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FOR FURTHER INFORMATION:
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AMERICANS SEE ECONOMIC RECOVERY, BUT WONDER IF JOBS WILL FOLLOW

Americans are beginning to believe the nation's economy has turned the corner. This month's ABC News/Money Magazine poll showed a sharp spike in economic confidence, while other recent surveys have found that a declining number of people view the economy as the nation's top problem.

But significant storm clouds remain from the public's point of view. People have yet to see their own financial situation brighten, and they are very worried about jobs. The latest Pew Research Center survey shows that by more than two-to-one (51%-21%), the nation is losing ground, not making progress, in creating good-paying jobs. By comparison, in February 2001, just 36% said the nation was losing ground on the jobs front.

This suggests that, despite all the encouraging economic news of late, it may take some time before the public is fully convinced that the recovery is real. It also could indicate that the current optimism is somewhat fragile and may fade unless the employment picture continues to improve.

Economic Optimism Grows				
<i>The economy is ... *</i>	<u>Getting Better</u>	<u>Getting Worse</u>	<u>Staying Same</u>	<u>Other/DK</u>
March, 2002	47	20	32	1=100
February, 2002	29	27	42	2=100
<i>Over the next year, the economy will ...+</i>	<u>Get Better</u>	<u>Get Worse</u>	<u>Stay the Same</u>	<u>DK</u>
March, 2002	56	12	29	3=100
January, 2002	53	11	31	5=100
November, 2001	38	26	31	5=100
...But Worries Persist				
<i>Recession will end ...+</i>	<u>Already/By mid-2002</u>	<u>Late 2002</u>	<u>2003 or Later</u>	<u>DK</u>
March, 2002	16	28	47	9=100
January, 2002	26	26	40	6=100
<i>Availability of good-paying jobs ...</i>	<u>Making Progress</u>	<u>Staying Same</u>	<u>Losing Ground</u>	<u>DK</u>
March, 2002	21	22	51	6=100
February, 2001	33	26	36	5=100

* ABC News/ Money Magazine poll.
 + Bloomberg News poll.

Recent polls show signs of rising economic confidence, tempered with a dose of caution. The snapshot ABC News/Money Magazine poll found the clearest indications of optimism – 47% said the economy is getting better, up from 29% just a month earlier. But a Bloomberg News survey reflected a more nuanced view: a majority (56%) believes the economy will improve over the next year, but nearly as many (47%) said they expect the recession to drag into 2003.

Such ambiguous attitudes toward the economy have influenced the way people view national conditions, and their own financial status. Signs of a nascent recovery have not led to an improved view of national conditions. If anything, the trend is going in the opposite direction: just half expressed satisfaction with the state of the nation in an early March Pew Research Center survey, down from 61% in a February Gallup survey. Similarly, there has been no improvement in the way Americans view their personal finances: in the Bloomberg poll, 50% rated their finances as excellent or good, while nearly as many (48%) characterized their personal financial situation as fair or poor. Those numbers have barely budged over the past year.

The public’s economic anxiety, as the Pew survey found, is centered on jobs – not unemployment, but rather the prospects for landing good jobs. Bloomberg found that personal worries over layoffs have not risen during the recession, yet there has been a modest decline in the number expressing confidence they could quickly find a comparable job if they were laid off. The proportion saying they are “very confident” of finding a similar job has decreased from 55% last April to 43% in the current survey.

Economic Concerns Down

Clearly, concerns over a tight job market have political implications. Polls suggest that the White House and Republicans are well positioned for the fall elections, but prospects for a “jobless recovery” are hardly encouraging for the GOP.

The good news for Republicans is that decreasing numbers of Americans rate the economy as the nation’s most important problem. In the latest Pew survey, just 8% volunteered the economy as the top problem; by comparison, three times as many (24%) mentioned terrorism. That continues a trend from recent Gallup surveys – in early March, 18% cited the economy as the top problem, down from 24% in February.

	<i>Most important problem is...</i>			
		Terrorism/ War/Security/ Foreign	Economic Issues	Other Domestic
	<u>Total</u> %	<u>Foreign</u> %	<u>Issues</u> %	<u>Domestic</u> %
Republican party	38	49	29	31
Democratic party	27	19	37	32
No difference	21	18	19	24
Don’t know	14	14	15	13
	100	100	100	100
<i>Number of cases</i>	<i>(978)</i>	<i>(412)</i>	<i>(165)</i>	<i>(408)</i>

As long as terrorism dominates the agenda, Republicans have a huge advantage. Overall, the GOP holds a 38%-27% edge over the Democrats in handling the nation's most important problem. This is the largest Republican margin over the Democrats on this key indicator since the heady days of spring 1995, shortly after the Republicans gained control of Congress. But the GOP's lead could prove less significant than it appears, as it is primarily based on greater confidence in the party on the terrorism issue rather than economic and domestic issues. Among those who cited terrorism, the Republican advantage is 49%-19%. But the Democrats hold their own on the economy and other domestic issues.

In addition, the continuing focus on terrorism has not changed the public's sense that the nation is losing ground on some key domestic issues. As many say the nation is losing ground on health care now (54%) as did so in February 2001. A 45% plurality believes the nation is losing ground on education, down from 53% in February 2001. The only major change has come on the availability of good paying jobs, where there has been a 15-point increase in the number who say the nation is losing ground.

The previous recovery showed that it takes time – along with robust economic growth – to change the public's negative perceptions of the job market. As late as December 1996, when the recovery was well underway, 51% still said the nation was losing ground in creating good jobs. It took until November of the following year for that figure to drop substantially to 37%.

Problems Facing the Country				
	<u>Losing ground</u>	<u>Making progress</u>	<u>About the same</u>	<u>Don't know</u>
	%	%	%	%
Health care system	54	16	25	5=100
February, 2001	53	13	29	5=100
November, 1997	54	16	26	4=100
Moral standards	53	14	28	5=100
November, 1997	56	9	28	7=100
Job availability	51	21	22	6=100
February, 2001	36	33	26	5=100
November, 1997	37	31	28	4=100
Education	45	27	22	6=100
February, 2001	53	23	20	4=100
November, 1997	46	26	26	2=100
Poverty/Homeless	42	20	33	5=100
November, 1997	37	18	40	5=100
Terrorism	40	40	14	6=100
April, 1995	36	19	40	5=100
Crime	35	27	34	4=100
February, 2001	38	29	31	2=100
November, 1997	44	24	30	2=100
Political corruption	34	15	43	8=100
November, 1997	47	9	38	6=100
AIDS	23	37	25	15=100
November, 1997	22	48	22	8=100
Racial conflict	21	40	35	4=100
February, 2001	29	29	38	4=100
November, 1997	27	31	39	3=100

ABOUT THIS SURVEY

Results for the survey are based on telephone interviews conducted under the direction of Princeton Survey Research Associates among a nationwide sample of 1,048 adults, 18 years of age or older, during the period March 14-19, 2002. Based on the total sample, one can say with 95% confidence that the error attributable to sampling and other random effects is plus or minus 3.5 percentage points.

In addition to sampling error, one should bear in mind that question wording and practical difficulties in conducting surveys can introduce error or bias into the findings of opinion polls.

**PEW RESEARCH CENTER FOR THE PEOPLE AND THE PRESS
MARCH OMNIBUS STUDY: NATIONAL PROGRESS
FINAL TOPLINE
March 14-19, 2002
N=1048**

Q.1 What do you think is the most important problem facing the country today? **[RECORD VERBATIM RESPONSE. PROBE FOR CLARITY – DO NOT PROBE FOR ADDITIONAL MENTIONS. IF MORE THAN ONE MENTION, RECORD ALL IN ORDER OF MENTION]**

	May 2001	Feb 2001	Aug 1999	June 1999	May 1998	Nov 1997	July 1996	June 1995	Mar 1994	Dec 1993	June 1993	Jan 1992	May 1990	Feb 1989	April 1987
24 Terrorism	1	*	*	*	*	*	–	–	–	–	–	–	–	–	–
10 War in Afghanistan/War	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8 Economy (general)	7	7	2	3	4	4	4	5	4	6	17	43	5	4	7
8 Morality/Ethics/Family values	6	12	13	11	10	9	13	12	10	6	7	3	5	2	3
Defense issues/National security/															
5 Military buildup	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4 Drugs/Alcohol	4	6	6	5	7	7	8	5	10	8	5	4	37	23	6
4 Crime/Gangs/Justice system	4	8	12	11	13	12	19	22	31	25	7	3	7	8	3
4 Unemployment/Lack of jobs	5	6	3	4	6	6	7	10	12	15	19	22	7	9	13
4 Education	8	11	8	7	9	5	6	6	5	5	5	2	4	4	0
4 Dissatisfaction with govt/politics	2	4	3	3	5	4	8	6	5	2	5	2	2	1	0
2 Poverty/Hunger/Starvation	3	3	4	3	3	3	3	4	2	3	3	1	3	4	6
Youth/Teenage kids															
2 not acting responsibly	3	2	2	3	–	–	–	–	–	–	–	–	–	–	–
Health care/Cost/															
2 availability of health care	4	6	6	3	4	5	4	7	14	14	11	3	3	1	*
2 Other domestic	*	1	4	1	1	–	2	5	1	3	5	–	–	–	–
1 Peace in the world/Peace	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
1 Immigration	1	2	1	–	–	–	–	–	–	–	–	–	–	–	–
1 Environment/Pollution	3	1	*	*	2	1	1	1	2	1	*	1	8	2	0
1 Other International issues	2	2	2	4	3	–	*	4	1	2	3	4	6	10	22
1 Homelessness	1	2	2	4	2	3	2	4	3	5	5	6	8	10	*
1 Race relations/Racism/Racial profiling	2	2	2	1	1	1	2	2	3	1	2	1	2	0	0
1 Middle East situation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
1 Deficit/National debt/Balanced budget	1	1	3	1	6	5	7	9	5	6	13	4	11	19	12
Energy crisis/Rising gas/															
1 heating prices	22	4	–	–	–	–	–	–	–	–	–	–	–	–	–

Q.1 CONTINUED ...

	May 2001	Feb 2001	Aug 1999	June 1999	May 1998	Nov 1997	July 1996	June 1995	Mar 1994	Dec 1993	June 1993	Jan 1992	May 1990	Feb 1989	April 1987
1 Other social issues	1	3	4	4	3	-	2	0	*	3	*	*	*	*	*
Inflation/Difference															
1 between wages/costs	1	3	1	*	2	1	2	3	2	2	2	2	3	2	3
1 Other economic issues	2	1	3	-	-	-	-	-	-	-	-	-	-	-	-
1 Taxes	3	3	3	2	4	3	3	3	3	2	4	1	3	2	0
1 Issues related to elderly	2	2	1	3	3	1	2	*	1	1	2	1	2	2	0
6 Other	3	5	1	6	5	6	2	2	2	*	4	1	5	9	1
1 None	*	2	*	1	*	1	*	-	-	-	-	-	-	-	-
8 Don't know/No answer	8	7	11	11	12	7	6	3	4	6	2	3	1	3	3
39 DEFENSE/INTERNATIONAL(NET)	3	5	7	11	5	10	1	9	2	-	-	-	-	-	-
16 ECONOMIC (NET)	40	26	15	8	16	18	18	28	26	33	53	76	26	28	35
3 POVERTY/HOMELESS (NET)	4	5	6	6	6	6	5	8	6	-	-	-	-	-	-

IF "NONE" OR "DON'T KNOW/REFUSED" IN Q.1, GO TO Q.3 [N=978]:

Q.2 Which political party do you think can do a better job of handling the problem you just mentioned – the Republican Party or the Democratic Party?

--- Gallup ---

	Jan 1999 ¹	April 1998	July 1996	April 1995	July 1994	June 1993	Jan 1992 ²	May 1990	May 1988	Jan 1988	May 1987
38 Republican Party	33	40	36	42	36	28	32	29	26	30	28
27 Democratic Party	43	42	35	32	33	35	41	30	38	35	38
21 No difference (VOL)	n/a	10	18	17	16	23	12	31	22	24	24
14 Don't know	24	8	11	9	15	14	15	10	14	11	10
100	100	100	100	100	100	100	100	100	100	100	100

Q.3 Next, as I read you some problem areas, please tell me how you think each is affecting this country today. (First,) do you think the problem of [INSERT ITEM, ROTATE] is ABOUT THE SAME as it has been, that the country is MAKING PROGRESS in this area, or that the country is LOSING GROUND?

	Making Progress	About The Same	Losing Ground	Don't Know
a. Crime	27	34	35	4=100
February, 2001	29	31	38	2=100
November, 1997	24	30	44	2=100
December, 1996	15	23	61	1=100
April, 1995	9	13	77	1=100
March, 1994	7	15	77	1=100
March, 1989	15	19	64	2=100
b. AIDS	37	25	23	15=100
November, 1997	48	22	22	8=100
April, 1995	25	22	48	5=100
March, 1994	23	22	49	6=100
March, 1989	38	17	40	5=100

1 In January 1999, the "no difference" and "don't know" categories are combined.

2 Based on registered voters.

Q.3 CONTINUED ...

		<u>Making Progress</u>	<u>About The Same</u>	<u>Losing Ground</u>	<u>Don't Know</u>
c.	The way the health care system is working	16	25	54	5=100
	February, 2001	13	29	53	5=100
	November, 1997	16	26	54	4=100
	December, 1996	20	25	52	3=100
	April, 1995	14	30	53	3=100
	March, 1994	16	31	49	4=100
d.	Conflict among racial, religious or ethnic groups	40	35	21	4=100
	February, 2001	29	38	29	4=100
	November, 1997	31	39	27	3=100
	December, 1996 ³	27	31	39	3=100
	April, 1995	27	36	35	2=100
	March, 1994	21	32	41	3=100
e.	Political corruption	15	43	34	8=100
	November, 1997	9	38	47	6=100
	December, 1996	12	36	49	3=100
	April, 1995	12	41	44	3=100
	March, 1994	12	39	46	3=100
f.	Low moral and ethical standards	14	28	53	5=100
	November, 1997	9	28	56	7=100
	December, 1996	12	24	62	2=100
	April, 1995	7	20	70	3=100
	March, 1994	6	29	63	2=100
g.	International terrorism	40	14	40	6=100
	April, 1995	19	40	36	5=100
	March, 1994	18	24	53	5=100
h.	Poverty, hunger, and homelessness	20	33	42	5=100
	November, 1997	18	40	37	5=100
	December, 1996	14	30	54	2=100
	April, 1995	11	30	57	2=100
	March, 1994	9	32	56	3=100
	March, 1989	22	23	53	2=100
i.	The availability of good-paying jobs	21	22	51	6=100
	February, 2001	33	26	36	5=100
	November, 1997	31	28	37	4=100
	December, 1996	19	26	51	4=100
	April, 1995	17	24	55	4=100
	March, 1994	10	23	63	4=100
j.	The quality of public education	27	22	45	6=100
	February, 2001	23	20	53	4=100
	November, 1997	26	26	46	2=100
	December, 1996	24	22	52	2=100
	April, 1995	18	20	60	2=100
	March, 1994	17	19	61	3=100

3

In December 1996, the item was worded: "Conflict among racial groups."