

Canada's debt-to-GDP ratio - Ottawa's case for launching a borrowing program that stretches farther than the eye can see is justified by the comforting thought that Canada's debt-to-GDP ratio, at <40%, is low by the standard of other developed countries (thus in Germany it is 80+% & in the US 100+%). But this is a bit of an apple & oranges comparison; for in other countries junior governments typically have lower debt-to-GDP ratios than the Canadian provinces; so if the latter are included, Canada's public sector debt-to-GDP ratio is not unlike Germany's. And while the Alberta government has launched a massive borrowing program (that has seen the government throw its earlier promises of a balanced budget at some point in the future under the bus, starting from a *minuscule* net asset position, this conveniently overlooks the fact that seven years ago Alberta's net asset position was \$45BN (i.e. 16% of GDP); in other words, during a period when WTI was above-, often well above-, US\$80 its predecessor had already been overspending by an average \$6.5BN/year.

First Quarter IPO activity - Only nine companies went public in the quarter, raising US\$1.2BN, whereas 24 companies got cold feet due to less-than-sufficiently-favourable investor interest. This was the first quarter in almost seven years that the number of companies that had announced IPOs & gotten cold feet exceeded the number of those that did follow through.

Default or no default? - In 2014 Guoseng Securities, an SOE & China's eighth-largest investment bank, sold, through a subsidiary, a 1.2BN yuan (US\$186MM) bond issue in Hong Kong, guaranteeing it through a so-called "keepwell" agreement. A 38.4MM yuan interest payment is due April 24th. The Bank of New York Mellon first received a notice from the issuer dated March 23rd THAT a section of "the keepwell deed is not in full force and effect which constitutes an event of default" but LATER received a clarification "to correct statements set out in earlier communications from Guosen." - *no doubt someone in Guosen got his ears boxed for this, if not worse; for the amount of money involved pales into insignificance compared to the potential damage to the China 'brand' from any perceived default for whatever reason.*

Just when you think you have seen it all - Alberta's child advocate wants the government to 'reinforce support networks for children whose parents have addictions'. This was prompted by the death of a "happy and curious 10-months-old girl, surrounded by a loving family but plagued by her parents' alcohol abuse" (to the point that their children occasionally had to seek refuge with their grandparents?) who nevertheless in 2014, on the remote aboriginal Fox Lake aboriginal reserve in Northern Alberta, had drowned in a bucket of 'homebrew' after 'her mother consumed alcohol & fell asleep while caring for her infant daughter'.

Last week's Canadian Budget - A discussion about it with one of you led to him commenting, quite a propos, that "this new finance minister must be a poor student of history if he believes that economic growth will raise gov't revenues to the point where the budget is in balance. That did not happen from 1970-1993 under Messrs. Trudeau and Mulroney. It has not happened in 13 years in Ontario under Premiers McGuinty and Wynne. Two gov'ts have brought the budget out of deficit and into balance--the Chretien-Martin tag team and the Harper-Flaherty tag team. They only achieved this by offloading expenditures onto the provinces or by rigorous control of their own spending"- *Those who cannot (or will not?) remember the past are condemned to repeat it. (George Santayana).*

GLEANINGS II - 660

Thursday March 31st, 2016

WHEN THE NECESSARY IS IMPOSSIBLE (NYT, Thomas L. Friedman)

- Back in Iraq for the first time in two years, made me see that the central question bedeviling US foreign policy in the Middle East is ‘what if the necessary is impossible, the impossible is impossible to ignore, and your key allies are impossible?’ Crushing ISIS is needed to stabilize Iraq & Syria & ignoring it, & its ability to metastasize elsewhere, is impossible. But the locals are divided among themselves & won’t cooperate with each other & *all have their own narrow tribally-focused agendas*; just trying to figure out the differences between the various Kurdish parties & militias in Syria & Iraq took me a whole day! While we try & make Iraq safe for democracy, President Erdogan of Turkey, our key ally in the region, is turning his country from a democracy into a dictatorship. As far as Iraq is concerned, according to Najmaldin Karim, the governor of Kirkuk Province (which is partly occupied by ISIS)¹, “The problem with Iraq is not ISIS ... ISIS is the symptom of mismanagement & sectarianism.” And the situation may become even worse after ISIS is evicted from its Mosul stronghold *in Kirkuk province, or in due course toppled*, if the infighting & mismanagement in Baghdad and the sectarian tension between Shiites & Sunnis does not end; for it will prompt a scramble between Iraqi Sunnis, Shiite militias, Kurds & Turkmen, and Turkey & Iran (& *Saudi Arabia?*) for control over the now ISIS-held lands. In addition, since some Sunnis, often the poorer ones who did so to gain power over their better-off co-religionists, joined ISIS while others didn’t, there will be lots of scores to be settled. To come to any viable solution, the Iran-, & Saudi Arabia-, fueled Shiite-Sunni struggle has to be tempered; for ISIS is like a rocket whose guidance system is based on the puritanical, anti-Shiite-, & anti-pluralistic-, Saudi Wahhabi ideology & fueled by Shiite Iran’s aggressive push to keep the Iraqi Sunnis permanently weak. In the end, only Arabs & Muslims can bring down ISIS, and right now they are too divided-, too angry-, too ambivalent-, & too confused to do so.

Not optimistic but likely realistic. But he too doesn’t focus on what lies ahead for Syria after the civil war ends, no matter who’s in charge; for it will be a country short of people generally (& its ‘best & brightest’ in particular?) but long on traumatized ones, with damage to its physical plant not unlike Germany’s after WW II, but without the likelihood of a Marshall Plan 2.0 to help them get back on their feet (which will then give rise to endless further disputes over the resources that will be available).

TAKE THIS RALLY WITH A GRAIN OF SALT (FP. Joe Chidley)

- It looks as if the global commodities implosion has bottomed out. The Baltic Dry Index (an indicator of the cost of moving bulk dry goods by sea & deemed a proxy for the level of global economic activity) is up 38% in six weeks. Iron ore prices are up nearly 30% YTD, and so are those of base metals like zinc & copper. The WTI is up 50% from its February 11th low of US\$26. But there is reason for caution. The primary reason for these price recoveries is that the levels from which they have recovered were low; thus the Baltic Dry Index at 400 is a mere shadow of its 2008 high of 11,793, copper prices are still less than half what they were five years ago, and the price of oil is little more than one-third of that less than two years ago. Secondly, much of the rationale for this price recovery is based on greater optimism about the outlook for the Chinese economy that may, or may not, be justified. Thirdly, the price rally appears driven more by supply-,

¹ Nominally part of Iraq, but in reality controlled by ‘Iraqi Kurdistan’.

than demand-, considerations that may be fleeting (i.e. the fact that mines have suspended operations & ship owners have been scrapping vessels); but this process can only be taken so far & *a younger fleet will be more efficient & able to survive lower pricing* and there is *anecdotal* that some mines that not long ago were deemed no longer economic are being put back in production. And finally, the reality of life is that there remains a great deal of overcapacity in the system. The only possible bright spot may be grain prices. For El Nino is disrupting weather patterns everywhere, In India, late-season storms have damaged crops & delayed harvesting. Australia is once again drought-stricken. And USDA recently estimated that world wheat inventories will decline this year (albeit after two years of record harvest-driven build-ups).

The underlying reality is that the global economy is still in a bit of a funk.

THE U.S. IS A BIG OIL IMPORTER AGAIN (Bloomberg, Matthew Phillips)

- As of March 25th, the four-week running average of US oil imports was 7.9MM bbld, up 9.8% YoY. Domestic oil output is down 600,000 bbld from its 9.6MM bbld peak & refiners are buying foreign oil to compensate. *For Gulf Coast refineries* WTI has to be 3 to 5 dollars cheaper than imported oil to pay for pipelining it from Cushing, Okla. And while from 2011-2014 it was on average US\$12.61/bbl cheaper than equivalent foreign oil, for a few days in January WTI actually traded at a premium over Brent, & it now is only less than a dollar cheaper). Another contributing factor is that the shale oil boom came at the very time U.S. refiners were spending billions to be able to process heavy oil from Mexico & Venezuela (& *the Alberta oilsands, brought in by train?*) that is US\$9 cheaper than WTI. Finally, the US is hoarding a lot of foreign oil : on March 25th US commercial crude inventories hit 534MM bbls², a level second only to the 545MM in 1929, just before the start of the Great Depression (*a time, however, when the US economy, & its oil consumption, was only a tiny fraction of that today*).

And the ultra-low interest rates mean that there has been a boom in oil storage capacity building since this can generate payback periods for their owners as short as five years.

CONTROVERSIAL MK SUSPENSION BILL PASSES FIRST KNESSET READING

(The Times of Israel, Raoul Wootliff)

- In February three Arab MKs made a condolence visit to the families of Palestinians killed while attacking Israelis & observed a moment of silence; deemed tantamount to showing support for terror, the Knesset Ethics Committee suspended two for four-, & the third for two-, months for doing so. And the Knesset on March 28th, despite two Likud members not supporting it & Avigdor Lieberman's opposition Yisrael Beitenu party abstaining, approved by a vote of 59-52 first reading of a law that would allow 90 MKs to suspend any fellow MK(s) if they "negate the State of Israel as a Jewish and democratic state", incite racism, or express support for a terror group in its war against Israel. This was preceded by a flurry of speeches for & against the bill, by some MKs digressing to the case of a soldier charged with murder for the shooting death in Hebron of a wounded Palestinian assailant the week before, and by Prime Minister Netanyahu declaring it would help in the fight against terror & telling the weekly Likud caucus meeting, in

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i.e. 97% of the country's working oil-storage capacity

anticipation of some opposition, “I expect all those who say they are in favor of the bill to vote in support and not to give an advantage or profit to those who support terror.”

- But it will need to pass two more readings. Meanwhile, the Knesset’s Chief Legal Adviser said that, while not necessary, to avoid legal challenges it would be “preferable” for the proposal to receive a majority, Israeli President Reuven Rivlin warned that the bill reflected “a problematic understanding of parliamentary democracy” & the proper way to deal with MKs who had-, or were deemed to have-, committed, crimes was through the Attorney-General’s office, and Opposition Leader Isaac Herzog said it would do nothing to prevent terror attacks & tweeted “I call on the prime minister and his coalition : Stop! ... This is an unnecessary and twisted law that is not needed in order to fight terror.”

The Knesset already seems to have the power to deal with such an issue, & has done so, Rivkin & Herzog have a case, & Netanyahu must have had ulterior motives for pushing this.

DEMOCRACY IS A JOKE, SAYS CHINA - JUST LOOK AT DONALD TRUMP

(The Guardian, Tom Phillips)

- Upheavals & unrest within its own border get scant coverage in China’s heavily state-controlled media while problems in democracies elsewhere get lots. Thus Donald Trump has for China’s authoritarian leaders become a poster child for the dangers of letting the masses choose their leaders, with the CPC-controlled Global Times this week crowing “The rise of a racist in the US political area worries the whole world ... He has even been called another Benito Mussolini or Adolf Hitler by some Western media ... Mussolini and Hitler came to power through elections, a heavy lesson for Western democracy.”
- According to Zhou Fengsuo, a US-based democracy activist who fled China in 1989 after Tiananmen Square, “They are relishing this moment ... To them [Trump] is a good character to show the deficiencies of the democratic system, that such a person could become president.” But Nick Bisley, a professor of International Relations at Australia’s Melbourne-based La Trobe University³, says that while Beijing is ecstatic at the emergence of a “buffoonish, clownish, evil boss” who would well capture the “chaos of democracy”, deep down it will have serious concerns about the prospect of having to deal with a Trump administration (*that would be less predictable than its predecessors?*)

The one thing about democracy is that it tends to have more ‘staying power’ than dictatorships, since its system is stronger than the players in it, rather than the other way around.

LABOR PROTESTS MULTIPLY IN CHINA AS ECONOMY SLOWS, WORRYING LEADERS

(NYT, Javier C. Hernández)

- After getting up early seven days a week for seven years for a 10-hour shift in a Guangzhou steel plant, earlier this month Li Wei & hundreds of his co-workers stood outside it, singing patriotic battle hymns, to protest pay cuts. And when, after their strike was declared illegal, police descended on them by the hundreds, tearing down signs & ordering protesters back to work, he told them “I have sacrificed my life for this company ... How can you do this?”
- As China’s economy slows after decades of breakneck growth, labour protests abound as employers withhold wages & benefits, lay off staff or shut down altogether, prompting

³ Deemed a bastion of radical & progressive thought among Australia’s universities.

workers to react with unusual ferocity, albeit focused on wage arrears & unpaid benefits, i.e. economic-, not political-, issues. Nevertheless President Xi has responded with a methodical crackdown, while at the same time seeking to placate workers by pressuring employers to settle disputes & providing huge sums for welfare & retraining. This underlines the dilemma facing a CPC that has embraced capitalism & welcomed *billionaire* tycoons in its ranks, while continuing to portray itself as a socialist guardian of workers' rights at a time the social media have made workers better informed & enabled them to be easier organized. But there are few signs of a national labour movement emerging as the authorities arrest activists and/or shut down their social media accounts & clamp down on the social media, deleting news items reporting on labour unrest & monitoring chat forums for signs of collective action.

- While last year most protests targeted private employers, there is now evidence of them spreading to government enterprises : while Beijing is already planning to lay off 1.8MM steel & coal workers, it may have to lay off millions more in the state-owned sector in which in 2013, when times were still pretty good, only 58% of all SOEs were profitable.

Cornell's Prof. Eli Friedman, a Chinese labour issue expert, defined the nub of Xi's problem as "Governments are not swimming in money the way they used to." Recently a letter signed by "loyal Communist Party members" appeared on, of all things, a government-linked website, calling on President Xi to resign, sending his security apparatus in a tizzy.

JAPAN'S NEGATIVE INTEREST RATES A LOOMING HEADACHE FOR ITS CENTRAL BANK (Reuters, Lisa Twaronite)

- By driving interest rates into negative territory the Bank of Japan has turned the government bond market into a free for all. Earlier, the US\$9TR market had been all but paralyzed by a massive monetary easing program, started three years ago, under which the BoJ became the dominant-, *if not the only*-, buyer, drying up liquidity. But in the two months since it announced it was imposing a negative interest *on moneys the banks had on deposit with it*, this has changed; for with yields on JGBs out to 12 years (about 75% of the market) now generating negative yields, panicked investors have been piling into 20-, or even 30-, year maturities with a total disregard for the risks in doing so.
- While this has kept the cost of funding the government's massive debt *artificially* low in the short run, fears are rising that any increase in the cost thereof could cause the government to lose control of its finances (as it is, 40+% of the government budget goes into debt servicing, *while its population is rapidly aging*). And, while the IMF has warned that the BoJ is reaching the limits of the amount of debt it can swallow, the market expects it will expand its asset purchases (*and will have to expand their range to include other asset classes since it already 'owns' the JGB market*).

If there ever was a predictable train wreck in the making, this may be it. And if the BoJ ever were to decide it wanted to lighten its bond portfolio, the result could be like that of what a friend of mine called an "owl stock" (i.e. a hugely overbought one in an illiquid market) when a sell order merely trigger an owl-like "To whom, to whom?" echo.

JAPAN'S TRUST BANKS TO START IMPOSING NEGATIVE RATES ON CLIENTS

(Reuters, Hideyuki Sano)

- Japanese banks have so far steered clear of introducing negative interest rates on deposit accounts. But this is now changing; for Mitsubishi UFJ Trust & Banking & Sumitomo Mitsui Trust Bank, among others, have notified their institutional clients that they plan to impose charges-, rather than pay interest-, on their savings trust contracts (so as to pass on the cost of the BoJ's negative interest rates).

In an environment of a growing scarcity of low-risk investment instruments that still offer some positive returns, these institutions had been moving their short-terms cash into this very asset class; now this option has gone up in smoke for them - more evidence of the central banks' increasingly distorting effect on money flows within the economies they are supposed to 'manage'?

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DEMOCRATS EVENLY SPLIT OVER CLINTON, SANDERS (Bloomberg Politics, J. Sink)

- Between March 19th & 22nd West DesMoines, Iowa-based Selzer & Co. polled 1,000 adults. It found that, halfway through a race she entered as a clear winner, Hilary Clinton is deadlocked with Bernie Sanders. For, when asked, of those who had already voted, or were planning to vote, in a Democratic primary, "which one of the following Democrats would be your first choice for President?", 49% picked Sanders & 48% Clinton. Enthusiastic first time voters, those under 35 & self-avowed independents are keeping him in the race. Primary voters say, by more than 2 to 1, that Sanders would fight harder than Clinton for the middle class & do more to rein in the power of Wall Street. Nearly 60% say Sanders cares more about people like them, and by 64-25 see him as more honest & trustworthy. And in a head-to-head with Republican, while she beats Trump 54-36 & Cruz 51-42 but loses to Kasich 43-47, he beats all three, *with wider margins*, 58-34, 52-40 & 46-42.
- But looking forward, signs are more encouraging for her. She leads him 50-47 among those yet to vote in primaries or caucuses⁴, by 27 points among those over age 35, by 18 among self-identified Democrats, & by 15 among women. And over half say she rates higher in "presidential characteristics", would work more effectively with Congress, knows how to get things done, and would be better at managing the economy & beating terrorists (the latter by a margin of 3 to one). She is favoured 56-31 in dealing with Putin while 60% are bothered by his lack of foreign policy experience. And she will benefit from the 'warming views' towards Obama, whose approval rating is now 50%, up nine points from November.

Turnouts have been higher than usual (& this typically favours underdogs rather than incumbents) & the big turnout of young and/or first time voters last week proved the pollsters disastrously wrong. For in five of the six primaries Sanders didn't just beat-, but 'whup'-, her (latest poll numbers in brackets) : Idaho 78-21 (47-45), Utah 79-20 (34-51), Alaska 79-21 (34-48), Hawaii 71-29 (no polls) & Washington 75-25 (no polls). And in the one in which Clinton beat

⁴ This is supposed to be an advantage? Instead it should send a shiver down the spines of the Clintonians, because she had a much bigger lead among those who already voted..

Sanders 58-40, in Arizona, he way outdid the polls' 50-24-26; in other words, he beat Clinton 2 : 1 among the previously 'undecided'. Nevertheless, while on the week he gained 157 delegates vs. Clinton's 82, going forward, he will need more poll-defying performances to keep up this pace.

REPUBLICANS IN BLOOMBERG POLL NOT SOLD ON PLAN TO STOP TRUMP

(Bloomberg Politics, John Mc Cormick)

- *During the same period the same firm polled the Republicans. While the most committed Republicans are not rallying behind efforts to stop Trump, he still faces an uphill climb even though 63% of those who have so far voted, or plan to do so, back his view that the one with the most votes on the first ballot should win the nomination, even if he doesn't have a majority. And he is now viewed unfavourably by 68% of Americans (up 8% MoM & 13% from November) vs. Clinton's 53% (up only slightly). And he may be tarnishing the Republican 'brand'; for 60% of Americans now view it unfavourably (a post-September 2009 high), vs. 43% for the Democratic one. Be that as it may, when asked "which one of the following Republicans would be your first choice (*for President?*), Trump came first with 48%, Cruz was next with 31% & Kasich last with 25%. But on a one-on-one against Clinton, Kasich comes out best : while she would beat Trump 54-36, Cruz 51-42, she would lose to him 43-47 (Kasich polls best among married parents, Catholics & white males, getting 53%, or more, of their votes). One 56 year-old kindergarten teacher from Lexington, NC supports Trump, saying "I've never voted for anyone like him ... I don't know whether I can trust him, but I like that he is different... and want to take a chance with him ... (*even though*) he reminds me of my kindergarten students : whatever he thinks in his head, he says." Two thirds of Trump's supporters say that they don't care he used Chinese companies to make Trump-branded products & that he supports continued funding for Planned Parenthood for services other than abortion, and 57% don't that he didn't immediately denounce the support of the KKK's David Duke, and they were evenly split about his Trump University being sued for misleading students.*

It's hard to escape the notion from the above that Republican Party supporters are confused.

BAD CHOICES (The New Yorker, Amy Davison)

- The morning after the Brussels bombings Cruz was on Fox and Friends to celebrate his victory in Utah (won with Romney's help) & to defend his call to "empower law enforcement to ... secure Muslim neighbourhoods before they become radicalized" (which may be difficult since America's 3MM Muslims, *over one-third US-born*, tend not to live in specific neighbourhoods). While this prompted a retort by NYPD Chief Bill Bratton "the Senator lives in the United States ... We don't need a President that doesn't respect the values that form the foundation of this country", on this issue Cruz seems in line with today's GOP thinking in which Trump & he are vying for the low ground in the fight against terrorism.
- Some GOP leaders now are getting behind Cruz to deny Trump the nomination. They include Jeb Bush, once the moderates' hope, who after Cruz called for patrolling Muslim

neighbourhoods, called him “a consistent principled conservative” on Facebook, Lindsey Graham who not long ago compared a choice between Cruz & Trump to “being shot or poisoned”, Glen Beck who asked Cruz on his show what he might do about unnamed “bad Muslims” whom George Bush had brought into government & Cruz campaign adviser Frank Gaffney who says Barack Obama may be America’s first Muslim President.

- Neither Bush or Graham needed to have done so. For Kasich, whose positions are closer to those of a traditional conservative, quickly condemned Cruz’s Muslim neighbourhood comments. But in many states in which primaries or caucuses have been held, exit polls have suggested that in each case Republican voters agreed with Trump’s idea of banning all non-citizen Muslims from the US in numbers greater than those who had voted for Trump and, in some cases than those who had voted for Trump & Cruz combined.
- The main difference between Trump & Cruz is that one calls everyone who disagrees with him stupid, weak or disgusting & the other, with a pitying smile, questions their motives, decency & patriotism. So the party that talks loudest about American exceptionalism is given voters a choice between two people who would be perfectly unexceptional in any backwater oligarchy, a choice between a demagogue who shouts & one who insinuates.

The latest bit of grass roots Republican sentiment is the petition on the Internet, which gathered 50,000 signatures in short order, that faults the GOP leadership for having chosen a venue for its National Convention in Cleveland, Ohio that, while the state is an “open carry” one, forbids the carrying of fire arms on its premises. So, after pointing out that Cleveland is a violent city & all three candidates oppose gun-free zones, it calls on the RNC (Republican National Committee) “In order to ensure the safety of your supporters, delegates and all attendees at the convention in July, you must ... rectify this affront to our Second Amendment freedoms and insist upon a suspension of the Quicken Loans Arena’s unconstitutional ‘gun-free’ zone loophole”⁵ - a gun fight on the floor of the convention might do more to advance the case for gun control than anything else could. In the event, all three candidates have been noticeably silent on this issue, and the originator of the petition told CBS later that he was just trying to make the point that the Republicans’ enthusiasm for weaponry did not necessarily extended to large, possibly rancorous gatherings at which they themselves would be present.

MOST REPUBLICANS FEEL EMBARRASSED BY CAMPAIGN (NYT, Patrick Healy)

- An NYT/CBS national poll released on March 21st⁶ revealed that, alarmed by the harsh attacks & negative tone of their presidential contest, broad majorities of GOP primary voters view their party as divided & a source of embarrassment, and think this campaign is more negative than those in the past. Nevertheless, while four out of ten Republicans disapprove of Donald Trump’s handling of violence at some of his rallies, he has picked up the most support from his rivals who have left the race : 46% of primary voters now

⁵ This petition is apt to go nowhere, if only since the Secret Service is adamantly opposed to it.

⁶ Conducted March 17th to 20th on both cell phones & landlines, it involved 1,252 adults of whom 1,058 said they were registered voters, incl. 362 Republican-, & 388 Democratic-, primary voters

say they would like to see him be the party's nominee (vs. 26% Cruz & 20% Kasich), i.e. more than at any time since he first declared his candidacy nine months ago (& fully three-quarters now expect him to be their party's nominee).

- Far more Democratic primary voters see their party as united & say the campaign has made them proud of it, even though they are more sharply divided over their candidates and, while Hilary Clinton still has a slight edge over Bernie Sanders & more than seven out of ten still expect her to win the nomination, growing numbers of Democratic primary voters are becoming more excited about Mr. Sanders as a possible nominee : in the past month the level of enthusiasm for her has fallen eight points to 40% while for him it has grown by 12 points to 56%; in addition, he has an edge over her in a match-up against Trump by 15% over her 10%, while Kasich is the only Republican who would have an edge over her (*Sanders would beat all three*). Half of all voters said they would be scared-, & another 19% that they would be concerned-, if Trump were elected president, with Clinton, with 35% & 21%, not faring much better. Among Democrats doubts persist about Hilary, with 40% of her own party's primary voters saying she is not honest & trustworthy & she is viewed unfavorably by 52% of all voters, one of her highest percentages ever since the 1992 presidential race 24 years ago.
- Anxiety runs high among Republicans given the ferocious-, & sometimes juvenile-, nature of the *personal* insult-laden campaign & its lack of serious political debate. And the potential for political chaos is intensifying their unease, with two-thirds of GOP voters-, & even more Trump supporters-, saying a contested convention would be a bad thing. And while over 80% of Democratic primary voters have a favourable view of their party, they are torn over their choices : while Sanders is regarded as more honest & trustworthy, only 56% of Democratic voters say his policy proposals are realistic, vs. 78% for Mrs. Clinton's. And as to independent voters, 70% of them have a negative view of the Republican-, vs. 55% of the Democratic-, party, with both Trump & Sanders so far having done well among them