

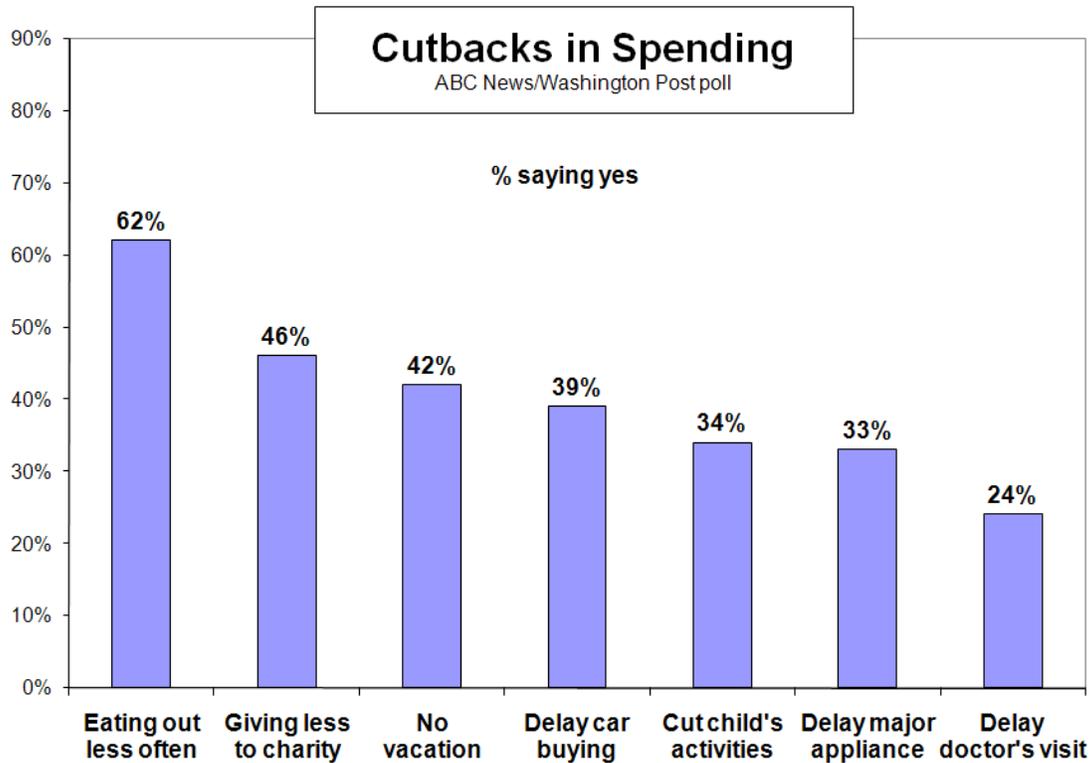
## **Public's Cry as G20 Meets: "We are Struggling"**

It is a diminution of the American dream – no less.

Sixteen months into the worst recession in at least a generation, six in 10 Americans are under economic stress, a third call it serious stress – and cutbacks are raging, from restaurant meals to charitable giving, family vacations to spending on the kids.

The impacts are apparent in the latest ABC News/Washington Post poll – in the data, and even more powerfully in the own words of struggling Americans. As G20 policymakers convene in London, these results show the economy's impact back home, at the kitchen table.

Some of the tales are dire: "We don't buy extras. We stay home. We shop at stores that have the least cost," said a 45-year-old woman in Michigan. "We don't use credit cards. We have cut back on everything we could. We contacted the mortgage company to lower our house payment. If things don't change soon, we are going to lose everything."



“I do not spend unless I have to because I do not know what tomorrow is going to bring,” said a 53-year-old Pennsylvania woman. “I cut back on food and going anywhere.”

And for a 37-year-old mother in California: “I moved to cloth diapers that I wash myself. I have cut my phone bill in half. I have attempted to cut back on cable with a new plan. ... I am not eating out – we’re better about that.”

She has plenty of company: Sixty-three percent of Americans say they’re cutting back on their overall spending; three in 10, cutting back sharply – a tremendous retrenchment in consumer behavior. Topping the list of seven specific items tested in this poll, 62 percent say they’re going to restaurants less often. But there are plenty more cuts: Forty-six percent are giving less to charity. Four in 10 have dropped or postponed a vacation or delayed car-buying plans. A third have put off buying major appliances.

Among parents, a third have cut spending on their children’s activities, such as music lessons, sports programs or summer camp. And nearly one in four Americans say they’ve cancelled or delayed a doctor’s appointment or medical test.

These levels of cutbacks are significant in terms of their direct effect on retailers, charities and service providers, their ripple effect on the broader economy – and equally as much in their personal impacts on the daily lives of ordinary Americans.

For some it’s about choice – trimming luxuries or non-essentials. Others are cutting coupons, buying generics, carpooling, brown-bagging lunch. For yet others, the economic realignment is more profound.

From a 20-year-old woman in Ohio: “My husband and I are moving back in with my mom.”

From a 35-year-old Georgia man: “We are living on a budget. We used to spend everything we made. We are using surplus income to pay off debts. I took a part time job for additional income.”

From a 21-year old man in Michigan: “I am going to community college instead of a university.”

And from a 38-year-old South Carolina woman: “We are cutting back on groceries and clothing. The kids aren’t going out. We are struggling.”

Relief seems distant. Boosted by hopes for the Obama administration’s recovery efforts, expectations for the economy’s future have grown less grim: While 36 percent say it’s getting worse, that’s down from a 28-year record of 82 percent in October. And while just 27 percent say the economy’s in fact improving, that’s a four-year high.

At the same time, ratings of current economic conditions remain dismal. Ninety-three percent of Americans rate the economy negatively, more than 90 percent for a record 21

weeks. Seventy-six percent call it a bad time to spend money, 6 points from the record. And 54 percent say their personal finances are in bad shape – half or more for 36 weeks straight, the longest such stretch since 1993.

Previous ABC/Post polling has underscored some of the strongest factors in economic anxiety – having someone in the household experience a layoff or pay cut is a powerful predictor, as is having a close friend or family member who’s gotten the chop. But even a good income doesn’t provide full protection: While 67 percent of people in under-\$50,000 households have cut their spending (40 percent sharply), so have 59 percent in better-off households (albeit fewer have done so sharply, 21 percent).

The voices of survey respondents reflect these realities. More follow – a catalog of cutbacks that define some of the real-life impacts of economic contraction.

“I am not going out to eat. The kids are not getting rewards. We are not going to take our family trip to the movies once a week.”

“I cut back on buying my wife presents.”

“I am taking lunch instead of buying it.”

“We are cutting back on shopping for clothing and just wearing what we have.”

“We have cut out trips. We are cutting back on clothes and groceries. We are looking for sales.”

“We are spending less money on entertainment. I put the student loans in forbearance.”

“I have cut back traveling. We are watching our utilities. We try to avoid buying brand foods. ... We make sure our medicines are generics.”

“I keep the thermostat set at 65. I turn off the lights and TV. I hang clothes outside to dry. I walk rather than use the car.”

“I wanted to buy another house but I cannot.”

“We are cutting back to basics. We cut back from cable to local TV.”

“I have to cut back spending to help my parents.”

“I am not giving as much money to my kids. I am on a budget. I am not as free in spending as I used to be. We are retired. My husband had a retirement annuity that was canceled.”

“I am staying out of shopping malls.”

“I cut back on cable TV. We purchased a new phone service for less. We are commuting to work together. We are shopping for better car insurance. We are giving less to the church and other charities.”

“We buy budget. We buy less for our animals. We are growing a garden this year. We are not spending as much on travel.”

“I do my own yard work and repairs on vehicles.”

“If I do go out to eat I make it less expensive places. I cut back on health care expenses. I refrain from many things I’m used to. ... I’m not buying foods that are not needed. Clothing purchases are fewer. ... I am patching up jeans instead of buying new ones. Vacations are the biggest cutback. I am driving less. ... I used to pay guys to do my yard work. Now I am doing it myself.”

“I got rid of cable. I buy generic cigarettes. I cut back on playing the lottery... I don’t have any entertainment expenses.”

“I have cut back on grocery shopping, medications and home renovation. ... I haven’t been going to the doctor’s. It’s especially hard for people on disability and senior citizens.”

“I watch my pennies. I use coupons. If I don’t have a coupon, I don’t buy it.”

“Pretty much holding back on buying new clothes and school supplies.”

“I have cut back on leisure and recreation. I got rid of the storage units. I got rid of the massage therapist. I am doing less grocery shopping.”

“We cut back on luxuries like eating out, haircuts and getting my hair dyed at the salon. I do it myself now. I have looked at my bills to see if I could do better at different companies. I cancelled my gym membership.”

“I hope my appliances last forever.”

“I’ve cut back everywhere I can. I don’t even tip.”

**METHODOLOGY** – This ABC News/Washington Post poll was conducted by telephone March 26-29, 2009, among a random national sample of 1,000 adults including both landline and cell-phone-only respondents. Results for the full sample have a 3-point error margin; click [here](#) for a detailed description of sampling error. Sampling, data collection and tabulation by TNS of Horsham, PA.

Analysis by Gary Langer.

ABC News polls can be found at ABCNEWS.com at <http://abcnews.com/pollingunit>

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Full results follow (\*= less than 0.5 percent).

1-13 previously released.

14. Is the current economic situation a cause of stress in your life, or not?  
(IF YES) Is it a cause of serious stress, or stress, but not serious?

	--- Yes, cause of stress --		Not a cause	No	
	NET	Serious	Not serious	of stress	opinion
3/29/09	61	33	28	39	*
2/22/09	57	27	30	43	0

15. Have you been cutting back on your spending lately, spending at about your usual level, or spending more than usual? (IF CUTTING BACK) Have you cut back sharply, or somewhat?

	----- Cutting back -----			Usual	Spending more	No
	NET	Sharply	Somewhat	level	than usual	opinion
3/29/09	63	31	32	33	4	*
2/22/09	67	31	36	30	3	1

16. In the last six months, have you done any of the following, or not? Have you [ITEM]?

3/29/09 - Summary Table\*

	Yes	No	No opin.
a. Delayed plans to buy a new car	39	61	*
b. Delayed plans to buy a major appliance for your home	33	67	*
c. Postponed or cancelled plans for a vacation	42	58	0
d. Eaten out at restaurants less often	62	37	1
e. Reduced the amount of money you give to charity	46	54	*
f. Cancelled or delayed a doctor's appointment or medical test	24	76	*
g. Reduced spending on your children's activities such as music lessons, sports programs or summer camp	34	66	0

\*Half sample asked items a-c; other half sample asked items d-f; full sample (parents only) asked item g.

16a. Other than what we've mentioned, what are the main ways in which you've cut back your spending? (VERBATIM RESPONSES)

17-22 previously released.

23-28 held for release.

\*\*\*END\*\*\*