

THE FIELD POLL

THE INDEPENDENT AND NON-PARTISAN SURVEY
OF PUBLIC OPINION ESTABLISHED IN 1947 AS
THE CALIFORNIA POLL BY MERVIN FIELD

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**VOTERS DESCRIBE STATE AS BEING IN
BAD ECONOMIC TIMES AND EXPECT IT
TO STAY THAT WAY IN 2008. LESS
GLOOMY ASSESSMENTS OF THEIR OWN
FINANCIAL WELL-BEING.**

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By Mark DiCamillo and Mervin Field

California is in bad economic times and it is expected to stay that way for the next twelve months, so say a majority of the state's voters. More than one-half (52%) describe the state as being in bad economic times, while just one in five (20%) feel the state is in good economic times. In addition, when asked about next year, 70% expect things to either stay the same or get worse.

However, Californians have a more mixed view of their personal financial situation. In appraising their own finances, a slightly larger proportion (37%) say they are better off, while 33% believe they are worse off than they were a year ago. Another 30% say there has been no change in how they stand financially over the past year.

California's present economy

Fifty-two percent of Californians rate the state as being in bad economic times, while 20% feel it is in good times. Another 26% believe it is mixed or somewhere in the middle.

There is not a great deal of difference in the appraisal of voters across income categories on this question.

Californians also had a more negative than positive view of the state's economy in 2004 and 2005, the last times these measures were taken.

Table 1
Perceived state of California's economy
(among registered voters)

	<u>Bad times</u>	<u>In-between/mixed</u>	<u>Good times</u>
2007	52%	26	20
2005	49%	21	24
2004	53%	22	24
2003	75%	12	11
2002	56%	21	20
2001	22%	7	69
2000	13%	10	71
1999	11%	14	72
1998	15%	16	65
1997	42%	23	33
1996	57%	20	19
1995	72%	16	11
1994	81%	14	5
1993	91%	6	3
1992	93%	4	2
1991	85%	8	5
1990	47%	20	30
1989	24%	18	55
1988	21%	19	59
1987	22%	24	51
1986	15%	22	59
1985	19%	16	62
1984	22%	25	50
1983	77%	11	10
1982	60%	23	16
1981	54%	19	24
1980	56%	21	21
1979	41%	17	40
1978	26%	26	42
Household income (December 2007)			
Less than \$40,000	57%	25	16
\$40,000 - \$79,999	56%	27	17
\$80,000 or more	47%	29	23

(In this and in other succeeding tables, trend data prior to 1993 are based on all adults. Differences between 100% and the sum of each year's percentages equal the proportion with no opinion.)

Economic outlook for the state next year

Just 25% think the California economy will improve over the coming year. By contrast, a larger proportion (35%) think economic conditions in the state will worsen, and another 35% believe things will stay the same.

Voters in the upper income bracket with annual household incomes of \$80,000 a year or greater are more pessimistic about the state's economy in the coming year than those living in middle- and lower-income households.

Table 2
Expectations for the California economy over the next 12 months
(among registered voters)

	<u>Will get better</u>	<u>Stay the same</u>	<u>Will get worse</u>
2007	25%	35	35
2005	22%	42	30
2004	44%	39	14
2003	30%	35	30
2002	36%	42	18
2001	14%	43	40
2000	21%	53	16
1999	24%	58	14
1998	29%	53	10
1997	37%	44	14
1996	38%	46	12
1995	32%	44	21
1994	38%	39	20
1993	38%	38	22
1992	22%	38	36
1991	22%	37	35
1990	10%	32	48
1989	15%	49	30
1988	18%	53	24
1987	24%	54	19
1986	36%	47	12
1985	42%	40	12
1984	50%	40	6
1983	58%	30	10
1982	35%	39	22
1981	32%	36	29
<i>Household income (December 2007)</i>			
Less than \$40,000	25%	35	35
\$40,000 - \$79,999	22%	40	34
\$80,000 or more	16%	38	42

Current personal financial well-being

When it comes to appraising their own personal finances, the public's view is more mixed. A slightly larger proportion of voters (37%) say they are better off than they were a year ago, than say they are now worse off (33%). Another three in ten (30%) observe no change in their financial condition.

By a two to one margin (50% to 26%), those with higher levels of income say they are better off now than they were a year ago. By contrast, those living in middle- or lower-income households are more likely to say they are worse off than they were last year.

Table 3
Trend of Californians' personal financial well-being
compared to one year ago
(among registered voters)

	Better off	No change	Worse off
2007	37%	30	33
2005	41%	28	31
2004	41%	32	27
2003	38%	26	36
2002	35%	30	35
2001	47%	26	27
2000	54%	28	18
1999	49%	35	16
1998	54%	30	16
1997	42%	31	27
1996	38%	35	27
1995	34%	32	34
1994	37%	32	31
1993	29%	26	45
1992	26%	24	50
1991	25%	28	47
1990	42%	28	30
1989	46%	27	27
1988	50%	23	27
1987	49%	26	25
1986	52%	28	20
1985	54%	27	19
1984	55%	24	21
1981	33%	25	42
1979	30%	28	41
1978	41%	35	24
1977	34%	36	30
1976	28%	33	39
1974	28%	29	43
1973	39%	33	28
1971	29%	36	35
1970	34%	33	33
1966	37%	45	18
1961	40%	41	19
Household income (December 2007)			
Less than \$40,000	25%	36	39
\$40,000 - \$79,999	30%	32	38
\$80,000 or more	50%	24	26

Personal financial outlook for the coming year

About half (49%) of California voters expect no change in their own personal financial situation during the coming year. Among those who foresee a change in their economic situation, more than twice as many (32% vs. 14%) anticipate being better off as worse off.

Opinions about the coming year are directly related to a voter's age, with younger Californians displaying much greater optimism than older voters.

Table 4
Personal financial expectations for next year
(among registered voters)

	<u>Will be better off</u>	<u>No change</u>	<u>Will be worse off</u>
2007	32%	49	14
2005	35%	49	12
2004	38%	48	7
2003	36%	48	10
2002	41%	45	8
2001	32%	55	13
2000	44%	53	3
1999	41%	54	5
1998	46%	49	5
1997	40%	50	10
1996	35%	57	8
1995	34%	56	10
1994	40%	48	12
1993	37%	49	14
1992	29%	53	18
1991	30%	53	17
1990	38%	47	15
1989	38%	47	15
1988	40%	51	9
1987	47%	45	8
1986	52%	42	6
1985	50%	42	8
1984	51%	42	7
1981	35%	46	19
1979	25%	40	31
1978	37%	46	17
1977	35%	47	18
1976	37%	45	18
1974	33%	39	28
1973	41%	46	13
1971	37%	44	19
1970	34%	44	22
1966	43%	49	8
1961	48%	46	6
<u>Age</u>			
18-39	43%	41	13
40-49	38%	50	8
50-65	29%	48	19
65 or older	14%	50	17

Information About The Survey

Sample Details

The findings in this report are based on a random sample survey of 649 registered voters statewide. Interviewing was conducted by telephone in English and Spanish December 10-17, 2007. Up to six attempts were made to reach and interview each randomly selected voter on different days and times of day during the interviewing period.

The sample was developed from telephone listings of individual voters selected at random from a statewide list of registered voters in California. Once a voter's name and telephone number has been selected, interviews are attempted only with the specified voter. Interviews can be conducted on either the voter's landline or cell phone, depending on the source of the telephone listing from the voter file. After the completion of interviewing, the results are weighted slightly to *Field Poll* estimates of the demographic and regional characteristics of the state's registered voter population.

Sampling error estimates applicable to any probability-based survey depends on the sample size. The maximum sampling error for results based on the overall sample of 649 registered voters is +/- 4.0 percentage points.. The maximum sampling error is based on percentages +/- in the middle of the sampling distribution (percentages around 50%). Percentages at either end of the distribution (percentages around 10% or around 90%) have a smaller margin of error. While there are other potential sources of error in surveys besides sampling error, the overall design and execution of the survey minimized the potential for these other sources of error. The maximum sampling error will be larger for analyses based on subgroups of the overall sample.

Questions Asked

Would you say that you and your family are financially better off or worse off today than you were a year ago?

Looking ahead, do you think that a year from now you will be better off financially, worse off or just about the same as now?

How would you generally describe economic conditions in California now? Would you say that economically, California is in good times or bad times right now?

What about the next 12 months or so? Do you expect economic conditions in California to get better, get worse or stay the same?