

John J. Heldrich Center for Workforce Development

Rutgers, The State University of New Jersey

Americans' Attitudes About Work, Employers and Government

Work Trends

Holding On:

*Americans Assess
a Changing Economic
Landscape*

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A Joint Project with:
Center for Survey Research and Analysis
University of Connecticut

May 2001

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Table of Contents

	<i>Page</i>
<i>Background</i>	
1. <i>Overview Summary</i>	1
2. <i>Confidence with Concern: Economic Worries and Job Satisfaction</i>	10
3. <i>How People Assess the Health of the Economy</i>	13
4. <i>Worker Reactions to a Slowing Economy</i>	17
5. <i>Workers, the Economy, and the Direction of Federal Policy</i>	23
6. <i>How Workers View Spending the Surplus</i>	27
7. <i>Conclusion</i>	30
<i>Appendix 1: Methodology</i>	32
<i>Appendix 2: Survey Results</i>	33

► The Work Trends Series...

Work Trends is the multi-year public opinion series that explores the attitudes of the U.S. workforce on the challenges faced by workers, families, and employers in the changing global economy. To date the series contains data from 8,000 worker interviews on a range of trends and national workplace and policy issues. *Work Trends* is providing a new voice in the national policy debate about economic change. The surveys provide:

- Comprehensive national surveys of 1,000 American workers in each report;
- Analysis of key workforce trends;
- New developments in the workplace;
- Tools to shape public policy;
- Observations by Dr. Carl E. Van Horn, Professor of Public Policy and Director of the John J. Heldrich Center for Workforce Development, Rutgers University, and Dr. Ken Dautrich, Professor of Political Science and Director of the Center for Survey Research and Analysis at the University of Connecticut.

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Background

The John J. Heldrich Center for Workforce Development

The John J. Heldrich Center for Workforce Development at the Edward J. Bloustein School of Planning & Public Policy at Rutgers was founded as a research and policy organization devoted to strengthening New Jersey's and the nation's workforce during a time of global economic change. The Heldrich Center researches and puts to work strategies that increase worker skills and employability, strengthen the ability of companies to compete, create jobs where they are needed, and improve the quality and performance of the workforce development system.

The need to improve worker skills has become a crosscutting issue in the information age. Whereas in the 1950s, six in ten workers were unskilled, today, more than 60 percent of the workforce is skilled and less than 20 percent unskilled. According to Coopers and Lybrand, in 1997 nearly 70 percent of growth company CEOs pointed to the lack of skilled workers as the number one barrier to growth—a figure that had doubled since 1993. Despite the need, U.S. investment in workforce education and training trails other leading democracies.

The transformation to a new economy driven by knowledge and its application has thrust workforce investment strategy to the forefront of domestic policy. In globally competitive labor markets, workers who lack basic skills and literacy are in greater danger than ever before. Urban planning and redevelopment strategies cannot ignore the role of education and work skills in preparing young adults to compete for new jobs in the emerging service, retail, and technology sectors. Similarly, the nation's long debate over

public school reform must acknowledge that our nation's "forgotten half" of young people not attending college need help now to access the economic and social mainstream.

While workers with skills and the determination to keep them sharp are in heavy demand, huge numbers of adults still cannot read, write, or perform basic math functions effectively. A fifth of working Americans have a zero or minimal literacy level in reading and math. Job seekers and young people entering the workforce need solid literacy and numeracy skills, and they need to use them to acquire the job-specific and career-building skills that will give them access to good jobs.

The transformation to a new economy driven by knowledge and its application has thrust workforce investment strategy to the forefront of domestic policy.

The Heldrich Center is the first university-based organization devoted to transforming the workforce development system at the local, state, and federal levels. We identify best practices and areas where government performance should be improved, and provide professional training and development to the community of professionals and managers who run the system and are responsible for making it work. The Center provides an independent source of analysis for reform and innovation in policy making and is engaged in significant partnerships with the private sector to design effective education and training programs.

The Center for Survey Research and Analysis

Two years ago, the University of Connecticut announced the formation of its new **Center for Survey Research and Analysis (CSRA)**, thus strengthening its focus on conducting original survey research. The Center is an outgrowth of the tremendous success of original survey research conducted under the aegis of the Roper Center/Institute for Social Inquiry. For twenty years, Roper Center/ISI had conducted high quality, high profile original research; this tradition is being continued and expanded.

To better understand the public's attitudes about work, employers and the government, and improve workplace practices and policy, the Heldrich Center and the CSRA produce the *Work Trends* Survey on a quarterly basis.

The Center, a nonprofit, non-partisan research and educational facility, is a leader in conducting important public opinion research in the public and private sectors. CSRA staff have completed more than 300 survey projects, for a wide variety of clients, in the twenty years of survey research at UConn.

The Center for Survey Research and Analysis has extensive experience in surveying special populations, including studies of Members of Congress, journalists, business

owners and managers, parents, teen-agers, college seniors, and university faculty.

In addition to quantitative research, CSRA also conducts in-depth qualitative research, including nationwide focus groups, one-on-one interviewing, and case studies. The staff has worked with clients to develop strong secondary research programs in support of on-going research in a variety of fields. Expert statisticians are also available for additional analysis of original and secondary data.

CSRA strictly adheres to the code of ethics published by the American Association of Public Opinion Research, which, among other things, requires us to fully divulge our research methods, treat all respondents with respect and honesty, and insure that our results are not presented in a distorted or misleading manner.

During the past three years staff now affiliated with CSRA have conducted more than seventy national, regional and local survey projects.

To better understand the public's attitudes about work, employers and the government, and improve workplace practices and policy, the Heldrich Center and the CSRA produce the *Work Trends* survey on a quarterly basis. The survey polls the general public on critical workforce issues facing Americans and American businesses, and promotes the survey's findings widely to the media and national constituencies.

1. Overview and Summary

This marks the eighth report in the *Work Trends* series that polls American workers about issues affecting their lives in the economy, the workforce, and the workplace, and how workers view the policy choices made by lawmakers and employers to address these concerns. With the publication of this report, the project's partners—the John J. Heldrich Center for Workforce Development at Rutgers, the State University of New Jersey, and the Center for Survey Research and Analysis at the University of Connecticut—have completed more than 8,000 worker interviews over two and a half years on a variety of timely concerns as well as long-term trends in job satisfaction, economic confidence, and career prospects.

The publication of the first *Work Trends* survey arrived in the fall of 1998 shortly after a brief fall in the capital markets jolted the confidence of American workers. It quickly became clear this was a brief stumble for a surging American economy. As *Work Trends* traced public opinion over the next two and a half years, the U.S. economy surpassed most predictions. Jobs were created across the income spectrum as the new economy roared out of Silicon Valley and other regional pockets of innovation in high-tech triumph.

The media and business elites hailed a new era. A January 2000 *Baltimore Sun* story was typical. It read, “‘Longest Boom:’ *The 9 Year Goldlilocks Expansion Was Born of High Technology and Low Inflation, Though Wages Barely Rose for Most Americans.*” One prominent economist quoted in the story told the *Sun*: “There is no end in sight. Given the good fiscal and monetary policy that is in place, there is no reason we should not enjoy this expansion for a long time to come.”

The economy was thriving in large part because the American workforce has become one of the most productive in the

world. American workers told *Work Trends* they were working harder and longer than in the past—but still enjoying high degrees of satisfaction and optimism about their jobs. *Work Trends* probed workers about the pressures and demands underlying life in the high-performance workforce; such as balancing work and family, and adjusting to the presence of technology and the Internet. Americans were deeply engaged in these issues, and anxious about how the forces of economic change would affect their retirement, their health care, and their children's education.

In April, when our survey was conducted, the national unemployment rate climbed to a 30-month high of 4.5%. Businesses trimmed their payrolls by 223,000 jobs, the largest reduction since 1991, a recession year.

Holding On: Americans Assess a Changing Economic Landscape, our most recent *Work Trends* survey, conducted in April 2001, captures public opinion at a time of rapid transformation in the economy and workforce. One astonishing indicator of change: in this current survey, nearly three-quarters (73%) of workers in America report they use a computer at work, home, or school every day.

Today, the fabled new economy is meeting its first old economy business cycle. This eighth *Work Trends* survey was completed this April—nine months after the national economy began losing steam. While economists do not agree on what is the best statistical measure of a recession, it is clear that no one yet knows if the economy has “hit bottom.” Growth in Gross Domestic

Product (GDP) declined from 5.65% in the second quarter of the year 2000 to just 1.04% in the fourth quarter, rebounding to 1.98% in the first quarter of 2001. The Conference Board's Index of Leading Economic Indicators has declined for three straight months, although the annual rate of decline is far short of the 3.5% level the Conference Board uses to declare a recession.

In April, when our survey was conducted, the national unemployment rate climbed to a 30-month high of 4.5%. Businesses trimmed their payrolls by 223,000 jobs, the largest reduction since 1991, a recession year. Layoffs were larger and spread across more sectors than most economists expected. Over the past six months, the public has also witnessed a stock market selloff that knocked the Dow Jones Industrial Average from its milestone high of 11,722 last January to around 10,000 where it now hovers; the technology-laden NASDAQ index plummeted to the 2,000 neighborhood from its 5,048 high-water mark in March 2000.

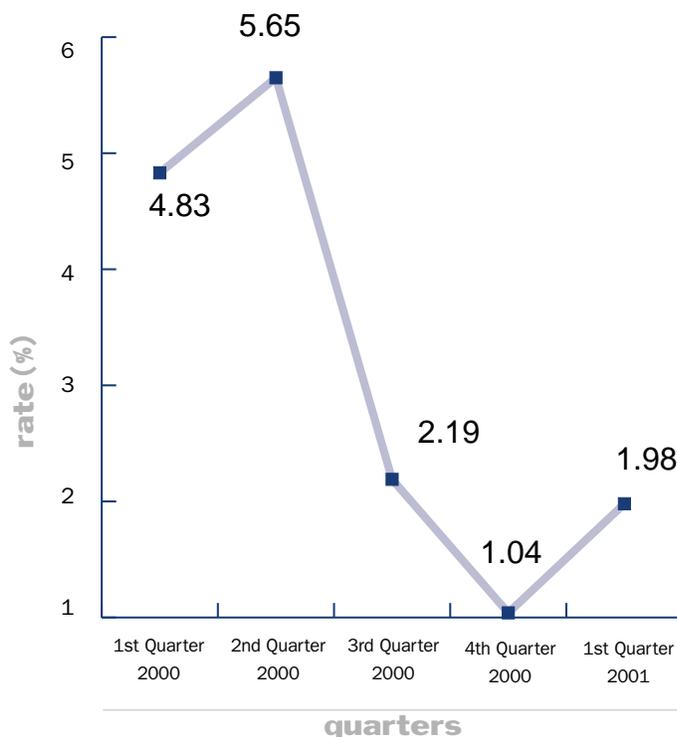
Holding On: Americans Assess a Changing Economic Landscape finds that American workers reflect business, political, and media concerns about the state of the U.S. economy. Today's workforce is less satisfied with their jobs and incomes, and somewhat more concerned about their job security and prospects for finding good jobs, than they reported in the fall of 2000.

More important, however, is the absence of fear or panic on the part of American workers. Workers are not rattled by the slowing economy, or the surrounding gloom and doom in the media. Although economic growth has been sluggish for a number of months, worker concerns about job security and the unemployment rate have not reached the levels of September 1998, when the first *Work Trends* survey was taken and the unemployment rate was also 4.5%—the same as it was in April 2001.

The current economic climate was shaped by events and intense national media coverage. For at least five years, the Internet economy was a huge story in the mainstream and business media, as was the soaring stock market and the growth engine of Silicon Valley. When the NASDAQ bubble burst and the dot.com layoffs began, highly visible business leaders from the Internet economy sounded the alarm that a downturn might be just around the corner. The prospects of the economy became a political hot button in the wake of the Presidential election, as the President and his advisors took an unusual approach for national politicians by pointedly warning the public and markets about the possibility of a recession. In addition, other issues such as high consumer debt, rising energy prices and rolling power blackouts in California caused genuine concern for the entire economy. With the national media deeply engaged in the new economy and dot.com stories, a swift and intense cycle of coverage ensued.

A recent search of articles in major newspapers citing "recession" and "fears" in the first paragraph of a story during the past

Fig. 1-1: GDP Growth, 2000–2001



three months turned up over 1,000 articles, as did a similar scan of radio and television transcripts. As one *LA Times* article published in December, 2000, wrote: "Has the technology-based new economy become so efficient that it turned the business cycle, with its periodic slowdowns, into nothing more than a memory? Not a chance." A loud national discussion continues among media, policymakers, and experts about the economy, the stock market, the effects of technological innovation, and the competitiveness of American firms. There has been little room recently for the voices and views of the American workforce, the everyday men and women who perform the jobs and buy the goods and services upon which our economic health depends.

American Workers Assess their Prospects in the Economy

According to our April 2001 survey of 1,000 working Americans, only 25% of workers now think it is extremely or very likely the U.S. economy will experience a recession in the next six months. A slightly higher number (29%) say they are extremely or very concerned that the U.S. economy might stop growing this year.

Workers distinguish, however, between the economic picture as a whole and the stability of their own jobs in a fast-paced new economy. As *Work Trends* and other surveys have documented, Americans have worried about their job security even during the best years of the recent boom. Despite the good times, Americans are fully aware that the employer-worker compact had changed in ways that leave them far more vulnerable.

Over the last two and a half years, no less than 60% of workers have said they were concerned or somewhat concerned about job security for those currently working. The new *Work Trends* survey finds that worker anxiety about the economic situation has only nudged up slightly since the most recent survey completed last August, but Americans are not as worried as they were

The new *Work Trends* survey finds that worker anxiety about the economic situation has only nudged up slightly since the most recent survey completed last August, but Americans are not as worried as they were in September 1998.

in September 1998:

- The April 2001 survey finds 74% of workers are very or somewhat concerned about job security for those currently working, a eight percent increase over the 66% of workers who said they were very or somewhat concerned last August, and but still more than 10% below the 87% of workers who were very or somewhat concerned in September 1998.
- Today, 53% of Americans say they are very or somewhat concerned about the unemployment rate, compared to 51% last August, while 71% of workers were very or somewhat concerned about the unemployment rate in September, 1998. There was a much higher share of workers who were very concerned in 1998 (32%) than this April (20%).
- The April 2001 survey finds that black workers, women, and workers with lower education levels are significantly more concerned about job security and the cost of living. More than half (54%) of black workers are very concerned about job security compared to only a third (29%) of white workers and 35% of workers from other racial backgrounds.
- One-fifth of workers in the current *Work Trends* say their company has experienced layoffs in the last six months, and about that same number anticipate layoffs at their company in the next six months. Only 12% of workers are very or extremely concerned that they might lose their jobs this year.

Workers are also reflecting on their personal experiences in the workplace. The April 2001 survey finds that fewer

Fig. 1-2: Workers and Job Satisfaction

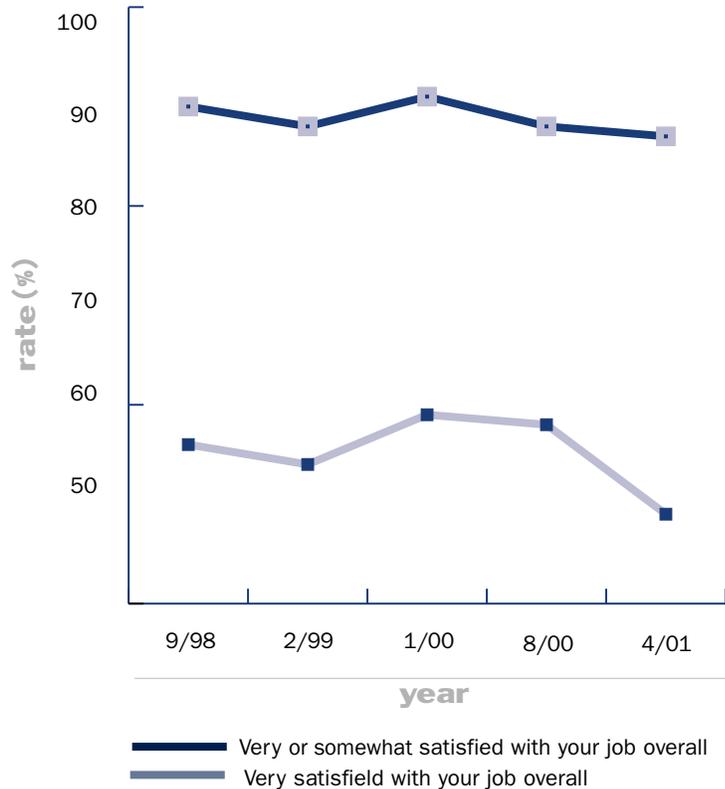
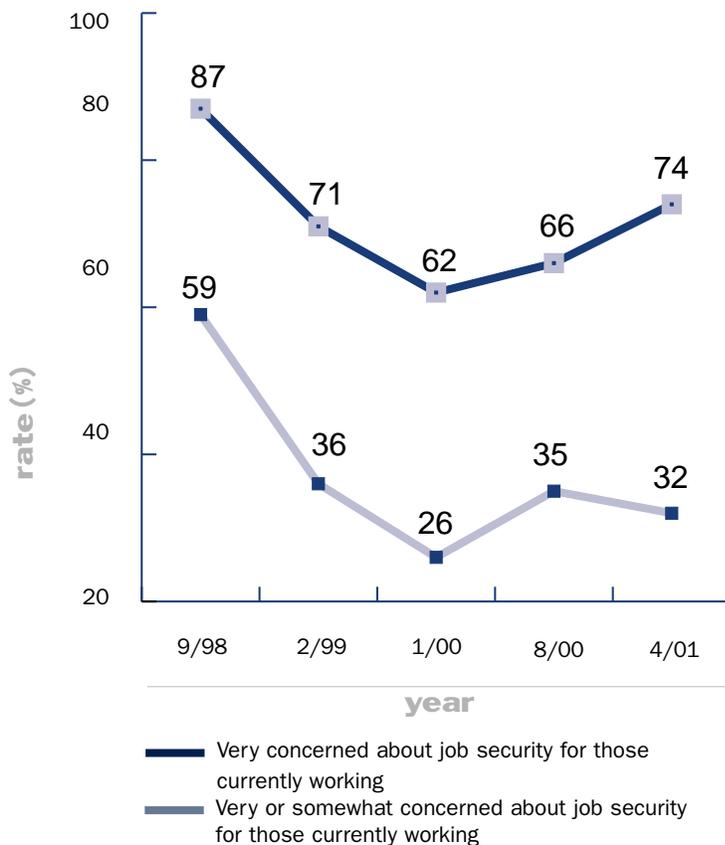


Fig. 1-3: Workers and Job Security



Americans are very satisfied with their jobs overall than in previous years, including aspects of their jobs such as work hours, incomes, and benefits. Reflecting what may be growing worries over personal finances, workers express the most satisfaction with the quality of their work experience, and express the least satisfaction with various aspects of their compensation and relationships with their supervisors:

- The percentage of workers who are ‘very satisfied’ with their jobs declined from 58% in the August 2000 *Work Trends* survey to 49% today. In previous *Work Trends* surveys, as many as 59% of workers have said they were very satisfied. This is the lowest percentage of workers who say they are ‘very satisfied’ since the *Work Trends* series began.
- The share of workers who are ‘very satisfied’ with the total number of hours they work each week decreased from 54% last August to 43% this April, while similar declines in satisfaction were noted in retirement and pension plans and health and medical benefits.
- Job satisfaction ratings in the current survey vary significantly by race. Black workers are much less likely to be happy with their overall job or with various aspects of their jobs than white workers or workers of different racial groups. Only one third (33%) of black workers report being very satisfied with their overall job compared to 52% of white workers and 40% of workers from other racial backgrounds.

Leading and Misleading Indicators: How Workers Read the Economy

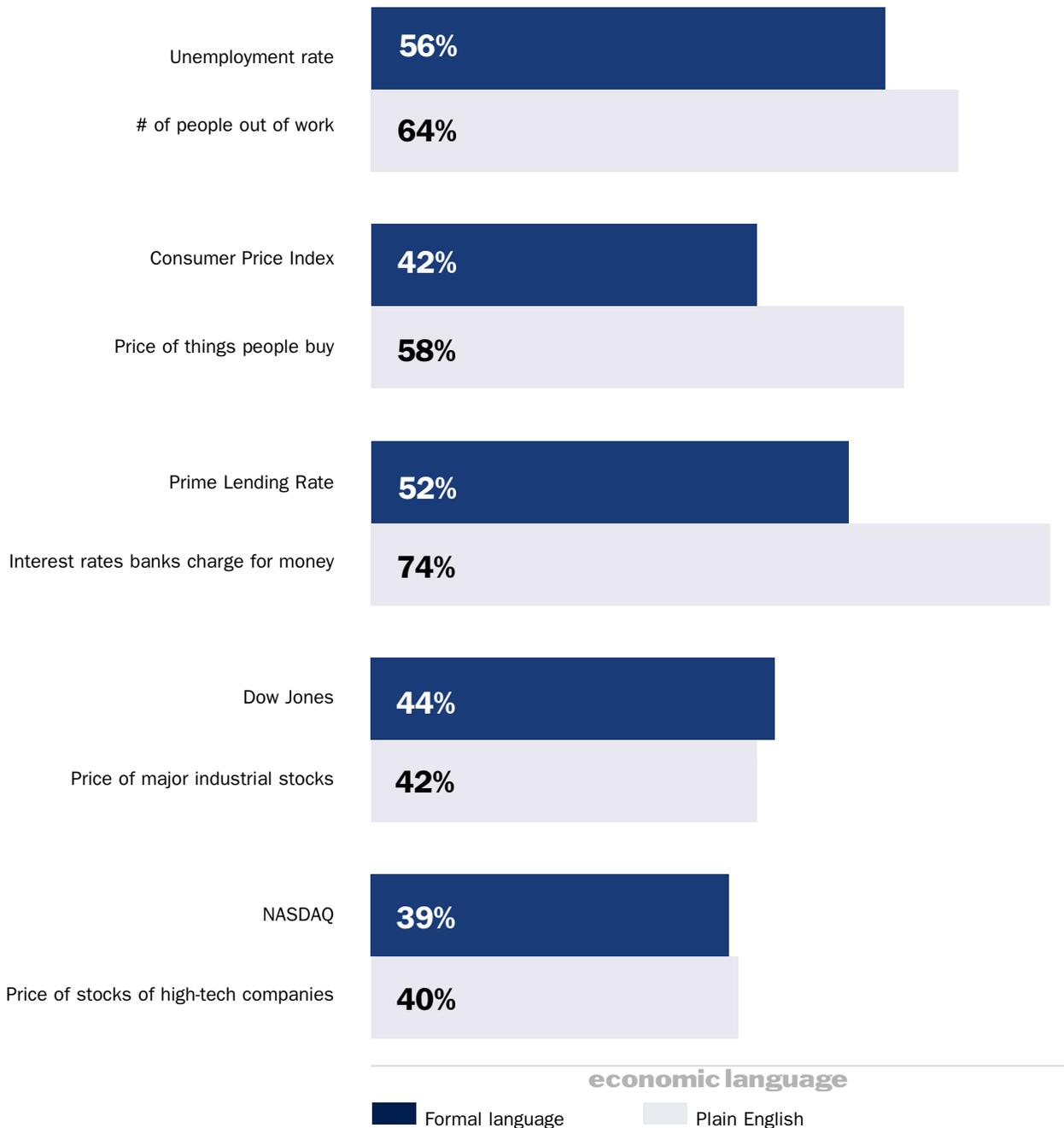
Workers obtain information about economic issues from a variety of media sources, including television, radio, newspapers, and the Internet. Almost half (45%) of workers say they obtain most of their news regarding the economy from television, and only 30% from newspapers. Regardless of the source, workers express some skepticism about the

reliability of the media as a source of information on the economy. Only 23% of workers say they believe the media is extremely or very reliable as a source of information on the economy. What information do workers trust when evaluating the economy and their own job security?

For the first time, *Work Trends* posed a

series of questions in order to better understand how Americans perceive the highly-touted statistics and benchmarks that influence business, government, and consumer behavior. In addition, the survey asked these questions in two ways, using both formal and plain English language. Workers rated the importance of the follow-

Fig. 1-4: Economic Indicators: Formal Language vs. Plain English



ing measures about the health of the economy:

- Fifty-six percent of workers say that the *unemployment rate* is extremely or very important; but when the question is rephrased in plain English, 64% say that *the number of people who are out of work* is extremely or very important.
- Less than half (42%) of workers say the *Consumer Price Index* is extremely or very important; this number jumps to 58% when workers are asked about the importance of the *prices of things people typically buy*.
- Over half (52%) of the workforce believe the *prime lending rate* is extremely or very important; 74% of workers say that the *interest rates banks charge for money* is extremely or very important.
- In contrast, only 44% of workers say the *Dow Jones Industrial Average* is extremely or very important, and this number drops to 42% when rephrased as the price of major industrial stocks. Only 39% of workers say the *NASDAQ average* is extremely or very important, about the same percentage when asked about the prices of stocks in high-tech companies.

Since workers place far more value on job opportunities, interest rates, and prices than on the performance of the stock markets, the survey makes clear one potential cause

Only 39% of workers say the NASDAQ average is extremely or very important, about the same percentage when asked about the prices of stocks in high-tech companies.

for the relative confidence of American workers. While unemployment is ticking up, it is still historically low, and the price of money remains cheap with multiple interest rate cuts by the Federal Reserve. Despite the bear market and saturation media coverage of Wall Street, a majority of Americans

regard stock indices as of moderate importance in their evaluation of the nation's economy. This survey confirms other highly-regarded data showing that consumers are regaining confidence and continuing to spend, allowing the economy to weather the slowdown.

Some key variations are found among certain worker affiliations. Among Democrats, 73% believe that the unemployment rate is an extremely or very important economic indicator, compared with 39% of Republicans, and 56% of Independents. Workers earning less than \$40,000 per year are more likely than workers earning more to say the unemployment rate and number of people out of work are very or extremely important (67% and 54%, and 73% and 60%, respectively). Blacks and other minorities are also more likely to rely on the unemployment rate (80%, 69%) than white workers (52%).

A popular misimpression of recent years is that most households have substantial stock portfolios. As Edward Wolff of New York University and the Economic Policy Institute have written, in 1998 the 1.6% of all households with annual incomes of \$250,000 or more owned 36.1% of all stocks—and the next 9% of wealthiest households owned an additional 37.7%. In contrast, the 29% of households with incomes between \$25,000 and \$50,000—about a third of our survey sample—owned just 8.5% of all stocks.

Worker Strategies for a Slowing Economy

Many workers are watching these indicators closely, and judging the effects of a continued weakening economy on their own employers and jobs. As in previous *Work Trends*, the April 2001 survey seeks to learn more about how individual workers respond to the forces affecting jobs and the economy in their daily lives, what strategies they believe will be effective, and which policy choices they believe government and

employers should make to strengthen careers and opportunities. *Holding On* asked workers to address specifically how they might respond if the economy continues to decline or slow down:

- Nearly half of workers (47%) say that it is extremely or very likely they will cut back on personal spending, and an additional 32% say they are somewhat likely to make this choice.
- And 49% say that it is extremely or very likely they will delay major purchases, such as a house or car, and another 24% say they are somewhat likely to do so.

Navigating a slower economy requires more than the tried-and-true defensive strategy of spending less money, the survey finds. As has been shown in previous *Work Trends* studies, workers clearly understand that the willingness to learn new skills is crucial to job opportunity and security in the knowledge economy—and they seek support and partnership with major institutions to keep their competitive edge sharp.

- When asked if they would seek additional job training or education in an economic downturn, 29% of workers say they are extremely or very likely to do so, and another 24% say they are somewhat likely to make this choice. Overall, 53% of the workforce is considering the option of adding to their skills if the economy continues to decline.
- An overwhelming majority of American workers stress the importance of job training. A full 90% of respondents indicate that continuing to enhance their job skills is important to them, with 71% saying this is very important. Nearly half (47%) of those surveyed say they plan to take a job training or skill enhancement course in the next six months.
- Among various groups of workers, the survey finds that more than two-thirds (67%) of black workers indicate they would get additional job training or education, as compared to 50% of white workers. Similarly, workers earning less than

A full 90% of respondents indicate that continuing to enhance their job skills is important to them, with 71% saying this is very important. Nearly half (47%) of those surveyed say they plan to take a job training or skill enhancement course in the next six months.

\$40,000 per year are far more likely than workers earning more than \$40,000 per year to seek additional training (64% and 47%, respectively).

Work Trends asked workers which government policies they believe would be most effective in encouraging people to obtain additional job training. Twenty-seven percent of workers believe that the most effective policy would be providing tax incentives for employers to train workers; 23% believe providing financial assistance to people who need it would be the most effective, and 32% believe providing additional funds to education and training organizations would be the most effective. A little over half of the workers surveyed who expect to take a training or skills enhancement course over the next six months say their employers will pay for the course.

Workers, Public Policy, and President Bush's Plan

It is often observed that the pace of current events and the high level of information 'noise' in today's culture tends to shorten our historical memory. It is worth noting that the results of the extraordinary presidential election of 2000, that did not end until thirty-five days after election day, had substantial influence on how we see the economy today. Entering office without a "mandate" from the electorate undoubtedly had a role in the Bush Administration's vigorous message promotion of the tax cut as a remedy for an ailing national economy. Because of the drawn-out electoral war between the Presidential candidates, Bush

Fig. 1-5: Workers and Tax Cuts:
Will it Benefit Them Personally?

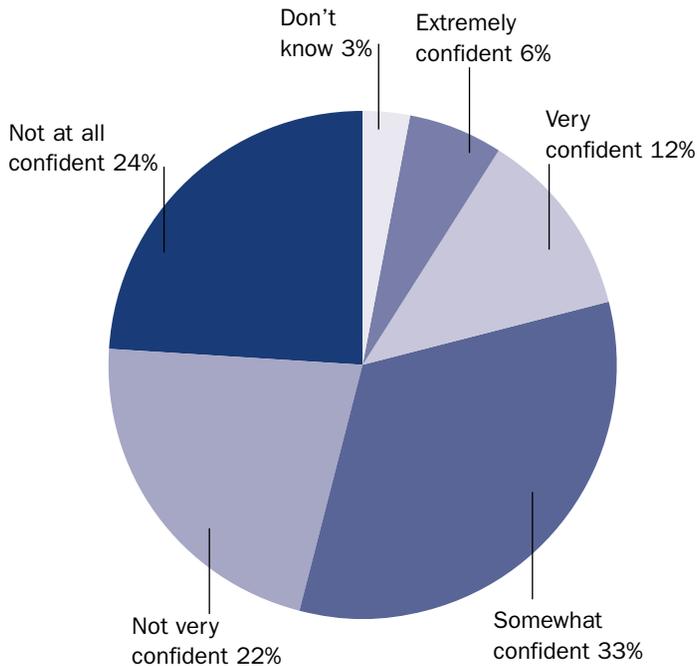
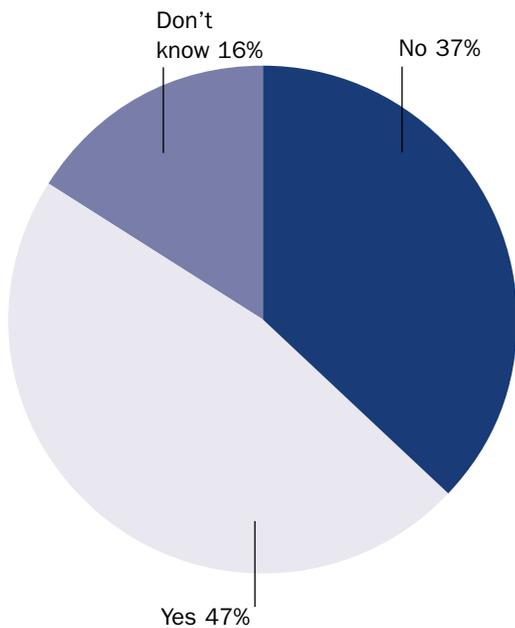


Fig. 1-6: Are Tax Cuts a Good Way to Prevent an Economic Downturn?



and a closely-divided Congress were compelled to present a bipartisan image to the nation as 'working together' on the economy. The President made his ten-year income tax cut a clear number one priority for his Administration and the major policy battleground in Congress. Although the size and nature of the tax cut package has changed somewhat as it worked its way through Congress, the policy choices facing working Americans, and the importance of the views of America's workforce about these policy choices, remain very significant.

Work Trends data reveal a nation divided over the direction of federal policy today. Working Americans differ widely in their views of politics, President Bush's policies, and of the role of government:

- Half of America's workers say that the policies of the federal government have a lot to do with the health of the American economy, and 33% say they have some impact.
- Twenty-eight percent of workers believe President Bush will do better in handling the economy than President Clinton, and 34% say he will do worse. Of the parties in Congress, 38% of workers say that the Democrats will do a better job handling issues relating to the economy, and 36% say the Republicans will.
- When asked if cutting personal income taxes is a good way to prevent or end an economic downturn, 47% of American agreed, and 37% disagreed. Only 18% of workers say they are extremely or very confident, however, that a tax cut will benefit them personally; 46% are not very confident or not at all confident it will do so.
- Only 28% of Democrat-affiliated workers believe Bush's income tax cut will be effective against a recession, as opposed to 76% of Republicans, and 43% of Independents. A tiny 8% of Democrats are extremely or very confident the Bush tax cut will benefit them personally, as opposed to more than 37% of Republican workers who are extremely or very confident they will bene-

fit personally. Just 14% of Independents are also extremely or very confident they will benefit, however.

Work Trends also asked American workers about how they view a range of national policy priorities as Congress and the President weigh actions to manage the economy and the budget—including how to use the massive federal budget surplus. Workers are the most likely to support paying down the national debt, and providing additional funding for Social Security and Medicare, as well as cutting taxes:

- Nearly all (90%) workers strongly support or support reducing the national debt in general, and 86% strongly support or support using the budget surplus to pay down the national debt.
- High numbers (82%) strongly support or support reducing personal income taxes as a policy, and 80% favor using the surplus for this purpose.
- Many workers (82%) strongly support or support using the budget surplus to provide additional funding for Social Security and Medicare.
- Substantial majorities of workers (77%) strongly support or support increasing government spending to create education and

Only 28% of Democrat-affiliated workers believe Bush's income tax cut will be effective against a recession, as opposed to 76% of Republicans, and 43% of Independents.

training opportunities; and 70% strongly support or support using the surplus to increase federal spending on programs such as education and the environment.

- Smaller numbers (56%) strongly support or support increasing government spending to create jobs. Less than 60% of workers strongly support or support reducing payroll taxes for Social Security and Medicare in general, and 63% favor using the budget surplus for this purpose.

As is often seen in policy surveys, the broad support for federal initiatives in general (such as income tax cuts) dwindles when individuals are asked if it will make a difference to them personally. Workers are the most emphatic in their support for reducing debt, spending, and taxes in order to control the size of government, but they also strongly favor certain investments in major retirement benefit programs, as well as skills training and education.

2. Confidence with Concern: Economic Worries and Job Satisfaction

Despite the downturn of the stock market, daily reports of company lay-offs, and the highest unemployment rate in 30 months, American workers express only mild concern about the economy and their own job security. Only a quarter (25%) of workers think it is very or extremely likely that the economy will experience a recession over the next six months and only slightly more (29%) believe that the economy will stop growing. Only 20% of workers have experienced layoffs in their company in the last six months and even fewer (17%) anticipate layoffs in the next six months.

The level of optimism about the economy does vary among workers of different racial

and almost half (49%) reporting that they are very satisfied. When asked how they like their job, the vast majority (85%) had positive responses with a quarter (25%) saying they “love it” and more than a quarter (27%) saying that they were enthusiastic about it.

Although the unemployment rate and job market do not appear to be of great concern among workers, job security for current workers and the cost of living do appear to be of concern. When viewing job security and job-hunting in a personal context, workers express much higher levels of concern than in their evaluations of the economy and unemployment in general. Almost three-fourths (74%) of all workers are concerned with job security, although only 32% are very concerned. In addition, less than half (44%) of workers believe that now is a good time to be looking for work and about the same percentage (43%) state that now is not a good time to find work.

These concerns do vary widely by age, race, and education level, however. Younger workers hold more optimism about looking for work in today’s economy with 58% of workers age 18–29 believing it is a good time to find a job compared to only 36% of workers over age 65 and only 45% of workers ages 50–64.

Workers are also concerned about the cost of living. More than three-fourths (83%) report that they are concerned with the cost of living with almost half (49%) of all workers stating that they are very concerned. The high level of consumer debt in the economy combined with an increasing concern over jobs seem to have created an atmosphere of concern about personal financial security.

Black workers, women, and workers with lower education levels are significantly more concerned about job security and the cost of living. More than half (54%) of black work-

Strikingly, 41% of black workers and 32% of workers from other minority racial backgrounds are very concerned about the unemployment rate compared to only 15% of white workers.

backgrounds and income levels, however. Strikingly, 41% of black workers and 32% of workers from other minority racial backgrounds are very concerned about the unemployment rate compared to only 15% of white workers. Similarly, 28% of workers earning less than \$40,000 per year are concerned compared to only 16% of those earning more than \$40,000.

This general optimism about the economy carries over into workers’ opinions about job security and job satisfaction. Only a fifth (20%) of workers are very concerned about the unemployment rate and only 23% are very concerned the job market for those seeking a job. In addition, American workers convey high levels of job satisfaction with the vast majority (87%) of workers reporting that they are satisfied with their job overall

ers are very concerned about job security compared to only a third (29%) of white workers and 35% of workers from other racial backgrounds. Education level also appears to be strongly correlated with concern about job security, reflecting the increasing education and skill demands in the new economy workforce. For example, only 25% of workers with a college degree are very concerned about job security compared to 36% of those with a high school degree and 49% of workers with only some high school education.

Similar results can be found when examining concern about the cost of living. The vast majority (89%) of black workers express concern about the cost of living with 62% stating that they are very concerned. In comparison, only 45% of white workers claim that they are very concerned. Women also express high levels of concern with 91% stating they are concerned with the cost of living and 59% reporting that they are very concerned.

Worker concerns over personal finances are reflected in how satisfied they are about different aspects of workers' jobs. Workers are most satisfied with the quality of their work experience and least satisfied with various aspects of their compensation. Workers feel the highest levels of satisfaction about their relationships with co-workers and supervisors, job responsibilities and tasks, and the quality of the work environment. Workers say they are least satisfied with their income, opportunities for advancement and to get more education and training from their employer, and their retirement/pension plans.

Job satisfaction varies more significantly by race than any other demographic category. Black workers are much less likely to be happy with their overall job or with the various components of their job than white workers or workers from different races. Only one third (33%) of black workers report being very satisfied with their overall

Although the number of hours worked is comparable between August of 2000 and April of 2001, worker dissatisfaction with these long hours has increased. Close to a fifth (17%) of workers spend more than 50 hours on the job and only 43% of workers report being very satisfied with the number of hours they work each week compared to more than half (54%) in August of 2000 and September 1998.

job compared to 52% of white workers and 40% of workers from other racial backgrounds. Black workers are also the most dissatisfied with the annual income with 39% stating they are dissatisfied compared to only a quarter (25%) of white workers. Black workers are also less likely to be satisfied with the overall quality of their work environment, with only 40% being very satisfied compared to 50% of white workers and 47% of workers from other racial backgrounds.

Lying beneath the surface of confidence in the American economy are indicators of concern, however. In comparing the findings from this April 2001 *Work Trends* survey with responses from previous surveys in August of 2000 and September of 1998, it is clear that the nation's economic downturn is beginning to erode the higher levels of optimism recorded in recent years.

In general, overall job satisfaction and satisfaction with different job aspects show a significant decline from last August and slight decline since September 1998. Satisfaction increased among almost every indicator between 1998 and 2000, and then declined sharply from 2000 to today. In particular, it appears that recent economic downturn may have strained relationships with co-workers and supervisors. Among those surveyed, there was an 11% decline in satisfaction with these relationships. It is possible that concern over profits has begun

3. How People Assess the Health of the Economy

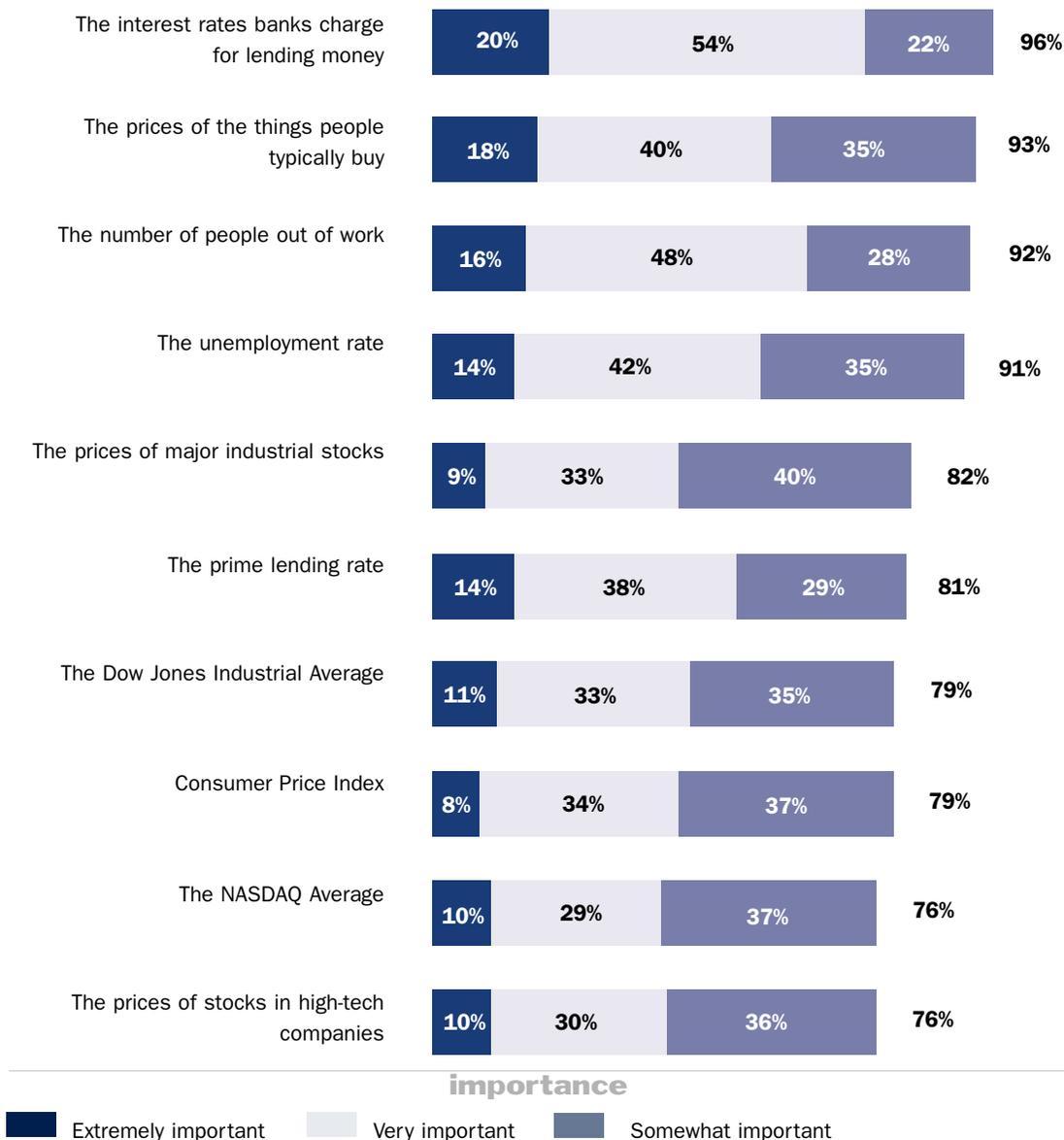
For the first time, *Work Trends* posed a series of questions in order to better understand how Americans perceive the highly-touted statistics and benchmarks that influence business, government, and consumer behavior. In addition, the survey asked these questions in two ways, using both formal and plain English language.

The results show that American workers rely on a variety of indicators to assess the health of the economy, although some economic indicators hold more weight with workers than others.

Workers are most likely to look to current interest rates, the level of unemployment, and the cost of everyday products to gauge the health of the economy. We also asked workers about the importance of the Dow Jones and NASDAQ stock averages.

Fifty-six of workers say that the *unemployment rate* is extremely or very important; but when the question is rephrased in plain

Fig. 3-1: Gauging the Health of the Economy



English, 64% say that *the number of people who are out of work* is extremely or very important. Less than half (42%) of workers say the *Consumer Price Index* is extremely or very important; this number jumps to 58% when workers are asked about the importance of the *prices of things people typically buy*.

Over half (52%) of the workforce believe the *prime lending rate is extremely or very important*; 74% of workers say that the *interest rates banks charge for money* is extremely or very important. In contrast, only 44% of workers say the *Dow Jones Industrial Average* is extremely or very important, and this

Over half (52%) of the workforce believe the *prime lending rate is extremely or very important*; 74% of workers say that the *interest rates banks charge for money* is extremely or very important.

number drops to 42% when rephrased as the *prices of major industrial stocks*. Only 39% of workers say the *NASDAQ average* is extremely or very important, about the same percentage when asked about the *prices of stocks in high-tech companies*.

Workers of all groups show a significant consistency of opinion on how best to monitor the health of the economy. For instance, men and women display very similar opinions about what indicators are important, as do people of varying education levels. One exception is political affiliation. Among Democrats, 73% believe that the unemployment rate is an extremely or very important economic indicator, compared with 39% of Republicans and 56% of Independents. When asked about the importance of the number of people out of work, 78% of Democrats, 65% of Independents, and 51% of Republicans say it was extremely or very important. Likewise, 54% of Democrats and 48% of Independents look to the Consumer

Price Index, compared to 40% of Republicans who rely on the CPI.

Workers earning less than \$40,000 per year are more likely than workers earning more than \$40,000 to say the unemployment rate and number of people out of work is very or extremely important (67% and 54%, and 73% and 60%, respectively). In addition, lower income workers display more concern with the price of everyday items, with 69% saying the prices of things they typically buy is a very or extremely important indicator. In contrast, only 55% of higher income workers say the same. Instead, 60% of higher income workers rely on the prime lending rate, compared to 47% of lower income workers. Workers of all incomes show similar levels of support for the importance of the prices of stocks and the Dow Jones and NASDAQ.

Younger workers are more likely to rely on the unemployment rate and the number of people out of work, while older workers are more likely to rely on the prime lending rate. Among workers age 18–29, 70% say that the unemployment rate and the number of people out of work is very or extremely important. In contrast, 52% of workers age 30–49 and 56% of workers age 50–64 say the unemployment rate is important, and 66% of workers age 30–49 and 56% workers age 50–64 say the number of people out of work is very or extremely important.

In contrast, 69% of middle-age workers (50–64) rely on the prime lending rate, compared to 59% of workers age 30–49 and 42% of workers age 18–29. People with more education also prefer to rely on the prime lending rate, with 61% of workers with more than a high school education saying this is an extremely or very important indicator. In contrast, 48% of those with at least a high school education express the same level of confidence in the prime lending rate. People with more formal education are less likely to rely on the prices of everyday items than workers with high school educations (68% and 54%, respectively).

Blacks and other minorities are also more likely to rely on the state of the workforce as an indicator. More than three-fourths (77%) of blacks and other minority groups say the number of people out of work is very or extremely important, compared to 61% of whites. Similarly, 80% of black workers and 69% of other minorities say the unemployment rate is very or extremely important, compared to 52% of white workers.

The Media and the Economy

Workers obtain information about these and other economic issues from a variety of media sources, including newspapers, television and the Internet. Almost half (45%) of all workers say that television is their primary source of economic news, while 30% stay abreast of economic news by reading the newspaper. A small minority of workers obtain most of their economic news from the Internet, radio, or discussions with acquaintances (9%, 6%, and 4%, respectively). Recent database scans of Nexis news files show that citations for Nasdaq and Dow Jones appear far more frequently than news citations regarding interest and unemployment rates or consumer prices; citations for 'dot com layoffs' appeared about as frequently as interest and unemployment rates.

Younger and lower-income workers are more likely to rely on television for economic news. Among workers who earn less than \$40,000 a year, almost two-thirds (60%) rely on television for economic news, compared to 22% who rely on newspapers. Younger workers are slightly more likely than older workers to rely on television, while older workers are somewhat more likely to rely on newspapers than younger workers. More than half (52%) of women get their news from TV, while 34% of men get their news from newspapers.

Regardless of the source, workers express some skepticism about the reliability of the media as a source of information on the economy. Only 23% say the media is a very

Fig. 3-2: Sources of Economic News

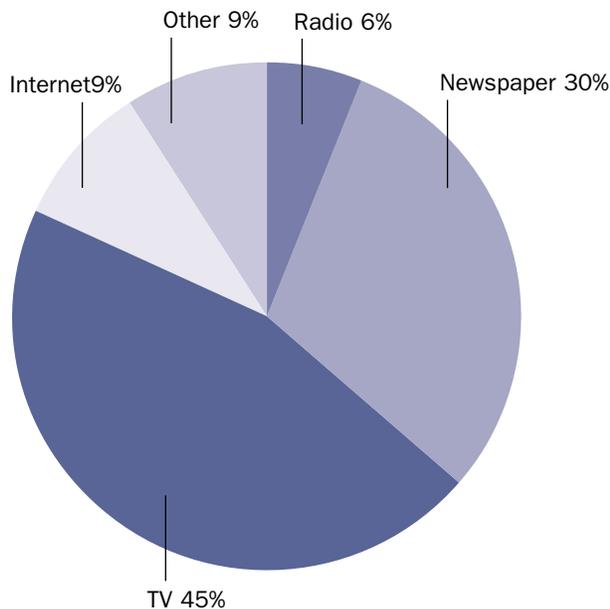
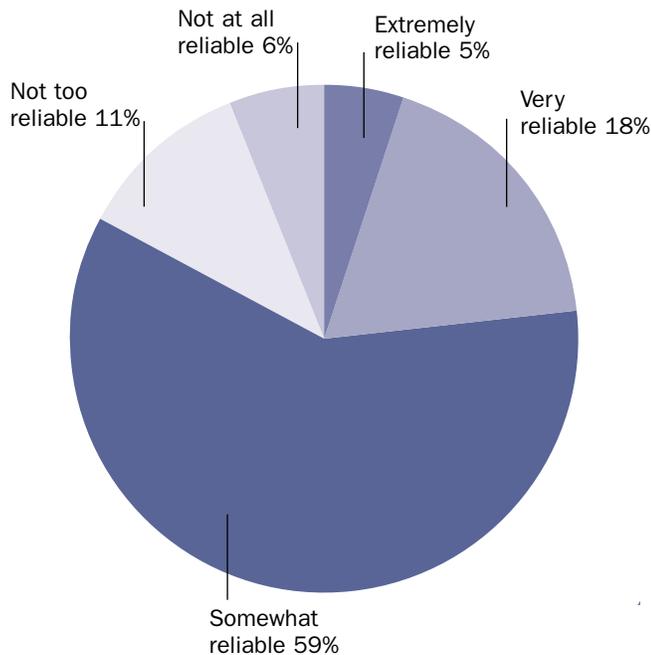


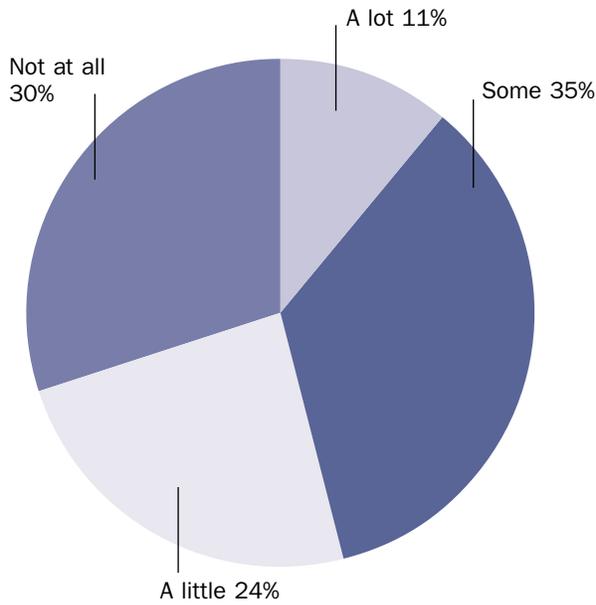
Fig. 3-3: Reliability of the Media



or extremely reliable source of economic information, while 59% say it is somewhat reliable. Less than one-fifth (17%) feel that the media is not too reliable or not reliable at all.

Interestingly, Democrats are more likely than Republicans to find the media reliable,

Fig. 3-4: Effect of Media on Economic Behavior



with 31% Democrats saying the media is very or extremely reliable, compared to only 19% of Republicans. Gender, age, race, and education do not seem to play a role in how people perceive the reliability of the media.

Reflecting this degree of skepticism, very few (11%) workers report that media

coverage of the economy has affected their economic behavior a lot. Workers are more likely to say that that media has affected their behavior some or a little (35% and 24%, respectively). Almost one-third (30%) of workers indicate that the media has not affected their economic behavior at all.

Members of labor unions/teachers associations appear less affected by media coverage of the economy, with 35% saying media coverage affects their economic behavior compared to 48% of non-members. Workers of Hispanic origin are more likely than non-Hispanics to say their behavior has been affected some or a lot by media's coverage of the economy (67% and 44%, respectively). Blacks are also slightly more likely than whites to say that their behavior has been affected some or a lot (51% and 44%, respectively). Among women, more than half (51%) say coverage has affected their behavior some or a lot, compared 42% of men who say the same. Income, education, and age have little effect on how people say their behavior has changed with in response to media coverage of the economy.

4. Worker Reactions to a Slowing Economy

In recent months, the media has been filled with stories regarding the economy. Some analysts predict a slowdown of our current economic growth; some are fairly optimistic; others offer dire predictions of impending recession and an end to economic good times. Respondents are less convinced that the economic decline predicted by analysts and the media will come to pass, but are giving thought to what they will do should the economy slow down.

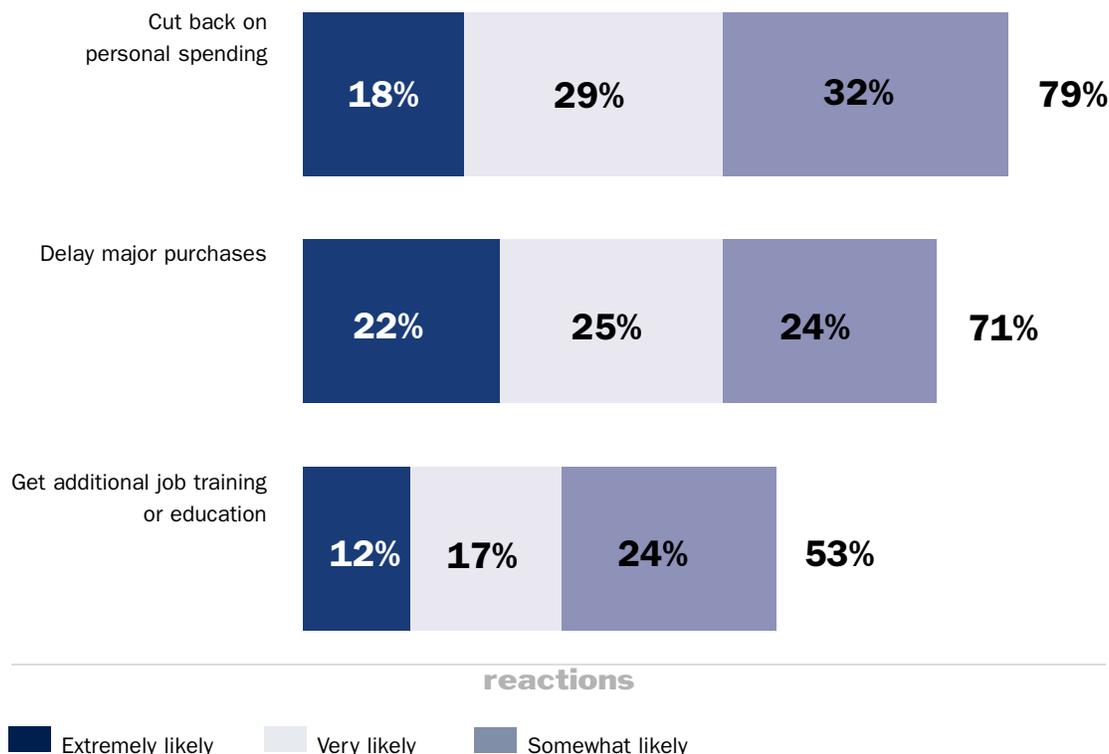
Starting with the most obvious response to a slowing economy, the majority of workers say they would simply spend less money. Over three-fourths (79%) of respondents indicate that they would likely cut back on personal spending, with 47% saying they would be very to extremely likely to do so. Almost three-fourths (71%) indicate that, faced with a slowing economy, they would delay the purchase of major items such as a

house or car, with 47% indicating that they would be very or extremely likely to do so. In addition to these reactive measures, many workers plan to take a more proactive approach, with more than half (53%) saying it is likely they would get additional job training or education.

Responses to questions regarding reactions to a slowing economy hold relatively steady across various worker groups. For the most part, workers of different race, education, gender, income, and age groups have similar views about how they would respond to an economic decline. However, a few differences do emerge when it comes to engaging in additional job training and education.

For instance, among black workers, more than two-thirds (67%) indicate they would get additional job training or education as an economic strategy, compared to 50% of white workers. Similarly, workers earning

Fig. 4-1: Reactions to a Slowing Economy



For instance, among black workers, more than two-thirds (67%) indicate they would get additional job training or education as an economic strategy, compared to 50% of white workers. Similarly, workers earning less than \$40,000 per year are more likely than workers earning more than \$40,000 a year to get additional job training or education in response to a slowing economy (64% and 47%, respectively).

less than \$40,000 per year are more likely than workers earning more than \$40,000 a year to get additional job training or education in response to a slowing economy (64% and 47%, respectively).

Younger workers are also more likely to consider enhancing their job skills. More than two-thirds (65%) of workers age 18–29 say that is it likely they would pursue this strategy, compared to 55% of workers age 30–49 and 36% of workers age 50–64. Finally, women are more likely than men to say they would spend less money. More than three-fourths (86%) of women say it is likely they would cut back on personal spending, with 54% saying is very to extremely likely that they would do so. In contrast, less than half (41%) of men say it is very or extremely likely that they would curb their spending in response to a slower economy.

Job Training: The Importance of Enhancing Work Skills

An overwhelming majority of American workers stress the importance of job training, a finding that is born out through the entire *Work Trends* series. A full 90% of respondents indicate that continuing to enhance their job skills is important to them, with 71% saying it is very important. Many workers say they intend to practice what they preach, with almost half (47%) of those surveyed saying that they plan to take a job training or skill enhancement course in the

next six months. While almost two-thirds (63%) indicate that their current employer pays for job training or education, slightly more than half (52%) say they plan to have their employer pay for their future training. Almost one-third (32%) say they intend to pay for it themselves (either with cash, credit, or a personal loan). Only 7% say they plan to rely on government assistance to pay for job training.

Although almost all workers say that enhancing their job skills is important, some workers are more likely than others to say they plan on engaging in job training or skill enhancement in the next six months. The state of some industries has many workers thinking more about job training and education. More than half (55%) of those workers whose company has experienced lay-offs in the last six months say they intend to engage in job training in the next six months, compared to 46% of workers not experiencing lay-offs.

Workers who anticipate lay-offs in the next six months are also slightly more likely than workers who do not anticipate lay-offs to plan on engaging in job training (53% and 47%, respectively). Among workers who think that lay-offs may be coming, 77% say that enhancing their job skills is very important to them, and 53% say they intend to participate in some kind of job training in the next six months. Workers who do not anticipate lay-offs are less likely (70%) to think skill enhancement is very important and less than half (47%) intend to engage in job training in the near future. Workers bracing for lay-offs are more likely than their more secure colleagues to think government should provide financial assistance to people who need it (33% and 23%, respectively).

Workers in different industries place a different emphasis on continued education and training. Workers in technical fields and the service industries are the most likely to say that enhancing job skills is very important, while those in manufacturing industries are least likely to say it is very important. More

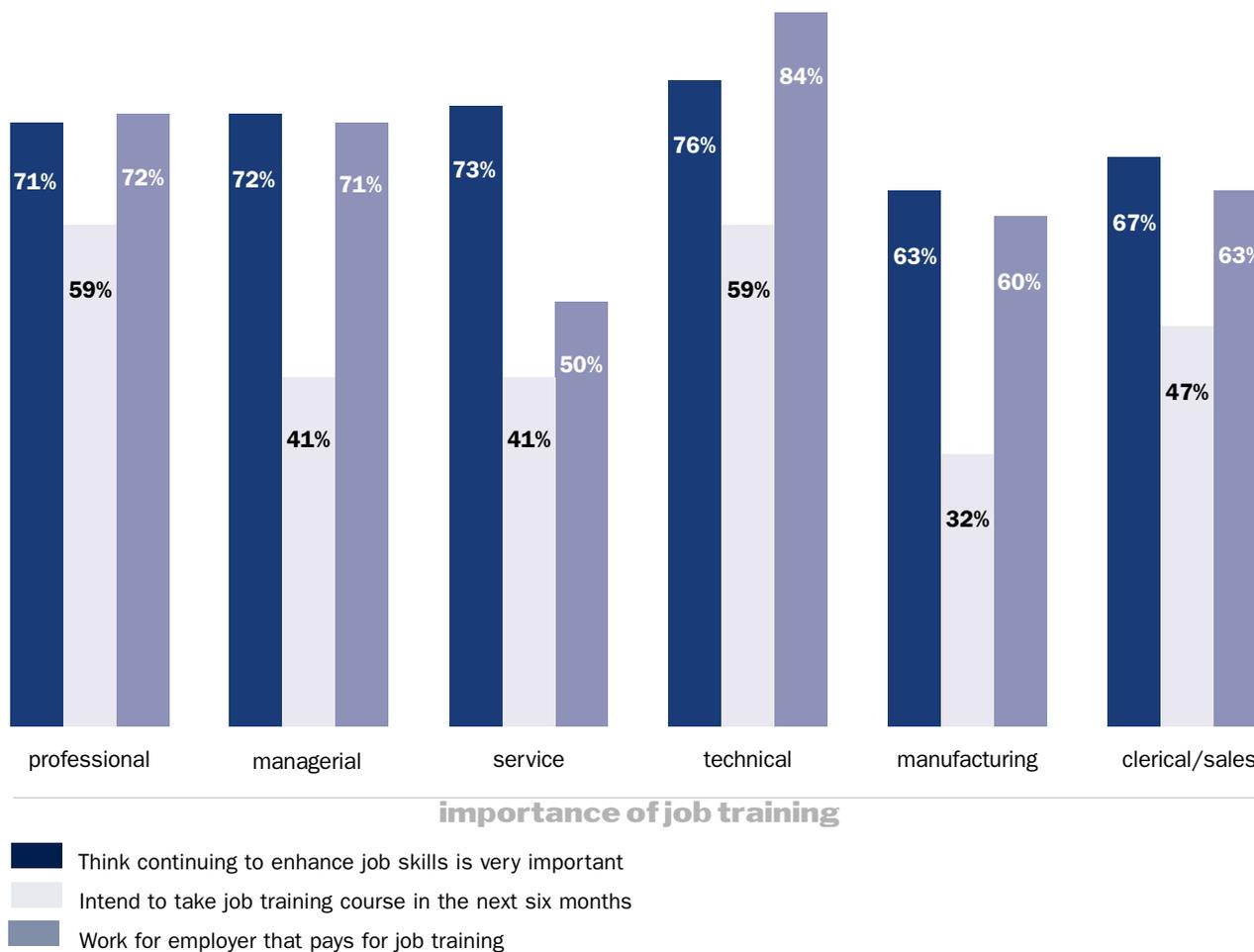
than three-fourths (76%) of technical workers and 73% of service workers say that it is very important to enhance job skills, compared to 63% of manufacturing workers and 67% of clerical/sales workers. Managerial, professional and other workers fall somewhere in the middle (72%, 71%, and 73%, respectively). Not surprisingly, less than one-third (32%) of manufacturing workers and 41% of service workers say they intend to take a job training course in the next six months, compared to 59% of professional and technical workers.

The intent to engage in professional development is almost certainly influenced by whether a person works for an employer willing to invest in their training. It may be that fewer service workers plan on taking a

job training course because just half (50%) of service workers say that their current employer pays for job training or education, compared to 84% of technical workers and 72% of professional workers.

Workers of different occupations are not the only ones to have diverse job training experiences. Race, income, age, and education also affect worker attitudes and experiences with job training. For example, black and Hispanic workers report being more likely than white workers to take a job training or skill enhancement program in the next six months. Among workers of Hispanic origin, 56% say they intend to pursue job training, compared to 48% of non-Hispanic workers. Similarly, 56% of black workers say they intend to pursue job train-

Fig. 4-2: Job Training and Occupation

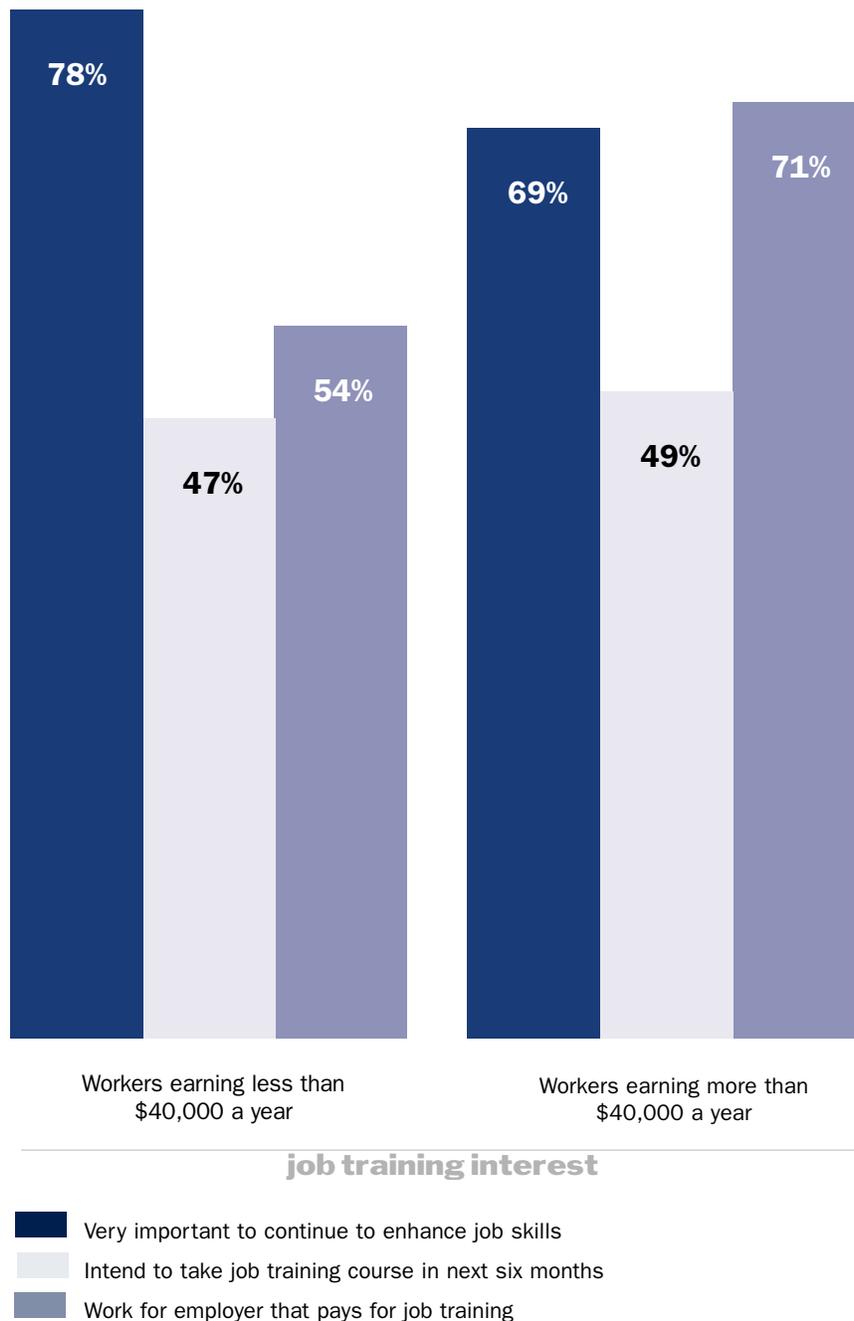


ing in the next six months, compared to 46% of white workers. White workers, however, are more likely than black workers to work for an employer that pays for additional job training (67% and 62%, respectively) and more likely than black workers to say they plan on having their employer pay for their

intended training (57% and 43%, respectively).

Workers earning less than \$40,000 per year are more likely than higher earning workers to say that continuing to enhance their job skills is very important (78% and 69%, respectively), although workers of both

Fig. 4-3: Job Training and Income



income ranges are almost equally likely to say they plan on pursuing job training in the future, with 47% of workers earning less than \$40,000 per year and 49% of workers earning more than \$40,000 per year saying they intend to do so.

However, 61% of higher-earning workers say they plan on having their employer pay for this training, compared to 37% of lower income workers. This is not surprising, considering that almost three-fourths (71%) of workers earning more than \$40,000 a year work for an employer that pays for education and training, compared to only 54% of workers earning less than \$40,000 a year.

Men and women are almost equally likely to say that additional job training is both very important (71% and 73%, respectively) and something they plan on doing in the next six months (48% and 49%, respectively). Likewise, people of all education levels are likely to say it is important, although people with more than a high school diploma are far more likely to engage in additional training and to work for an employer who will pay for it.

While 71% of workers with at least a high school education and 72% of workers with more than a high school education say it is very important to engage in additional job training, only 36% of workers with at least a high school education say they plan on doing so, compared to 54% of workers with more formal education. Again, this is consistent with those employers willing to invest in their workers' professional development. Only 54% of workers with at least a high school education work for an employer that pays for job training or education, compared to almost three-fourths (71%) of workers with more than a high school education.

The younger the worker, the more likely he or she is to believe that it is important to continue to enhance job skills. Among workers age 18–29, almost all (98%) say that this is important, with 86% saying it is very important. Workers age 30–49 are almost equally committed, with 92% saying it is

However, 61% of higher-earning workers say they plan on having their employer pay for this training, compared to 37% of lower income workers. This is not surprising, considering that almost three-fourths (71%) of workers earning more than \$40,000 a year work for an employer that pays for education and training, compared to only 54% of workers earning less than \$40,000 a year.

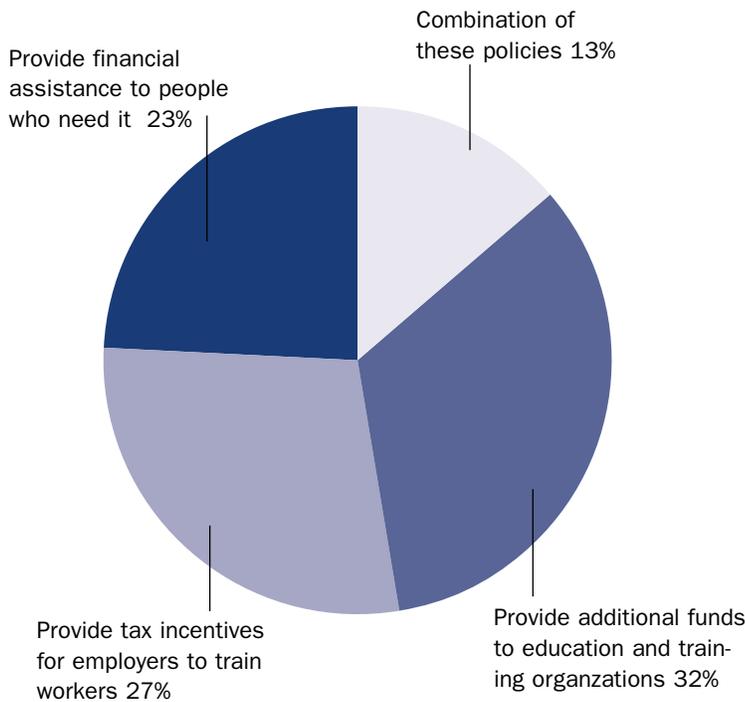
important, and 72% saying it is very important. In contrast, only 77% of workers age 50–64 and 69% of workers 65 and older say it important. Following that trend, younger workers are more likely than older workers to say they plan on taking a job training course in the next six months, and more likely to work for a company that will pay for it. More than half of workers age 18–29 and age 30–49 say they intend to engage in training, and more than two thirds of these same workers work for an employer who will pay for it. In contrast, only 35% of workers age 50–64 plan on doing the same, with 59% working for an employer who will pay for it.

American workers hold a variety of opinions when it comes to government policies to encourage people to obtain additional job training. Slightly more than one-fourth (27%) support the idea of providing tax incentives for employers who train workers. Slightly less than one-fourth (23%) think the federal government should provide financial assistance to people who need it to pay for education and training. Almost one-third (32%) believe the federal government should provide additional funds to education and training organizations, while 13% support the idea of a combination of all these policies.

Putting these responses together, however, paints a convincing picture. American workers express overwhelming support for expanded government investment for skills training in the changing economy.

As expected, Democrat and Republican workers have different views on what the

Fig. 4-4: Support for Government Policies to Encourage Job Training



federal government should do to encourage people to obtain additional job training. Among Democrats, 34% believe the federal

government should provide additional funds to education and training organizations, compared to 27% of Republicans. In addition, Democrats are more likely than Republicans to support the strategy of providing financial assistance to people who need it (27% and 21%, respectively). Conversely, 37% of Republicans believe that government should provide tax incentives for employers to train workers, compared to 25% of Democrats.

Workers who earn more than \$40,000 a year are more likely than lower earning workers to support the idea of providing tax incentives for employers to train workers (32% and 20%, respectively); workers with more formal education are more likely than less educated workers to say the same (32% and 21%, respectively). When it comes to policies to help people obtain job training, 40% of workers with at least a high school education support the idea of the government providing additional funds to education and training organizations. In contrast, only 29% of workers with more than a high school education think this policy is a good idea.

5. Workers, the Economy, and the Direction of Federal Policy

The results of the extraordinary presidential election of 2000 had substantial influence on how we see the economy today. Never in American history had the final result of a national election been determined by a direct confrontation between the U.S. Supreme Court and a state supreme court. Not since 1888, when Benjamin Harrison defeated Grover Cleveland, had a president been elected without winning the popular vote. And President Bush's margin of victory in the electoral college was the closest since 1876, when Rutherford B. Hayes beat Samuel J. Tilden by one electoral vote. What sequence of events could more powerfully illustrate the fragmented, messy nature of the public policy and voting process? State and federal governments, state and federal judicial bodies, the mass media, and powerful political consultants all played a telling role in the ultimate outcome.

These realities fundamentally shaped the approach of the Bush Administration as it took office and pursued its policy agenda. The tensions that arose from the extraordinary closeness of the election, and the regional and cultural divisions seen in the support for each candidate, are still apparent in major divisions of opinion about how national politicians should handle the economy.

Entering office with divided public support undoubtedly had a role in the Bush Administration's vigorous message promotion of the tax cut as a remedy for an ailing national economy. Congress was under political pressure to work together with the President, who made his ten-year income tax cut a clear number one priority for his Administration. However, the economic situation had in no way deteriorated far enough—or as our findings confirm, alarmed the general public—to spur Democrats and others to propose and advocate for substantial alternatives. Congress has passed a

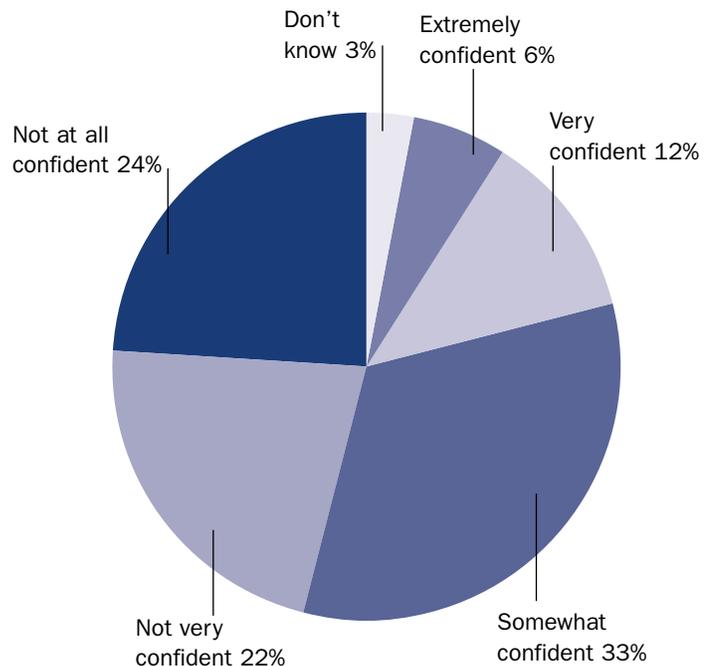
version of the tax cut package that they estimate to be \$1.3 trillion over ten years. Many tax analysts and advocates argue however, that the actual cost of the tax cut over this period is far higher—close to \$2.2 trillion.

A Nation Divided

Work Trends data reveal a nation divided over the direction of federal policy today. Working Americans differ widely in their views of politics, of President Bush's policies, and of the role of government. The data also suggest that workers generally want a streamlined government that is careful in its spending, pays its debts, and that invests in education and training, the lifelines of the new economy.

National policy matters. Half of America's workers say that the policies of the federal government have a lot to do with the health

Fig. 5-1: Workers and Tax Cuts:
Will it Benefit Them Personally?



of the American economy, and 33% say they have some impact. Twelve percent say they have little impact. When asked which political leaders and parties will do better in handling the economy, workers are also divided.

Twenty-eight percent of workers believe President Bush will do better in handling the economy than President Clinton, and 34% say he will do worse. Of the parties in Congress, 38% of workers say that the Democrats will do a better job handling issues relating to the economy, and 36% say the Republicans will.

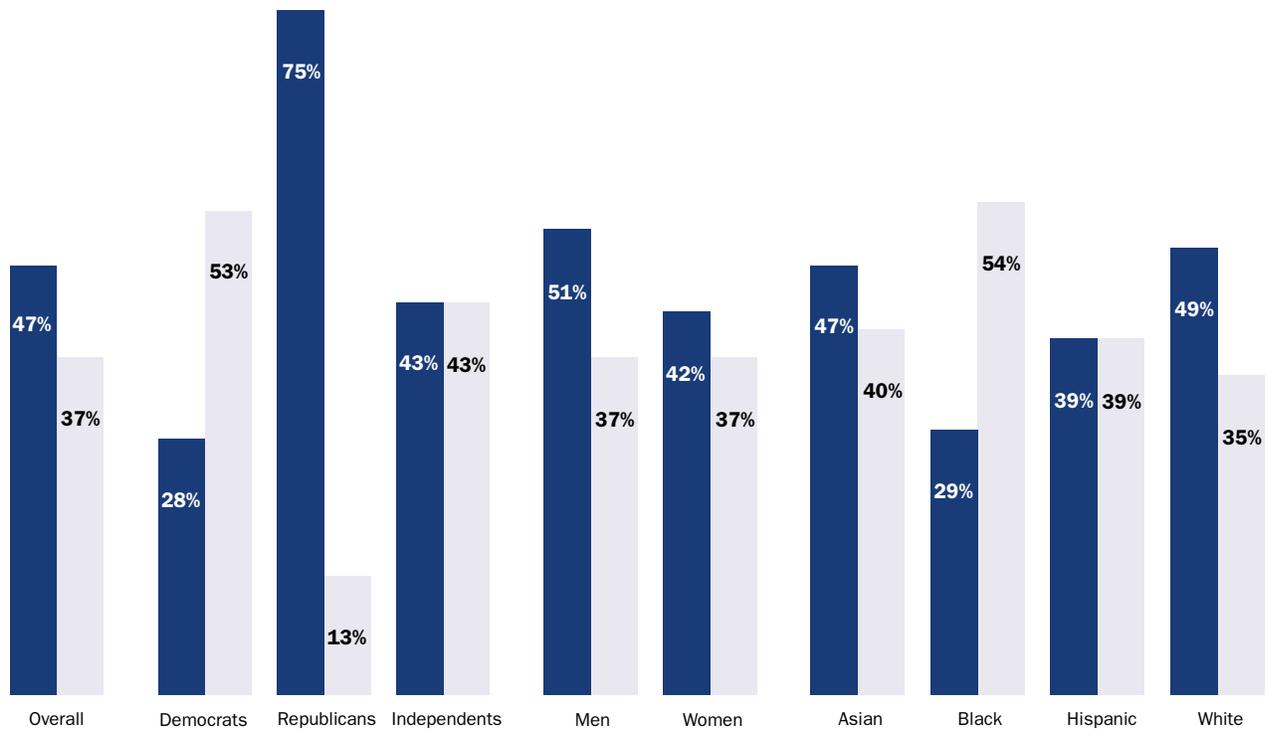
Workers of the two major parties tend to support leaders of their own party. About 36% of Independents believe Bush will do a worse job, as opposed to 20% who say he will be better, while they split their support equally among the two parties in Congress. Majorities of black, and Asian workers (64%, 63%) say Bush will do a worse job

than Clinton, while 31% of Hispanic workers say he will do worse, and 45% will be about the same. Black, Hispanic, and Asian workers believe in large numbers that Democrats will do a better job in Congress (70%, 56%, and 62%, respectively).

When asked if cutting personal income taxes is a good way to prevent or end an economic downturn, 47% of American agreed, and 37% disagreed. Only 28% of Democrat-affiliated workers believe Bush's income tax cut will be effective against a recession, as opposed to 76% of Republicans, and 43% of Independents. Slightly more than half of men as opposed to 42% of women believe the Bush income tax cut will be effective in lifting the economy.

Only 18% of workers say they are extremely or very confident, however, that a tax cut will benefit them personally; 46% are not very confident or not at all confident it

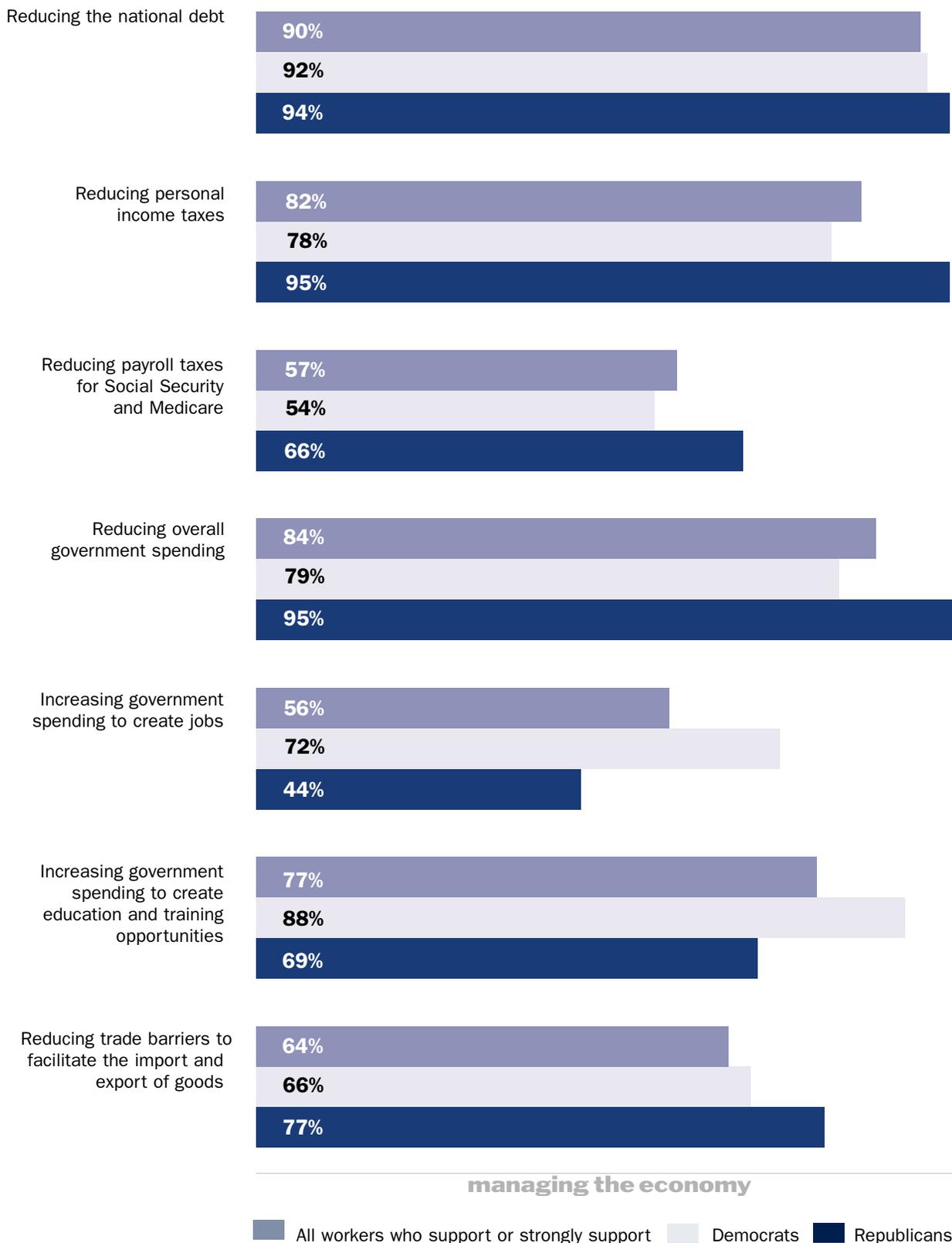
Fig. 5-2: Are Tax Cuts a Good Way to Prevent an Economic Downturn?



cutting income taxes

■ Yes
■ No

Fig. 5-2: Priorities for Managing the Economy by Political Affiliation



Work Trends data reveal a nation divided over the direction of federal policy today. Working Americans differ widely in their views of politics, of President Bush's policies, and of the role of government. The data also suggest that workers generally want a streamlined government that is careful in its spending, pays its debts, and that invests in education and training, the lifelines of the new economy.

will do so. Only 8% of Democrats are extremely or very confident the Bush tax cut will benefit them personally, as opposed to more than 37% of Republican workers who are extremely or very confident they will benefit personally. Just 14% of Independents are also extremely or very confident they will benefit, however. Over 23% of men are extremely or very confident they will benefit personally, while only 14% of women express this level of confidence.

Work Trends asked about an alternative to the Bush tax cut plan, a small, short-term tax cut proposed by a group of Democratic Senators, that would provide an immediate tax rebate of as much as \$300 for individuals and \$600 for couples. About a third (34%) of workers preferred the short-term plan as a tax cutting strategy for strengthening the economy, and 44% of respondents maintained their support for the Bush plan.

Work Trends also asked American workers about how they view a range of national policy priorities as Congress and the President weigh actions to manage the economy and the budget. Workers offer the most support for paying down the national debt, and providing additional funding for Social Security and Medicare, as well as cutting taxes:

Nearly all (90%) workers strongly support or support reducing the national debt in general. High numbers (82%) strongly support or support reducing personal income taxes as a policy. Substantial majorities of

workers (77%) strongly support or support increasing government spending to create education and training opportunities.

Smaller numbers (57%) strongly support or support increasing government spending to create jobs, and less than 60% of workers strongly support or support reducing payroll taxes for Social Security and Medicare in general.

Far more workers (88%) who are Democrats support or strongly support for increasing spending on education and training than Republican workers (68%). Similarly, 71.5% of Democrats support or strongly support increasing government spending to create jobs, as opposed to just 44% of Republican workers. Republican workers support or strongly support reducing government spending (95%) far more than Democratic workers (79%), and 55% of Republicans strongly support reducing government as compared to 38% of Democrats.

Women and men also hold diverging views on how much they support or strongly support increasing government spending for education and increased spending to create jobs (87% v. 74%, and 65% v. 53%). But their views are relatively close on other priorities. Workers who earn less than \$40,000 express far more support for increases in government spending on jobs (73%) than those earning more than \$40,000 (51%).

6. How Workers View Spending the Surplus

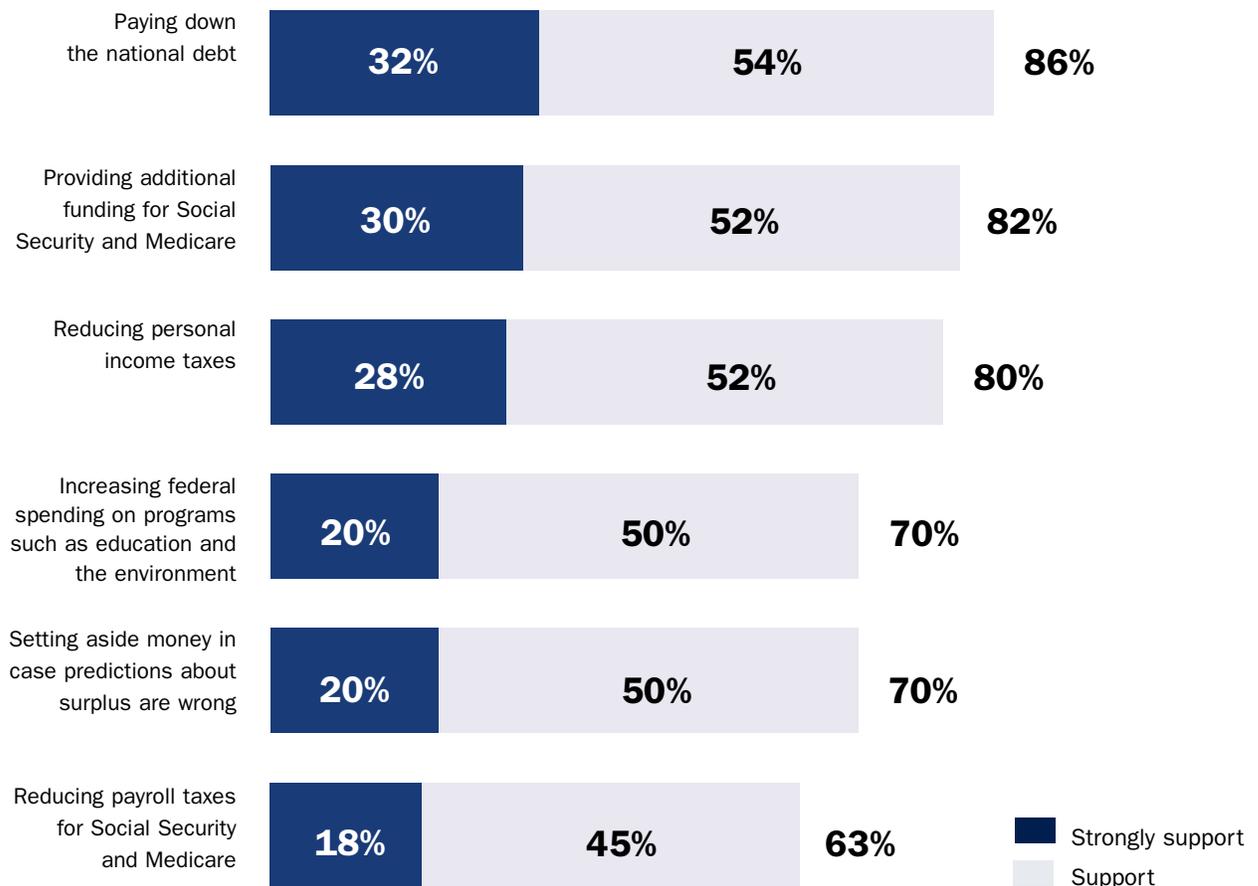
The Congressional Budget Office has estimated that the United States may have a budget surplus of \$5.6 trillion over the next ten years. With federal budget deficits seemingly a thing of the past, a debate is ensuing in Congress over how to spend this projected windfall. Many are advocating strongly for a large tax cut. Others strongly favor using the projected surplus to pay down the national debt and to increase spending on federal programs. The surplus is strongly identified by most analysts and the public as both a spur to and benefit of the long standing boom of the 1990s.

While many American workers are in favor of a tax cut, they are more likely to support paying down the national debt and

providing additional funding for Social Security and Medicare. The majority (86%) of American workers support paying down the national debt, with 32% saying they strongly support using the surplus in this manner. Similarly, 82% of workers favor providing additional funding for Social Security and Medicare, with 30% saying they strongly support such funding.

When it comes to tax cuts, 80% of workers support using the projected surplus to reduce personal income taxes, with 28% saying they strongly favor a reduction in taxes. A smaller majority of workers favor actions such as increasing federal spending on programs such as education and the environment (70%), setting aside the money in case

Fig. 6-1: Spending the Surplus



While many American workers are in favor of a tax cut, they are more likely to support paying down the national debt and providing additional funding for Social Security and Medicare. The majority (86%) of American workers support paying down the national debt, with 32% saying they strongly support using the surplus in this manner. Similarly, 82% of workers favor providing additional funding for Social Security and Medicare, with 30% saying they strongly support such funding.

the predictions about the surpluses are wrong (70%), and reducing payroll taxes for Social Security and Medicare (63%).

Workers who identify themselves as Republicans are more likely than those who identify themselves as Democrats to favor using the surplus to reduce personal income taxes, with 93% of Republicans supporting such an action, compared to 75% of Democrats. Almost all (95%) Democrats say the surplus should be used to provide additional funding for Social Security and Medicare, and 87% say it should be used to increase federal spending on programs such as education and the environment. In contrast, only 77% and 63%, respectively, of Republicans support these uses of the surplus. The overwhelming majority of both Democrats and Republicans are almost equally likely to support paying down the national debt (89% and 94%, respectively), although Democrats are more likely than Republicans to support setting aside the money in case predictions about the surplus prove wrong (76% and 65%, respectively).

Workers of different racial groups express different preferences for spending the surplus. For example, black workers are more likely than white workers to support increasing spending on programs such as

education and the environment (87% and 72%, respectively), with 33% of black workers strongly in favor of this initiative compared to 18% of whites who express similar strong support. In contrast, white workers are more likely to support reducing taxes and paying down the debt. More than three-fourths (84%) of white workers favor using the surplus to reduce personal income taxes, compared to 76% of black workers who feel the same. Likewise, 91% of white workers support paying down the national debt with surplus funds, compared to 80% of workers who are black.

Income is another indicator of which policies a worker is most likely to support. Workers who earn less than \$40,000 a year are more likely to support using the surplus to shore up Social Security and Medicare and increase spending on programs, while workers earning more than \$40,000 are more likely to support reducing taxes and paying down the national debt. Among workers earning less than \$40,000 a year, 88% support providing additional funding for Social Security and Medicare, compared to 82% of higher-earning workers. In comparison, more than three-fourths (82%) of lower income workers support increased federal spending on programs such as education and the environment, with 28% saying they strongly support such a policy. Only 68% of workers earning more than \$40,000 per year support this spending policy, with less than one-fifth (18%) saying they strongly support more spending on federal programs. Tax cuts win the support of many workers earning more than \$40,000 a year, with 85% supporting a reduction in personal income taxes, compared to 77% of lower income workers. At the same time, higher earning workers are more likely than lower earning workers to support paying down the national debt (91% and 85%, respectively).

While men and women show equal support for several potential uses of the

7. Conclusion

Holding On: Americans Assess a Changing Economic Landscape provides new evidence that working Americans are guardedly optimistic about the economy, withholding judgment about a recession, but prepared to make necessary changes should downward trends continue. The survey reveals that Americans are not so concerned about the ups and downs of economic cycles, because they have adjusted to the volatility—the so-called ‘creative destruction’—of what we call the new economy.

Therefore, we see that workers continue to be still reasonably satisfied and many like and even love their jobs, and few workers believe they themselves will be laid off. However, at the same time they view the economy as a whole in guarded terms. They don’t believe today is a particularly good time to find a job. They view the economy as a rocky landscape for job security. As has been shown in the *Work Trends* series and other significant surveys, working Americans have worried about their job and financial security even in the best of times during the 1990s boom. While consumer confidence was very high in the late 1990s, *Work Trends* surveys have documented that *worker confidence* about jobs has always been fragile.

Americans know that the employer-worker compact has changed in ways that leave them vulnerable, and for better or worse they accept the realities before them. Most American workers know they are competing in a global laborforce where there are few safe harbors or lifelong memberships, and the new survey makes clear that lower-income, and other, more vulnerable workers are the most anxious about these harsh realities. These workers know that they need more ladders of assistance from employers and government to afford the education, training, and transportation they need to stay on high ground in the economy.

To survive in the new economy, whether it is cycling up or down, workers know they need new tools. They need to watch their spending, keep their skills sharp, be willing to change jobs, and stay current with computers. In this current survey, an astonishing 73% of workers report they use a computer at work, home, or school *every day*. Workers across the spectrum express high levels of enthusiasm for the importance of lifelong learning, skills training, and education, and for expanded government and employer support for these activities. The unemployment and inflation rates are important to workers because they can relate to jobs and prices easily. But workers also watch jobless figures because they recognize that as long as jobs are being produced by the economy, they can muster the resources and will to compete for opportunities where they arise. Jobs are the bottom line of daily life.

All of this is stressful, to be sure. Today, workers are less satisfied with the hours they’re working, their relationships in the workplace, and the security of their health and pension benefits. Stark divisions are evident in the trust Americans express in their political parties and the policy choices their leaders are making to strengthen the economy.

The literature on the struggle to maintain healthy family relationships while meeting work demands is growing and well known.

When asked about the appropriate role and response of federal policymakers to these issues, worker responses may seem muddled and unclear. Workers are divided on the tax cut, and the role of the parties in the economy. But a closer look reveals that workers do agree on a broad mandate for government: keep your house in order. Workers by near unanimous levels support reducing the debt, keeping a reserve from the surplus, and financing Social Security

Appendix 1: Methodology

The survey was conducted from April 5 through April 22, 2001 by the Center for Survey Research and Analysis (CSRA) at the University of Connecticut. This report is based on a total of 1,010 telephone interviews completed with adult members of the workforce in the contiguous United States.

Interviews were conducted at the CSRA's interviewing facility in Storrs, Connecticut, using a Computer Assisted Telephone Interviewing (CATI) system. All CSRA surveys are conducted by professional survey interviewers who are trained in standard protocols for administering survey instruments. All interviewers assigned to this survey participated in special training conducted by senior project staff. The draft survey questionnaire and field protocols received extensive testing prior to the start of the formal interviewing period. Interviews were extensively monitored by center staff to insure CSRA standards for quality were continually met.

The sample for this survey was stratified to insure that regions, as defined by the U.S. Bureau of the

Census, were represented in proportion to their share of the total U.S. population. Within each of these regions, telephone numbers were generated through a random-digit-dial telephone methodology to insure that each possible residential telephone number had an equal probability of selection. Telephone banks which contain no known residential telephone numbers were removed from the sample selection process. The sample was generated using the GENESYS sampling database under the direction of a CSRA survey methodologist. Once selected, each telephone number was contacted a minimum of four times to attempt to reach an eligible respondent. Households where a viable contact was made were called up to 25 additional times. All households who initially refused to be interviewed were contacted at least one additional time by a senior interviewer who attempted to elicit cooperation. Within each household one adult was randomly selected to complete the interview.

A total of 2,098 adults were interviewed for this survey. Respondents who worked full

or part time, or who were unemployed and looking for work, received a full interview. A total of 1,062 respondents who did not meet these criteria received a short interview that included demographic questions. An additional 26 respondents completed partial interviews and asked that the interview be completed after the field period had ended. The results of this report are based on a total of 1,010 complete interviews with members of the workforce. The final results were weighted to match U.S. Bureau of the Census estimates for age, gender, and employment status.

The sample error associated with a survey of this size is +/- 3%, meaning that there is less than one chance in twenty that the results of a survey of this size would differ by more than 3% in either direction from the results which would be obtained if all members of the workforce in the contiguous U.S. had been selected. The sample error is larger for sub-groups. CSRA also attempted to minimize other possible sources of error in this survey.

Appendix 2: Survey Results

INT1

Hello, my name is _____ and I'm calling from the Center for Survey Research and Analysis at the University of Connecticut. We're conducting a national survey about what people think about their jobs and other issues, may I please speak to the male in the household who is at least 18 years of age, or older, and who had the most recent birthday? (IF NOT HOME) may I please speak to the female in the household who is at least 18 years of age, or older and who had the most recent birthday?

(1 / 124)

N=	1010	100%
Continue 01	1010	100%

QS1

WHEN DESIGNATED RESPONDENT IS ON THE PHONE READ THIS

QS1. Are you currently employed, are you unemployed and looking for work, or are you not employed and not looking for work? (READ CHOICES 1-3)

(1 / 127)

N=	1010	100%
Employed 01 => QS2		95%
Unemployed and looking for work 02 => Q1		5%
Unemployed and not looking for work 03 => INT2		—

Don't know

98 => INT2		—
Refused 99 => INT2		—

«QS1 »

QS2. Which statement best describes your current employment situation: (READ CHOICES 1-5)

(1 / 131)

N=	1010	100%
I work full-time for only one employer 01		73%
I work full time for one employer and part-time for another employer 02		6%
I work one part-time job 03		10%

I work two or more part-time jobs

04		3%
----	--	----

I am self-employed

05		10%
----	--	-----

Don't know

98		—
----	--	---

Refused 99		—
------------	--	---

«QS2 »

QS3. How many hours do you work in a typical week? (ENTER 2 DIGITS 00-80)

(1 / 133)

\$E 0 80

N=	1010	100%
0-20 hours		9%
21-30 hours		5%
31-35 hours		5%
36-40 hours		36%
41-45 hours		12%
46-50 hours		14%
51-55 hours		3%
56-60 hours		87%
61-65 hours		2%
66-70 hours		2%
71-80 hours		1%
More than 80 hours		5%

Don't know

98		1%
----	--	----

Refused 99		*
------------	--	---

Mean	43.06
Median	40
Standard Deviation	14.06

«QS3 »

Q1. Do you think that now is a good time to be looking for a job?

(1 / 135)

N=	1010	100%
Yes 01		44%
No 02		43%
Don't Know 98		14%
Refused 99		*

=> IQ4 if

QS1>02

Q2. How long have you been looking for work?(INTERVIEWER: CONVERT MONTHS TO WEEKS (MONTHS * 4)) (ENTER NUMBER OF WEEKS 1-96)

(1 / 137)

\$E 1 96

N=	58	100%
----	----	------

Don't Know

98		—
----	--	---

Refused 99		4%
------------	--	----

Q3. Have you been laid off from a job in the past year?

(1 / 139)

N=	58	100%
----	----	------

Yes 01		39%
--------	--	-----

No 02		61%
-------	--	-----

Don't Know

98		—
----	--	---

Refused 99		—
------------	--	---

IQ4. I'm going to read you a list of some economic issues. For each one, please tell me whether you are very concerned, somewhat concerned, not too concerned, or not at all concerned about it. First...

(1 / 141)

N=	1010	100%
Continue 01	1010	100%

Rotation => Q4D

Q4A. The current unemployment rate (READ CHOICES 1-4)

(1 / 143)

N=	1010	100%
----	------	------

Very concerned

01		20%
----	--	-----

Somewhat concerned

02		33%
----	--	-----

Not too concerned

03		31%
----	--	-----

Not at all concerned

04		15%
----	--	-----

Don't Know

98		1%
----	--	----

Refused 99		—
------------	--	---

Q4B. The cost of living (READ CHOICES1-4)
(1/ 145)

N=	1010	100%
<i>Very concerned</i>		
01		49%
<i>Somewhat concerned</i>		
02		34%
<i>Not too concerned</i>		
03		13%
<i>Not at all concerned</i>		
04		4%
<i>Don't Know</i>		
98		*
<i>Refused</i>	99	—

Q4C. Job security for those currently working (READ CHOICES 1-4)
(1/ 147)

N=	1010	100%
<i>Very concerned</i>		
01		32%
<i>Somewhat concerned</i>		
02		42%
<i>Not too concerned</i>		
03		17%
<i>Not at all concerned</i>		
04		8%
<i>Don't Know</i>		
98		1%
<i>Refused</i>	99	*

Q4D. The job market for those looking for a job (READ CHOICES 1-4)
(1/ 149)

N=	1010	100%
<i>Very concerned</i>		
01		23%
<i>Somewhat concerned</i>		
02		43%
<i>Not too concerned</i>		
03		22%
<i>Not at all concerned</i>		
04		10%
<i>Don't Know</i>		
98		2%
<i>Refused</i>	99	*

=> Q6 if QS1==02
IQ5. Now, I'd like to find out how satisfied you are with different aspects of your job. Please tell me whether you are very satisfied, somewhat satisfied, neither satisfied nor dissatisfied, somewhat dissatisfied, or very dissatisfied with each of the following. First...
 (1/ 151)
 N= 1010 100%
 Continue 01 1010 100%
 «IQ5 »
 01/04/05 18:37
Q5A. Your job overall (READ CHOICES 1-4)
 (1/ 153)
 N= 1010 100%

<i>Very satisfied</i>		
01		49%
<i>Somewhat satisfied</i>		
02		38%
<i>Neither satisfied nor dissatisfied</i>		
03		5%
<i>Somewhat dissatisfied</i>		
04		6%
<i>Very dissatisfied</i>		
05		2%
<i>Don't Know</i>		
98		*
<i>Refused</i>	99	*

Rotation => Q5M
Q5B. The total number of hours that you work each week (READ CHOICES 1-5)
 (1/ 155)
 N= 1010 100%

<i>Very satisfied</i>		
01		43%
<i>Somewhat satisfied</i>		
02		37%
<i>Neither satisfied nor dissatisfied</i>		
03		5%
<i>Somewhat dissatisfied</i>		
04		8%
<i>Very dissatisfied</i>		
05		6%
<i>Don't Know</i>		
98		*
<i>Refused</i>	99	*

Q5C. Your total annual income (READ CHOICES 1-5)
(1/ 157)

N=	1010	100%
<i>Very satisfied</i>		
01		23%
<i>Somewhat satisfied</i>		
02		44%
<i>Neither satisfied nor dissatisfied</i>		
03		5%
<i>Somewhat dissatisfied</i>		
04		15%
<i>Very dissatisfied</i>		
05		12%
<i>Don't Know</i>		
98		*
<i>Refused</i>	99	*

Q5D. The age at which you will probably retire (READ CHOICES 1-5)
(1/ 159)

N=	1010	100%
<i>Very satisfied</i>		
01		30%
<i>Somewhat satisfied</i>		
02		33%
<i>Neither satisfied nor dissatisfied</i>		
03		9%
<i>Somewhat dissatisfied</i>		
04		11%
<i>Very dissatisfied</i>		
05		11%
<i>Don't Know</i>		
98		6%
<i>Refused</i>	99	*

Q5E. The amount of vacation time you have (READ CHOICES 1-5)
(1/ 161)

N=	1010	100%
<i>Very satisfied</i>		
01		46%
<i>Somewhat satisfied</i>		
02		30%
<i>Neither satisfied nor dissatisfied</i>		
03		5%
<i>Somewhat dissatisfied</i>		
04		8%
<i>Very dissatisfied</i>		
05		10%
<i>Don't Know</i>		
98		1%
<i>Refused</i>	99	*

Q5F. The health and medical coverage provided by your employer (READ CHOICES 1-5) (1/ 163)

N=	1010	100%
Very satisfied		
01		38%
Somewhat satisfied		
02		28%
Neither satisfied nor dissatisfied		
03		6%
Somewhat dissatisfied		
04		11%
Very dissatisfied		
05		13%
Don't Know		
98		4%
Refused	99	1%

Q5G. The retirement and pensions plans provided by your employer (READ CHOICES 1-5) (1/ 165)

N=	1010	100%
Very satisfied		
01		31%
Somewhat satisfied		
02		28%
Neither satisfied nor dissatisfied		
03		8%
Somewhat dissatisfied		
04		11%
Very dissatisfied		
05		15%
Don't Know		
98		5%
Refused	99	1%

Q5H. Your job responsibilities and tasks (READ CHOICES 1-5) (1/ 167)

N=	1010	100%
Very satisfied		
01		50%
Somewhat satisfied		
02		39%
Neither satisfied nor dissatisfied		
03		4%
Somewhat dissatisfied		
04		5%
Very dissatisfied		
05		2%
Don't Know		
98		*
Refused	99	*

Q5I. Opportunities for advancement at your job (READ CHOICES 1-5) (1/ 169)

N=	1010	100%
Very satisfied		
01		29%
Somewhat satisfied		
02		32%
Neither satisfied nor dissatisfied		
03		11%
Somewhat dissatisfied		
04		13%
Very dissatisfied		
05		12%
Don't Know		
98		3%
Refused	99	1%

Q5J. Opportunities to get more education or training from your employer (READ CHOICES 1-5) (1/ 171)

N=	1010	100%
Very satisfied		
01		37%
Somewhat satisfied		
02		27%
Neither satisfied nor dissatisfied		
03		10%
Somewhat dissatisfied		
04		11%
Very dissatisfied		
05		11%
Don't Know		
98		5%
Refused	99	1%

Q5K. Your relationship with your co-workers (READ CHOICES 1-5) (1/ 173)

N=	1010	100%
Very satisfied		
01		63%
Somewhat satisfied		
02		29%
Neither satisfied nor dissatisfied		
03		3%
Somewhat dissatisfied		
04		2%
Very dissatisfied		
05		1%
Don't Know		
98		1%
Refused	99	1%

Q5L. Your relationship with your supervisor (READ CHOICES 1-5) (1/ 175)

N=	1010	100%
Very satisfied		
01		55%
Somewhat satisfied		
02		26%
Neither satisfied nor dissatisfied		
03		5%
Somewhat dissatisfied		
04		4%
Very dissatisfied		
05		4%
Don't Know		
98		4%
Refused	99	2%

Q5M. Overall quality of your work environment (READ CHOICES 1-5) (1/ 177)

N=	1010	100%
Very satisfied		
01		49%
Somewhat satisfied		
02		36%
Neither satisfied nor dissatisfied		
03		4%
Somewhat dissatisfied		
04		7%
Very dissatisfied		
05		4%
Don't Know		
98		—
Refused	99	*

Q5N. Which one of the following best tells how well you like your job? (READ CHOICES 1-7) (1/ 179)

N=	1010	100%
I hate it	01	1%
I dislike it		
02		3%
I don't like it		
03		2%
I am indifferent to it		
04		9%
I like it	05	33%
I am enthusiastic about it		
06		27%
I love it	07	25%
Don't Know		
98		1%
Refused	99	—

Q6. I now have a few questions on a different topic... How much do you think the policies of the Federal government are responsible for the health of the American economy? (READ CHOICES 1-4)

(1/ 181)

N=		1010	100%
A lot	01		50%
Some	02		33%
A little	03		12%
Not at all	04		3%
Don't Know	98		3%
Refused	99		*

«Q6 »

Q7. How do you think President George W. Bush will do in handling the economy? Do you think he will do better than President Clinton, about the same as President Clinton, or worse than President Clinton?

(1/ 183)

N=		1011	100%
Better	01		28%
Same	02		31%
Worse	03		34%
Don't Know	98		6%
Refused	99		1%

Q8. Which party in Congress does a better job of handling issues related to the health of the American economy, the Democratic party or the Republican party?

(1/ 185)

N=		1010	100%
Democratic party	01		38%
Republican party	02		36%
Other	03		1%
Neither	04		12%
Don't Know	98		12%
Refused	99		1%

IQ9. President George W. Bush has proposed a \$1.6 trillion cut in income taxes over the next ten years. It would be paid for out of the projected budget surplus, estimated at \$5.6 trillion over the next ten years.

(1/ 187)

N=		1010	100%
Continue	01		100%

Q9. Do you think President Bush's plan to cut personal income taxes is a good way to prevent or end an economic downturn?

(1/ 189)

N=		1010	100%
Yes	01		47%
No	02		37%
Don't Know	98		16%
Refused	99		1%

Q10. If Congress and the President enact a tax cut this year, how confident are you that it will benefit you personally? (READ CHOICES 1-5)

(1/ 191)

N=		1010	100%
Extremely confident	01		6%
Very confident	02		12%
Somewhat confident	03		32%
Not very confident	04		22%
Not at all confident	05		24%
Don't Know	98		3%
Refused	99		*

Q11. A group of Democratic Senators have recently proposed that Congress pass a smaller, short-term tax cut rather than the Bush proposal, which would provide an immediate tax rebate of as much as \$300 for individuals and \$600 for couples. Which tax cutting strategy do you believe would be more effective in strengthening the economy? (READ CHOICES 1-2)

(1/ 193)

N=		1010	100%
Larger, long term 1.6 trillion dollar in stages over the next ten years	01 => Q13		44%

Smaller, immediate 60 billion dollar tax cut

02	34%
----	-----

Both (In-Between)

03 => Q13	3%
-----------	----

Neither

04 => Q13	9%
-----------	----

Don't Know

98 => Q13	10%
-----------	-----

Refused

99 => Q13	*
-----------	---

Q12. If the smaller, short-term tax-cut were to pass, would you be more likely or less likely to support the Bush tax plan?

(1/ 195)

N=		346	100%
More likely	01		38%
Less likely	02		45%
About as likely (VOL.)	03		3%
Neither (VOL.)	04		5%
Don't Know (VOL.)	98		8%
Refused (VOL.)	99		1%

Q13. Over the next six months, how likely is it that the U.S. economy will experience a recession, extremely likely, very likely, somewhat likely, not too likely, or not at all likely? (READ CHOICES 1-5)

(1/ 197)

N=		1010	100%
Extremely likely	01		8%
Very likely	02		17%
Somewhat likely	03		46%
Not too likely	04		17%
Not at all likely	05		7%
Don't Know (VOL.)	98		5%
Refused (VOL.)	99		*

Q14. Are you extremely concerned, very concerned, somewhat concerned, not very concerned, or not concerned at all about the possibility that the US economy might stop growing this year? (READ CHOICES 1-5)

(1/ 199)		
N=	1010	100%
<i>Extremely concerned</i>		
01		8%
<i>Very concerned</i>		
02		21%
<i>Somewhat concerned</i>		
03		41%
<i>Not very concerned</i>		
04		19%
<i>Not concerned at all</i>		
05		10%
<i>Don't Know</i>		
98		2%
<i>Refused</i>	99	*

Q15. Are you extremely concerned, very concerned, somewhat concerned, not very concerned, or not concerned at all that you might lose your job in the next year? (READ CHOICES 1-5)

(1/ 201)		
N=	1010	100%
<i>Extremely concerned</i>		
01		4%
<i>Very concerned</i>		
02		8%
<i>Somewhat concerned</i>		
03		10%
<i>Not very concerned</i>		
04		18%
<i>Not concerned at all</i>		
05		58%
<i>Don't Know</i>		
98		2%
<i>Refused</i>	99	1%

IQ16. I am going to read you a list of indicators that might tell us how well the US economy is doing. For each one, I want you to tell me whether it is extremely important, very important, somewhat important, not very important, or not at all important as an indicator of the health of the US economy. (1/ 203)

N=	1010	100%
<i>Continue</i>	01	1010 100%

**Rotation => Q20A
=> Q16B if RAND==2
Q16A. The unemployment rate (READ CHOICES 1-5)**

(1/ 205)		
N=	516	100%
<i>Extremely important</i>		
01		14%
<i>Very important</i>		
02		42%
<i>Somewhat important</i>		
03		35%
<i>Not very important</i>		
04		5%
<i>Not at all important</i>		
05		2%
<i>Don't Know</i>		
98		2%
<i>Refused</i>	99	*

**=> Q16B if RAND==2
Q17A. Consumer Price Index (READ CHOICES 1-5)**

(1/ 207)		
N=	516	100%
<i>Extremely important</i>		
01		8%
<i>Very important</i>		
02		34%
<i>Somewhat important</i>		
03		37%
<i>Not very important</i>		
04		7%
<i>Not at all important</i>		
05		3%
<i>Don't Know</i>		
98		11%
<i>Refused</i>	99	*

**=> Q16B if RAND==2
Q18A. The Dow Jones Industrial Average (READ CHOICES 1-5)**

(1/ 209)		
N=	516	100%
<i>Extremely important</i>		
01		11%
<i>Very important</i>		
02		33%
<i>Somewhat important</i>		
03		35%
<i>Not very important</i>		
04		8%
<i>Not at all important</i>		
05		4%

Don't Know
98 8%
Refused 99 *

**=> Q16B if RAND==2
Q19A. The NASDAQ Average (READ CHOICES 1-5)**

(1/ 211)		
N=	516	100%
<i>Extremely important</i>		
01		10%
<i>Very important</i>		
02		29%
<i>Somewhat important</i>		
03		37%
<i>Not very important</i>		
04		10%
<i>Not at all important</i>		
05		4%
<i>Don't Know</i>		
98		10%
<i>Refused</i>	99	*

**=> Q16B if RAND==2
Q20A. The prime lending rate? (READ CHOICES 1-5)**

(1/ 213)		
N=	516	100%
<i>Extremely important</i>		
01		14%
<i>Very important</i>		
02		38%
<i>Somewhat important</i>		
03		29%
<i>Not very important</i>		
04		6%
<i>Not at all important</i>		
05		3%
<i>Don't Know</i>		
98		10%
<i>Refused</i>	99	1%

**Rotation => Q20B
=> IQ21 if RAND==1
Q16B. The number of people who are out of work (READ CHOICES 1-5)**

(1/ 215)		
N=	494	100%
<i>Extremely important</i>		
01		16%
<i>Very important</i>		
02		48%
<i>Somewhat important</i>		
03		28%

Not very important			Somewhat important			Don't Know		
04	4%		03	36%		98	3%	
Not at all important			Not very important			Refused	99	*
05	2%		04	16%				
Don't Know			Not at all important			Q21B. Reducing personal income taxes (READ CHOICES 1-4) (1/ 229)		
98	2%		05	5%		N=	1010	100%
Refused	99	2%	Don't Know			Strongly support		
			98	4%		01		37%
			Refused	99	—	Support		
						02		45%
=> IQ21 if RAND==1			=> IQ21 if RAND==1			Oppose		
Q17B. The prices of the things people typically buy (READ CHOICES 1-5) (1/ 217)			Q20B. The interest rates banks charge for lending money? (READ CHOICES 1-5) (1/ 223)			03		11%
N=	494	100%	N=	494	100%	Strongly oppose		
Extremely important			Extremely important			04		3%
01	18%		01	20%		Don't Know		
Very important			Very important			98	4%	
02	40%		02	54%		Refused	99	*
Somewhat important			Somewhat important			Q21C. Reducing payroll taxes for social security and Medicare (READ CHOICES 1-4) (1/ 231)		
03	35%		03	22%		N=	1010	100%
Not very important			Not very important			Strongly support		
04	4%		04	2%		01		22%
Not at all important			Not at all important			Support		
05	3%		05	1%		02		35%
Don't Know			Don't Know			Oppose		
98	1%		98	1%		03		26%
Refused	99	—	Refused	99	—	Strongly oppose		
						04		11%
=> IQ21 if RAND==1			IQ21. I am going to read to you a list of possible actions that might be taken by Congress and the President to manage the economy and the budget. For each one, I would like you to tell me how strongly you support or oppose each action. Please tell me whether you strongly support, support, oppose or strongly oppose each action. (1/ 225)			Don't Know		
Q18B. The prices of major industrial stocks (READ CHOICES 1-5) (1/ 219)			N=	1010	100%	98	6%	
N=	494	100%	Continue	01	1010	100%	Refused	99
Extremely important							*	
01	9%		Rotation => Q21G			Q21D. Reducing overall government spending (READ CHOICES 1-4) (1/ 233)		
Very important			Q21A. Reducing the national debt (READ CHOICES 1-4) (1/ 227)			N=	1010	100%
02	33%		N=	1010	100%	Strongly support		
Somewhat important			Strongly support			01		44%
03	40%		01	45%		Support		
Not very important			Support			02		40%
04	10%		Oppose			Oppose		
Not at all important			Oppose			03		10%
05	4%		Strongly oppose			Strongly oppose		
Don't Know			02	45%		04		3%
98	4%		03	6%		Don't Know		
Refused	99	*	04	1%		98	3%	
						Refused	99	*
=> IQ21 if RAND==1								
Q19B. The prices of stocks in high-tech companies (READ CHOICES 1-5) (1/ 221)								
N=	494	100%						
Extremely important								
01	10%							
Very important								
02	30%							

Q21E. Increasing government spending to create jobs (READ CHOICES 1-4)
(1/ 235)

N=	1010	100%
<i>Strongly support</i>		
01		18%
<i>Support</i>		
02		38%
<i>Oppose</i>		
03		27%
<i>Strongly oppose</i>		
04		13%
<i>Don't Know</i>		
98		4%
<i>Refused</i>	99	*

Q21F. Increasing government spending to create education and training opportunities (READ CHOICES 1-4)
(1/ 237)

N=	1010	100%
<i>Strongly support</i>		
01		35%
<i>Support</i>		
02		42%
<i>Oppose</i>		
03		14%
<i>Strongly oppose</i>		
04		6%
<i>Don't Know</i>		
98		3%
<i>Refused</i>	99	*

Q21G. Reducing trade barriers to facilitate the import and export of goods (READ CHOICES 1-4)
(1/ 239)

N=	1010	100%
<i>Strongly support</i>		
01		16%
<i>Support</i>		
02		48%
<i>Oppose</i>		
03		19%
<i>Strongly oppose</i>		
04		7%
<i>Don't Know</i>		
98		10%
<i>Refused</i>	99	1%

IQ22. The Congressional Budget Office has estimated that we will have a budget surplus of \$5.6 trillion over the next ten years. I am going to read you a list of ways to use this budget surplus. For each one, I would like you to tell me whether you strongly support, support, oppose, or strongly oppose using the surplus for this purpose.
(1/ 241)

N=	1010	100%
<i>Continue</i>		
01	1010	100%

Rotation => Q22F
Q22A. Reducing personal income taxes (READ CHOICES 1-4)
(1/ 243)

N=	1010	100%
<i>Strongly support</i>		
01		28%
<i>Support</i>		
02		52%
<i>Oppose</i>		
03		15%
<i>Strongly oppose</i>		
04		2%
<i>Don't Know</i>		
98		2%
<i>Refused</i>	99	*

Q22B. Reducing payroll taxes for Social Security and Medicare (READ CHOICES 1-4)
(1/ 245)

N=	1010	100%
<i>Strongly support</i>		
01		18%
<i>Support</i>		
02		45%
<i>Oppose</i>		
03		25%
<i>Strongly oppose</i>		
04		7%
<i>Don't Know</i>		
98		4%
<i>Refused</i>	99	*

Q22C. Paying down the national debt (READ CHOICES 1-4)
(1/ 247)

N=	1010	100%
<i>Strongly support</i>		
01		32%
<i>Support</i>		
02		54%
<i>Oppose</i>		
03		9%
<i>Strongly oppose</i>		
04		2%
<i>Don't Know</i>		
98		3%
<i>Refused</i>	99	*

Q22D. Providing additional funding for Social Security and Medicare (READ CHOICES 1-4)
(1/ 249)

N=	1010	100%
<i>Strongly support</i>		
01		30%
<i>Support</i>		
02		52%
<i>Oppose</i>		
03		12%
<i>Strongly oppose</i>		
04		3%
<i>Don't Know</i>		
98		3%
<i>Refused</i>	99	*

Q22E. Increasing federal spending on programs that benefit all Americans (READ CHOICES 1-4)
(1/ 251)

N=	1010	100%
<i>Strongly support</i>		
01		20%
<i>Support</i>		
02		50%
<i>Oppose</i>		
03		17%
<i>Strongly oppose</i>		
04		7%
<i>Don't Know</i>		
98		5%
<i>Refused</i>	99	1%

Q22F. Setting aside the money in case the predictions about surpluses are wrong. (READ CHOICES 1-4) (1/ 253)

N=	1010	100%
Strongly support		
01		20%
Support		
02		50%
Oppose		
03		23%
Strongly oppose		
04		4%
Don't Know		
98		4%
Refused	99	*

Q23. From what source do you obtain most of your news regarding the economy? (ASK AS OPEN ENDED—DO NOT READ CHOICES) (1/ 255)

N=	1010	100%
Newspaper		
01		30%
Television		
02		45%
Internet		
03		9%
Radio		
04		6%
Friends/Personal Discussion		
05		4%
Combination		
06		3%
Other (SPECIFY)		
88	0	2%
Don't Know		
98	12	1%
Refused	99	2

Q24. How reliable is the media as a source of information on the economy? (READ CHOICES 1-5) (1/ 257)

N=	1010	100%
Extremely reliable		
01		5%
Very reliable		
02		18%
Somewhat reliable		
03		59%
Not too reliable		
04		11%

Not at all reliable

05		6%
Don't Know		
98		1%
Refused	99	*

Q25. To what degree has media coverage of the economy affected your economic behavior? (READ CODES 1-4) (1/ 259)

N=	1010	100%
A lot	01	11%
Some	02	35%
A little	03	24%
Not at all		
04		30%
Don't Know		
98		1%
Refused	99	*

IQ26. If the US economy slows down or declines, how likely are you to (1/ 261)

N=	1010	100%
Continue	01	100%

Rotation => Q26C

Q26A. Get additional job training or education (READ CODES 1-5) (1/ 263)

N=	1010	100%
Extremely Likely		
01		12%
Very Likely		
02		17%
Somewhat Likely		
03		24%
Not Very Likely		
04		21%
Not Likely at all		
05		25%
Don't Know		
98		2%
Refused	99	1%

Q26B. Cut back on personal spending (READ CHOICES 1-5) (1/ 265)

N=	1010	100%
Extremely Likely		
01		18%
Very Likely		
02		29%
Somewhat Likely		
03		32%
Not Very Likely		
04		10%
Not Likely at all		
05		11%
Don't Know		
98		1%
Refused	99	*

Q26C. Delay major purchases, such as a house or car (READ CHOICES 1-5) (1/ 267)

N=	1010	100%
Extremely Likely		
01		22%
Very Likely		
02		25%
Somewhat Likely		
03		24%
Not Very Likely		
04		13%
Not Likely at all		
05		14%
Don't Know		
98		1%
Refused	99	*

Q27. How important is it to you that you continue to enhance your job skills? (READ CHOICES 1-4) (1/ 269)

N=	1010	100%
Very important		
01		71%
Somewhat important		
02		19%
Not too important		
03		5%
Not at all important		
04		5%
Don't Know		
98		*
Refused	99	*

Q28. Which of the following government policies do you think would be most effective in encouraging people to obtain additional job training? (READ CODES 1-3)

(1/ 271)		
N=	1010	100%
Provide tax incentives for employers to train workers	01	27%
Provide financial assistance to people who need it	02	23%
Provide additional funds to education and training organizations	03	32%
Combination (VOL)	04	13%
Other(SPECIFY) (VOL)	88	0 2%
Don't Know	98	2%
Refused	99	1%

Q29. Do you plan to take a job training or skill enhancement course in the next six months? (1/ 273)

N=	1010	100%
Yes	01	47%
No	02 => Q30	51%
Don't Know	98 => Q30	2%
Refused	99 => Q30	—

Q29A. How do you plan to pay for it? (READ CHOCIES 1-5)

(1/ 275)		
N=	467	100%
Personal loans or credit cards	01	10%
Government assistance	02	7%
Employer will pay	03	52%
Family Support (Spouse/Parents)	04	4%
Cash	05	22%
Other (SPECIFY)	88	0 1%
Combination	06	2%
Don't Know	98	2%
Refused	99	—

=> ID1 if QS1==02

Q30. Does your current employer pay for job training or education? (1/ 277)

N=	952	100%
Yes	01	63%
No	02	32%
Don't Know	98	4%
Refused	99	*

Q31. Has your company experienced lay-offs in the last six months? (1/ 279)

N=	952	100%
Yes	01	20%
No	02	77%
Don't Know	98	2%
Refused	99	*

Q32. Do you anticipate layoffs in your company in the next six months? (1/ 281)

N=	952	100%
Yes	01	17%
No	02	80%
Don't Know	98	3%
Refused	99	*

ID1. Now, I just have just a few questions about you.

(1/ 283)

N=	1010	100%
Continue	01	1010 100%

=> D5 if QS1==02

D1. I am going to read you a list of occupations, please tell me the one that most closely corresponds to the work you do for your primary employer. (READ CHOICES 1-9)

(1/ 285)

N=	952	100%
Professional	01	31%
Managerial	02	12%
Service	03	15%
Manufacturing	04	7%
Processing	05	1%

Technical

06	10%	
Clerical and sales	07	12%
Agriculture	08	3%
Other	09	9%
Don't Know	98	*
Refused	99	—

D2. Which best describes your current primary employer? Is it a...(READ CHOICES 1-4)

(1/ 287)

N=	952	100%
Private, for profit business	01	59%
The government	02	19%
A non-profit organization	03	11%
Myself-I am self employed	04	10%
Don't Know	98	1%
Refused	99	*

D3. Including all full and part time jobs, how many years in total have you been working?

(1/ 289)

N=	952	100%
1-10		24%
11-20		29%
21-30		29%
31-40		12%
More than	40	5%
Don't Know	98	1%
Refused	99	*

D4. How many people does the organization or company where you work employ? (READ CODES 1-4)

(1/ 291)

N=	952	100%
Less than 25	01	26%
25-99 people	02	15%
100-249 people	03	11%

250 or more people
 04 46%
 Don't Know
 98 2%
 Refused 99 —

D5. Are you married?
 (1/ 293)
 N= 1010 100%
 Yes, married
 01 55%
 No, not married
 02 44%
 Don't Know
 98 *
 Refused 99 *

D6. Do you have any children under the age of 18 who live at home?
 (1/ 295)
 N= 1010 100%
 Yes 01 44%
 No 02 56%
 Don't Know
 98 —
 Refused 99 *

D7. Are you a member of a labor union or teacher's association? (If Yes: Ask which one)
 (1/ 297)
 N= 1010 100%
 Yes 01 16%
 No 02 => D8 84%
 Don't Know
 98 => D8 *
 Refused 99 => D8 —

D7A. Which are you a member of: a labor union or a teacher's association?
 (1/ 299)
 N= 159 100%
 Labor union
 01 69%
 Teachers association
 02 32%
 Don't Know
 98 —
 Refused 99 —

D8. In politics today, do you consider yourself to be a Democrat, Republican, Independent or something else?
 (1/ 301)

N= 1010 100%
 Democrat
 01 31%
 Republican
 02 30%
 Independent
 03 26%
 Other (Specify)
 88 O 8%
 Don't Know
 98 3%
 Refused 99 2%

D9. [AGE]
 18-19 2%
 20-24 10%
 25-29 14%
 30-34 12%
 35-39 15%
 40-44 15%
 45-49 11%
 50-54 9%
 55-59 6%
 60-64 4%
 65-69 2%
 70-74 1%
 75+ *
 Don't Know
 9998 *
 Refused
 9999 1%

D10. What was the last grade of school you have completed? (READ CHOICES 1-6)
 (1/ 307)

N= 1010 100%
 Grade school or less
 01 1%
 Some high school
 02 3%
 High school
 03 26%
 Some college (1-3 years)
 04 28%
 College grad (4 years)
 05 26%

Post graduate (beyond 4 years)
 06 15%
 Don't Know
 98 *
 Refused 99 *

D11. Do you have access to a computer at home or work? (READ CHOICES 1-2)
 (1/ 309)

N= 1010 100%
 Work 01 14%
 Home 02 16%
 Both (VOL)
 03 64%
 Neither (VOL)
 04 7%
 Don't Know
 98 *
 Refused 99 *

D12. How often do you use a computer either at home, work, at school, or any other place? (READ CHOICES 1-5)
 (1/ 311)

N= 1010 100%
 Every day 01 73%
 At least once a week
 02 14%
 At least once a month
 03 4%
 Less than once a month
 04 3%
 Never 05 6%
 Don't Know
 98 —
 Refused 99 *

D13. Are you of Hispanic origin?
 (1/ 313)

N= 1010 100%
 Yes 01 7%
 No 02 93%
 Don't Know
 98 *
 Refused 99 *

D14. Are you Black, White, Asian, Native American or something else?
(1/ 315)

N=	1010	100%
Black	01	10%
White	02	75%
Asian	03	3%
Native American	04	2%
Bi-Racial (VOL)	05	1%
Other Specify (VOL)	06	0
Don't Know	98	6%
Refused	99	1%
		2%

QD15. For classification purposes only, is the total yearly income of all of the members of your family now living at home \$40,000 or more, or would it be less than \$40,000? (READ CHOICES 1-2)
(1/ 317)

N=	1010	100%
Less than \$40,000	01 => D15A	28%
\$40,000 or more	02 => D15B	63%
Don't know	98 => QRC1	2%
Refused	99 => QRC1	7%

D15A. And is that . . .
(1/ 319)

N=	281	100%
Under \$10,000	01 => THANK	7%
\$10,000 to less than \$20,000	02 => QRC1	19%
\$20,000 to less than \$30,000	03 => QRC1	136%
\$30,000 to less than \$40,000	04 => QRC1	33%
Don't know	98 => QRC1	2%
Refused	99 => QRC1	3%

01/04/03 15:32
116: D15B
QD15B And is that . . .
(1/ 321)

N=	637	100%
\$40,000 to less than \$50,000	01	19%
\$50,000 to less than \$75,000	02	31%
\$75,000 or more	03	43%
Don't know	98	3%
Refused	99	4%

D16. Interviewer: Record Gender
(1/ 329)

N=	1010	100%
Male	01	46%
Female	02	54%

Notes:
Results reported reflect weighted percentages and unweighted sample sizes
* Indicates less than .5% of responses in category
— Indicates no responses in category
Percentages of all responses to a question may add to more than 100% because of rounding.



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