

Extravagant to Responsible

American Attitudes toward
Government Spending

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Extravagant to Responsible

American Attitudes toward Government Spending

Executive Summary

Americans generally oppose high government spending and believe spending should be cut. Moreover, many Americans feel that government often spends on the wrong programs, or at best on a mix of the right and wrong programs, and that taxpayers would do a better job spending taxpayer money wisely.

However, when it comes to instituting spending cuts, Americans are tentative. The majority support cuts over time and small cuts to a variety of programs rather than large cuts to just a few, if given the option. While high government spending is unpopular, more sustainable spending is unfamiliar, and the path to it may seem daunting to Americans. This alloyed view of government spending may put off or confuse those who would seek to put federal spending on a more sustainable track.

There are number of paths for building a positive, exciting vision for lower government spending. Americans are highly distrustful of government—and its role in spending—and respond well to Congress closing loopholes, increasing transparency and accountability, and setting and enforcing clear, honest, reasonable budgets.

Americans see a strong connection between the health of the broader economy and their own personal prosperity. Accordingly, messages connecting lower spending to the strength of the economy perform very strongly. Importantly, both messages are even stronger when connected to the deeply personal benefits of “providing for your family” or “improving your family’s quality of life”. “It’s the economy, stupid” is half right. To deepen the emotional connection, it is more effective to connect the economy to the impact it is having on people’s lives.

There are other benefits to lowering spending that can be tied back to personal benefits for an overall strong message, as with the economy. Connecting lower spending and reduced taxes to Americans’ ability to provide for their families and have peace of mind can build a strong message. Similarly, joining lower spending and increased economic opportunity to a better quality of life and greater security helps Americans envision the positive impact to their own lives if government spending were under control.

Methodology

The American Perceptions Initiative (API), a project of The Heritage Foundation's Center on Public Opinion, conducted a market research study of voters' familiarity, attitudes, and perspectives on government spending. The market research also gauged their level of support and agreement with related messages and communications.

The American Perceptions Initiative's research is conducted in partnership with Vision Critical, Maru, and Heart+Mind Strategies, and is fielded online with the Springboard America platform. The research specialists at Vision Critical help their commercial, government, media, and not-for-profit clients better understand their customers and stakeholders, covering subjects including public opinion, health, technology, consumer goods, media, and travel. Maru is an affiliated company incorporating the Springboard America platform, a high-quality panel of over 300,000 U.S. panelists. Heart+Mind Strategies is an experienced and award-winning consulting firm specializing in winning the hearts and minds of the people that matter most to their clients' success.

The American Perceptions Initiative's study on government spending was conducted online from August 16-25, 2016 among 1,012 registered voters. A probability sample of the same size would have a margin of error of $\pm 3.1\%$.

Part I: General Landscape

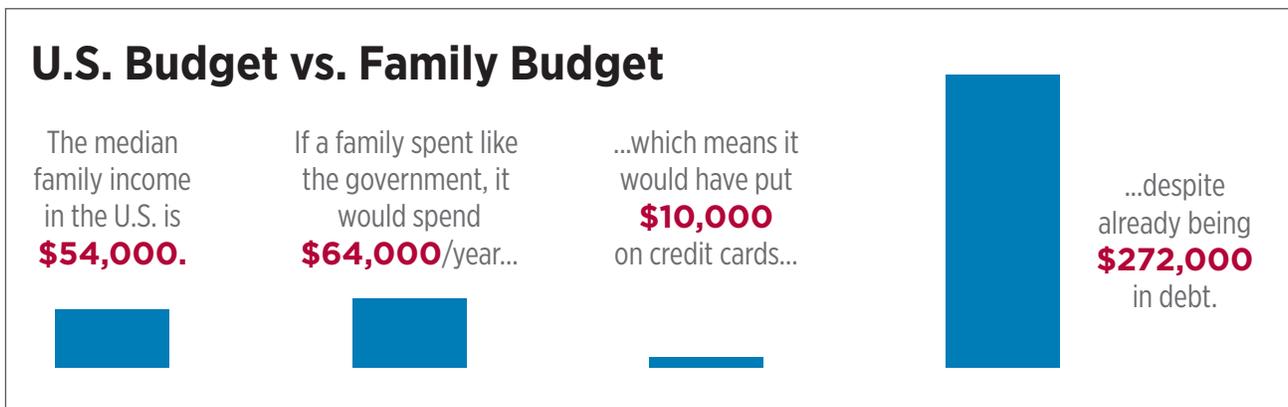
A Linchpin Issue

Spending is a linchpin issue for those in government and those concerned about government. Spending decisions reflect our priorities, concerns, responsibilities, and interests. Spending decisions have direct impact on not just the broad health of our economy but, more importantly, the individual lives and livelihoods of every American who pays taxes and hopes to receive the benefits of that investment. Each year brings budget deals and appropriations bills, and with them discussions of how much to spend and where to spend it.

Most years the question of how much the federal government should spend is simply answered: “more”. Built-in spending increases and autopilot entitlement program lead to constantly increasing spending. Over the past 20 years federal spending as a percent of the GDP has increased from 17% to 23%, growing faster than the economy, and federal debt has skyrocketed as Congress blows past spending caps and debt limits.¹ The Heritage Foundation estimates that if the federal government were an average U.S. family making \$54,000 a year, it would be spending \$10,000 above its income annually, despite already being \$272,000 in debt.²

Nonetheless, Americans have a highly personal stake in where government spends the money it takes from them. A quarter of the federal budget (24%) goes to Social Security, a program seniors and anyone who has paid into the program feel invested in. Even more (28%) goes to Medicare and Medicaid and other health care spending.³

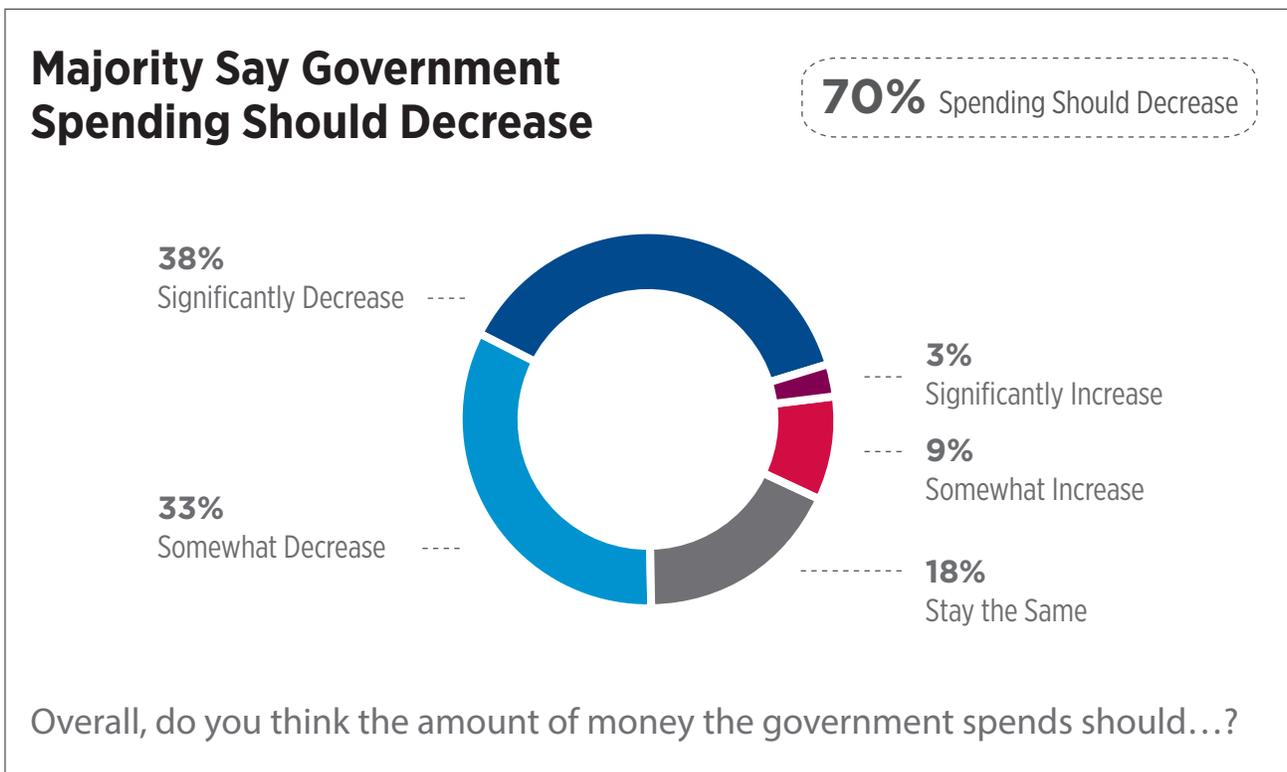
Not surprisingly, the spending issue has become a perennial challenge, and one that remains relatively important to Americans. Seventy-two percent (72%) of Americans say it is “very” or “one of the most influential” issues in motivating them to vote, ahead of terrorism (70%) and unemployment (65%), and just behind healthcare (77%) and the issue most frequently found at the top of the list, the economy (82%). American Perceptions Initiative delved into what Americans think of this influential issue.



1. The Heritage Foundation, *Federal Budget in Pictures*, <http://federalbudgetinpictures.com/growing-spending-is-the-problem/>.
 2. Ibid., <http://federalbudgetinpictures.com/us-budget-vs-family-budget/>.
 3. Ibid., <http://federalbudgetinpictures.com/where-does-all-the-money-go/>.

Opposition to High Government Spending

Americans generally oppose high government spending. When asked whether the amount government spends should increase, decrease, or remain the same, the majority—70%—say it should decrease, with over a third saying it should significantly decrease (38%). Very few, just 12%, say government spending should increase.



Women are more likely to think spending should decrease (74%, significantly higher than men at 66%), as well as those with less education (74% among those with an Associate’s degree or less, significantly higher than 66% among those with a Bachelor’s degree or higher). Those who identify as Republicans (88%), Independents (72%), Conservatives (88%), and Moderates (70%) are more likely to hold this view over Democrats (50%) and Liberals (47%).

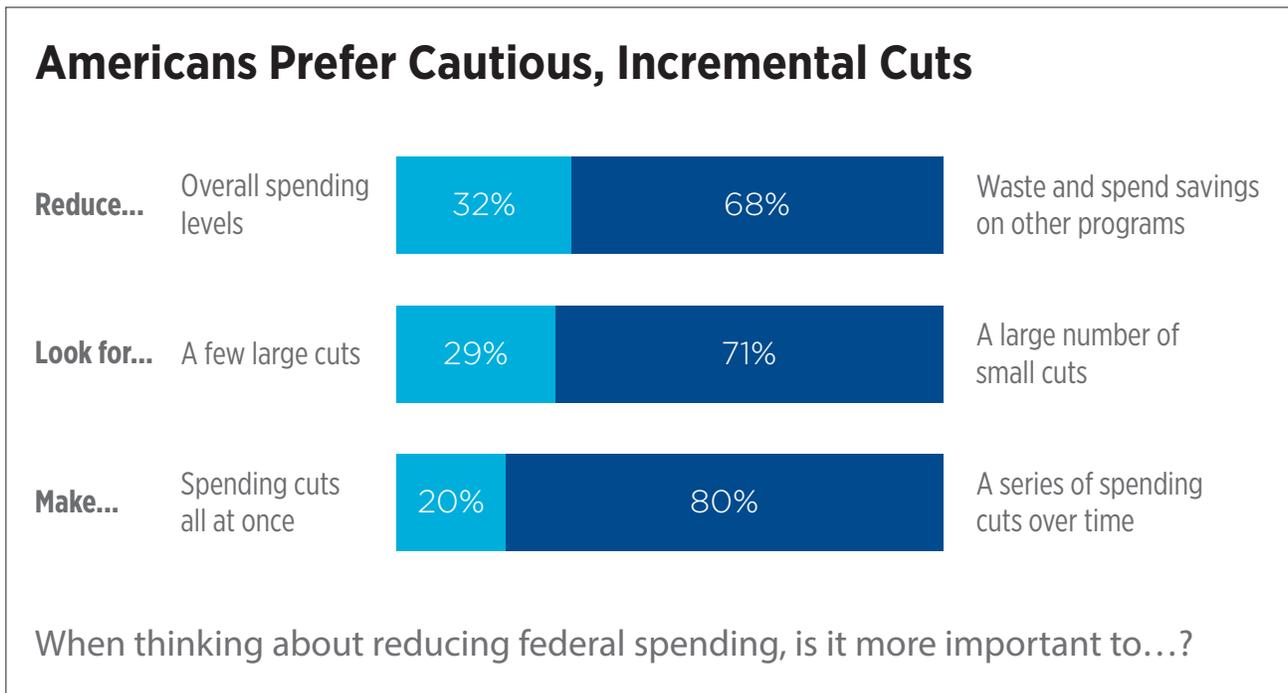
Moreover, the vast majority consider the country's debt and spending practices to be problematic. About nine in 10 agree:

- “The amount of debt the country has is a big problem.”—92%
- “The government's current spending practices are unsustainable.”—90%
- “Reducing federal spending should be a top priority.”—89%
- “The government's current spending practices are harmful to our economy.”—86%

Reluctance to Change

With so many in favor of reducing spending, it would seem that cutting the federal budget would be an obvious, even easy, thing to do in Washington. However, this has certainly not been the case, and it turns out public opinion on this issue is similarly less straightforward than expected.

While a majority of Americans favor reducing government spending, some even significantly, there is clear reluctance over how to go about it. When given the choice, Americans prefer cautious, incremental cuts over large, sudden cuts by two to one or more.



In some ways this is not surprising. While unsustainable government spending is clearly unpopular, it is at least familiar. Ninety percent (90%) categorize our current spending practices as unsustainable, and 87% are somewhat or very concerned about that unsustainability. However, “sustainable government spending” elicits a tepid response from Americans compared to other descriptions of what should be done about

government spending. “Sustainable government spending” receives a 37 equity score⁴, placing it in the lower emotional impact range, far behind similar concepts, such as:

- Keeping government spending in check—68 word equity score
- Reducing government spending—62
- Controlling government spending—62
- Cutting government spending—58
- Sustainable government spending—37

The federal government has run budget deficits for the past 15 years, since 2002. In a world where runaway spending has become the norm, the American people may be tentative in making big changes to the status quo quickly, and unresponsive to the possibility of something better, because the vision for it is hazy and unfamiliar.

The Best Words for the Job

(Word Equity: % Positive - % Negative)

Strong:

- Sustainable government spending—**37**
- Responsive government spending—**36**
- Undue tax burden— **-27**
- Waste, fraud, and abuse— **-49**

Stronger:

- Keeping government spending in check—**68**
- Responsible government spending—**58**
- Excessive tax burden— **-59**
- Corruption— **-72**

4. Word equity scores range between -100 and +100. Generally speaking, word equity scores below -50 or above +50 indicate strong and compelling language that emotionally moves people to action. Scores below -25 or above +25 are also emotionally compelling, but less so.

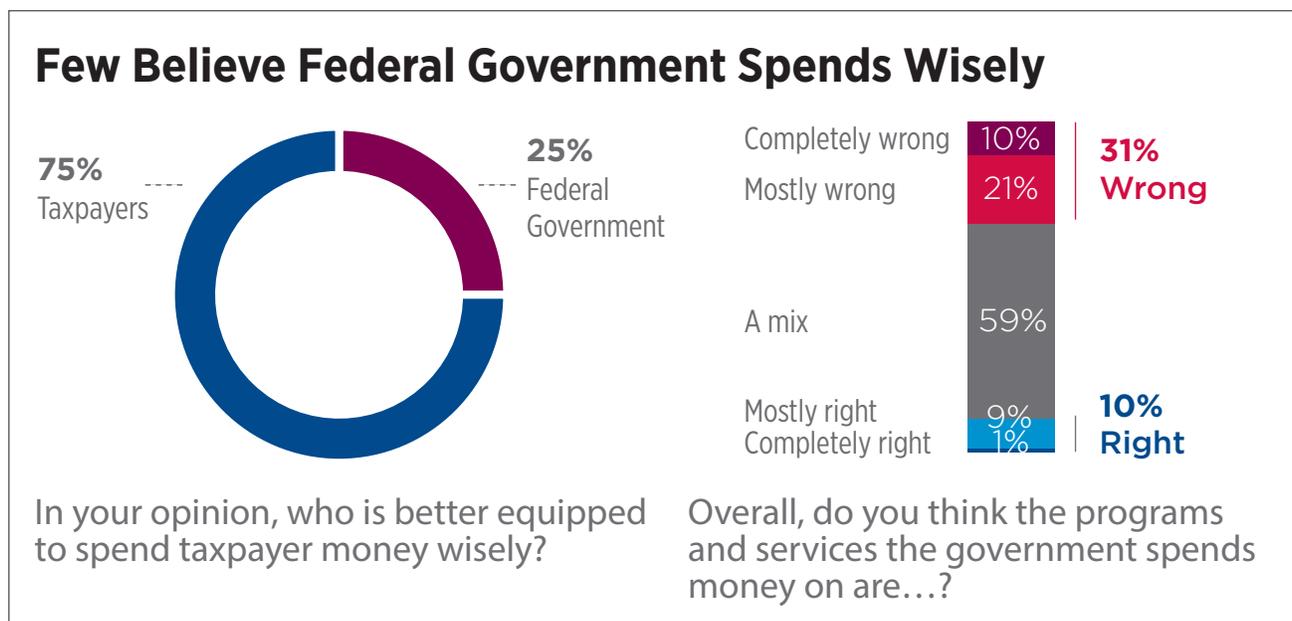
Part II: Building a Vision for Sustainable Spending

Trust

Helping Americans see a clear vision for sustainable government spending could help a lot in overcoming caution about making changes.

When it comes to trust, government has a long way to go. Gallup’s tracking of trust and confidence in government finds that half of all Americans (50%) have “not very much” or “no trust at all” in the federal government to handle international problems, and even more (55%) have little trust in its handling of domestic problems. Lack of trust is even higher for the legislative branch (63%).⁵ Pew Research Center finds that 67% of Americans trust the federal government to do what is right “only some of the time”; 13% never trust it.⁶

Government’s trust issues extend into its spending practices. Eighty percent (80%) of Americans agree “government can’t be trusted to spend our taxpayer money wisely.” Almost a majority, 47%, strongly agree. By and large, Americans think taxpayers do a better job of spending taxpayer money (75%) than the federal government (25%). Moreover, government tends to spend on the wrong programs. While the majority (59%) think government spends on a mix of right and wrong programs, those who think they spend on completely or mostly wrong programs outweigh those who think they spend on completely or mostly right programs three to one (31% wrong programs vs. 10% right programs).



5. Gallup, “Trust in Government.” September 7-11, 2016, <http://www.gallup.com/poll/5392/trust-government.aspx> (accessed March 1, 2016)
 6. Pew Research Center, “Beyond Distrust: How Americans View Their Government.” August 27 - October 4, 2015, <http://www.people-press.org/2015/11/23/1-trust-in-government-1958-2015/> (accessed March 1, 2016)

However, distrust of government spending is about more than programmatic differences. Americans see rampant waste, corruption, and special interests as a problem in Washington, diverting funds from fair and useful programs. Eighty-five percent (85%) of Americans express concern that “any time the government spends money, it wastes at least some”. Corruption and waste are also seen as strongly negative—“waste, fraud, and abuse” receive an equity score of -49 while “corruption” receives an equity score of -72, placing it in the extremely negative range.

Special interests are even more of a perceived problem. Ninety-two percent (92%) of Americans are concerned that “government spending too often goes to politically favored special interests”, and a strong majority (63%) are “very concerned”, placing it solidly at the top of the list of concerns about government spending.

Common-sense Changes

In the face of these concerns, it's not surprising that many of the messages that appeal most to Americans focus on simple, common-sense changes to how Congress handles budgets and spending.

The three most highly supported messages focus on honest, real budgets and elimination of loopholes:

- “Congress should prepare honest budgets and make current laws align with that budget.”—93% agree
- “Loopholes that allow Congress to go year after year without passing a formal budget undermine our nation’s financial security.”—87% agree
- “It makes sense to think of government spending like a household budget. Families generally can’t spend more than they have and the government shouldn’t either.”—84% agree

The Need for Real, Honest Budgets in Congress Among Highest Supported Messages

Congress should prepare honest budgets and make current laws align with that budget.



Loopholes that allow Congress to go year after year without passing a formal budget undermine our nation’s financial security.



It makes sense to think of government spending like a household budget. Families generally can’t spend more than they have and the government shouldn’t either.



■ Somewhat agree ■ Strongly agree

The two strongest policy proposals also focus on closing loopholes and increasing transparency and accountability, speaking directly to trust concerns. These received the highest support—majorities strongly supported them—and almost no opposition.

- “Congress should enforce budget discipline and close loopholes to increase transparency and accountability in congressional budgeting.”—85% support
- “Congress should be required to live within a firm budget. Budgets motivate Congress to prioritize among competing demands for resources.”—78% support

Strong Support for Closing Loopholes and Firm Budgets

Congress should enforce budget discipline and close loopholes to increase transparency and accountability in congressional budgeting.



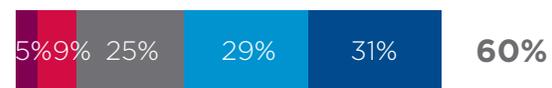
Congress should be required to live within a firm budget. Budgets motivate Congress to prioritize among competing demands for resources.



Congress should have to make decisions each year about the whole federal budget, not just about discretionary spending while the entitlement programs that make up the vast majority of spending grow unchecked and out of control.



Congress should authorize only those programs that represent federal constitutional priorities, and eliminate funding for activities that the federal government should not undertake.



A responsible federal spending plan should include reforms to programs like Medicare, Medicaid and Social Security that represent a huge portion of government spending.



Medicare should transition to a sustainable system that maximizes choice. To prepare the way, smaller Medicare changes—such as raising the retirement age, reducing subsidies for wealthy seniors, and consolidating benefits—would help these programs transition.

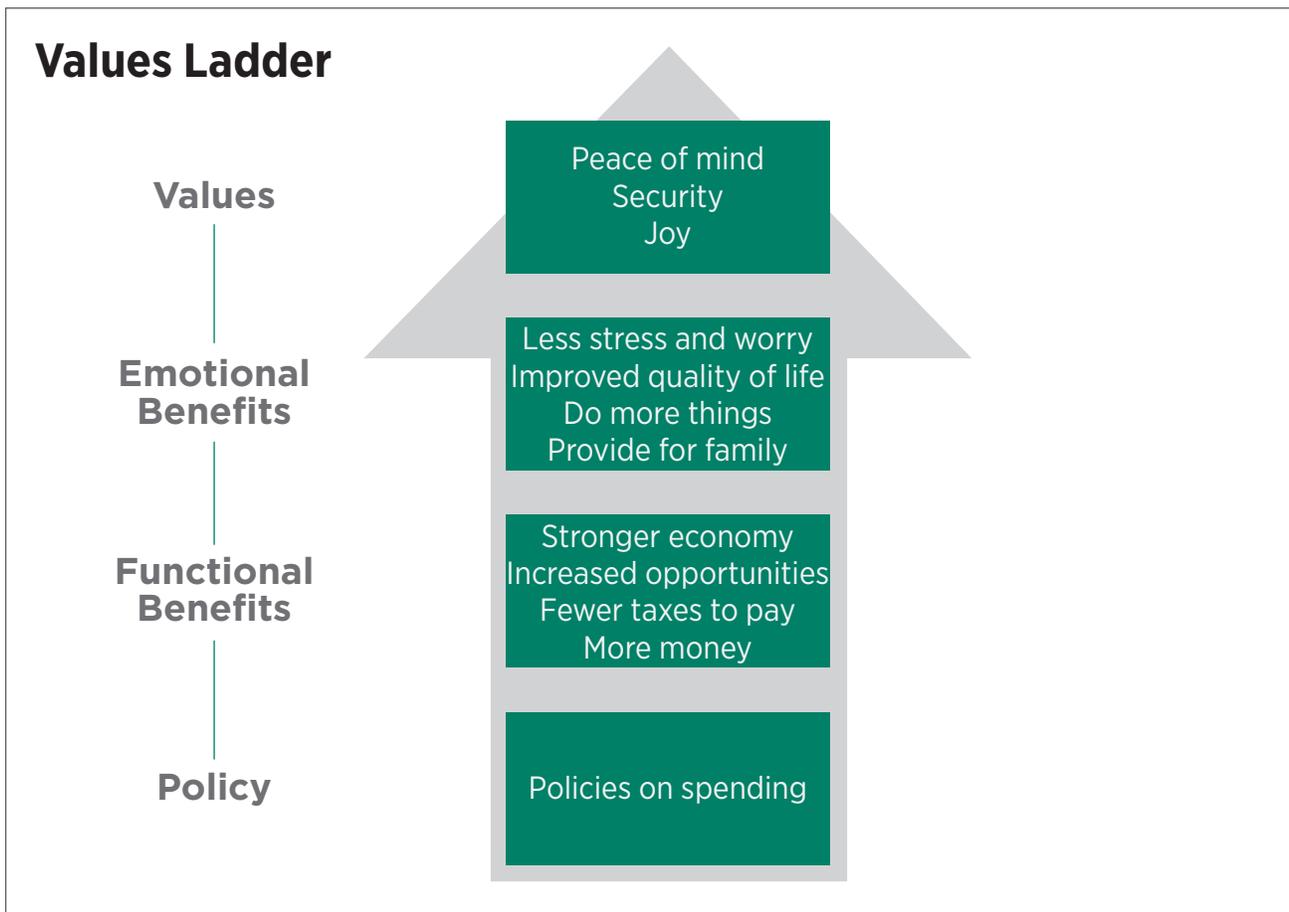


■ Strongly oppose ■ Somewhat oppose ■ Neither ■ Somewhat support ■ Strongly support

Americans want Congress to start treating budgets as a tool to help government do its job well and keep it accountable to the American people, not a nuisance to be circumvented. That’s a vision of government spending they can relate to and support.

Benefits of Lower Spending

Americans see a lot of common-sense reasons to get government spending under control, but people don't just make decisions with their head. They also rely on emotions which are connected to their personal values to guide their thinking and decision-making. Importantly, personal values may shift slightly over time, but largely remain relatively steady. Heart+Mind Strategies has developed a "values ladder" or framework for mapping policy issues back to individuals' deeply held underlying values to help identify, understand, and influence public opinion and behavior. The ladders move from the concrete, objective policy issue (at the bottom of the visual), up to specific, more personal "functional benefits" and then to their more abstract "emotional benefits" which drive to personal values (at the top of the visual).



The dominant values ladder that helps navigate the way most Americans think about government spending identifies the following functional benefits linked to decreased government spending as a policy:

- Stronger economy
- Increased opportunities
- Lower taxes
- More money

These tangible benefits provide Americans with emotional benefits like “less stress and worry”, an “improved quality of life”, “greater choices and opportunities to pursue”, and the ability to “provide for their families”. These benefits are paramount because they connect with their ultimate values of “peace of mind”, “security”, and “joy”.

Americans have strong equity with many of the functional benefits of lower government spending, so they resonate well. In fact, they were some of the highest tested:

- “Reduce the deficit”—66 word equity
- “Reduce the taxpayer burden”—64
- “Stimulate the economy”—58

The Language of Government Spending

(Word Equity: % Positive - % Negative)

Positive (% Positive):

- Reduce the deficit—**66**
- Reduce the taxpayer burden—**64**
- Prioritizing spending—**59**
- Stimulate the economy—**58**
- Courage to make hard choices—**55**

Negative (% Negative):

- Spending money you don’t have— **-75**
- Extravagant government spending— **-73**
- Borrowing from the next generation— **-70**
- Crushing the economy— **-64**

Lower Spending, Stronger Economy, Greater Personal Prosperity

Beyond these functional benefits, Americans have a strong sense of how the broader economy is tied back to their own personal prosperity—climbing to the second rung of the ladder—so these messages rise to the top.

While the three strongest messages tested focused on the budget, the next highest focused on the economy. A majority strongly supported these as well, a sign of their strength.

- “By reducing debt and putting the fiscal house in order, Congress can promote a strong economy, a strong society, and a strong America.”—88% agree
- “Reducing the national deficit is essential to strengthen the American economy, increasing opportunities and improving our quality of life now and for future generations.”—87% agree
- “The economy is stronger when the federal government does not have to borrow money.”—86% agree

Strong Messages Focus on the Economy

By reducing debt and putting the fiscal house in order, Congress can promote a strong economy, a strong society, and a strong America.



Reducing the national deficit is essential to strengthen the American economy, increasing opportunities and improving our quality of life now and for future generations.



The economy is stronger when the federal government does not have to borrow money.

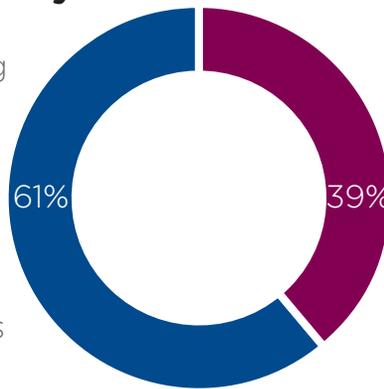


■ Somewhat agree ■ Strongly agree

In the minds of Americans the consequences of our current trajectory are dire. Nearly two of three Americans (61%) agree “federal government spending is leading us to financial disaster. A strong economy for future generations depends on reducing government spending and keeping money in the hands of the Americans that earned it.” Just 39% identified with its counterpart: “federal government spending is a key part of our economic system. In the long run government spending is needed to provide essential services across our nation, provide a safety net, support innovation, and stimulate job growth and economic recovery.”

Strong Connection between Lower Government Spending and a Strong Economy

Federal government spending is leading us to financial disaster. In the long run a strong economy for future generations depends on reducing government spending and keeping money in the hands of the Americans that earned it.



Federal government spending is a key part of our economic system. In the long run government spending is needed to provide essential services across our nation, provide a safety net, support innovation, and stimulate job growth and economic recovery.

The strength of this message is not driven just by Americans’ eagerness to lower spending. Other messages in support of lowering spending were less strong, although still supported by the majority:

Government spending represents an investment in the future of our people and communities. Spending on education, health care, environment, and infrastructure creates better lives for American and a better future for our children.	Government spending rarely yields the returns it promises. Washington lawmakers waste taxpayer dollars on giving special handouts to well-connected favorites and on programs that do not fix things or often make them worse. ⁷	Americans are the best investors of their money. Americans should get to keep as much of their money as possible to invest in their communities and their families’ future—rather than throwing it down the black hole of corrupt and wasteful government spending. ⁷
43%	57%	--
47%	--	53%

7. Split sample question. 505 respondents were shown the middle option and 507 respondents were shown the right option as alternatives perspectives to the option on the left.

Connecting Functional Benefits to Personal Benefits

The strong connection Americans already feel between the strength of the economy and their own personal prosperity can be mirrored with other functional benefits connected to lower government spending. Lower taxes and more money in your pocket means Americans can better provide for their families and do the things they've always wanted to do with greater peace of mind. Increased economic opportunity means a better quality of life and greater security.

Example: The American people shouldn't have to worry about recurring budget crises in Washington. Reducing spending is crucial to bringing down the deficit and getting America back on track. Then we'll have the much-needed engine for **economic growth** and **increased opportunities** that would help every American family feel **secure** now and in the future.

Example: Congress should be required to live within a firm budget, not just spend uncontrollably and tax us to death. Lower spending means **lower taxes**, and **more money in your pocket**, so you can **save, plan, invest, and spend** the way you want to **secure your future**, not as government dictates.

Using communications and messaging that make these connections will engage their values and help them envision what America and their own lives could look like if government spending were under control.

Conclusion

Jumping the Hurdles to Sustainable Government Spending

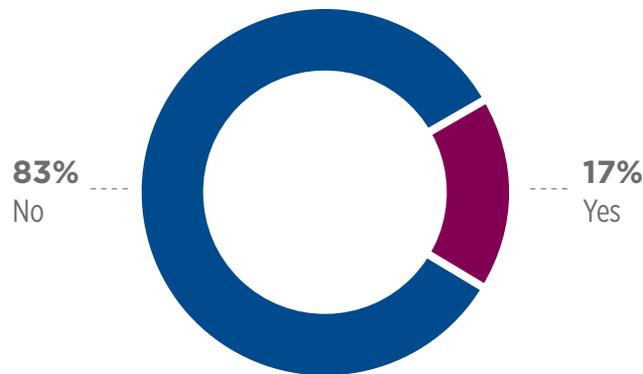
Reducing government spending and getting the national debt under control are highly popular policies that may hit a few speedbumps along the way. Americans are largely in favor of reducing spending, but may be hesitant about large-scale cuts, which sound dire and unfamiliar. Special care should be given to communicating cuts to programs that Americans have a large personal stake in.

To help overcome this challenge, those interested in putting America back on a sustainable path should focus communications on common-sense changes to how Congress views and handles budgets, the strengthening effect of lower spending and debt on the economy, and the strong emotional benefits of individuals being able to better providing for their families and enjoying a better quality of life.

Appendix A

Additional Results

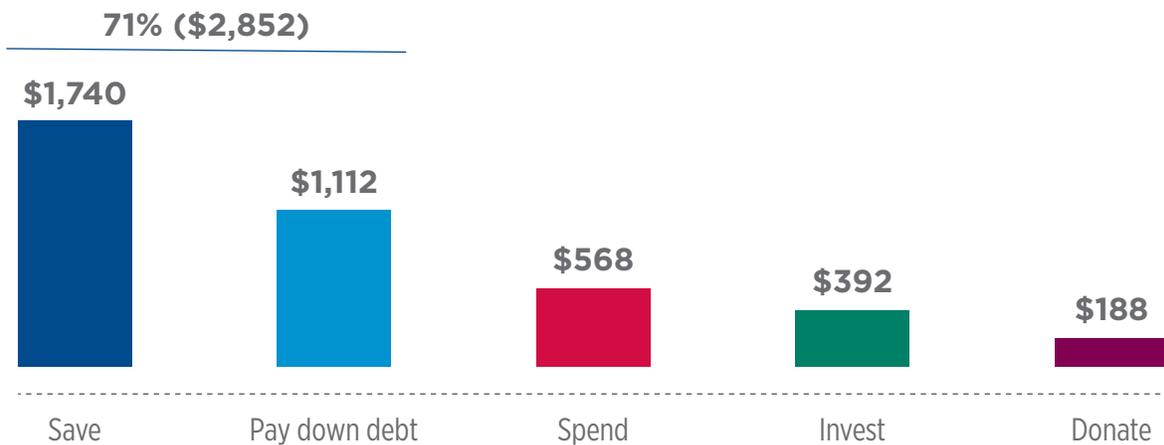
Few Support Government Going into Debt without Being Certain of Personal Benefit



Would you support the federal government going into debt to support federal spending without knowing whether it would hurt or help you personally?

On Average, Americans Would Allocate Most of a \$4,000 Tax Cut to Saving and Paying Down Debt

Average Amount Allocated of \$4,000



If you personally received a tax cut of \$4,000, how would you allocate it?

Concerns

Government spending too often goes to politically favored special interests.

Our current practices in government spending are unsustainable.

High government spending and taxes force Americans to work for government rather than government working for the people.

Government can't be trusted to spend our taxpayer money wisely.

When government spends more, it creates more regulations that impact the day-to-day lives of Americans.

High government spending reduces Americans' ability to be independent and make their own decisions.

Out-of-control government spending is driving us towards a Greece-like fiscal crisis.

When taxes go up, the bureaucracy expands.

High levels of government spending hurt consumers and reduce their choices.

High levels of government spending make us too reliant on foreign governments.

Government spending is redistribution of wealth—taking from some citizens and giving it to others.

Any time the government spends money, it wastes at least some money.

Most things the government does can be done more efficiently and effectively in the private sector.

Federal government spending on state responsibilities forces laws, rules and regulations on states that might not be in their best interests.

Government spending disturbs market forces that keep our economy healthy.

When people and communities take federal money, they give away some control over their lives.

■ Not concerned at all

■ Not very concerned

■ Somewhat concerned

■ Very concerned

Concerned



Agreement with Messages

Congress should prepare honest budgets and make current laws align with that budget.



Loopholes that allow Congress to go year after year without passing a formal budget undermine our nation's financial security.



It makes sense to think of government spending like a household budget. Families generally can't spend more than they have and the government shouldn't either.



By reducing debt and putting the fiscal house in order, Congress can promote a strong economy, a strong society, and a strong America.



Reducing the national deficit is essential to strengthen the American economy, increasing opportunities and improving our quality of life now and for future generations.



The economy is stronger when the federal government does not have to borrow money.



Reducing the national deficit will reduce our dependence on foreign countries that hold that debt—some of which are not very friendly to our interests. This will keep our country more secure.



I have less trust in the federal government because it cannot balance the budget.



The federal government should not borrow money to finance spending. If there isn't enough money to pay for all federal programs, we need to make cuts.



■ Strongly disagree
 ■ Somewhat disagree
 ■ Somewhat agree
 ■ Strongly agree

Agreement with Messages (continued)

The federal government must prioritize spending—if there isn't enough money, lower priority programs should be cut.



Reducing the national deficit will allow us to pay less in taxes, keeping more money in our pockets for other things that are important to us and our families.



When we look at government spending, we have to look at the specific program or purpose. Government spending isn't just inherently "good" or "bad."



Government spending encourages a large bureaucracy that creates unneeded rules and laws that restrict freedom.



Less government spending means more private spending, which is good for the economy.



The economy is stronger when the federal government spends less.



Reforming the major entitlement programs that make up a large portion of federal spending—like Medicare, Medicaid, and Social Security—to focus benefits on those who need them most is essential to improving the budget outlook and avoiding a future debt crisis.



A reasonable national debt will not harm future generations or cause the U.S. to go bankrupt.



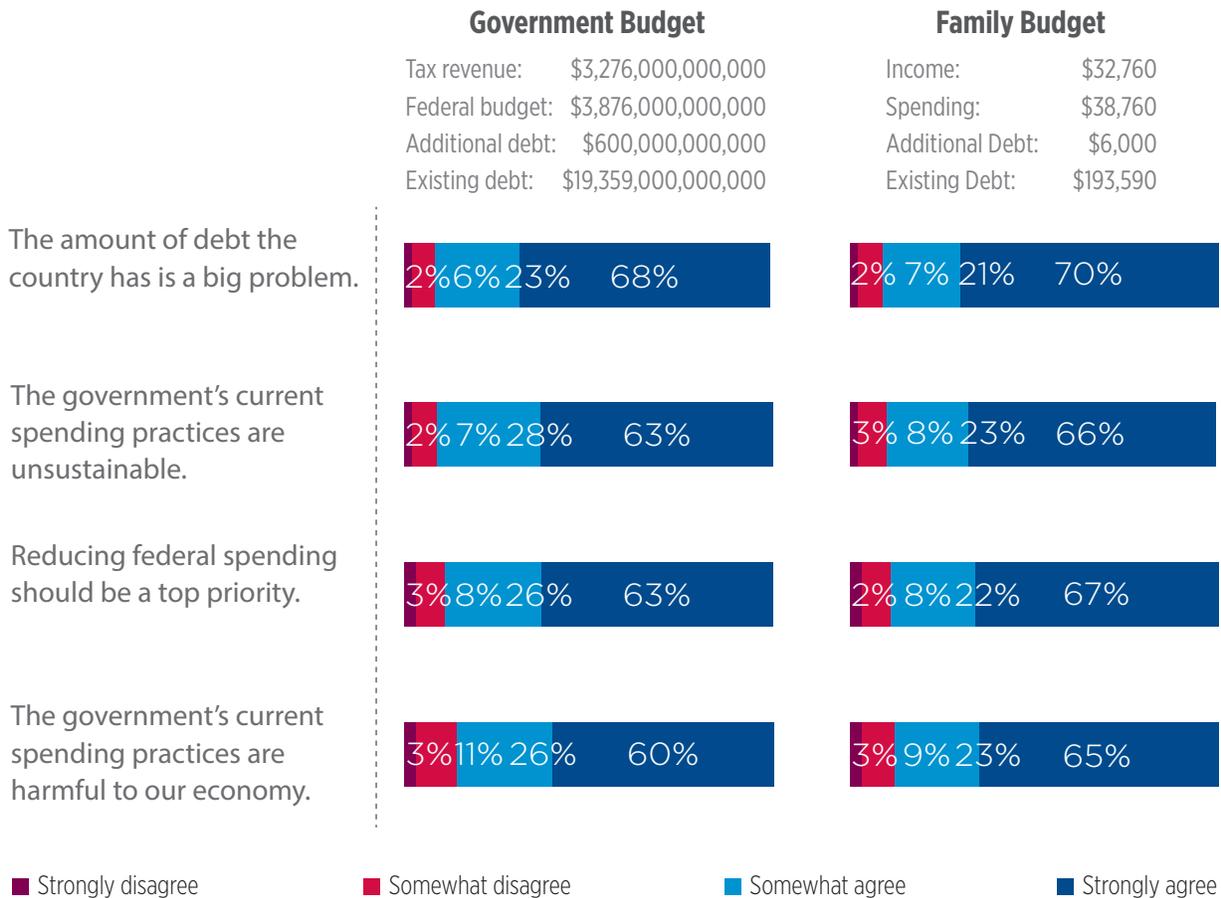
■ Strongly disagree

■ Somewhat disagree

■ Somewhat agree

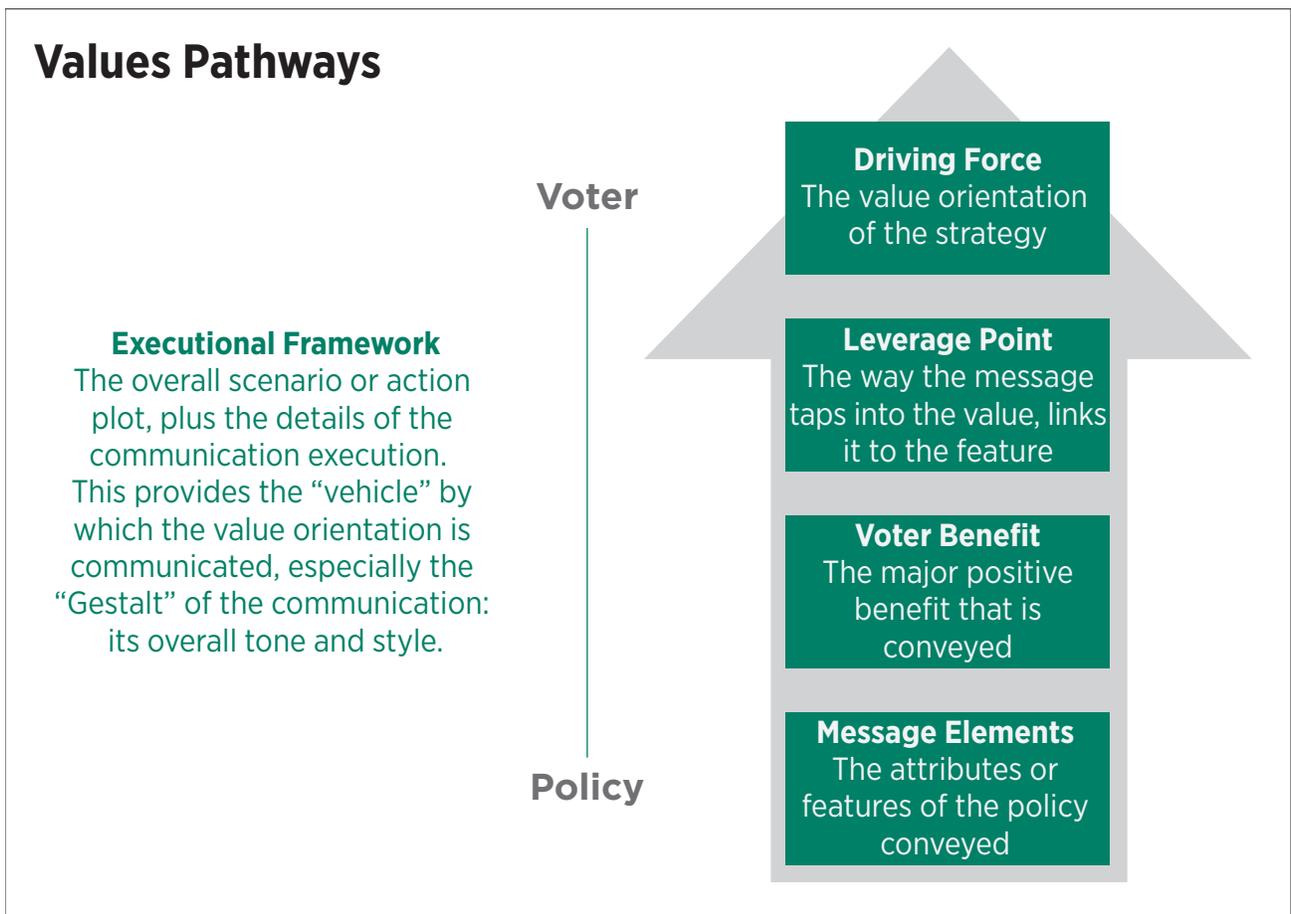
■ Strongly agree

Little Effect Found from Translating Federal Budget Numbers to Family Budget



Appendix B

Values Framework



Values Pathway

Execuational Framework
Analyses of emotions shows that conservative voters, and to a lesser extent moderates, are angry, saddened and even disgusted with the deficit situation. They are uncertain and impatient. But they hold out hope for policies that can reverse this and deliver the prospect of the American Dream.

Voter

Policy

