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VOTERS SUPPORT GREEN BAILOUTS OF INDUSTRY

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May 2020

EXECUTIVE SUMMARY

- ▶ Voters prefer supporting clean energy companies rather than oil and gas companies with bailouts by a 24-percentage-point margin.
- ▶ Voters support green conditions to a bailout of the cruise industry by a 36-percentage-point margin.
- ▶ Voters support green conditions to a bailout of the aviation industry by a 22-point margin.
- ▶ Voters support the government taking an ownership stake in corporations that receive a bailout by a 17-point margin.

The economic fallout from the coronavirus pandemic is jeopardizing the bottom lines of the cruise, airline, clean energy and fossil fuel industries, among others. Many companies in these sectors have already received federal funds as part of the recently passed [CARES Act](#), while [others](#) are [requesting](#) bailouts in future bills. On Tuesday May 5, Rep. Nanette Barragán (CA) and Sen. Jeff Merkley (OR) introduced the ReWIND Act, which would prevent the Trump Administration from using CARES Act funding to bail out the fossil fuel industry. Federal bailouts provide progressives with an opportunity to apply regulations, invest in research, and take an equity stake in these companies; key strategies to tackle the climate crisis as we restart the economy after the coronavirus pandemic. Rather than simply rescuing the economy by, at least in part, bailing out affected industries, we also have the opportunity to restructure it, setting us on course to reduce carbon emissions and other detriments to the environment.

As part of an April 2020 survey, Data for Progress looked at attitudes about a bailout scheme wherein companies would receive federal funds in exchange for adopting certain green commitments.

First, and as means of framing to the rest of this memo, we asked voters the following question:

As part of coronavirus and economic relief, which should be a priority when deciding where to allocate government stimulus money?

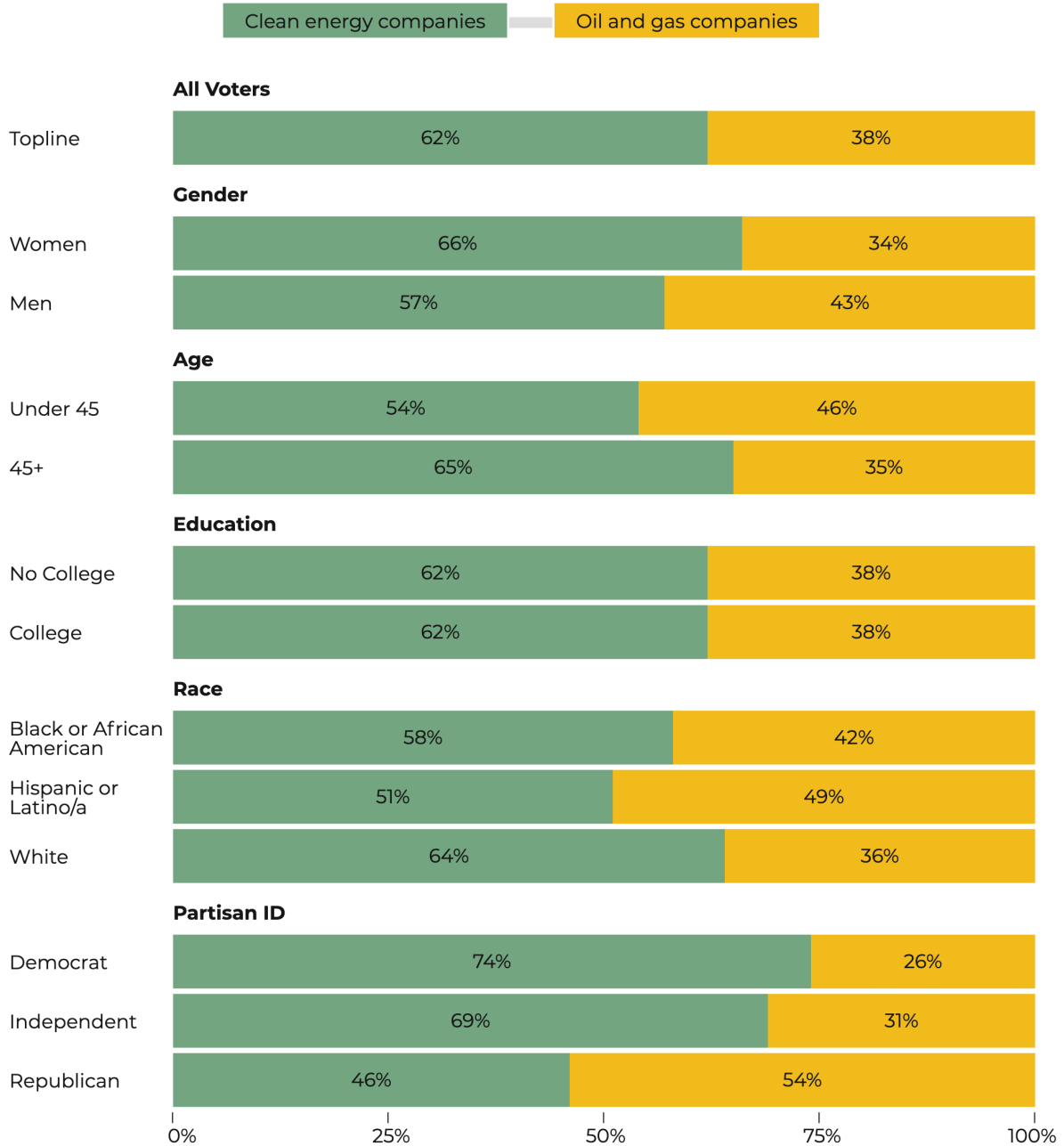
Voters were then provided the following two responses:

1. *Clean energy companies*
2. *Oil and gas companies*

By an overwhelming margin, voters prefer to support clean energy companies rather than oil and gas companies. Among all voters, 62 percent would rather support the former while only 38 percent would prefer to support the latter. Support for allocating money to clean energy companies rather than oil and gas companies is especially high among Democrats, 74 percent of whom would rather support clean energy companies, as well as Independents, 69 percent of whom would also rather support clean energy companies. What these results make clear is that voters support a stimulus package aimed at supporting clean energy companies and, as this memo demonstrates, a green agenda more generally. Economic relief and climate policy don't sit at loggerheads in voters' minds but, instead, can be addressed in tandem.

Voters Want To Support Clean Energy Companies Not The Fossil Fuel Industry

As part of coronavirus and economic relief, which should be a priority when deciding where to allocate government stimulus money?



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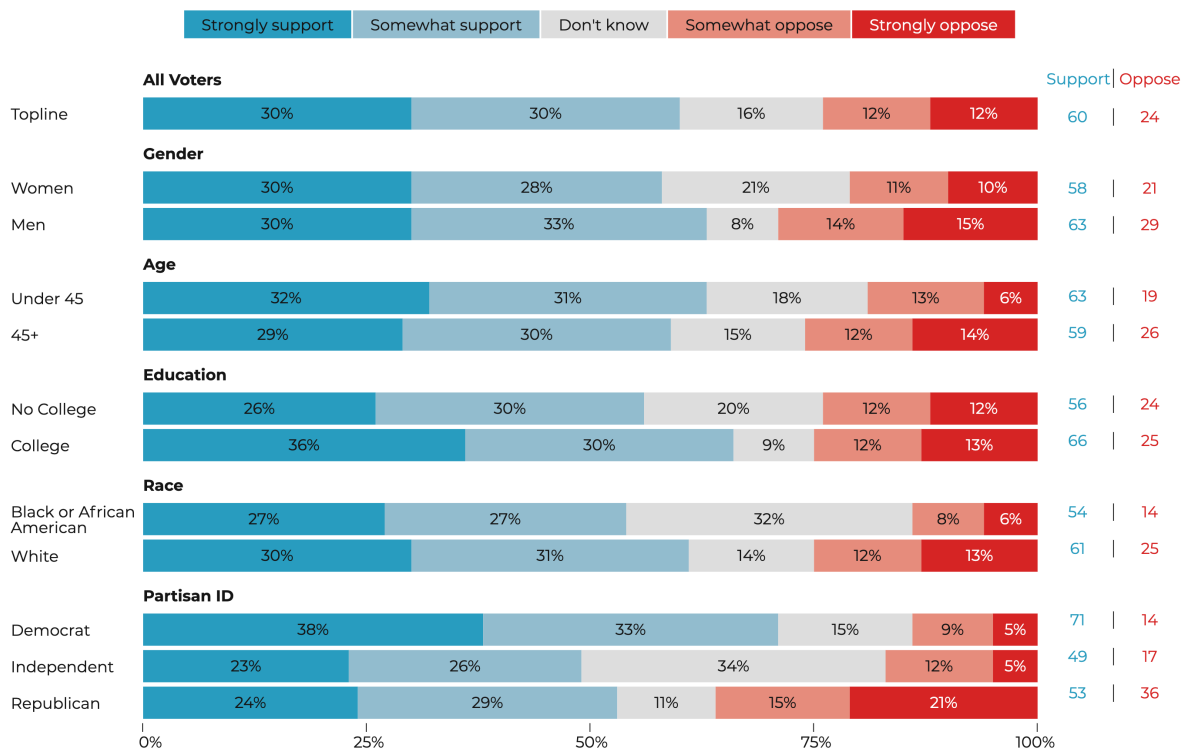
In this next chart, we look at support for a bailout for the cruise industry with green conditions. Specifically, we asked voters:

Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a “bailout”) to industries that have been hit hard by the coronavirus pandemic. Some have proposed adding provisions to this support. Would you support or oppose: -- a rule that would require cruise companies that receive federal aid to limit pollution and waste as well as adopt less polluting fuel sources.

We found considerable support for this proposal. Overall, it enjoyed a 36-percentage-point margin of support among all voters (60 percent support, 24 percent oppose). Looking closer at support for the proposal, we can see that men (63 percent support, 29 percent oppose) are slightly more supportive than women (58 percent support, 21 percent oppose); those under the age of forty-five (63 percent support, 19 percent oppose) were narrowly more supportive of the proposal than those over forty-five (59 percent support, 26 percent oppose); those with a college degree tend to support the proposal (66 percent support, 25 percent oppose) at a higher rate than those without one (56 percent support, 24 percent

Voters Support Green Conditions To A Cruise Industry Bailout

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oppose); and black and white voters support the policy at similar levels. Support for green conditions to a bailout of the cruise industry is also bipartisan: self-identified Democrats back it by a 57-point margin (71 percent support, 14 percent oppose), and self-identified Republicans support it by a 17-point margin (53 percent support, 36 percent oppose).

In this next chart, we look at support for an airline bailout with green stipulations. Specifically, we asked voters:

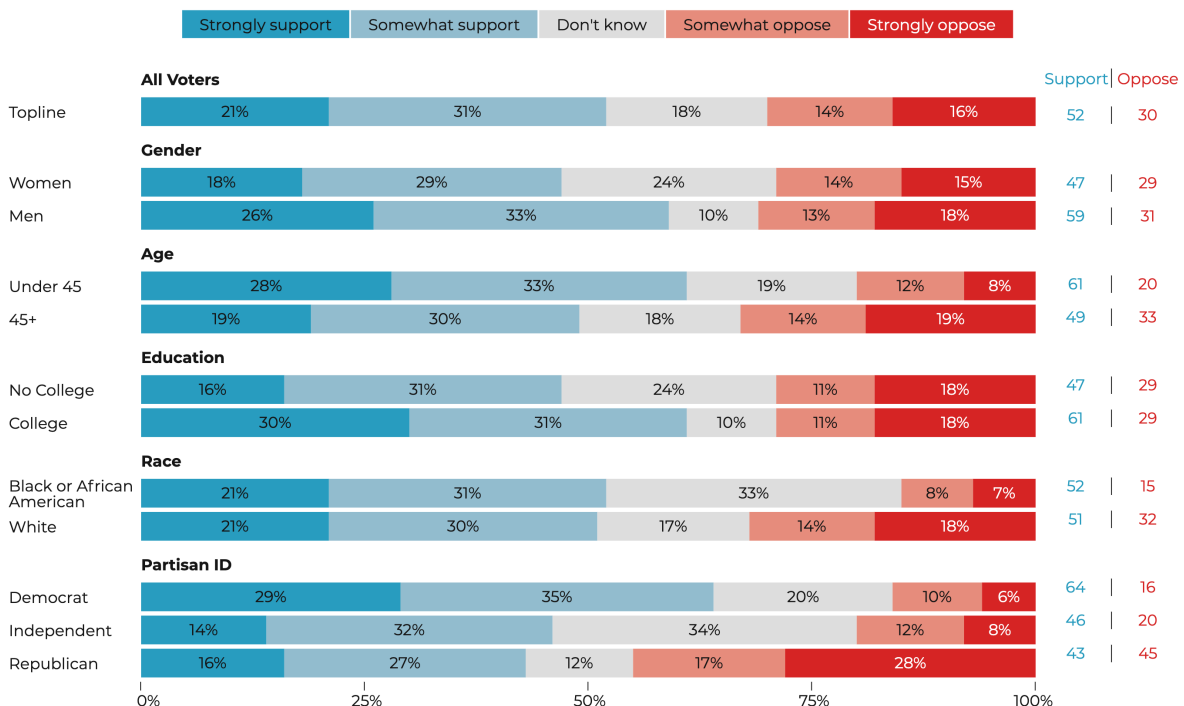
Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a "bailout") to industries that have been hit hard by the coronavirus pandemic. Some have proposed adding provisions to this support. Would you support or oppose: --

dedicating \$300 million per year to research cleaner jet fuels as well as regulations requiring airlines to reduce carbon emissions 50% by 2050.

Voters responded similarly to this bailout as to the previous one. Overall, voters support green conditions to a bailout of the aviation industry by a 22-point margin. Those under the age of forty-five are, again, especially enthusiastic, supporting it by a 41-point margin (61 percent support, 20 percent oppose). Those with college degrees are also quite keen on the idea, backing it by a 32-point margin (61 percent support, 29 percent oppose). With this item, there was a larger divide along partisan lines: Democrats support the proposal by a 48-point margin (64 percent support, 16 percent oppose), while Republicans narrowly oppose the proposal by a 2-point margin (43 percent support, 45 percent oppose).

Voters Support An Airline Bailout With Green Conditions

Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a "bailout") to industries that have been hit hard by the coronavirus pandemic. Some have proposed adding provisions to this support. Would you support or oppose: -- dedicating \$300 million per year to research cleaner jet fuels as well as regulations requiring airlines to reduce carbon emissions 50% by 2050.



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We also asked voters two questions about the government taking ownership stakes in corporations that receive bailout money. The first question proposed for the federal government to take an ownership stake in any company that received bailout money. The second question proposed for the government to take an ownership stake in companies, and for those dividends to be paid out to taxpayers. The motive behind these proposals, especially with respect to climate change, is that government possession of equity—i.e., control over the means of the production— could push corporations to adopt green goals. In other words, control of capital can function as an instrument to combat climate change. In addition, the second proposal would provide a financial benefit to taxpayers by paying them dividends.

To look at public opinion on the first proposal, we asked voters the following:

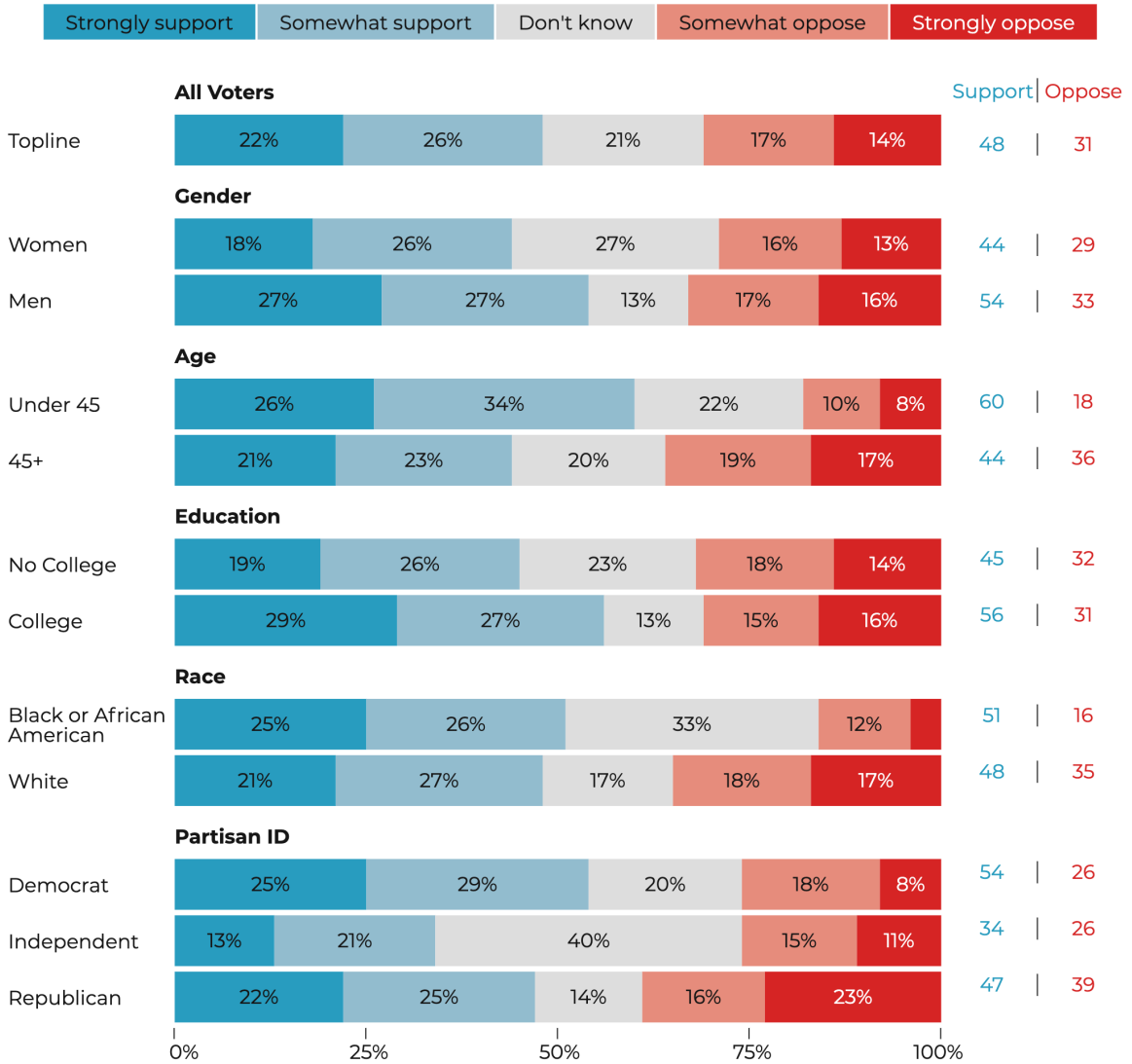
Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a “bailout”) to businesses hit hard by the coronavirus pandemic. Some members of Congress are proposing that the federal government take an ownership stake in corporations that receive federal aid as they did in the last recession. Proponents say that the government is providing the

funding to keep these companies in business and should have an ownership stake to help ensure the business makes good decisions for their workers and their communities. Opponents say that this is socialism and that the government can’t manage private companies well and this will only slow down the economic recovery, making it harder for Americans to get jobs. Do you support or oppose this proposal?

Overall, voters support the proposal by a 17-point margin (48 percent support, 31 percent oppose). Men support this by a 21-point margin (54 percent support, 33 percent oppose), while women do so by a 15-point margin (44 percent support, 29 percent oppose). Voters under the age of forty-five are extremely enthusiastic about the idea, backing it by a 42-point margin (60 percent support, 18 percent oppose). Those with college degrees are also fairly supportive, backing the proposal by a 25-point margin (56 percent support, 31 percent oppose). There’s also considerable bipartisan support for this proposal. Democrats support the proposal by a 28-point margin (54 percent support, 26 percent oppose), and Republicans support it by an 8-point margin (47 percent support, 39 percent oppose).

Voters Support The Federal Government Taking An Ownership Stake In Exchange For A Bailout

Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a "bailout") to businesses hit hard by the coronavirus pandemic. Some members of Congress are proposing that the federal government take an ownership stake in corporations that receive federal aid as they did in the last recession. Proponents say that the government is providing the funding to keep these companies in business and should have an ownership stake to help ensure the business makes good decisions for their workers and their communities. Opponents say that this is socialism and that the government can't manage private companies well and this will only slow down the economic recovery, making it harder for Americans to get jobs. Do you support or oppose this proposal?



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Next, we tested public opinion toward the second proposal—i.e., the government taking an ownership stake in corporations that receive bailout money, and paying out dividends to taxpayers. Specifically, we asked voters:

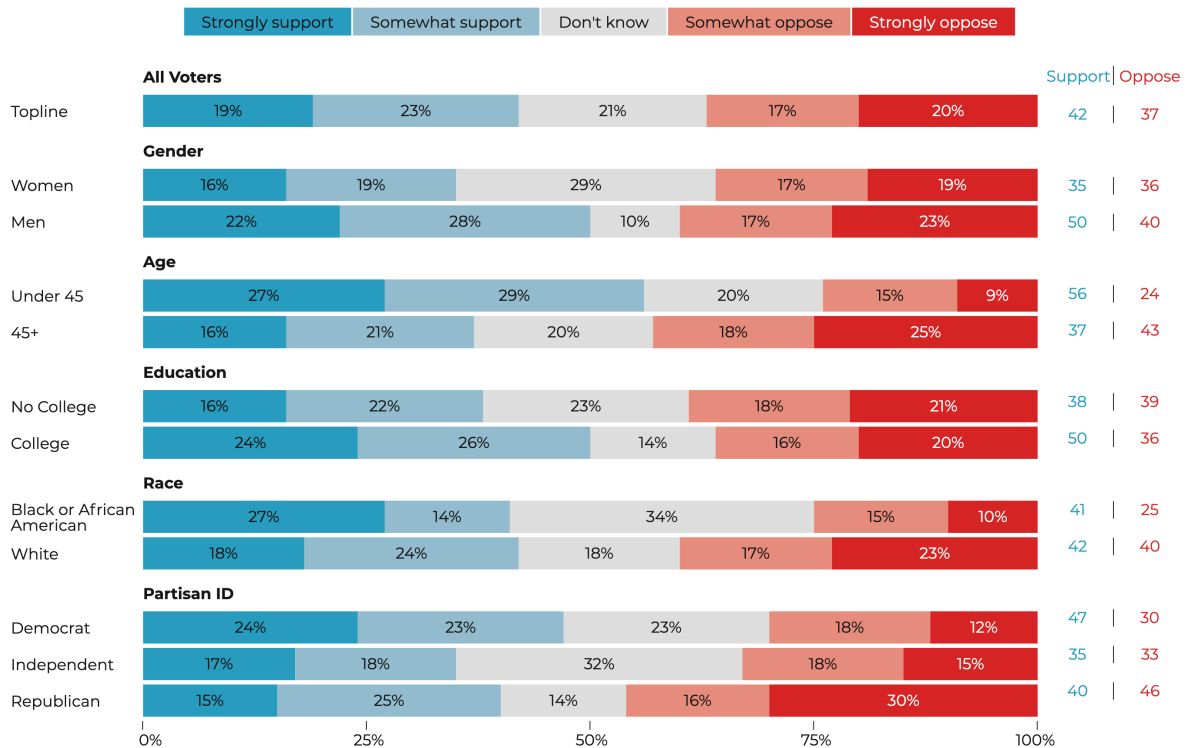
Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a “bailout”) to industries that have been hit hard by the coronavirus pandemic. Some have proposed adding provisions to this support. Would you support or oppose: -- having the government take an

ownership stake in companies that receive bailout funding that pays dividends to taxpayers.

Overall, voters support the proposal by a 5-point margin (42 percent support, 37 percent oppose). Like with the other issues tested, voters under the age of forty-five and those with college degrees are quite keen on this proposal. Attitudes around this proposal are highly correlated with partisanship. Democrats support the proposal by a 17-point margin (47 percent support, 30 percent oppose), while Republicans oppose it by a 6-point margin (40 percent support, 46 percent oppose).

A Plurality Of Voters Support The Government Taking Ownership Stakes In Companies That Pay Dividends

Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a "bailout") to industries that have been hit hard by the coronavirus pandemic. Some have proposed adding provisions to this support. Would you support or oppose: -- having the government take an ownership stake in companies that receive bailout funding that pays dividends to taxpayers.



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CONCLUSION

These results indicate that voters are receptive to the idea of affixing green conditions to bailouts of the cruise and airline industries, and are open to the idea of the government taking an ownership stake in corporations that receive bailout money and are also open to using this stake to pay out dividends to taxpayers. Voters appear to see an opportunity to address the climate crisis within coronavirus-related bailouts. Indeed, voters appear quite receptive to an approach that would leverage bailouts to place regulations on corporations and reallocate capital through collective control. Leaders in Congress should heed the will of voters and tie green conditions to future bailouts, and consider taking an ownership stake in corporations.

METHODOLOGY

On May 4, 2020 Data for Progress conducted a survey of 1143 likely voters nationally using web panel respondents. The sample was weighted to be representative of likely voters by age, gender, education, urbanicity, race, and voting history. The survey was conducted in English. The margin of error is ± 2.9 percent

On April 6, 2020, Data for Progress conducted a survey of 2643 likely voters nationally using web panel respondents. The sample was weighted to be representative of likely voters by age, gender, education, urbanicity, race, and voting history. The survey was conducted in English. The margin of error is ± 1.0 percent.

APPENDIX

Testing the Green Bailout with Partisan Frames

Both green bailouts of the cruise and aviation industry were retested with Democratic arguments for the bailouts and Republican arguments against the bailouts. The idea behind this was to see how these proposals would fare in a partisan environment. What we found is that even when subjected to a partisan framing, both policies retain high levels of support. In this appendix, we present these findings.

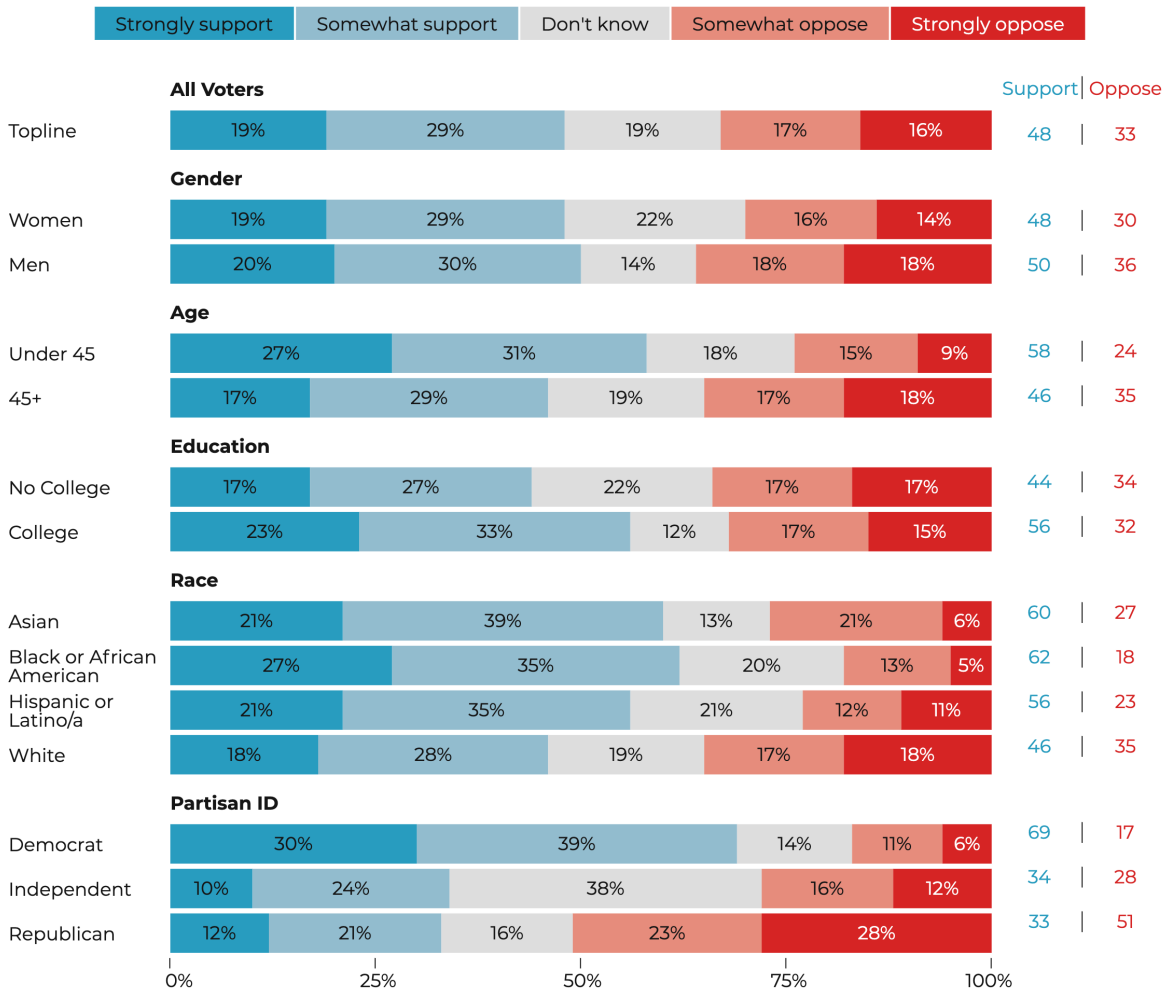
In this first chart, we look at levels of support for a bailout of the cruise industry, with partisan framing. Specifically, we asked voters:

Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a “bailout”) to the cruise industry, which has been hit hard by the coronavirus pandemic. Some Democrats in Congress are considering a rule that would require cruise companies that receive federal aid to limit pollution and waste as well as adopt less polluting fuel sources. Democrats say that it’s only reasonable that if the government keeps these companies in business they should commit to polluting less, especially since many cruise companies pay very little or nothing in taxes. Republicans say that the free market should decide what fuels cruise ships use and that this will only slow the economic recovery of the cruise industry by taking decision making power away from businesses. Do you support or oppose this proposal?

We found considerable support for this proposal. Overall, voters support green conditions on a bailout of the cruise industry by a 15-percentage-point margin. Support is largely consistent regardless of gender. Voters under the age of forty-five are especially keen on this bailout, backing it by 34 points (58 percent support, 24 percent oppose), compared to those over forty-five, who support it by 11 points (46 percent support, 35 percent oppose). Voters of color are especially supportive. For example, black voters support this proposal by a 44-point margin (62 percent support, 18 percent oppose). Attitudes are generally sorted along partisan lines. Self-identified Democrats are quite enthusiastic about the proposal, supporting it by 52 points (69 percent support, 17 percent oppose). Meanwhile, self-identified Republicans oppose it by 18 points (33 percent support, 51 percent oppose). Self-identified independents support the proposal by 6 points (34 percent support, 28 percent oppose), with a plurality (38 percent) not sure.

Voters Support Bailing Out The Cruise Industry But With Conditions

Do you support or oppose this proposal?



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Next, we turn our attention to attitudes surrounding a bailout of the aviation industry, again with green conditions. Specifically, we asked voters:

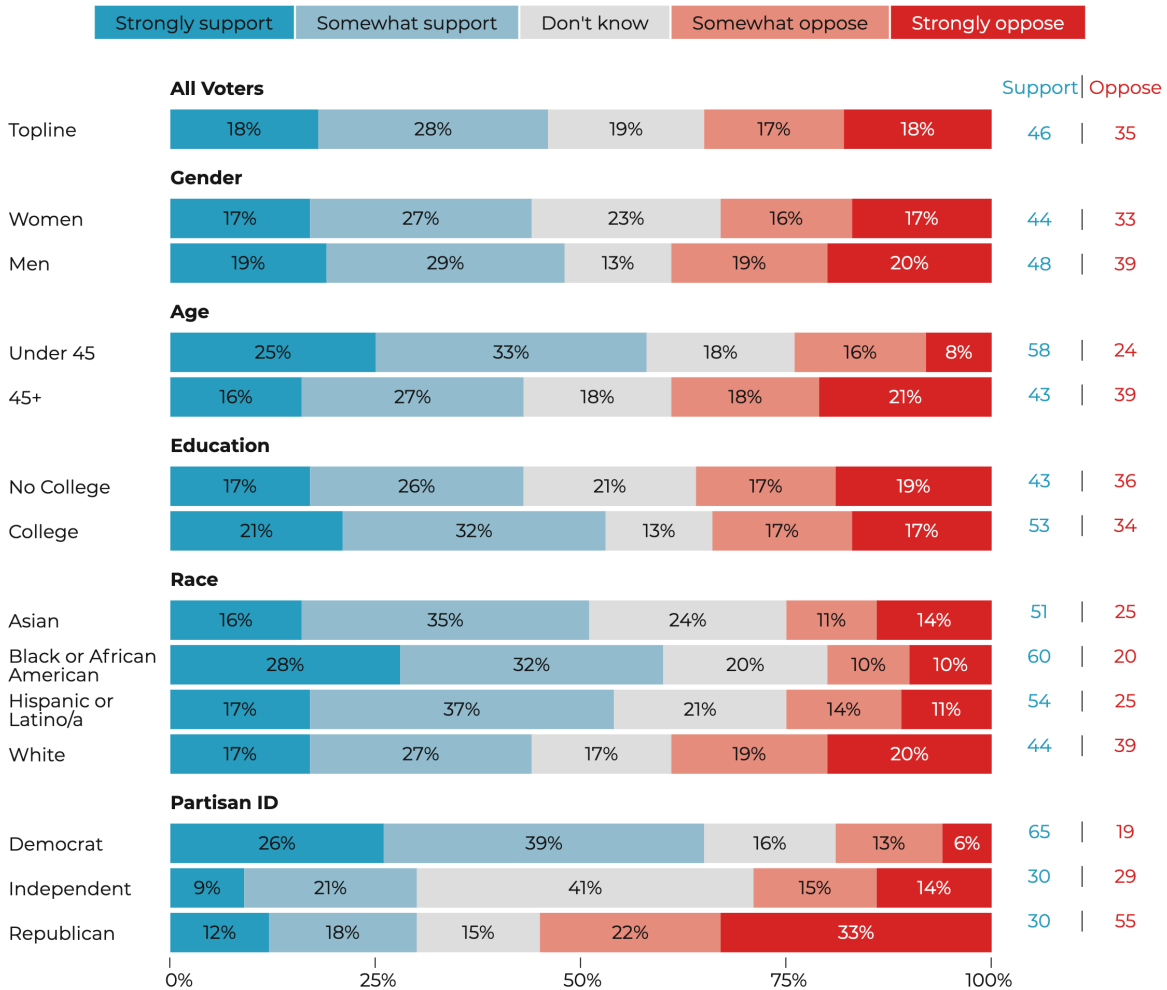
Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a “bailout”) to the aviation industry, which has been hit hard by the coronavirus pandemic. As part of the bailout, some Democrats in Congress are considering dedicating \$300 million per year to research cleaner jet fuels as well as regulations requiring airlines to reduce carbon emissions 50% by 2050. Democrats say that it’s only reasonable that if the government keeps these companies in business they should commit to polluting less. Republicans say that this is

unnecessary government intervention in the free market and the best way to get the economy back on track is by letting businesses make their own decisions. Do you support or oppose this proposal?

Overall, voters support a green bailout of the airline industry by an 11-point margin (46 percent support, 35 percent oppose). Looking closer at support, we see similar levels across partisan and demographic breakouts as we did toward a green bailout of the cruise industry. Those under the age of forty-five are, again, especially enthusiastic, supporting it by 34 points (58 percent support, 24 percent oppose). Voters of color are supportive of the proposal, with Asian, black, and Hispanic voters favoring the proposal by wide margins (36 points, 40 points, and 29 points, respectively). Once more, opinions are highly correlated with partisanship. Democrats back the proposal by 46 points (65 percent support, 19 percent oppose), while Republicans oppose it by 25 points (30 percent support, 55 percent oppose).

Voters Want Conditions Attached To An Airline Bailout

Congress is considering providing financial assistance such as short term loans, financing and cash infusions (commonly called a "bailout") to the aviation industry, which has been hit hard by the coronavirus pandemic. As part of the bailout, some Democrats in Congress are considering dedicating \$300 million per year to research cleaner jet fuels as well as regulations requiring airlines to reduce carbon emissions 50% by 2050. Democrats say that it's only reasonable that if the government keeps these companies in business they should commit to polluting less. Republicans say that this is unnecessary government intervention in the free market and the best way to get the economy back on track is by letting businesses make their own decisions. Do you support or oppose this proposal?



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CONCLUSION

Tying bailouts of the cruise and aviation industries with green stipulations is a popular position, even when tested in a partisan environment. Lawmakers in Congress, especially those committed to responding to the dual threats of coronavirus and climate change, should act with the knowledge that voters strongly support a green bailout.

METHODOLOGY

On March 31, 2020, Data for Progress conducted a survey of 2165 likely voters nationally using web panel respondents. The sample was weighted to be representative of likely voters by age, gender, education, urbanicity, race, and voting history. The survey was conducted in English. The margin of error is ± 2.1 percent.

EDITED BY

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COVER PHOTO

Lucas Marcomini/Unsplash