

The Star-Ledger/Eagleton-Rutgers Poll

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A story based on the survey findings presented in this release and background memo will appear in the Monday, May 14 Star-Ledger. We ask users to properly attribute this copyrighted information to "*The Star-Ledger/Eagleton-Rutgers Poll.*"

NEW JERSEYANS REPORT GOOD ECONOMIC TIMES

And Expect Them To Stay That Way

Despite market fluctuations and predictions of national economic doom, Garden State residents are economically comfortable these days, and they plan to stay that way. Two-thirds of residents feel the state is in economic good times, according to a recent Star-Ledger/Eagleton-Rutgers Poll, and eight in ten are at least somewhat satisfied with their current standard of living. On neither of these fronts do New Jerseyans expect major changes – most say their personal financial conditions and those of the state economy will stay about the same in the coming year.

The Star-Ledger/Eagleton-Rutgers Poll was conducted by telephone with a scientifically selected sample of 802 New Jersey residents between April 11 and 17, 2001. The sampling error for the survey is ± 3.5 percentage points.

Residents think the state economy is in good shape. Sixty-seven percent feel that New Jersey is currently experiencing economic "good times" while only one-quarter say that the state is in "bad times." Not surprisingly, the most approving are those who are doing the best financially – 79 percent of those with household incomes over \$70,000 a year say the state is doing well economically. But even those who are less well off are still positive – 60 percent of those who make under \$35,000 a year say the state is in economic "good times."

New Jerseyans also expect these good times to continue, at least through the next year. Half of residents expect economic conditions in the state to stay about the same, and 25 percent expect them to get even better. Only one in five residents expect economic conditions to worsen.

When it comes to their personal finances, residents are equally, if not more, content. Eighty percent of residents are satisfied with their standard of living – 32 percent say they are "very satisfied" and 48 percent are "somewhat satisfied." Only 19 percent report dissatisfaction

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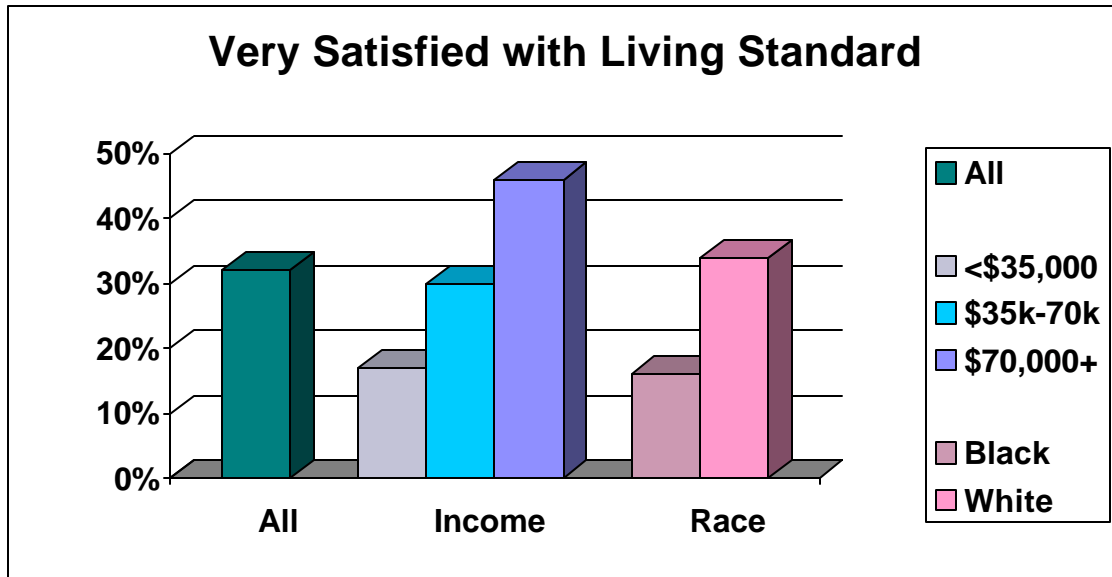
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with their current living standard. Here again, those who make the most money are the most satisfied. A nearly unanimous 92 percent of New Jersey residents with household incomes over \$70,000 a year are satisfied with their standard of living. Racial differences also exist: only 16 percent of African-American New Jerseyans are “very satisfied” with their standard of living, compared to 34 percent of whites.



Overall, the financial picture has changed little over the past year for New Jersey residents, and it's not expected to change in the coming year. Fifty-two percent of New Jerseyans say their finances have stayed about the same over the past twelve months. Three in ten say their personal finances improved, while only one in five say their situation got worse. Looking ahead, 50 percent expect their financial situation to stay the same in the coming year. A substantial 37 percent expect their fortunes to brighten, and only one in ten expect things to get worse.

In general, New Jerseyans are far more optimistic than pessimistic. When attitudes on the economy and personal finances in the coming year are combined, 40 percent of New Jerseyans show up as optimistic about either the economy or their personal finances, or both. Around one third (31 percent) fall into a status quo category – expecting both the economy and their personal finances to stay the same – and one in four are pessimists who say that either the economy, their own personal situation, or both, will worsen in the coming year.

Joseph Seneca, an economist and Rutgers University's Vice President for Academic Affairs, explains why New Jerseyans have cause for such optimism: “Despite the national

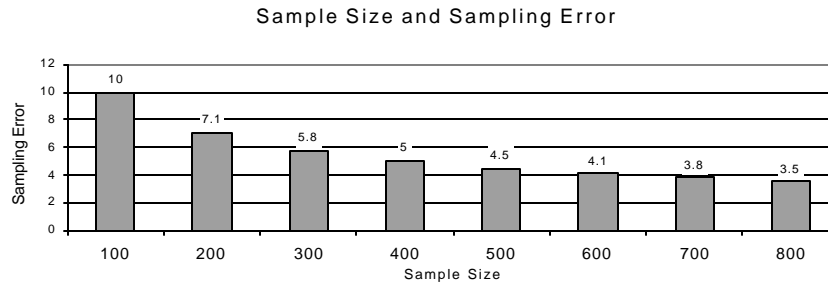
economic slowdown, New Jersey labor markets remain tight and personal income continues to increase. Although our rate of employment growth has certainly slowed, the diversified and high value-added nature of our business sector means that New Jersey will weather the current national slowdown well.”

Some breakdowns of these attitudes:

- Minority residents are more optimistic than are white residents – 56 percent of blacks and Hispanics expect either their personal finances or the economy to get better in the next year, compared to only 35 percent of whites.
- 50 percent of 18 to 29 year-olds are optimists, compared with only 28 percent of those over the age of 64.
- Northern New Jerseyans are more optimistic than others – 45 percent of northern residents are optimists, while only 39 percent of central New Jersey residents and 36 percent of southern residents are.
- Young families are optimistic: Nearly half (48 percent) of parents with school-aged children fall into the optimist category, while only 40 percent of non-parents and 35 percent of parents with adult children do.
- Those residents who don't like New Jersey are the most pessimistic about the financial picture – 34 percent of those who rate New Jersey as only a fair or poor place to live are classified as pessimists, compared to only 22 percent of those who rate New Jersey as excellent or good.

BACKGROUND MEMO – RELEASE (EP131-6) May 14, 2001

The latest *Star-Ledger/Eagleton-Rutgers* Poll was conducted by telephone from April 11-17 with a scientifically selected random sample of 802 New Jersey adult residents. The figures in this release are based on this sample size. All surveys are subject to sampling error, which is the expected probable difference between interviewing everyone in a population versus a scientific sampling drawn from that population. The sampling error is ± 3.5 percent, at a 95 percent confidence interval. Thus if 50 percent of New Jersey adult residents were found to have an optimistic view of the economy, one would be 95 percent sure that the true figure would be between 46.5 and 53.5 percent (50 ± 3.5) had all New Jersey adult residents been interviewed, rather than just a sample. Sampling error increases as the sample size decreases, so statements based on various population subgroups, such as separate figures reported for various income levels, are subject to more error than are statements based on the total sample. The following chart shows the relationship between sample size and sampling error.



Sampling error does not take into account other sources of variation inherent in public opinion studies, such as non-response, question wording or context effects. The verbatim wording of all questions asked is reproduced in this background memo. The sample has been stratified based on county and the data have been weighted on age and education to insure an accurate proportional representation of the state. The questions referred to in this release are as follows:

"How would you generally describe economic conditions in New Jersey right now? Would you say that economically New Jersey is in good times or bad times right now?" (E1)

	<u>Good times</u>	<u>Bad times</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
April 2001	67%	24%	9%	100%	(802)
<u>Income</u>					
-- Under \$35,000	60	30	10	100	(184)
-- \$35,000 to \$70,000	63	27	10	100	(246)
-- \$70,000 or more	79	18	3	100	(287)
<u>Previous Surveys</u>					
February 1995	41	50	10	101	(801)
February 1994	28	66	5	99	(801)
February 1993	22	72	6	100	(801)
January 1992	8	84	7	99	(800)
February 1991	12	84	4	100	(800)
March 1990	36	55	8	99	(800)
September 1989	57	31	12	100	(1,000)

"During the next year, do you think economic conditions in New Jersey will get better, get worse, or stay about the same?" (E2)

	<u>Better</u>	<u>Worse</u>	<u>About the same</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
April 2001	25%	20%	50%	5%	100%	(802)
<u>Income</u>						
-- Under \$35,000	26	16	53	5	100	(184)
-- \$35,000 to \$70,000	24	21	50	5	100	(246)
-- \$70,000 or more	24	22	53	1	100	(287)
<u>Previous Surveys</u>						
February 1995	31	16	49	4	100	(801)
February 1994	46	11	38	5	100	(801)
February 1993	39	15	43	3	100	(801)
January 1992	40	14	41	5	100	(801)
February 1991	31	23	42	4	100	(800)

"Thinking of your family's financial situation over the last year, have things gotten better, worse, or stayed about the same?" (E3)

	<u>Better</u>	<u>Worse</u>	<u>About the same</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
April 2001	29%	18%	52%	1%	100%	(802)
<u>Income</u>						
-- Under \$35,000	23	24	52	1	100	(184)
-- \$35,000 to \$70,000	24	19	57	--	100	(246)
-- \$70,000 or more	40	14	46	--	100	(287)
<u>Previous Surveys</u>						
February 1995	22	21	56	--	99	(801)
February 1994	17	27	55	1	100	(801)
February 1993	13	28	58	1	100	(801)
January 1992	13	33	54	--	100	(800)
February 1991	13	33	54	--	100	(800)
March 1990	18	26	55	1	100	(800)
September 1989	19	23	58	--	100	(1,000)

"And looking ahead, do you think that a year from now you and your family will be better off financially, worse off, or about the same as now?" (E4)

	<u>Better</u>	<u>Worse</u>	<u>About the same</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
April 2001	37%	10%	50%	3%	100%	(802)
<u>Income</u>						
-- Under \$35,000	30	13	53	3	99	(184)
-- \$35,000 to \$70,000	43	9	45	3	100	(246)
-- \$70,000 or more	41	7	51	1	100	(287)
<u>Previous Surveys</u>						
January 2001	35	9	54	2	100	(803)
February 1995	35	13	49	3	100	(801)
February 1994	35	11	51	3	100	(801)
February 1993	31	18	48	3	100	(801)
January 1992	32	11	52	5	100	(800)
February 1991	33	11	53	4	101	(800)
March 1990	31	19	44	6	100	(800)
September 1989	36	12	46	6	100	(1,000)

"Overall, how satisfied are you with your current standard of living – very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?" (E5)

	<u>Very satisfied</u>	<u>Somewhat satisfied</u>	<u>Somewhat dissatisfied</u>	<u>Very dissatisfied</u>	<u>Don't know</u>	<u>Total</u>	<u>(n)</u>
April 2001	32%	48%	14%	5%	1%	100%	(802)
<u>Income</u>							
-- Under \$35,000	17	51	22	8	2	100	(184)
-- \$35,000 to \$70,000	30	48	15	7	--	100	(246)
-- \$70,000 or more	46	46	8	1	--	101	(287)
<u>Race</u>							
-- White	34	48	13	5	--	100	(582)
-- Black	16	52	23	8	2	101	(101)
<u>Previous Surveys</u>							
February 1994	23	49	19	8	--	99	(801)
February 1993	19	53	20	7	1	100	(801)
January 1992	21	50	19	9	--	99	(800)

The following table is a composite made from:

“During the next year, do you think economic conditions in New Jersey will get better, get worse, or stay about the same?” (E2), and

“And looking ahead, do you think that a year from now you and your family will be better off financially, worse off, or about the same as now?” (E4)

“*Optimists*” are those who answered “better” to at least one question and did not answer “worse” to either. “*Status Quo*” are people who answered “same” for both. “*Pessimists*” answered “worse” to at least one question. Anyone who answered “don’t know” to at least one question is represented in “*Other / DK*.”

	Optimist	Status Quo	Pessimist	Other / DK	Total	(n)
April 2001	40%	31%	25%	4%	100%	(802)
<u>Race</u>						
-- White	35	33	28	4	100	(582)
-- Black & Hispanic	56	25	16	4	101	(155)
<u>Age</u>						
-- 18-29	50	26	21	3	100	(136)
-- 30-49	46	26	26	2	100	(324)
-- 50-64	33	34	26	6	99	(185)
-- 65+	28	42	22	7	99	(134)
<u>Region of state</u>						
-- North	45	30	21	4	100	(350)
-- Central	39	32	26	3	100	(216)
-- South	36	31	28	6	101	(224)
<u>Education</u>						
-- HS or less	39	31	24	5	99	(244)
-- Some college	49	27	21	3	100	(258)
-- College grad	34	33	28	4	99	(298)
<u>Gender</u>						
-- Male	41	31	24	4	100	(383)
-- Female	40	30	25	5	100	(419)
<u>Income</u>						
-- Under \$35,000	37	35	24	5	101	(184)
-- \$35,000 to \$70,000	43	28	26	4	101	(246)
-- \$70,000 or more	43	32	23	2	100	(287)
<u>Rate NJ as a place to live (NJ1)</u>						
-- Excellent / Good	43	31	22	4	100	(621)
-- Only fair/ Poor	33	29	34	3	99	(173)
<u>Children in household</u>						
-- Yes, school-aged children	48	23	27	3	101	(240)
-- Yes, but not school-aged	35	37	23	6	101	(290)
-- No children	40	32	24	4	100	(268)