leaning for the Democrats compared with nine for the Republicans.

The House landscape too is coming into sharper focus. The signs so far indicate that Republican incumbents are holding up well enough in the House, and that there is not much of a wave breaking in either direction. A recent poll (USA Today/Gallup, May 10-13) found Republicans leading by 6 percentage points over Democrats. However it is still too early to tell how anti-Congressional sentiment might translate into individual races.

While the grim state of the economy suggests that perceptions of the candidates' competence will decide the vote, the better-liked candidate on the eve of the election has won each of the last five elections. The Commerce Department's third quarter economic report, set to be released on October 26, 2012, will be one of the most decisive pieces of data that will determine the fate of the incumbent President. Meanwhile, the vote for Congress this year will inevitably be intertwined with the dynamics of the high-profile presidential contest, which will play a major role in shaping the nation's political future. Although Romney's recent visit to Israel captured much attention, it will have a marginal impact on the final result of the presidential race. Romney may have improved his race's finances but it remains unclear to what extent the Jewish vote pattern will change. Even if Romney sees an improvement in Florida, this is not enough to change the current Obama lead of more than 5 points.

Other Dates to Watch

The candidates will be officially nominated in their respective upcoming party conventions. The Republican National Party convention will be held in Tampa, Florida the week of August 27. The Democratic National Party Convention will be held the following week in Charlotte, North Carolina.

The first of three presidential debates will be held on October 3, at the University of Denver in Denver, Colorado (topic: domestic policy); the second debate will be held October 16 at Hofstra University in Hempstead, New York (town meeting format on foreign and domestic policy). The third debate will be held on October 22 at Lynn University in Boca Raton, Florida (topic: foreign policy).

The Vice Presidential debate between Democratic incumbent Joe Biden and the Republican nominee will be held on October 11 at Centre College in Danville, Kentucky (topic: foreign and domestic policy).

