

DLC

THE

EMERGING POLITICS OF

GLOBALIZATION

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INTRODUCTION

This report, based on a survey of American voters and including a special emphasis on oversampled data from the fastest growing areas of the United States, analyzes how voters view globalization's costs and benefits, as well as their attitudes toward public policies that are possible responses to globalization.

What the data show is that Americans have mixed feelings about globalization as well as their own role in the New Economy. As befits our national character, Americans are optimistic for our country. They insist that America must remain the science and technology leader, and more than one-half express support for globalization.

But Americans have real concerns about the future. Most Americans do not believe their standard of living will rise over the next 10 years, and they are sharply divided on new trade agreements. They support corporate welfare policies that protect manufacturing jobs, and they fear losing their own benefits.

In this environment, Americans favor the "safe" option even as they say they are optimistic: Many want to limit change and competition rather than adapt, and they overwhelmingly choose job security over a higher salary.

Ultimately, Americans are seeking a leader who will control and shape globalization in order to make sure all of society benefits.

This leader will have a great deal of convincing to do. He or she will need to convey to voters that they:

- understand and care about American workers;
- understand globalization and the new economy; and
- know how to make globalization work for all Americans.

A leader who can make a credible case on these points will be able to push through the economic changes to move globalization forward, and do so in a way that benefits American workers.

EXECUTIVE SUMMARY

This report is divided into three broad categories and includes key findings in each section. Section I of the report analyzes competing views of globalization and suggests some messages and policies that will be important in communicating about the issue; Section II examines Americans' view of the benefits and costs of globalization; and Section III discusses voter demographic segments and their attitudes toward globalization.

Section I: National Messages and Reconciling Competing Views of Globalization

1. **In many ways, voters see globalization as a force with two faces.** The Internet, jobs, and security are three examples where voters see both the positive and negative aspects of globalization.
2. **Americans are convinced of the need to invest in science and technology in order to help us turn globalization to our advantage.**
3. **The words to which people respond most strongly today do not reflect a belief in the promise of the New Economy as much as a desire for quality jobs and to buy American.**
4. **One trait of the American psyche remains strong – the belief in entrepreneurialism.** While the global economy suggests the emergence of new and bigger global economic players, it also widens the doors for entrepreneurs to find a market and be successful.
5. **The mixture of positive and negative voter perspectives on globalization is best illustrated by their attitudes toward trade agreements.** While less than one-third of voters are for their repeal, only about one-third of those surveyed are for the creation of new trade agreements.
6. **These attitudes on globalization translate into a tough challenge for the next presidential candidates.** Candidates will have to thread the needle of being optimistic, yet not pollyannaish; they have to help redefine what fair trade means in the 21st century; they need to have the ability to overcome concerns about trade by building new international alliances; and perhaps most importantly, they need to demonstrate an understanding of the needs of workers.
7. **There is no single idea or silver bullet for dealing with the expanse of issues created by globalization.** An agenda for coping with the New Economy must include a wide range of programs – creating expanded 401(k)s, more flextime, incentives for alternative energy, and a greater sense of equity and fairness so that stock and option programs reach down to all the workers in each company.
8. **While Democrats have a wide lead on most issues today, they have yet to win the debate over globalization.** Less than a majority pick either party for this task, with older communities favoring the Democrats and high-growth communities favoring the Republicans.

Section II: Key Perceived Costs and Benefits of Globalization

1. **Voters do not want to stop globalization entirely, but they are worried about its consequences.** They want globalization to be controlled and made to benefit all of society.
2. **Globalization is not feared in and of itself – but there are rising concerns related to a more global world:** child poverty, outsourcing, higher energy prices, greater terrorism, etc.

3. **The public currently sees the benefits of globalization primarily in terms of lower prices for consumer goods.**
4. **Despite cheaper goods, however, voters see very significant costs associated with globalization.** These costs include the possible loss of benefits, longer work hours/less time with the family, lower wages, and more job losses.
5. **Americans remain optimistic about the future.** Nonetheless, a large majority balances that optimism with a belief that a better economic life lies in protectionism and favors job security over income growth.

Section III: Attitudes of Different Voter Segments Toward Globalization

1. **Voters in high-growth areas are more Republican, more pro-globalization, and more free-trade than voters in the rest of the country.**
2. **Voters' choice between more money and more free time depends substantially on demographics.** Poorer workers and seniors are looking for more money, while married parents and those doing well financially would like more time.
3. **Despite growing pessimism in general, there are still many voters who believe they are benefiting from globalization.** This includes younger voters, people who work in export industries, Hispanics, and those who are doing well financially.

SECTION I: NATIONAL MESSAGES AND RECONCILING COMPETING VIEWS OF GLOBALIZATION

Voters see globalization with both hope and anxiety. The challenge confronting political leaders is to devise policies and messages that speak to the conflicting feelings held by most Americans. There is no silver bullet for this challenge; however, emphasis on entrepreneurialism, new policies to help mitigate insecurity, and positive leadership—particularly, in technology and science—is important.

1. In many ways, voters see globalization as a force with two faces – the Internet, jobs, and security are three examples where voters see both the positive and negative aspects of globalization.

Voters say the best consequence of globalization has been how “the Internet lets billions of people all over the world communicate, do business, and learn about other cultures cheaply and conveniently.” More than three-quarters, 78 percent, of all voters said that this fact made them feel more favorably (35 percent much more favorably) about globalization. At the same time, the biggest threat from globalization, according to respondents, is that “the Internet allows people to trade child pornography internationally and it is very difficult to enforce the law across international borders.” Eighty-five percent of all voters said this belief made them less favorable (68 percent much less favorable) to globalization.

A second example of this advantage/threat dichotomy occurs with jobs. The creation of jobs, lower prices, and an increase in investment and economic growth associated with international trade makes voters feel more favorably toward globalization by a margin of 75 percent to 21 percent. Conversely, by a ratio of 81 percent to 15 percent, voters state that the movement of jobs overseas and the closing of factories in the United States is a negative consequence of globalization.

Globalization’s impact on American security also has a certain Rorschach quality to it. Globalization’s effect of increasing “interchange and exchange between the United States and other countries, which helps create new alliances and makes us more secure” is a favorable consequence for Democrats (75 percent more favorable to globalization). Other voters feel similarly – 67 percent of Republicans and 70 percent of independents are more favorable to globalization for this reason. But for Republicans in particular,

Are you positive or negative toward the following phrase?	Very Positive Total Positive/Total Negative
Quality jobs	64 86/10
Job training	61 89/8
Buy American	59 91/6
Entrepreneur	45 84/7
Internet	38 78/17
Fair trade	27 73/18
Labor Unions	26 59/37
Free trade	24 65/27
Protectionism	20 61/21
Information economy	17 56/15
Corporations	14 55/41
Globalization	13 51/38
Immigration	13 42/52
Outsourcing	4 22/63

globalization's overall effect on security has an unfavorable consequence. A 60 percent majority of Republicans are much less favorable to globalization "because terrorists can use cheap travel, international finance, and the Internet to recruit and plan terrorist attacks thousands of miles away," compared to only 48 percent of Democrats and 53 percent of independents.

2. Americans are convinced of the need to invest in science and technology in order to help us turn globalization to our advantage.

A majority of all voters, 62 percent, strongly agree that America leads the world in technology and that we must remain the world leader. Voters also agreed (42 percent strongly, 80 percent total) that "Americans have always embraced the future. We are not isolationist, and we should compete and engage with the world because that is the American way."

3. The words to which people respond most strongly today do not reflect a belief in the promise of the New Economy as much as a desire for quality jobs and to buy American.

People are especially fearful of words such as immigration (52 percent negative) and outsourcing (63 percent). "Quality jobs" are especially attractive. Concerns over outsourcing and cuts in benefits lead many voters to fear that globalization could bring the elimination of good jobs.

"Job training" is more popular among Democrats (73 percent very positive) than Republicans (52 percent) or independents (57 percent). "Buy American" is more popular among Republicans (67 percent very positive) and less popular among Democrats (54 percent) and independents (56 percent).

4. One trait of the American psyche remains strong – the belief in entrepreneurialism.

While the global economy suggests the emergence of bigger global economic players, it also widens the doors for entrepreneurs to find a market and be successful.

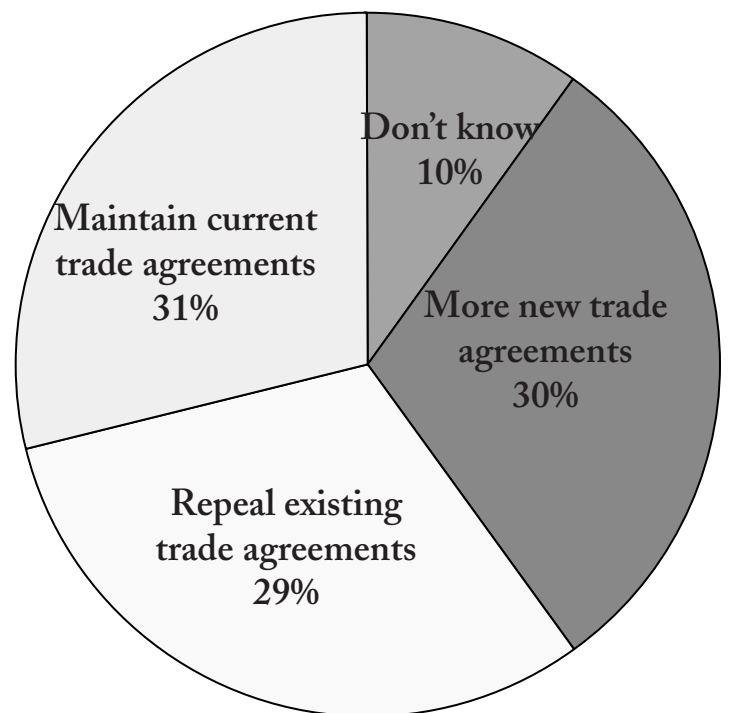
Republicans are most positive toward entrepreneurs (60 percent very positive) while Democrats are less enthusiastic (29 percent very positive).

The Internet, which had lost its luster when the technology bubble burst, is popular across the board again (38 percent very positive, 78 percent total positive).

5. The mixture of positive and negative voter perspectives on globalization is best illustrated by their attitudes toward trade agreements.

While less than one-third of voters are for their total repeal, only about one-third of those surveyed are for the creation of new trade agreements.

Figure 1: Do you think we should negotiate more new trade agreements, repeal existing trade agreements, or maintain the current trade agreements we have right now?



Absent a new development, the issue of trade seems at a deadlock. The clearest preference came from export industry workers, 43 percent of whom want to negotiate more trade agreements.

6. These attitudes on globalization translate into a tough challenge for the next presidential candidates.

Candidates will have to thread the needle of being optimistic, yet not pollyannaish; they have to help redefine what fair trade means in the 21st century; they need to have the ability to overcome concerns about trade by building new international alliances; and perhaps most importantly, they need to demonstrate an understanding of the needs of workers. Ultimately, despite their concerns about trade, voters do see trade as an important part of a path to greater global peace, spurred on by the growing power of the Internet to connect people and cultures.

Interestingly, Republicans (30 percent) are as likely as Democrats (31 percent) and independents (31 percent) to say the quality most needed by the next presidential candidate is the ability to build international alliances. Republicans, however, place a higher priority on business experience (18 percent) than Democrats (5 percent) and independents (6 percent), and less importance on understanding workers (33 percent for Republicans, compared with 46 percent for Democrats and 43 percent for independents).

7. An agenda for coping with the New Economy includes a wide range of programs – creating expanded 401(k)s, more flextime, incentives for alternative energy, and a greater sense of equity and fairness so that stock and option programs reach down to all the workers in each company.

There is no single idea or silver bullet for dealing with the expanse of issues created by globalization. Instead candidates need to address globalization from several angles, from the competition for scarce resources to job loss to the need for stable employee benefits. Perhaps this is why the economy has such low inflation, high employment, and yet the electorate is seemingly unsatisfied – the needs of building a secure and lasting economy remain unmet.

8. While Democrats have a wide lead on most issues today, they have yet to win the debate on globalization. Less than a majority pick either party for this task, with older communities favoring the Democrats and high-growth communities favoring the Republicans.

The challenge before leaders is to create an opportunity society in the face of a more uncertain world. Neither party has satisfied voters. Democrats still have work to do on laying out their national security approach. Republicans are not trusted to help all Americans benefit from globalization.

Thinking about the 2008 presidential election, what leadership qualities are most important when looking for a leader who will make sure America benefits from globalization in the future?	All
An understanding of the needs of workers	41
An ability to build international alliances	31
Experience in the business world	10
Experience in technology	6

For each of the following proposals, please indicate whether you support or oppose this proposal. (Top 10 shown)	Strongly Support	Support/ Oppose
Create a program to ensure that every hungry child in America is fed.	75	92/8
Require companies to offer retirement savings accounts to all their workers.	70	88/11
Give families more time together by encouraging companies to support flexible work schedules, family sick days, and telecommuting.	65	92/6
Require companies that offer stock options to top executives to offer stock options to all workers in the company.	65	89/11
Increase after-school programs to help parents who work and give children more time and a structured environment to do homework, play, study, and learn.	65	85/15
Require energy companies to invest some of their record profits in alternative energy or pay a tax that will be used to fund alternative energy research.	63	88/10
Use tax incentives to encourage people and businesses to live and create jobs in areas that are struggling economically.	62	90/9
Guarantee at least two years of college for every qualified American who wants to go to college.	56	80/20
Increase incentives for consumers to buy plug-in hybrid vehicles which use less gasoline and pollute less.	51	84/15
Require businesses and government to reduce their energy consumption and use alternative energy sources	51	84/174

Which party...	All Voters D/R	Growth Counties D/R
Do you trust more to help Americans benefit from globalization	46/33	38/42
Can do a better job managing the economy	44/35	34/45
Shares more of your values	45/41	34/49
Can do a better job handling national security	36/42	29/50

SECTION II: KEY PERCEIVED COSTS AND BENEFITS OF GLOBALIZATION

Many Americans hold mixed opinions on globalization. They recognize the economic and cultural opportunities but they also feel anxiety about the risks posed by a global economy to their security and standard of living. Thus, voters are often of apparently mixed minds regarding what trade policies are appropriate.

1. Voters do not want to stop globalization entirely, but they are worried about its consequences. They want globalization to be controlled and made to benefit all of society.

When it comes to selecting the next president, 41 percent of respondents say the most important leadership quality regarding globalization is an understanding of workers' needs. Fifty-nine percent say it's okay to use tax breaks and subsidies to keep from losing manufacturing jobs, while only 33 percent say we should end this

How concerned are you about the following?	Very Concerned
Child poverty	71
Companies moving jobs overseas	70
Oil and gasoline prices	70
Terrorism	65
Immigration	47
Trade deficit	44
Global warming	42
Globalization	29

form of corporate welfare. Among export workers, only 44 percent say it is okay to use tax breaks and subsidies to protect manufacturing jobs, while 46 percent say we should end corporate welfare.

2. Globalization is not feared in and of itself – but there are rising concerns related to a more global world: child poverty, outsourcing, higher energy prices, greater terrorism, etc.

3. The public sees the benefits of globalization primarily in terms of lower prices for consumer goods.

Improvements to the quality, price, and variety of consumer goods was seen as the best consequence of economic change

by 39 percent of voters, compared with 28 percent for exposure to new opportunities and cultures and 23 percent for reduction of poverty. Republicans are the most likely to view consumer good improvements as the best consequence (47 percent) and independents (41 percent) are also strongly attracted. Meanwhile Democrats consider poverty reduction and new opportunities and cultures as nearly as good as consumer good changes. In addition, high-growth area voters were more likely to state that they were more favorable toward globalization because “international trade has led to significant reductions in global poverty in China, India, Southeast Asia, Latin America, and Africa.”

Which of the following would be the best result of economic change for you?	All
Total consumer goods	39%
Cheaper consumer goods	17
Improved quality of consumer goods available	14
Greater variety of consumer goods to choose from	8
Total new opportunities/cultures	28%
Exposure to new opportunities	22
Exposure to new cultures	6
Total poverty reduction	23%
Improved standard of living for poor people in developing countries	23

Which of the following would be the worst result of economic change for you?	All
Loss of benefits	30
Less time with family	20
Lower wages	16
Less job security	12
Have to be retrained to use new technologies or work in a new industry	8
Have to switch jobs	7

4. Despite cheaper goods, however, voters see very significant costs associated with globalization. These costs include the possible loss of benefits, longer work hours/less time with the family, lower wages, and more job losses.

The greatest cost of globalization includes a loss not of wages but of benefits. Nearly one-third of all voters, 30 percent, stated that a loss of benefits would be the worst result of economic change for them, nearly twice the number who cited lower wages. In fact, for many voters, lost wages was not even the second worst consequence—spending less time with their families was worse.

Figure 2: Americans are optimistic, and America is most successful when we view change as an opportunity for success, rather than as a threat to be resisted.

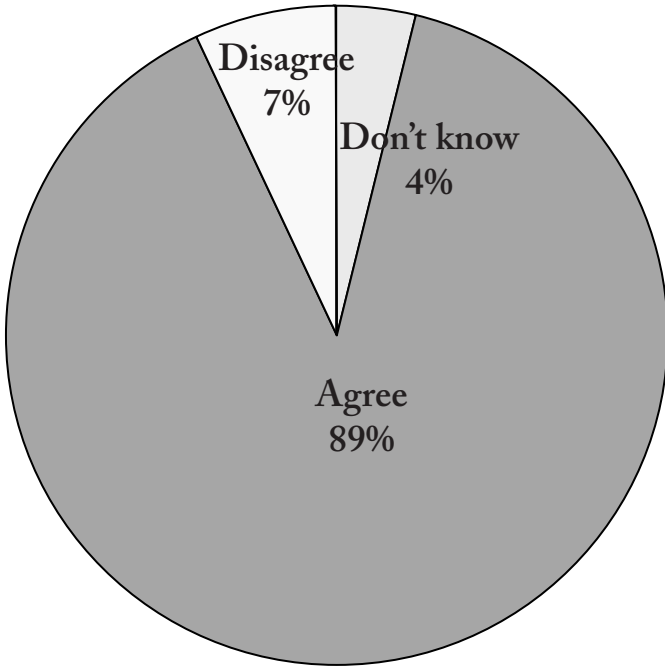


Figure 3: Do you think your income will rise enough over the next 10 years to improve your standard of living?

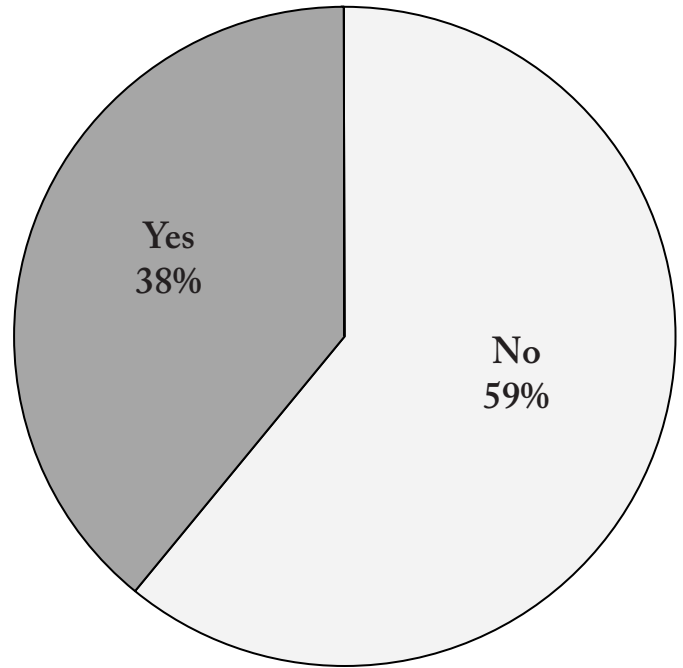


Figure 4: Limit change and competition by ending unfair trade, reducing immigration, and producing more goods at home vs. adapt to changes in global trade, travel, and new technology by training workers and specializing in high-tech and information services
[Response from all voters]

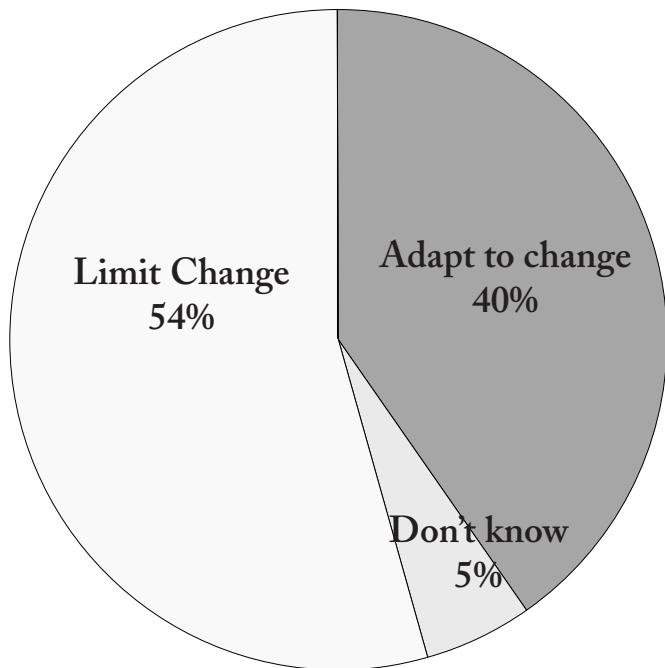
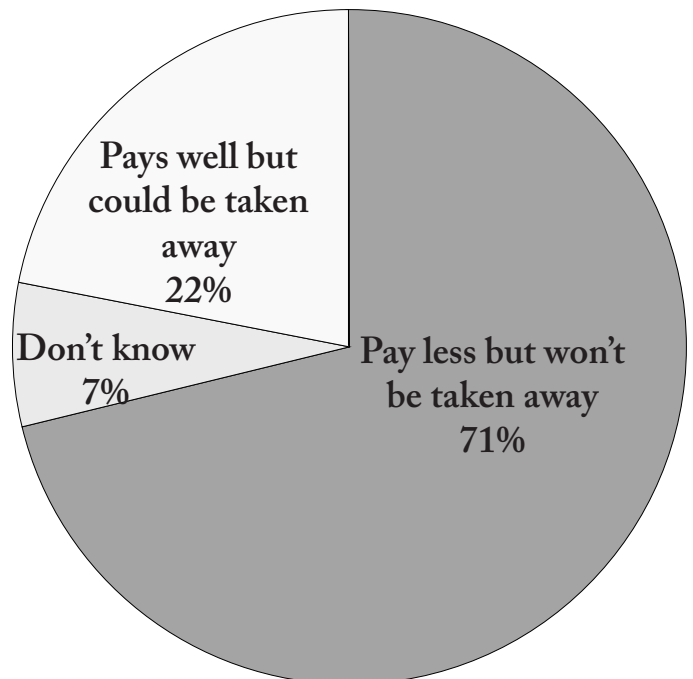


Figure 5: Would you prefer a job that:



5. Americans remain optimistic about the future. Nonetheless, a large majority balances that optimism with a willingness to consider protectionism. For many, job security is a priority over income growth.

Optimism about the future remains a key element of the American psyche. Eighty-nine percent of voters agreed with the statement, “Americans are optimistic, and America is most successful when we view change as an opportunity for success, rather than as a threat to be resisted,” compared to only 7 percent who disagreed. (Figure 2.) That optimism about America’s future, however, does not necessarily translate to optimism about their personal future. More than half, 59 percent, stated that they did not expect their incomes to rise sufficiently over the next decade to improve their standard of living. (Figure 3.)

Consequently, a majority of voters say they would prefer to limit competition rather than adapt to global economic pressures. When voters were asked specifically whether they wanted to “limit change and competition by ending unfair trade, reducing immigration, and producing more of the goods we consume here at home” or would prefer to “adapt to changes by training workers and specializing in things other countries want, such as high-tech goods and information services,” results showed that voters wanted to slow change. By a 54 percent to 40 percent margin, voters say they prefer to limit change and competition rather than adapt to pressure from global trade. (Figure 4.)

By a large margin – 71 percent to 22 percent – voters prefer a lower-paying but secure job over a job that pays well but could be taken away. (Figure 5.) This was true for individuals in all voter groups, but was especially true for women (78/16) and Democrats (78/16). Republicans (68/26) and independents (67/23) felt less strongly but still clearly preferred job security over income. Voters who prefer job security chose limiting change and competition over adapting to global trade pressures by a margin of 60 percent to 35 percent. Individuals in the smaller group that prefers higher paying jobs over job security are more likely to support adapting to global pressures, 58 percent to 40 percent.

More than one-half (59 percent) of voters say they support globalization, but only 13 percent are strongly supportive. There is little difference by party: 59 percent of Democrats, 59 percent of Republicans and 60 percent of independents support globalization.

SECTION III: ATTITUDES OF DIFFERENT VOTER SEGMENTS TOWARD GLOBALIZATION

Though Americans in general are of mixed opinion regarding globalization, some segments of the population are far more consistently optimistic – particularly younger voters, Hispanics, and those residing in high-growth counties.

1. Voters in high-growth areas are more Republican, more pro-globalization, and more free-trade than voters in the rest of the country.

The high-growth area voter is one of the most crucial sectors of the electoral map. In addition to living in parts of the country that are often essential in national elections, high-growth voters are at the center of changes that are sweeping across the nation, affecting other voters in years to come. It is worth noting that while Democrats currently have significant problems in attracting high-growth area voters, there are also strong indications that Democrats have the potential to gain ground in these areas in the future.

On party identification, Republicans lead Democrats 37 percent to 26 percent in high-growth areas, compared with a Democratic lead of 34 percent to 30 percent in the country as a whole.

On issues of trade, high-growth voters are pro-globalization. A large number, 74 percent, are positive to “free trade” (36 percent very positive), compared with 65 percent of all voters (24 percent very positive). In fact, high-growth voters are even more positive than Republicans (29 percent very positive) on free trade, and only 54 percent are positive toward “protectionism,” compared with 69 percent of Republicans.

Economic and lifestyle issues may offer opportunities for attracting these voters to the Democratic Party. High-growth voters are especially concerned about traffic congestion and sprawl – 48 percent identified this issue as the most important one affecting their community over the past decade. High-growth area voters are more likely than voters generally to say that the economy is good. Still, these voters are somewhat split between those who feel the economy is on the right track (48 percent) and those who see it as on the wrong track (43 percent). Among the latter, the biggest problem by far is the high cost of living (35 percent), including energy and gas prices (15 percent). Cuts in jobs, wages, and especially cuts in benefits are also causing anxiety.

There are other signs that Democrats can improve their performance in high-growth counties. In a generic question about the 2008 presidential election, high-growth county voters are equally divided between the two parties. This lags behind the national trend – where a Democratic candidate has a 17-point advantage – but suggests that these voters are not irrevocably allied with the Republicans. Additionally, high-growth county voters are just as split as voters nationally on the most important issues: the economy (34 percent), values issues (33 percent), and security (29 percent). Finally, high-growth voters are essentially equally favorable to the Democratic Party (52 percent) as they are to George W. Bush (55 percent).

2. Voters’ choice between more money and more free time depends quite a bit on demographics. Poorer workers and seniors are looking for more money, while married parents and those doing well financially would like more time.

An issue affecting attitudes on globalization is the choice between time and income. Overall, there is a slight preference for money over time, 51 percent to 44 percent, for voters in general. On this topic, however, there are a number of intersecting opinions. Voters under 50 years old also express a desire for more free time rather than income. A strong divide in the study is among married parents, who express a desire for more free time by a margin of 61 percent to 36 percent.

Age						
Which would you rather have - more free time or more money?	All	Growth Counties	18-34	35-49	50-64	65+
More money	51	53	47	43	50	66
More free time	44	42	52	54	43	23

Income					
Which would you rather have - more free time or more money?	Married w/ kids	<35k	35-60k	60-10-0k	100k+
More money	36	66	49	43	34
More free time	61	28	48	51	61
Don't know	3	6	3	5	5

3. Despite growing pessimism in general, there are still many voters who believe they are benefiting from globalization, including younger voters, people who work in export industries, Hispanics, and those who are doing well financially.

To understand voter attitudes toward globalization, a key starting place is occupation. Workers already in the world of globalization are at the forefront of demanding more forward-looking globalization policies. Workers in export industries prefer adapting to global economic change rather than limiting competition, 53 percent to 44 percent – reversing the national trend. Similarly, high-income voters prefer adaptation while low-income voters want to limit competition. (Figure 6.)

Income and expectations about future earnings are closely tied to voters’ attitudes about globalization. There is a current of uncertainty among many voters about their future prospects. Only 38 percent of voters think their income will rise enough over the next 10 years to improve their standard of living. Republicans are more optimistic – 51 percent think their standard of living will improve, compared with only 31 percent of Democrats and 33 percent of independents. Though voters in high-growth counties are more likely to say the economy was on the right track (48 percent to 43 percent) than the general population, they are no more likely to say their incomes will rise (39 percent to 57 percent). Included among the most optimistic segments are those already benefiting from the global economy. More than one-half of those who work in export industries, 56 percent, think their standard of living will improve.

Race, age, and family status also play important roles in predicting attitudes towards future economic progress. As shown in figure 7, hispanics are the most optimistic – 61 percent think their incomes will rise, compared with only 37 percent of whites and 27 percent of African-Americans. Married parents are more optimistic as well – 56 percent think their standard of living will improve. Younger voters, those between ages 25 and 34, are also optimistic – 56 percent think their standard of living will improve, compared with only 17 percent of seniors (those over age 65). Higher-income voters, those earning over \$100,000 per year, are more likely to say their incomes will rise (56 percent to 39 percent) and low-income voters, those making below \$35,000 a year, are less likely (26 percent to 71 percent).

Figure 6: Limit change and competition by ending unfair trade, reducing immigration, and producing more goods at home vs. adapt to changes in global trade, travel and new technology by training workers and specializing in high-tech and information services

[Responses by demographic group]

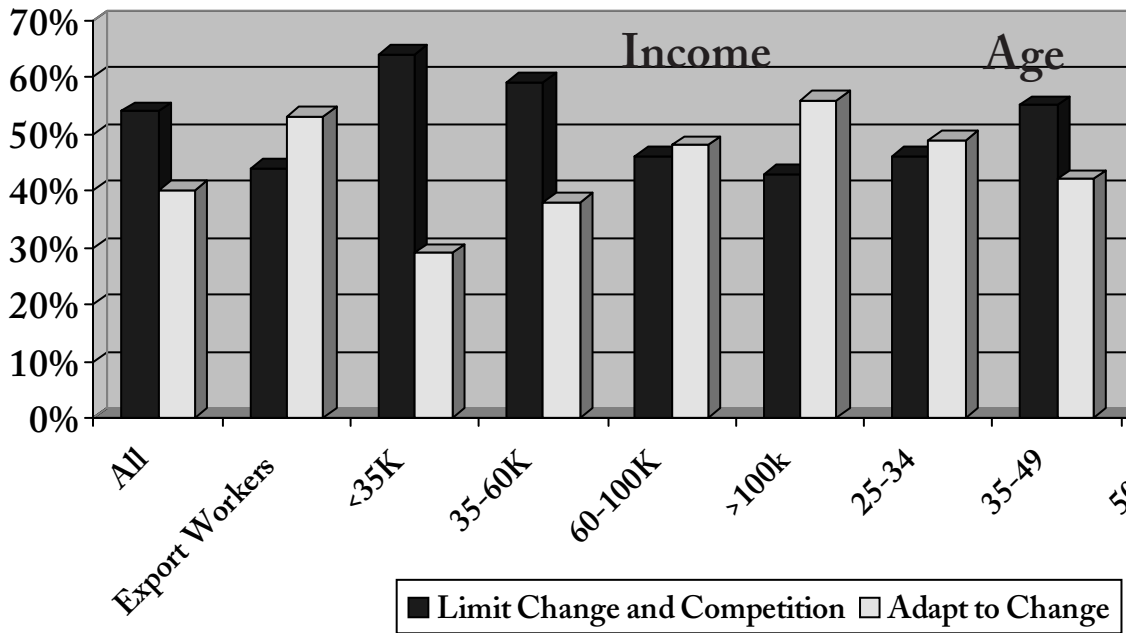
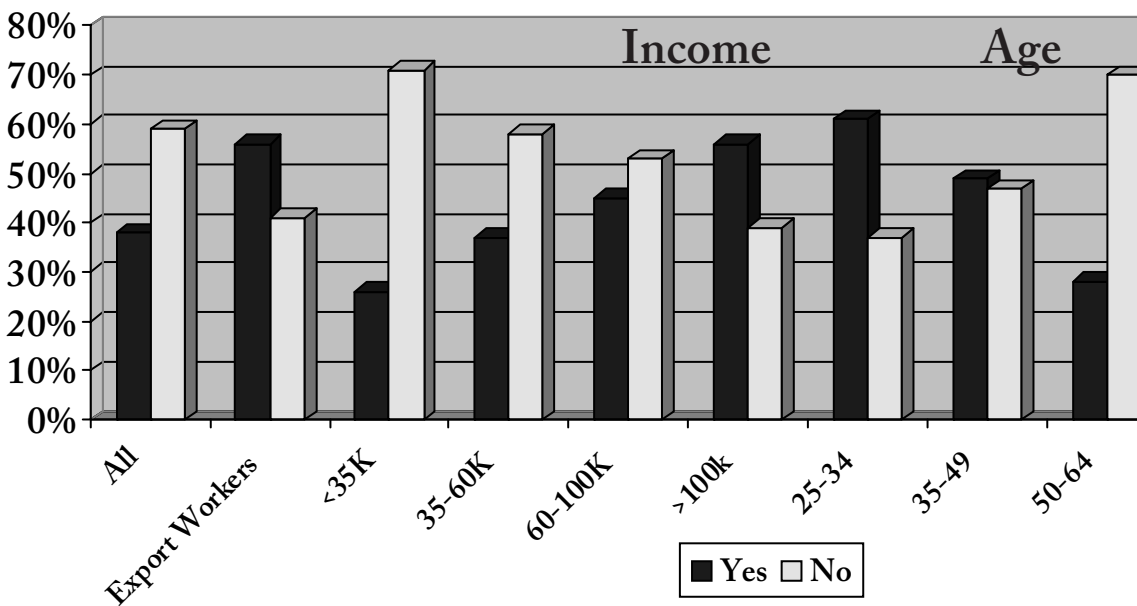


Figure 7: Do you think your income will rise enough over the next 10 years to improve your standard of living?



CONCLUSION

While public attitudes are complex and sometimes can appear contradictory, this report finds that the challenge for America's leaders is clear: In the global era, American voters are waiting for a leader and party that can explain how globalization can be made to work for everyone.

We began this work with few preconceptions. We knew from other studies that everyday Americans are feeling new pressures on themselves and their families. We found that these everyday pressures have created stark divisions among voters. Some voters look forward to seizing the opportunities offered by globalization, others are most concerned by the loss of economic security and the rapid pace of change. Many Americans hold seemingly conflicting feelings about globalization. They may simultaneously have concerns about lost income and lost job security, but still express a positive overall sense about globalization reflecting our national optimism and competitive spirit. Successful national leadership will address both the concerns about rising insecurity and the hopes felt by most voters.

This project has been sponsored by the Democratic Leadership Council (DLC) which has devoted the last year to developing policies to help deal with the challenges of globalization. As part of this effort, the DLC has released several publications, including the *American Dream Initiative*, which lays out a straightforward vision to leave our children a richer, safer, smarter, and stronger nation than the one we inherited; *Winning America's Future*, which offers a series of innovative policy proposals that can be implemented on the state and local level to help America lead in the new century; and *With All Our Might: A Progressive Strategy for Defeating Jihadism and Defending Liberty*, which argues for a revitalized progressive agenda for winning the war against jihadist terrorism rooted in the tough-minded, internationalist tradition of Roosevelt, Truman and Kennedy. We are grateful for their support. We look forward to continuing to work on these issues. One thing is clear from even a cursory examination of data: This topic and the implications of voters' feelings about globalization will have repercussions for policymakers and politicians for much of our century.

METHODOLOGY

The poll consisted of 1,004 telephone interviews among likely voters nationwide, including 250 telephone interviews among residents of high growth counties, or the 100 fastest growing counties in the country. The margin of error for the entire sample is ± 3.1 percent and ± 6.2 percent for the portions of the poll that refer to high-growth county residents. The poll was conducted August 29-30, 2006 by Penn, Schoen & Berland Associates.

ABOUT THE AUTHORS

Mark Penn has been president of Penn, Schoen & Berland for 31 years, since its founding in 1975 while he studied at Harvard as an undergraduate. He is best known for serving as President Clinton's pollster and political adviser for the 1996 re-election campaign and throughout the second term of the administration. As a result of the successful methods he pioneered for the campaign, *Time* magazine labeled the firm the "Masters of Message." Mr. Penn also ran the polling and messaging and was part of the media team for the successful Senate campaign of Hillary Clinton, serving as her chief campaign adviser. In recent years, he has served as strategic consultant to Fortune 500 companies and CEOs on a wide range of image, branding, and competitive marketing assignments. Mr. Penn has been a key adviser to Bill Gates and Microsoft for the last eight years. For this work, he won the Pollster of the Year awards, given every four years, in both 1996 and 2000, from the American Association of Political Consultants.

Mr. Penn has had a varied career over the last quarter century working abroad to help elect 15 overseas presidents in the Far East, Latin America, and Europe. While his political career reaches as far back as the first election of Mayor Ed Koch in New York, Mark also started the firm's corporate practice, often working for major companies under attack from rivals. He developed the firm's innovative mall-testing technique to help AT&T to beat MCI. The method, now used in all of PSB's political campaigns and with corporations around the world, gives real time reads on how new ads measure against the competitors.

Mr. Penn has been profiled in both *The New York Times Magazine* and the *Washington Post* for his work advising the Clintons. *The Washington Post* called him perhaps "the most powerful man in Washington you've never heard of."

Thomas Z. Freedman is an advisor to leading political figures, corporations, and non-profit organizations developing policy ideas that become part of an effective strategic message. Mr. Freedman served in the Clinton administration as senior advisor to the president, and prior to that as special assistant to the president for policy planning. In the 1996 presidential campaign, Mr. Freedman was chief of staff for strategy. Previously he was press secretary and later legislative director to then Congressman Charles E. Schumer (D-N.Y.). He co-founded the non-profit organization, the Welfare to Work Partnership, which grew to include more than 20,000 companies that hired more than 1 million Americans off of public assistance. Mr. Freedman is an honors graduate of Carleton College, and a graduate of the University of California at Berkeley where he was editor-in-chief of the *California Law Review*. Mr. Freedman was awarded a traveling Watson Fellowship in 1985 and conducted a year long study of the African famine. He has published opinion articles in a variety of newspapers including *The New York Times*, *The Christian Science Monitor*, and *The Washington Post*.

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