

Gas Prices Start To Impact Economic Issue Handling

As we flagged in last week’s Discussion Points, the weekly average of gas prices increased to \$3.63 after the beginning of Operation Epic Fury, up from \$3.07 at the end of February. This week’s report saw a 22 cent increase to \$3.85 resulting from the standoff in the Strait of Hormuz.

With the jump in gas prices, we have seen an increase in the percentage saying cost of living is increasing faster than their wages. Our new survey for Winning the Issues (March 15-17) shows that 71% of voters see the cost of living increasing faster than their wages, up from 65% in January. Twenty percent say their wages and cost of living are increasing at about the same rate. Only 5% say their wages are increasing faster than cost of living.

Looking at trends in issue handling, there has been erosion in Republican leads since the beginning of the year. Republicans went from having a +3 advantage on the economy to being down -1, and jobs went from even to -4. Inflation dropped from a Republican advantage of +3 to -6. As the chart shows, the slippage in Republican economic leads started long before Operation Epic Fury began, but the events of the past month have introduced additional challenges.

Issue Handling (R-D)	Post-Elect	Aug	Oct	Nov	Jan	Mar
Economy	+11	+1	-1	-3	+3	-1
Jobs	+3	-3	-5	-1	0	-4
Inflation	+12	-3	-3	-3	+3	-6

There are many positive developments happening in Operation Epic Fury, and the military needs time to achieve their objectives. This remarkable military initiative has the potential to eliminate the Iranian nuclear threat once and for all. In the meantime, the White House and Congressional leadership must manage the domestic economic situation, which now includes a concerning jobs outlook.

For more thoughts on the economy, see David’s latest Roll Call column [Connecting the dots on the economy](#).

Have a good weekend.

David & Myra