

Consumer Anxiety as the Band Plays On

There's anxiety under that party hat: While most Americans continue to celebrate the current economy, two out of three are worried about the future.

An ABC News poll this week found that 65 percent of Americans are worried about the economy's direction in the next few years, including 15 percent who are "very worried." All the news of economic crises abroad seems to have struck a chord.

But the fun's not over yet: When it comes to current economic conditions consumer confidence remains vastly better than usual. It's still just a few points from its record high, set in August, in more than 12 years of weekly polls by ABC News and Money magazine.

THE PRESENT - This week 71 percent of Americans say the current economy is in good shape, 65 percent rate their own finances positively and 51 percent call it a good time to buy things. Each is within five points of its record high.

		Positive Ratings		
	Today	Record high	Record low	12-year avg.
National Economy	71%	76	7	35
Personal Finances	65	70	42	55
Buying Climate	51	55	20	36

The ABC/Money Consumer Comfort Index, based on these gauges, stands at +25 on its scale of -100 to +100, unchanged this week. It reached +30 Aug. 30 and has averaged +24 for the year, compared to a previous best year of +5 and a lifetime average of -16.

	ABC/Money Index	
Today	+25	
Aug. 30	+30	
1998 average (to date)	+24	
1997 average	+5	Best full year
1992 average	-44	Worst full year
Feb. 9, 1992	-50	Record low
Average since 12/85	-16	

Call the ABC News Polling Unit, ext. 2621, for a chart tracking the ABC/Money index over time.

THE FUTURE - Confidence in current conditions is high because the criteria people use to rate it are so strong: rising personal incomes, a good job market and low inflation. Thoughts about the future are more likely to be influenced by less tangible factors, and the recent talk of an impending downturn seems to have fostered anxiety.

It's nothing like panic: At 15 percent, relatively few people are "very worried"; most, instead, are "somewhat" worried about the economy's future. But only 10 percent express no economic anxiety at all.

Economic Anxiety:

-----Worried-----			-----Not Worried-----		
Net	Very	Somewhat	Net	Not too	Not at all
65%	15	50	34	24	10

This anxiety is broadly based; one of the few noteworthy differences among demographic groups is that it's 10 points higher among women.

There's further evidence that worry about the economy's future is based more on what people hear than what they've experienced. In last week's ABC/Money poll, 31 percent said the economy was "getting worse," less than half as many as are worried about its direction in the next few years. That means that while many people are concerned about where the economy may go, most don't think it's heading there yet.

GROUPS - Confidence in current conditions lags in economically vulnerable groups. The ABC/Money index is +34 among men compared to +16 among women, +27 among whites compared to +10 among blacks, +56 in higher-income households but -19 in the lowest and +36 among people who've attended college compared to +2 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-one percent say excellent or good, down one points 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	71	10	61	29	22	7
Avg. since 12/85	35	2	33	65	42	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, unchanged this week. The record was 70 percent Aug. 30; the worst, 42 percent March 14, 1993.

Under \$15K	-19	-10	-18	-33	-39	-6	-46	-27
\$15K To \$24.9K	-2	1	8	-11	-28	18	-28	-3
\$25K To \$39.9K	22	14	5	19	0	25	0	15
\$40K To \$49.9K	42	44	46	31	6	60	6	37
Over \$50K	56	57	62	65	47	66	33	55
Region:								
Northeast	20	19	20	30	-4	37	-4	18
Midwest	35	38	36	22	12	40	6	27
South	23	21	21	12	-1	29	-1	18
West	21	22	23	22	15	40	2	19
Race:								
White	27	27	29	24	11	33	10	25
Black	10	5	0	-2	-32	15	-32	-8
Politics:								
Republican	32	33	42	34	19	46	17	34
Democrat	30	28	26	24	3	35	-2	19
Independent	23	20	14	12	1	30	0	15
Education:								
< High School	2	-2	-13	-12	-36	14	-38	-13
High Sch. Grad.	21	20	16	7	-3	27	-4	13
College +	36	37	45	39	25	48	22	37
Home:								
Own	34	34	32	26	12	39	12	28
Rent	3	3	7	4	-14	15	-18	2
Marital Status:								
Single	22	13	15	21	-5	34	-7	16
Married	29	32	34	29	13	36	13	27
Sep/Wid/Div	13	13	4	-12	-17	18	-22	0
Employ. Status:								
Full-Time	28	30	34	29	12	37	12	28
Part-Time	31	25	23	18	0	31	-5	13
Not Employed	16	16	10	8	-5	25	-8	11