



PUBLIC OPINION MONITOR

The Election Continues

by William Sederburg and Craig Ruff

A temperate, moderate electorate seeks a balanced approach to Michigan's budget crisis: some small tax increases, some budget cuts. Antitax fervor is declining, probably as a result of budget cuts starting to take a toll.

These findings are part of a statewide poll, the *Public Opinion Monitor*, which interviewed 800 registered voters from April 11 to 15, 1991. The April *Public Opinion Monitor* focuses on the public's perception of the state's fiscal problems, priorities among public services, and changes in taxes. This is the second *Public Opinion Monitor* survey; the first was completed in October 1990. The *Monitor* is a public service of Public Sector Consultants (PSC), Inc., of Lansing and is underwritten by the Michigan Hospital Association.

Methodology, interview techniques, and expected margins of error are discussed at the end of this report. All questions and responses (by percentage) are fully disclosed in an attachment; additional cross-tabulations are available upon request.

On the issue of the state budget deficit (and choosing from three options for dealing with the financial shortfall):

- 30 percent of voters would reduce state services significantly without raising any taxes;
- 9 percent would increase taxes in order to avoid any reduction in state services; and
- 54 percent would reduce services some and balance the reductions with a small tax increase.

Partisan leanings account for little difference: 52 percent of Republicans and 54 percent of Democrats opt for a fiscal solution that blends expenditure cuts with a small tax increase.

WHERE TO CUT THE STATE BUDGET

The compassion of Michiganians comes through in their opposition to cuts in welfare payments for poor women with children, mental health care, and health insurance for the needy. Voters distinguish between welfare spending for the able-bodied, for which there is little support, and spending on programs for children and the mentally ill, for which there is overwhelming support.

The survey lists twelve state services being considered for reduction. The public expresses strongest support for

- "Eliminating welfare for able-bodied men and women" (81 percent supported)
- "Rejecting a 4 percent pay raise for state employees" (71 percent supported)
- "Reducing the number of state employees" (67 percent supported)
- "Selling or allowing private businesses to provide state services" (61 percent supported)

Voters oppose most strongly

- "Closing mental health hospitals" (75 percent opposed)
- "Reducing grants to foster parents taking care of needy children" (69 percent opposed)

- “Reducing free health care insurance for the poor” (68 percent opposed)
- “Reducing welfare payments for poor women with children” (62 percent opposed)

STATE SPENDING PRIORITIES

Michigan’s public is divided on whether the level of state services is too high. Forty-two percent believe that state services should be reduced dramatically or somewhat, 39 percent favor keeping them the same, and 13 percent believe they should be increased. The public is polarized on the question of state government bigness. The “downsizers” number about the same as the “status-quoers.” But only one voter in eight wants a bigger state government.

Michigan voters sense considerable waste in the spending of state tax dollars. More than one-third (36 percent) believe that more than 25 percent of state revenues are wasted.

Michigan voters’ highest state spending priority is education. Interviewees were asked to name their two highest priorities among eight state programs. The priorities, in order, are

1. Funding K-12 education (50 percent mentioned as one of the two highest priorities);
2. Helping the needy (46 percent);
3. Providing property tax relief (30 percent);
4. Strengthening environmental protection (24 percent);
5. Helping mentally ill residents (13 percent);
6. Building and staffing more prisons (10 percent);
7. Funding colleges and universities (10 percent); and
8. Rebuilding our cities (8 percent).

KEY PROBLEMS MICHIGAN FACES

Given the turbulent economy and increasing unemployment, it is not surprising that voters today are more concerned than they were last October about improving the economy and creating jobs. Given the greater emphasis on the pocketbook, voters view several other issues, such as crime, drug use, and education as less significant state problems today than last October. Following is a comparative ranking of what voters chose to list as the state’s No. 1 problem in October and April:

Problem	% Ranking # 1 April 1991	% Ranking # 1 October 1990
Improving economy/creating jobs	38	19
Crime/drugs	18	30
Education	13	19
Taxes	10	13
Environment	7	9
Balanced state budget	7	NA
Health care	3	4
Abortion	2	4
Ethics of public officials	2	2

TAXES

Despite considerable support for small tax increases to help balance the state budget, voters believe state taxes are too high. Thirty percent consider them much too high, and another 26 percent perceive them as a little too high. Only 38 percent believe the level is about right, and an almost negligible 3 percent view taxes as too low.

Some Democratic lawmakers are looking at tax expenditures (so-called loopholes) and urging that some deductions and credits be eliminated as a means of raising revenue and lessening budget cuts. The public has sympathy for ending one such program: They favor by a margin of 51 to 25 percent adding the state sales tax to purchases from out-of-state catalogs. By margins that approach or exceed 2:1, voters want to preserve tax credits for gifts to colleges and for businesses that expand jobs and support lower taxes on insurance premiums paid to insurance companies based in Michigan compared to those headquartered elsewhere.

ECONOMIC EXPECTATIONS

Compared to findings from the October 1990 *Monitor*, state residents today are more confident financially despite a sharp rise in unemployment in the past six months. The growing consumer confidence reflects a more upbeat view with the end of the Persian Gulf War. The current attitudes do not portend a quick turnabout in consumer spending, but offer more encouraging economic news than in the fall.

By a 31 to 19 percent margin, voters feel they will be financially better off next year; in October the public was about evenly divided (33–29 percent). Looking back over the last year, voters believe they are worse off financially by a margin of 33–21 percent, almost identical to the 33–22 percent margin last fall.

Tracking Michigianians' expectations in other areas, such as job opportunities and the quality of education, environment, race relations, and neighborhoods, the *Monitor* finds little change from last October. The outlook for job opportunities is seen as stronger today than in October, and there is slightly more pessimism about the environment.

POLITICAL CONFIDENCE

The public narrowly approves of John Engler's performance by a margin of 41 to 38 percent, with 21 percent neutral or not responding. Voters are somewhat less charitable in scoring the state legislature, with 33 percent approving of its performance and 38 percent disapproving (very similar to last October's poll).

The polling interviews started the 101st day of the Engler administration. In those 100 days, the budget crisis preoccupied the governor and legislature. The economy had been soft. Miracles to mend the economy and fix the budget haven't materialized. The jury is out on how a divided state government is handling the problems.

In a similar economic environment, with a state budget crisis and a brand-new governor, voters in 1983 gave Jim Blanchard even lower marks than John Engler gets today. Blanchard, who was largely written off by the state's political establishment, went on to win reelection in 1986 by the largest plurality in history. In politics, a month is an eternity, and the public's attitudes can reverse themselves almost overnight in either direction.

Governor Engler gets highest grades for reducing wasteful spending (43 percent believe he is doing an excellent or good job in this respect). Even in this area, however, 45 percent consider his performance only fair or poor.

In other areas, the governor's grades decline. Forty-two percent believe he is doing a poor job in caring about the needs of all the people, and 38 percent rate him as poor in making the right decisions about what government programs to cut.

In essence the 1990 Blanchard-Engler campaign continues. The electorate remains polarized: one segment wanting a more conservative government and the other preferring the status quo.

PARTISANSHIP AND IDEOLOGY

The voters label themselves about equally as Democrats and Republicans. Thirty-two percent say they vote mostly or straight Democratic tickets; 28 percent cast Republican ballots. The full breakdown:

- Straight Democratic 19%
- Mostly Democratic 13%
- A few more Democrats 7%
- About equally for both parties 21%
- A few more Republicans 7%
- Mostly Republican 16%
- Straight Republican 12%

As in October 1990, most Michiganians today consider themselves conservative as opposed to liberal" by a 49-16 percent margin. When self-described moderates were asked to choose one ideology or the other, the conservative margin grew to 65-25 percent. Last October, with a larger number of moderates, we found conservatives outnumbering liberals by 54-20 percent.

Public Opinion Monitor is a statewide poll of Michigan voters conducted by Public Sector Consultants, Inc. of Lansing. Underwritten by the Michigan Hospital Association, the survey of opinion of registered voters occurred between April 11 and 15, 1991. This is the second Public Opinion Monitor; the first was conducted in October 1990 and focused on election and other issues.

Eight hundred Michiganians were polled by professionals from the Florence Morris Interviewing Agency of Oak Park, Michigan. Participants were chosen from throughout the state using randomly selected telephone numbers. A subsample of the total was validated to ensure that appropriate interviewing techniques were used. The sample was "stratified" according to sex (50 percent male and 50 percent female) and by region.

A sample of 800 individuals from a population of slightly more than 9 million yields an accuracy rate of plus or minus 3.7 percent. Given the nature of statistics, 95 out of 100 samples will be accurate within the 3.7 percent range. The sampling error is slightly greater within subgroups based on the size of each category. Public Sector Consultants, Inc., is convinced that this poll accurately reflects public opinion at the time of the survey.