

TO: Interested Parties
 FR: Mark Riddle, Future Majority President
 RE: Voter Attitudes on CHIPS, Made in America and Competitiveness
 DT: August 17, 2022

Future Majority commissioned Change Research to study voter attitudes on a wide range of issues especially focusing on the CHIPS and Science Act, and on such topics as reshoring, competitiveness, China, and preventing offshoring. It turns out Americans like this better than any other Democratic policy. The survey of 5,953 voters in the key swing states of Nevada, Pennsylvania, and Wisconsin and nine incumbent congressional districts held by Democrats was conducted August 5-11, 2022.

Fully 89% of voters surveyed support the CHIPS and Science Act, including 60% who strongly support it. Many of the numbers you will see on related topics score approval numbers—of policy, or agreement with facts/values—coming back between 65 and 89 percent. These are the best numbers we've seen for any of the legislation passed during the Biden presidency, during which we have surveyed, through Change, 87,363 voters. Democrats may want to put further thought and study into leaning heavily into CHIPS, as messaging, and taking credit, and even, perhaps, introducing legislation to go farther than CHIPS, described below. Here are some top lines:

Congress recently passed legislation to reshore the semiconductor industry (the computer chips that go in cars, computers, refrigerators, etc.) so that we become less vulnerable and more innovative. It will create thousands of American jobs. Do you support or oppose this legislation?



Americans support Made in America overwhelmingly

How concerned are you about how many essential products are made outside the United States?

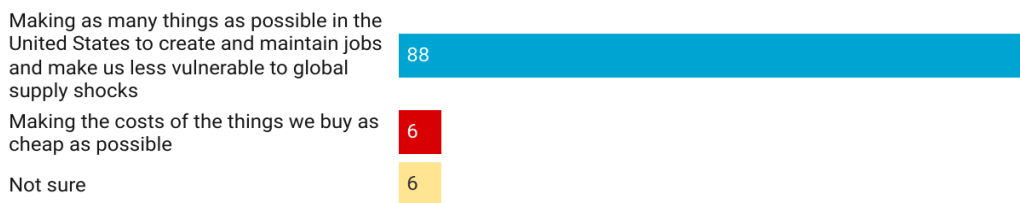


Americans also support policy solutions to **support** Made in America. That's why CHIPS is a consistently popular and effective piece of legislation. This may be Democrats' first real opportunity to bring (explicitly) some of the working class home (though this requires more study), that they have slowly over time, a process which accelerated under Trump.

If the United States government took greater action to restore certain critical industries in America or prevent them from leaving, what impact do you think it would have on the economy and jobs?



What do you think should be a greater priority for economic policy in the United States?



Every American worker already knows the international industrial game is rigged. It would be wise not to underestimate the anger they feel about this. (Trump did not.) Typical objections that this is a 'government takeover' or a 'handout', will not work, as shown by the overwhelming support of CHIPS. It is easy to point out how *every other nation in the world* uses such measures to boost its own industries and jobs, while America falls behind. Time to change and play ball.

A big opportunity

Democrats should capitalize on the popularity of the provisions of CHIPS, and extend them to other industries, and introduce both carrots and sticks. Beginning in the 1970's with automobiles, American workers have seen their livelihoods vanish. With this bill, Democrats are saying "no more!". This is exactly what Democrats need to say. Democrats are the party of government. There is no escaping that label.

To execute a large, important, and popular policy which utilizes government in a non-controversial way, which is backed by nationwide consensus. (89% approval), to directly aid the working class and reindustrialize, should be embraced warmly and without fear. It was the President's idea. CHIPS and Science, an extension of it, and the President's Make it in America, are mutually reinforcing. The President and party do not have do a major course correction, but just better utilize facts they have put in their arsenal. Democrats lead the passage the bill, after all, with some but not great Republican support.

Would you like to improve endless and frustrating Democratic problems with national security image? CHIPS does a great deal.

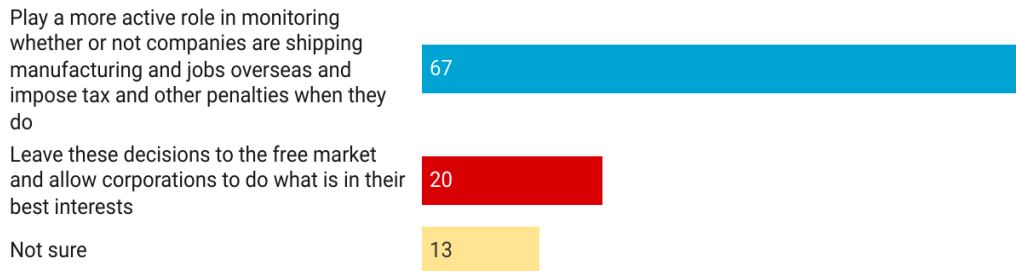
If the United States government took greater action to restore certain critical industries in America or prevent them from leaving, what impact do you think it would have on our national security?



We need a “super CHIPS” or “Protecting America’s Economic Freedom” bill to nudge the free market toward the interests of workers, American economic security policy, national security policy (another way to shave points off the Republican brand) and pandemic preparedness, *so we are never again caught without access to a supply chain of crucial goods like protective equipment*. This legislation can address Americans’ rightful concerns about inflation and supply chains by bringing the essentials of our economy back onshore *and making offshoring expensive* for companies who want to try it. Americans have a sophisticated understanding that broken supply chains have brought on a lot of their current misery.

Advance monitoring of industry loss/Tax penalty provisions for offshoring.

Which do you think should be a higher priority for the United States government:

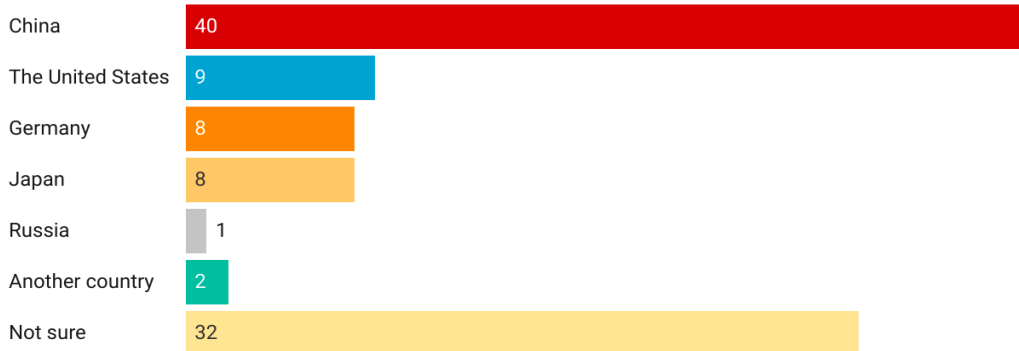


Note that the above question includes a monitoring/surveillance provision. In other words, Americans want the government to survey, and preemptively *prevent* the Taiwan chip or China PPE problem. For that, legislation and additional authorities are necessary. Democrats could put up a “skinny” CHIPS extension with just tax penalties for offshoring.

Every other country, friend or foe, helps its own industries this way. Why don’t we, within the limits of trade agreements?

Workers have known for a long the international industrial game is rigged, or Trump would never have won. It would be wise not to underestimate the anger they feel about this. (Trump did not.) Typical objections that this is a ‘government takeover’ or a ‘handout’, will not work, as shown by the overwhelming support of CHIPS. Note how much more Americans approve of China’s highly interventionist policy on industry, as opposed to American *laissez faire*.

Which country do you believe has had the strongest industrial policy over the last 50 years?



When it comes to competing with China, do you believe the government should:



- **Voters don't just see investing in America as an economic boost against China, and they also acknowledge it as a boost in national security generally.**
 - 89% support the recently passed legislation to reshore the semiconductor industry.
 - 71% said that if the United States government took greater action to restore certain critical industries in America or prevent them from leaving, it would have a big impact on the economy and jobs.
 - 65% said that if the United States government took greater action to restore certain critical industries in America or prevent them from leaving, it would have a big impact on national security.
- **Voters believe that America must do more and take control of the economic fight against China, and are favorable to supply chains coming home.** 79% of voters believe that the government should do more to protect and grow American industries. 88% of voters agreed with the statement: "What might have worked in the past no longer does. Unless the American government adopts an industrial policy that brings back manufacturing and prevents companies from leaving to take advantage of cheap foreign labor, we will fall further behind China and be more vulnerable to shocks in global supply chains."

Conclusion:

By passing CHIPS, Democrats have shown that they can tackle the big challenges Americans have faced for decades, and blame Democrats (and Republicans, but us somewhat more, since it is the Democrats' job to intervene here) for accelerating: the abandonment of the American worker to ever lower wages and lost jobs going overseas, the abandonment of technological superiority here in the United States, the abandonment of high skilled jobs and union jobs, and deindustrialization, turning much of the country into an economic wasteland.

The infrastructure bill, ARA, and reconciliation can be attacked as pork, overspending, and inflationary. CHIPS cannot. The numbers show it is our strongest bill. The worst you can call it is a corporate subsidy, but our numbers indicate that Americans don't see it that way. If, as Future Majority has been arguing for years, the Democrats' brand must be clearly and positively defined, CHIPS is a key piece. It's a winner. Because Made in America is too. Furthermore, it goes right to the Republican brand by confronting the false notion that absolute unrestraint ("freedom") of markets over all other values leads to freedom of workers. Americans are ready for an enormous policy change. Consider a final point.

Do you agree or disagree with the following statement: "What might have worked in the past no longer does. Unless the American government adopts an industrial policy that brings back manufacturing and prevents companies from leaving to take advantage of cheap foreign labor, we will fall further behind China and be more vulnerable to shocks in global supply chains."



88% will support executive and legislative Democratic intervention to save industry. With this bill, Democrats are saying "no more!" to deindustrialization and national vulnerability. This is exactly what Democrats need to say. Democrats are the party of government. There is no escaping this label. To execute a large, important, and popular policy which utilizes government in a way that only has 10% national opposition. (again, 89% approval), to directly aid the working class and reindustrialize, should be embraced warmly and without fear. It was the President's idea. Democrats passed it, after all. And leaning into CHIPS is fully in complementary to Make it America, and all other White House messaging.

Democrats have taken action to invest in a key industry, but can now also restore American industrial might, increase national security, take on China, and rebrand themselves around the working class/wage worker, and, rather than being steamrolled by it, draw on the populist energy that has recently moved voters on both the left and right, and fuel itself by it. If Democrats use the achievement of CHIPS now, it will help to retain Governors, Senators, and House Members, and help them defeat Trump or DeSantis, or whomever it will be, two years from now. It's Democrats' bill, and even bipartisan. The must own it proudly, extend it, and force Republicans to vote against 90% of the American populace.