

MEMORANDUM

To: Each American Dream
From: Frank Luntz
Date: January 28, 2014
Re: Taxation and Income Inequality: Initial Survey Results

OVERVIEW

It's simple. Right now, voters feel ***betrayed*** and ***exploited*** by Washington's ***empty promises*** and ***wasteful spending*** of their ***hard-earned tax dollars***. The attacks on the status quo work, and they work even better when delivered with this language, but honestly, where's the empathy?

Let me be clear: if all you do is attack, your political base will love you, but nobody else will hear you. And if all your attacks focus strictly on policy, without any consideration for the human challenges of day-to-day life, you will be seen as a problem solver but without truly understanding the problems you seek to solve.

This is what matters most:

- **The *right* issues: ending wasteful Washington spending, creating genuine opportunity, generating good-paying jobs, and building a healthy economy for today AND tomorrow – issues that transcend partisan party politics. Four individual objectives that demonstrate that you are focused squarely on what Americans want most: solutions.**
- **The *right* communication approach: personalize, individualize, and humanize ... so that you demonstrate that these policies are affecting *real, everyday people*. If it doesn't have a story, you don't have a message.**

The American people do believe there is income inequality. In fact, that belief is held by the vast majority of Americans. Moreover, they think the problem is getting worse. But they do not agree at all with the solutions being offered by the Democrats in Washington. In fact, they are overwhelmingly opposed.

So it's up to you – what you say and what you do. The comments in this document are based on a national survey of 1,200 voters – they told us what they believed, what they expected and what they want. Neither party will be happy. Neither party is speaking the language of America – and they don't see either party offering the solutions that will work. Voters are disillusioned with both the government AND the private sector.

What follows are the key findings not just about *what Americans think*, but also the specific words, phrases, and solutions to *help you connect* with America's frustrated, angry, and often conflicted voters.

KEY FINDINGS

- 1) **Fight the battle on the right front.** The Democrats' talking points aimed at the wealthy are winning, and the idea that the rich need to pay their "fair share" in taxes resonates with voters – especially since they believe the system *already* favors the 1%. Few voters have sympathy for the wealthy. Few feel the need to protect them. *More Americans believe that the wealthy should pay higher taxes*, compared to survey results from last September. Even swing voters—those who are most likely to be convinced by the right language—favor raising taxes on the wealthy by 73-22. Take our word for it – the only way to win this debate is to fight raising taxes on right front.

WORDS THAT WORK

Forcing the wealthy to pay even more is a Band-Aid that won't solve our critical long-term need to stop wasteful government spending, to create good-paying jobs and shrink our debt. It's not about asking the wealthy to pay even more in taxes - it's about real reform, real solutions and real results to the problems that our country is facing today.

Saying taxing the rich will cost jobs won't work. Saying we already raised taxes on the rich won't work. You need to reframe the issue by emphasizing what we really need: real, systemic, long-term solutions that benefit *everyone*, regardless of income.

- 2) **Don't get lost in the details.** You MUST explain why your ideas *matter* in a way that resonates. Don't get bogged down in policy specifics. Instead, try the "why...therefore...so that" language formula. This will focus more on connecting with the audience and explaining the end result and less on policy implications and party politics. Here's how it works:

-- **WHY?** This should be about 40% of the message. Open by explaining why this issue matters, and how you feel their pain. The more time you spend relating, the more credible the next part of the message becomes – take the Democrats' advantage away by empathizing and connecting.

"The American dream wasn't built on handouts and government programs. It was built on hard work, perseverance, and talent. But today many Americans feel that isn't enough. They're working harder than ever but never seem to get ahead. That's not the America we've known. People who work hard and play by the rules deserve our respect and our support."

- **THEREFORE...** This should be about 20% of the message – yes, ONLY 20%. Explain the policy or solution – the more technical portion of the message. But remember: Do not talk about committee votes or the CBO. If you spend too much time explaining details, you *will* lose your audience. Voters (especially swing voters) are much more concerned about whether you *share their frustrations and their hopes* than their policy positions.

“Raising taxes to fund more wasteful spending in Washington isn’t the answer. What will work better is to reform the welfare system to promote hard work and individual success, not dependency on government. We need to create a healthy economy with good-paying jobs, fix our failing schools, and stop the wasteful spending.”

- **SO THAT...** This should be the remaining 40% of the message. Here, use language that *empowers the taxpayer*. Use the phrase “*so that*” to connect everything together.

“We should focus on creating genuine opportunity, leveling the playing field for all Americans, so that everyone can get ahead. So that everyone has an opportunity.”

- 3) **It’s about creating opportunity for everyone.** Voters want to get ahead, to succeed, to provide for their families with a good-paying job. But all too often they think the deck is stacked against them in favor of the rich. They want a fair shake. Your language should make clear you understand that frustration.

Take it to the next level by appealing to what they really want: **It’s about creating opportunities for EVERYONE to get a get-paying job.** That is a powerful language combination. This can make your language emotional, fair, and inclusive: Don’t focus on the “rich” creating jobs, small businesses as “job creators,” or even the private sector. Focus on jobs and increased opportunity for ALL. Use “inclusive” language that everyone can relate to, regardless of income, education, or background:

WORDS THAT WORK

Our priority as a country should not be to support unemployment. We need to focus on creating a healthy economy, where EVERY American has a genuine opportunity to find a good-paying job. It’s about celebrating and rewarding hard work and providing new opportunities on a level playing field - fostering independence, work ethic, and confidence—not dependency, frustration, and hopelessness.

- 4) **Solving income inequality is an important issue—but not the most important.** Voters are passionate about closing the widening gap between rich and poor. While they spin their wheels and tread water, the rich get richer. Many voters—an even split among swing voters—want the government to take action. HOWEVER, they do not want to address income inequality at the expense of creating jobs and opportunity.

If you HAD to choose, which of the following should be the federal government's MAIN priority? [COMBINED]	Total	DEM	Swing	GOP
Building a healthy economy	70%	62%	69%	80%
Creating an opportunity for every American to find a good-paying job	44%	49%	43%	41%
Creating jobs	41%	31%	44%	51%
Creating a level playing field	14%	13%	14%	15%
Reducing income inequality	14%	22%	14%	5%
Spreading the wealth around	9%	14%	9%	2%
Closing the opportunity gap	8%	9%	7%	6%

Whenever possible the argument should be: 1) acknowledge that many people are struggling, 2) the focus should be on creating opportunities where everyone can get ahead, 3) raising taxes won't do that, 4) we can do that by creating a healthy economy, prioritizing hard work, entrepreneurship, and opportunity.

- 5) **The other side “wants more government handouts, not more opportunity.”** Obama’s strongest language occurs when he talks about *universal* topics, sounding not like a politician calling for more government but an understanding advocate promoting fairness and help. Swing voters are *very* sensitive to too much government involvement, so while your language projects empathy and understanding and reflects their values of hard work; paint the other side’s language as promoting government dependency, handouts, and more wasteful Washington spending.

Which of the following outcomes makes you most afraid of the future? [COMBINED – TOP 5 RESPONSES]	Total	Swing
A government-controlled society	39%	48%
A nation divided by class and income	33%	27%
A segmented society where the wealthy can get ahead, but the middle class cannot	33%	28%
A government that limits economic freedom and opportunity	22%	20%
A Washington takeover of the economy	16%	15%

This not only appeals to the priority of controlling spending, but it reinforces the fear that most voters feel about “a government-controlled society”—something that 48% of *swing* voters fear the most about the future. More so than “a nation divided by class and income” (27%) and “a segmented society where the wealthy can get ahead, but the middle class cannot” (28%). This margin is HUGE – and it’s your job to emphasize policies that empower the middle class, not the government.

- 6) **“The real solution to poverty: better jobs and better schools.”** When it comes to solutions to poverty, images are just as important as language. Voters in general and swing voters specifically saw the same two images and concepts as the most realistic, effective solutions to poverty in America today. It’s simple, and straightforward. Americans want jobs and opportunity – and the best way to foster opportunity is in the classroom.



SAY THIS / INSTEAD OF THIS

<i>Say this...</i>	<i>...Instead of this:</i>
<i>Unfair advantage</i>	Opportunity breakdown
<i>An uneven playing field</i>	Opportunity disparity
<i>Building a healthy economy</i>	Closing the opportunity gap
<i>Creating opportunity</i>	Spreading the wealth around
<i>Healthy economy</i>	Powerful economy
<i>Growing economy</i>	Dynamic economy
<i>Opportunity</i>	Wealth
<i>Careers</i>	Employment
<i>Prosperity</i>	Hope
<i>Reforms</i>	Promises
<i>Balance</i>	Borrow
<i>A government-controlled society</i>	An egalitarian society
<i>Divided by class and income</i>	Winners and losers
<i>Common sense reforms</i>	Highly targeted reforms
<i>Efficient and effective reforms</i>	Government-driven reforms
<i>Long-term reforms</i>	Innovative reforms
<i>Inefficient and ineffective regulations</i>	Impossible regulations
<i>Bureaucratic regulations</i>	Arbitrary regulations
<i>Job-killing regulations</i>	Anti-business regulations

14 TAXATION PHRASES FOR 2014

14 Taxation Phrases for 2014	
1	It's time for a new approach to ending poverty in America.
2	We need efficient and effective programs that invest in our future.
3	Big government solutions have failed people in poverty.
4	Those who work hard/play by the rules deserve respect and support.
5	Creating genuine opportunity to improve quality of life.
6	We need to focus on hand-ups, not handouts.
7	Fostering independence, work ethic, and confidence.
8	Reform the welfare system to promote work and individual success.
9	How can we go on like this, before GREATER crisis hits?
10	Balance the books and make government live within its means.
11	Forcing the wealthy to pay even more is a Band-Aid.
12	Stop wasteful government spending, create good jobs, shrink our debt
13	Real reform, real solutions and real results.
14	It's not about asking the wealthy to pay even more in taxes.