

Social Security is Public Priority in Spending a Federal Surplus

Most Americans now favor using any surplus in the federal budget to bail out the Social Security system, rather than to cut taxes or pay down the national debt, the latest ABC News/Money magazine poll has found.

Fifty-one percent favor using a surplus to strengthen Social Security, up slightly from 45 percent in January. Twenty-seven percent prefer using a surplus to pay down the debt, while just 20 percent call for a cut in federal income taxes.

	Use of federal budget surplus:		
	Cut taxes	Pay down debt	Strengthen Soc. Sec.
8/2/98	20%	27	51
1/18/98	20	32	45

There are some differences among groups: Wealthier Americans are more apt than poorer ones to favor a tax cut. And using a surplus to strengthen Social Security is favored by 64 percent of Democrats, compared to 48 percent of independents and 40 percent of Republicans. Cutting taxes comes in last for all three groups; its support ranges from 12 percent of Democrats to 26 percent of Republicans.

	Cut taxes	Pay down debt	Strengthen Soc. Sec.
Democrats	12%	23	64
Independents	22	27	48
Republicans	26	33	40

CONFIDENCE - Consumer confidence, which this survey tracks every week, advanced for the third week in a row, reaching its best level since June and still soaring far above its average over the last dozen years.

Interviews were completed before Tuesday's 300-point drop in the Dow Jones industrial average. In the past, however, confidence has remained resolutely unimpressed by market gyrations or Asia's economic crisis. Growing personal income carries much more clout.

Seventy percent of Americans rate the economy positively, double the weekly average since late 1985. Sixty-five percent rate their own finances positively and 50 percent call this a good time to buy things, 10 and 14 points above average, respectively. It's the best year by far for consumer confidence since this survey began.

	Today	Record high	Record low	12-year avg.
National Economy	70%	76	7	35
Personal Finances	65	68	42	55
Buying Climate	50	54	20	36

Positive views of the personal finances and the buying climate each gained one point this week. Ratings of the national economy were unchanged.

INDEX - The ABC/Money Consumer Comfort Index, based on these ratings, stands at +23 on its scale of +100 to -100, up one point. The index reached a record +29 in March and has averaged +22 this year, compared to an average of +5 in its previous best year, 1997, and a lifetime average of -16.

Call the Polling Unit, x2621, for a chart tracking consumer confidence over time.

	ABC/Money Index	
Today	+23	
March 22	+29	Record high
1998 average (to date)	+22	
1997 average	+5	Best year
1992 average	-44	Worst year
Feb. 9, 1992	-50	Record low
Average since 12/85	-16	

GROUPS - Confidence still lags in economically vulnerable groups. The index is +34 among men compared to +12 among women, +26 among whites but +7 among blacks, +59 in higher-income households but -13 in the lowest and +38 among people who've attended college but +1 among high school dropouts.

Here's a closer look at the three components of the ABC/Money index:

NATIONAL ECONOMY- The poll asks: Would you describe the state of the nation's economy these days as excellent, good, not so good or poor? Seventy percent say excellent or good, unchanged this week. The best was 76 percent Feb. 22; the worst, seven percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	70	10	60	30	20	10
Avg. since 12/85	35	2	33	65	43	22

PERSONAL FINANCES - The poll asks: Would you describe the state of your own personal finances these days as excellent, good, not so good or poor? Sixty-five percent say excellent or good, up one point this week. The best was 68 percent March 22; the worst, 42 percent March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	65	6	59	35	25	10
Avg. since 12/85	55	4	51	45	32	13

BUYING CLIMATE - The poll asks: Considering the cost of things today and your own personal finances, would you say now is an excellent time, a good time, a not so good time or a poor time to buy the things you want and need? Fifty percent say excellent or good, up one point this week. The best was 54 percent March 22; the worst, 20 percent in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	50	4	46	50	36	14
Avg. since 12/85	36	2	33	64	42	22

METHODOLOGY - The ABC News/Money magazine Consumer Comfort Index represents a rolling average based on telephone interviews with about 1,000 adults nationwide each month. This week's results are based on 1,029 interviews in the month ending Aug. 2 and have an error margin of plus or minus three percentage points. Field work by ICR Survey Research of Media, Pa.

The ABC/Money index is derived as follows: The negative response to each index question is subtracted from the positive response to that question. The three resulting numbers are then added and divided by three. The index can range from +100 (everyone positive on all three measures) to -100 (all negative on all three measures). The survey began in December 1985.

Analysis by Gary Langer.

ABC News polls are available on America Online (keyword "ABC Polls") and at ABCNEWS.com on the Internet.

08/02/98	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg

Group	-----							
GENERAL POPULATION:								
Overall Index	23	22	22	23	13	29	5	17
State of Economy	40	40	34	36	18	52	8	30
Personal Finances	30	28	30	28	28	36	14	25
Buying Climate	0	-2	2	6	-8	8	-14	-4

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	34	36	33	36	23	39	13	27
Women	12	8	11	11	4	20	-6	8
Age:								
18 - 34	22	17	19	18	6	29	-2	12
35 - 44	11	9	23	24	9	37	-4	17
45 - 54	21	24	26	22	14	31	2	18
55 - 64	44	45	28	26	21	47	-5	22
65 +	24	23	14	31	23	33	-2	20
Income:								
Under \$15K	-13	-22	-38	-27	-24	-13	-47	-32
\$15K To \$24.9K	-3	-9	-19	3	-17	16	-34	-7
\$25K To \$39.9K	16	24	23	21	7	25	0	15
\$40K To \$49.9K	36	35	45	42	21	54	6	33
Over \$50K	59	61	66	58	41	66	33	52
Region:								
Northeast	35	31	25	23	8	35	-4	15
Midwest	26	21	33	24	14	38	6	23

South	12	12	16	27	18	29	-6	15
West	26	27	15	16	7	40	1	15
Race:								
White	26	25	25	27	18	33	10	22
Black	7	7	-4	-3	0	7	-34	-13
Politics:								
Republican	34	34	42	42	26	46	16	31
Democrat	32	28	21	21	8	32	-2	14
Independent	11	12	14	15	8	30	0	13
Education:								
< High School	1	-7	-13	0	-7	1	-38	-16
High Sch. Grad.	11	8	9	13	-2	22	-4	9
College +	38	40	42	38	29	48	22	34
Home:								
Own	27	26	28	32	16	36	12	24
Rent	10	9	5	0	2	11	-18	-2
Marital Status:								
Single	14	17	31	17	11	34	-7	12
Married	33	32	24	30	17	36	13	24
Sep/Wid/Div	-4	-7	1	2	0	18	-22	-4
Employ. Status:								
Full-Time	27	29	35	28	16	36	10	25
Part-Time	15	16	6	27	10	27	-5	10
Not Employed	18	12	8	14	9	25	-8	8