Washington, We Have Problems!

The Great Recession officially ended in June 2009. However, most Americans feel that economic conditions are as bleak as they were during the recession, according to the latest CNBC All-America Economic Survey. For this telephone survey, researchers interviewed 806 adults throughout the country on June 16-18, 2011.

Researchers find that 63 percent of survey respondents feel pessimistic about current and future economic conditions, but only 6 percent are optimistic. Surprisingly, wealthier Americans (i.e., those with incomes greater than $75,000 or more than $50,000 invested in the stock market) feel as pessimistic as the nation as a whole.

Such pessimistic perceptions have induced people to spend less money on out-of-home entertainment (70 percent), driving to run daily errands (64 percent), travelling (61 percent), and taking summer vacations (60 percent). The majority (50 percent) feels it is a bad time to invest in the stock market, compared to 30 percent who think otherwise. Interestingly, only 22 percent say they use more credit card loans to pay for their purchases and 78 percent say the do not.

Americans are also pessimistic about the on-going housing market recession. Of the survey respondents, 55 percent believe housing prices will stay constant, 30 percent anticipate a decline, and 15 expect an increase in property values next year. Moreover, people are worried about rising food and gas prices with 91 percent expecting higher food prices and 93 percent anticipating climbing gas prices in the near future.

The American people blame both Democratic and Republican lawmakers for the grave deficit-debt problem facing the country today. Of the survey respondents, 63 percent see an unlikely alliance between the two parties to cut federal government spending over the next few months. They also identify the sources of accumulating federal budget deficit as the wars in Iraq and Afghanistan (39 percent), the Obama stimulus spending (26 percent), the Bush tax cut (14 percent), and the recession (13 percent). Nearly one-half of the respondents believe the Congress will have no choice but to raise the national debt ceiling.
Sources:
Study #10208b CNBC 2nd Quarter Survey June 2011,
http://msnbcmedia.msn.com/i/CNBC/Sections/News_And_Analysis/_Story_Inserts/graphics/