

## **Partisanship Splits Consumer Confidence**

It must be politics: Public ratings of economic conditions are nearly as partisan as they get, and far more so than as recently as just last month.

It happens in election years when economic conditions are debatable – lemonade to some, lemons to others. Indeed while partisanship in consumer confidence is raging, it was higher still at the time of the 2004 presidential election.

Sixty-four percent of Republicans in this week’s ABC News/Washington Post consumer survey say the economy’s in good shape. Yet only 22 percent of Democrats agree, and it’s nearly as low, 33 percent, among independents, the classic swing voters.

The overall ABC/Post Consumer Comfort Index, based on this rating along with views of the buying climate and personal finances, stands at -13 on its scale of +100 to -100. But that ranges from -37 among Democrats to +33 among Republicans, a vast 70-point gap.

Among independents it’s -20, placing their economic assessments much closer to those of Democrats (17 points away) than Republicans (53 points).

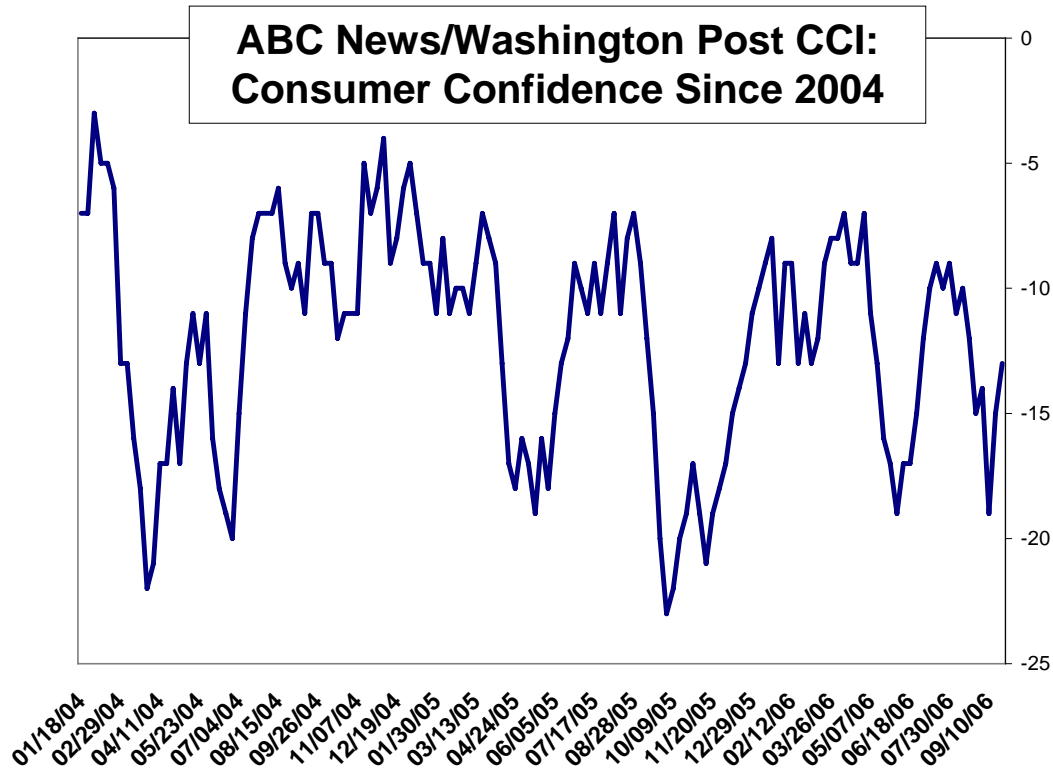
The Democratic-Republican gap in consumer confidence has grown from a 41-point spread in mid-August to today’s 70 points. In data back to 1990 it’s rarely been bigger, peaking at 90 points in July 2004, during the run-up to that year’s presidential election.

	% Positive ratings		
	National economy	Buying climate	Personal finances
Democrats	22%	26%	47%
Independents	33	32	54
Republicans	64	59	77

INDEX – At -13 the overall ABC/Post index is its best since Aug. 6, and up from a recent low of -19 (tying its worst of 2006) two weeks ago. Improving gasoline prices likely have helped, but there’s post-Labor Day election-year partisanship in there as well: Since Aug. 27 the index has gained 10 points among Republicans, vs. five among independents; it’s down by (an insignificant) two points among Democrats. (Gas averages \$2.62 a gallon in the latest federal Department of Energy data, down 42 cents in the last six weeks.)

The CCI, as noted, is based on Americans’ ratings of the national economy, the buying climate and their personal finances. This week 37 percent say the national economy is in

good shape and 36 percent call it a good time to buy things. As usual more, 57 percent, rate their own finances positively, matching its long-term average.



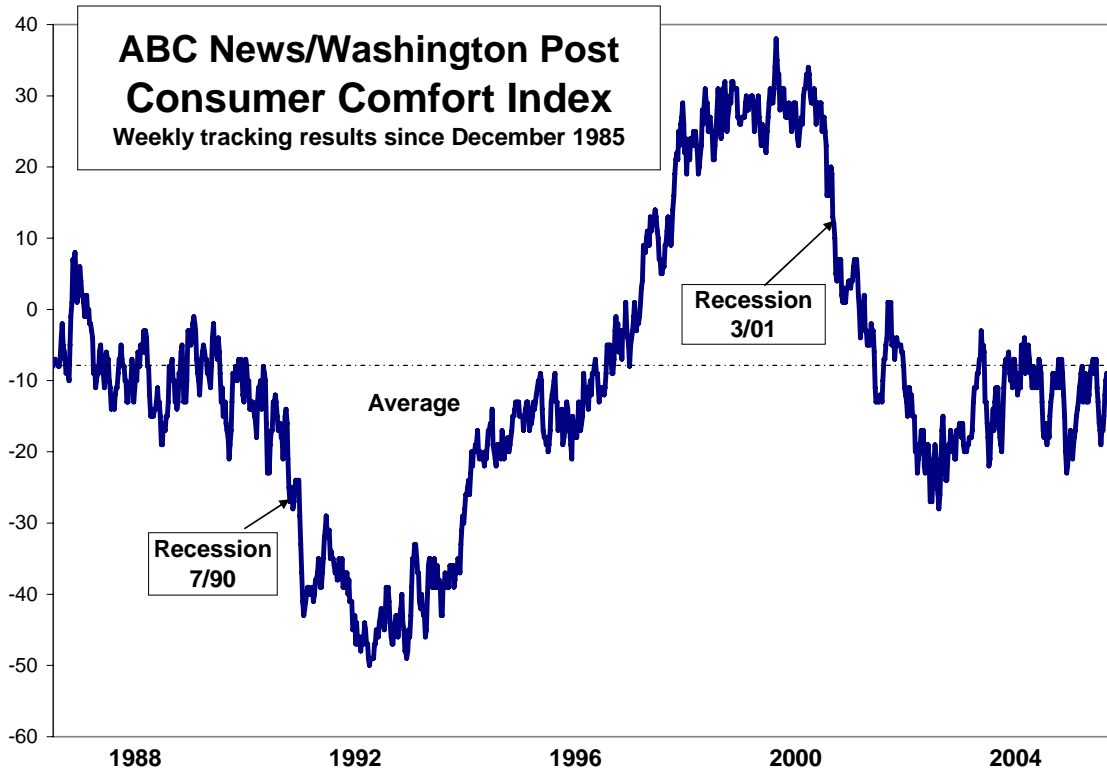
It's ratings of the national economy and buying climate that have recovered in the last two weeks – each up by four points.

	ABC News/Washington Post CCI			
Positive ratings of:	This week	Aug. 27	2006 avg.	20-yr. avg.
National economy	37	33	38	40
Buying climate	36	32	36	38
Personal finances	57	57	58	57
Consumer Comfort Index	-13	-19	-12	-9

**TREND** – At -13 the index is below its long-term average, -9. It's ranged this year from a low of -19 in May and again two weeks ago to a high of -7 in March and April. The CCI's all-time high was +38 in January 2000; its record low, -50 in February 1992.

	ABC/Post CCI	
This week	-13	
Two weeks ago	-19	
2006 high	-7	April 16, March 26
2006 low	-19	Aug. 27, May 21
2006 average	-12	
2005 average	-13	
2000 average	+29	Best full year
1992 average	-44	Worst full year
Jan. 16, 2000	+38	Record high

Feb. 9, 1992                      -50    Record low  
 Average since 12/85              -9



**GROUPS** – As usual, the index is higher in better-off groups. It's +28 among higher-income Americans while -62 among those with the lowest incomes, -2 among college graduates while -43 among those who haven't finished high school, -9 among whites but -46 among blacks and -1 among men while -25 among women.

The index continues to be best in the West, at +6, compared with -8 in the South, -23 in the Northeast and -32 in the Midwest.

Here's a closer look at the three components of the ABC/Post CCI:

**NATIONAL ECONOMY** – Thirty-seven percent of Americans rate the economy as excellent or good; it was 35 percent last week. The highest was 80 percent on Jan. 16, 2000. The lowest was seven percent in late 1991 and early 1992.

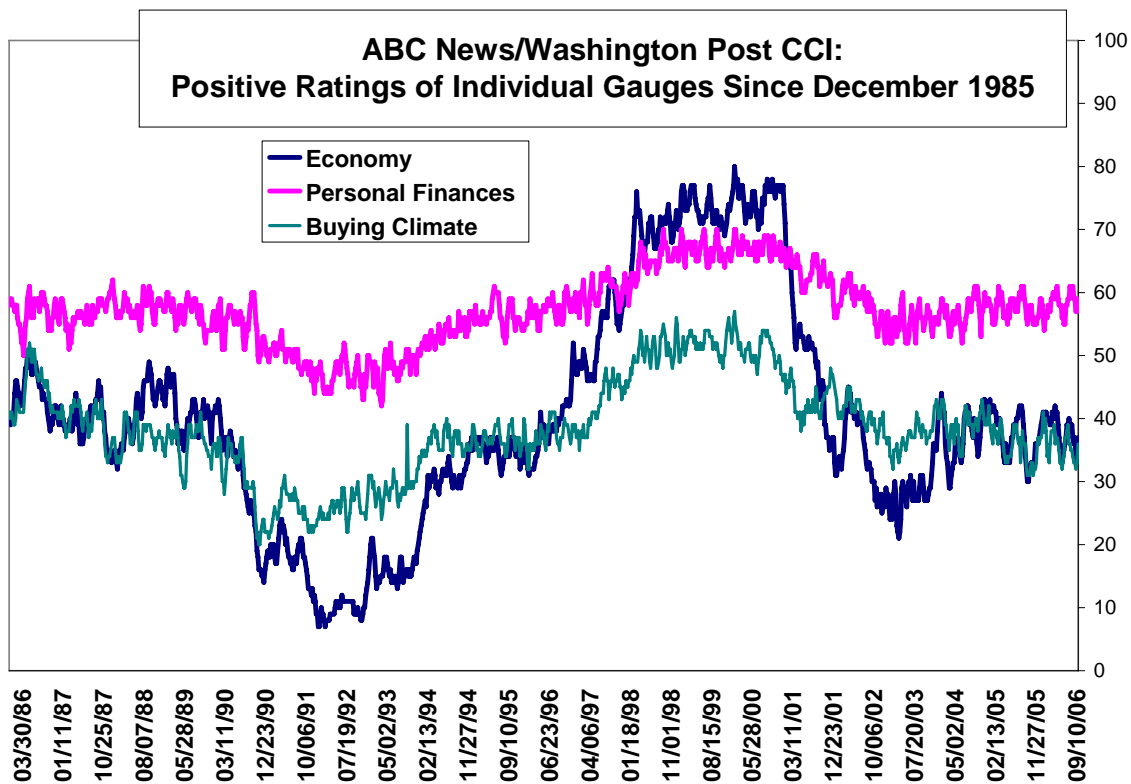
	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	37	4	33	63	41	22
Avg. since 12/85	40	3	37	60	40	20

**PERSONAL FINANCES** – Fifty-seven percent say their own finances are excellent or good; it was 59 percent last week. The best was 70 percent on Aug. 30, 1998, matched in January 2000. The worst was 42 percent on March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	57	6	51	43	30	13
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Thirty-six percent say it's an excellent or good time to buy things; it was 33 percent last week. The best was 57 percent on Jan. 16, 2000. The worst was 20 percent in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	36	4	32	64	40	24
Avg. since 12/85	38	3	36	62	41	21



METHODOLOGY – Interviews for the ABC News/Washington Post Consumer Comfort Index are reported in a four-week rolling average. This week’s results are based on telephone interviews among a random national sample of 1,000 adults in the four weeks ending Sept. 10, 2006. The results have a three-point error margin. Field work by ICR-International Communications Research of Media, Pa.

The index is derived by subtracting the negative response to each index question from the positive response to that question. The three resulting numbers are 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 can be found online at <http://abcnews.com/pollvault.html>.

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09/10/06	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Group								
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GENERAL POPULATION:								
Overall Index	-13	-15	-15	-15	-20	-7	-23	-14
State of Economy	-26	-30	-28	-28	-36	-16	-40	-26
Personal Finances	14	18	18	10	12	22	8	15
Buying Climate	-28	-34	-34	-26	-36	-18	-38	-30
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-1	-2	2	-4	-14	7	-14	-2
Women	-25	-26	-29	-24	-27	-11	-36	-24
Age:								
18 - 34	-4	-13	-11	-8	-22	1	-28	-10
35 - 44	-8	-5	-14	-12	-12	5	-27	-12
45 - 54	-30	-22	-18	-25	-27	-6	-31	-18
55 - 64	-16	-24	-18	-12	-19	0	-36	-14
65+	-15	-13	-14	-21	-23	-1	-31	-16
Income:								
Under \$15K	-62	-66	-71	-43	-56	-33	-72	-55
\$15K To \$24.9K	-58	-61	-43	-52	-47	-28	-65	-47
\$25K To \$39.9K	-14	-10	-6	-18	-28	-3	-44	-25
\$40K To \$49.9K	-28	-34	-28	-41	-29	26	-41	-13
Over \$50K	17	10	6	8	16	26	4	16
\$50K To \$74.9K	6	2	-20	-7	13	17	-20	1
\$75K To \$99.9K	21	10	7	10	10	31	-1	17
Over \$100K	28	25	41	25	25	50	18	33
Region:								
Northeast	-23	-26	-20	-19	-18	-3	-41	-19
Midwest	-32	-33	-16	-23	-20	-4	-33	-17
South	-8	-11	-17	-15	-24	-3	-27	-15
West	6	7	-4	-3	-17	7	-19	-2
Race:								
White	-9	-10	-11	-12	-15	-1	-18	-9
Black	-46	-46	-42	-39	-45	-27	-57	-43
Politics:								
Republican	33	28	12	22	17	38	9	26
Democrat	-37	-34	-29	-39	-41	-27	-46	-36
Independent	-20	-23	-19	-18	-26	-10	-31	-20
Education:								
< High School	-43	-43	-46	-49	-43	-23	-63	-43
High Sch. Grad.	-17	-15	-19	-22	-33	-13	-35	-22
College +	-2	-6	-3	0	-6	12	-9	1
Home:								
Own	-9	-9	-7	-6	-11	2	-17	-6
Rent	-25	-29	-30	-39	-49	-25	-49	-33
Marital Status:								
Single	-10	-15	-22	-18	-24	-4	-32	-17
Married	-5	-6	0	-6	-10	8	-14	-3

Sep/Wid/Div	-41	-39	-42	-35	-47	-22	-49	-36
Employ. Status:								
Full-Time	-7	-10	-11	-7	-13	6	-13	-4
Part-Time	-7	-7	-6	-18	-24	-1	-28	-15
Not Employed	-24	-23	-23	-26	-30	-15	-43	-24

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