

THE ECONOMIC CRISIS WORSENS
September 21-24, 2008

As President Bush, members of his Administration, both presidential candidates and the Congressional leadership discuss the country's options, Americans are divided about whether or not the government should provide assistance to Wall Street companies.

They place blame for the crisis on company managers, and nearly half of Americans think there is too little regulation of business nowadays -- an increase in public support for that measure.

The economic crisis could have implications for the presidential race, where Barack Obama holds a lead over John McCain. It is by far the top issue voters say they will use to make their presidential vote choice, and right now, more voters have confidence in Barack Obama's ability to manage the economy than in John McCain's. What's more, voters see McCain as having more allegiance to large corporations than to ordinary Americans.

WHAT SHOULD HAPPEN TO WALL STREET?

Americans are divided generally when asked whether they approve of the government's plan to give money to financial institutions to help them get out of the financial crisis. 42% approve, while 46% disapprove. Those sentiments cross party lines -- 43% of Republicans approve, as do 41% of Democrats and 42% of independents.

PROVIDING MONEY TO WALL STREET TO HELP WITH CRISIS

	Total	Reps	Dems	Inds
Approve	42%	43%	41%	42%
Disapprove	46	45	48	45

Higher income Americans (\$75,000 or more) are more likely to approve of the government providing money to Wall Street firms.

When told specifically that the plan would provide \$700 billion to financial service companies that have made extensive bad investments, lost money and are in danger of going bankrupt, many Americans have yet to decide whether it's a good idea or not -- four in 10 don't know enough about it to express an opinion. Among those with an opinion, views are more negative than positive. Just 16% think it's a good idea, while more than twice as many, 38%, think it's a bad idea.

PROVIDING \$700 BILLION TO FINANCIAL SERVICE COMPANIES

	Total	Reps	Dems	Inds
Good idea	16%	22%	15%	14%
Bad idea	38	34	41	38
Don't know enough to say	42	43	42	40

Americans blame bad management within investment banks for the crisis more than a lack of government supervision. They felt the same way in 1990, during the Savings and Loan crisis. Republicans are more apt than Democrats to blame poor management instead of poor government oversight for the problems.

BLAME FOR PROBLEMS?

	Total	Reps	Dems	Inds
Bad management by banks	46%	64%	42%	37%
Lack of govt. supervision	27	17	31	31
Both (vol.)	17	12	20	19

Although they are more likely to blame bad management, Americans also fault the government -- for too little regulation of business in general. More than four in ten Americans think there is too little regulation these days, a figure that is higher than in previous CBS News Polls.

FEDERAL GOVERNMENT REGULATION OF BUSINESS

	Now	7/2002	2/2002	1/1986
Too little	45%	37%	26%	22%
Too much	21	30	35	41
Right amount	18	24	25	22

Even 34% of Republicans think the government regulates business too little these days.

Some Democrats have suggested that help for homeowners having trouble paying their mortgages be a part of any government program to help Wall Street, something a majority of Americans supports. Unlike some of the other questions on this topic in the poll, views on this are highly affected by partisanship; Democrats are much more supportive of government assistance for homeowners.

SHOULD GOVT. HELP HOMEOWNERS WITH MORTGAGES?

	Total	Reps	Dems	Inds
Yes	58%	39%	78%	51%
No	34	53	16	38

Homeowners also think the government ought to provide mortgage relief to those who are having trouble paying.

THE ECONOMY AND THE ELECTION

More than half of voters say that the economy and jobs are the issues that will be most important in deciding which candidate to support for president, up four points from just ten days ago.

WHICH ISSUE IS MOST IMPORTANT IN VOTE FOR PRESIDENT?

(Among registered voters)

	Now	9/12-16	8/2008
The economy and jobs	52%	48%	40%
Terrorism and national security	11	14	9
Gas prices and energy	10	10	15
Health care	9	10	9
The war in Iraq	9	8	15
Illegal immigration	3	3	6

This poll shows a lead for Democratic candidate Barack Obama -- and economic issues may be providing one reason for that advantage. Among those voters who say the economy will be the most important issue in their vote, Obama has nearly a twenty percentage point lead over Republican John McCain.

In addition, more voters have confidence in Barack Obama's ability to handle the economy than have confidence in John McCain's. Most are at least somewhat confident in both candidates, but more are not confident in McCain than in Obama.

CONFIDENCE IN HANDLING THE ECONOMY

(Among registered voters)

	Obama	McCain
Very confident	29%	17%
Somewhat confident	35	38
Not too/at all confident	34	45

Yet another factor aiding Obama is the perception that he, and not McCain, is more sympathetic to the needs of ordinary people. In fact, about half of voters see McCain as caring more about protecting the interests of large corporations.

CARES MORE ABOUT PROTECTING INTERESTS OF:

(Among registered voters)

	Obama	McCain
Ordinary working people	70%	32%
Large corporations	16	52

THE CONDITION OF THE ECONOMY: HOW BAD IS IT?

Just 17% of Americans say the condition of the economy is even somewhat good and 0% thinks it is very good. 46% say the economy is in very bad shape -- the highest percentage ever in a CBS News Poll. Before this year, the last time so many Americans were this negative about the economy was in the fall of 1992.

	CONDITION OF THE ECONOMY				
	Now	9/12-16	8/2008	5/2008	9/1992
Good	17%	22%	18%	16%	20%
Fairly bad	34	39	41	40	37
Very bad	46	39	41	43	39

Two thirds of Republicans and over nine in 10 Democrats say the economy is in bad shape.

The future outlook is also negative: seven in 10 see the economy as getting worse -- up from 61% about ten days ago.

	IS THE ECONOMY...?		
	Now	9/12-16	7/2008
Getting better	2%	6%	5%
Getting worse	70	61	64
No change	26	32	31

THE HOUSING CRISIS AND ITS IMPACT ON AMERICANS' FINANCES

Nearly half of homeowners claim to have been affected by falling house prices, a pain felt across all income groups -- homeowners with incomes of under \$50,000 as well as those with higher incomes.

AFFECTED BY FALLING HOME PRICES?

(Among homeowners)

	Total	Income Under \$50k	Income \$50k or more
A lot	24%	29%	21%
Some	22	25	22
Not much/not at all	53	46	58

In addition, more than half of homeowners are concerned that the value of their own home may fall in the next year.

And almost half of homeowners with mortgages are concerned about being able to pay their mortgages; that rises to seven in 10 among those with lower incomes.

CONCERNED ABOUT PAYING YOUR MORTGAGE?

(Among homeowners with mortgages)

	Total	Income Under \$50k	Income \$50k or more
A lot	17%	28%	12%
Some	31	42	27
Not	52	30	61

As was the case in a CBS News/New York Times Poll conducted earlier this month, one in 5 Americans say that overall they are having trouble making ends meet, and just under half are just getting by.

This poll was conducted among a random sample of 936 adults nationwide, interviewed by telephone September 21-24, 2008. Phone numbers were dialed from RDD samples of both standard land-lines and cell phones. The error due to sampling for results based on the entire sample could be plus or minus three percentage points. The error for subgroups is higher.

CBS NEWS/NEW YORK TIMES POLL
The Economic Crisis Worsens
September 21-24, 2008

q1-9 RELEASED SEPARATELY

q10 In deciding who you would like to see elected President this year, which one of the following issues will be most important to you - 1. Terrorism and national security, 2. the economy and jobs, 3. health care, 4. the war in Iraq, 5. gas prices and energy policy, 6. illegal immigration, or 7. something else?

	** REGISTERED VOTERS **				
	*** Party ID ***				
	Total	Rep	Dem	Ind	Sep08b
	%	%	%	%	%
The economy and jobs	52	47	54	53	48
Terrorism & nat'l security	11	23	4	9	14
Gas prices & energy policy	10	9	7	13	10
Health care	9	4	12	10	10
The war in Iraq	9	3	14	7	8
Something else	5	8	5	3	5
Illegal immigration	3	4	2	3	3
DK/NA	1	2	2	2	2

q11 PREVIOUSLY RELEASED

q12 Do you approve or disapprove of the way George W. Bush is handling foreign policy?

					Dec07a
Approve	26	61	4	21	26
Disapprove	64	32	90	65	65
DK/NA	10	7	6	14	9

q13 PREVIOUSLY RELEASED

q14-15 BLANK

q16 How would you rate the condition of the national economy these days? Is it very good, fairly good, fairly bad, or very bad?

	** TOTAL RESPONDENTS **				Sep08b
Very good	0	0	0	1	2
Fairly good	17	30	6	19	20
Fairly bad	34	41	32	31	39
Very bad	46	26	62	47	39
DK/NA	3	3	0	2	0

q17 Do you think the economy is getting better, getting worse, or staying about the same?

Better	2	6	0	1	6
Worse	70	50	86	71	61
Same	26	41	13	27	32
DK/NA	2	3	1	1	1

q18-34 RELEASED SEPARATELY

q35 Do you think Barack Obama cares more about protecting the interests of ordinary working people or cares more about protecting the interests of large corporations?

	** REGISTERED VOTERS **			
	*** Party ID ***			
	Total	Rep	Dem	Ind
	%	%	%	%
Ordinary people	70	51	93	59
Large corporations	16	27	5	19
Both (Vol.)	3	4	0	4
Neither (Vol.)	3	4	0	4
DK/NA	8	14	2	14

q36-q48 RELEASED SEPARATELY

q49 Do you think John McCain cares more about protecting the interests of ordinary working people or cares more about protecting the interests of large corporations?

Ordinary people	32	62	5	39
Large corporations	52	19	86	40
Both (Vol.)	5	8	1	7
Neither (Vol.)	1	2	0	0
DK/NA	10	9	8	14

q50-q51

q52 How confident are you in Barack Obama's ability to make the right decisions about the economy -- are you very confident, somewhat confident, not too confident, or not at all confident?

					Sep08b
					%
Very confident	29	5	55	21	23
Somewhat confident	35	33	34	39	37
Not too confident	20	35	8	21	22
Not at all confident	14	26	2	17	17
DK/NA	2	1	1	2	1

q53-q55 RELEASED SEPARATELY

q56 How confident are you in John McCain 's ability to make the right decisions about the economy -- are you very confident, somewhat confident, not too confident, or not at all confident?

Very confident	17	33	7	14	18
Somewhat confident	38	52	19	47	35
Not too confident	25	11	36	24	22
Not at all confident	20	4	37	14	24
DK/NA	0	0	1	1	1

q57-q84 RELEASED SEPARATELY

q85 Do you approve or disapprove of the federal government's plan to provide money to financial institutions to help them get out of their financial crisis?

** TOTAL RESPONDENTS **

*** Party ID ***

	Total	Rep	Dem	Ind
Approve	42	43	41	42
Disapprove	46	45	48	45
DK/NA	12	12	11	13

q82^ Congress is working on a plan that some people in the Government say is necessary in order to keep the nation's economy from worsening further. The plan would include providing \$700 billion of government funds to financial service companies who have lost money on extensive bad investments and are in danger of going bankrupt. Do you think this is a good idea or a bad idea or don't you know enough about it to say?

Good idea	16	22	15	14
Bad idea	38	34	41	38
Don't know enough to say	42	43	42	40
DK/NA	4	1	2	8

q84^ Do you think the federal government should provide financial help to home owners who are having trouble repaying their mortgages because their rates went up or shouldn't the federal government do this?

Should	58	39	78	51
Should not	34	53	16	38
DK/NA	8	8	6	11

^q82 and q84 are based on interviews conducted September 22-24, 2008

q86 What do you think is mainly responsible for the problems in the investment banking industry --bad management by those who run investment banks, or a lack of close supervision by the government?

** TOTAL RESPONDENTS **

Bad management	46	64	42	37
Lack of gov't supervision	27	17	31	31
Both (vol.)	17	12	20	19
Something else (vol.)	3	4	2	4
Don't know/No answer	7	3	5	9

q87 Do you think the federal government regulates business too much these days, does it regulate business too little, or does it impose the right amount of regulation on business?

Too much	21	25	18	20	Jul02a
Too little	45	34	56	42	37
Right amount	18	26	11	17	24
Depends (vol.)	5	5	5	5	2
Don't know/No answer	11	10	10	16	7

q88 BLANK

q89 As you may know, in many areas of the country, home values have declined over the last year. How much has the decline in home values affected you personally -- a lot, some, not much or not at all?

	** TOTAL RESPONDENTS **				Home-owners
	Total	*** Party ID ***			
	Rep	Dem	Ind		
	%	%	%	%	
A lot	24	23	27	23	24
Some	21	23	17	23	22
Not much	17	17	21	15	18
Not at all	37	37	35	38	35
DK/NA	1	0	0	1	1

q90 Do you currently rent your home, or are you buying it with a mortgage, or is it entirely paid for?

					Feb08a
Rent	22	14	25	26	21
Buying with mortgage	50	54	48	50	49
Entirely paid for	26	32	27	21	28
Don't know/No answer	2	0	0	3	2

q91 How concerned are you that the value of your own home may decline over the next year -- very concerned, somewhat concerned, or not at all concerned?

	** HOMEOWNERS **			
Very concerned	26	16	37	25
Somewhat concerned	32	40	29	27
Not at all concerned	41	43	34	46
DK/NA	1	1	0	2

q92 How concerned are you about not being able to pay your mortgage--very concerned, somewhat concerned, or not at all concerned?

	** AMONG THOSE WITH A MORTGAGE **				Feb08a
Very concerned	17	7	25	17	13
Somewhat concerned	31	24	38	30	24
Not at all concerned	52	69	37	53	63

q93 Think about your household income. Would you say it is more than enough so you can save money and buy some extras, just enough to meet your bills and obligations, or is it not enough to meet your bills and obligations?

	** TOTAL RESPONDENTS **				Sep08b
Can save and buy extras	36	49	25	35	37
Just enough to pay bills	44	39	50	42	44
Not enough	19	10	24	21	17
DK/NA	1	2	1	2	2

	UNWEIGHTED	WEIGHTED
Total Respondents	936	
Total Republicans	276	260
Total Democrats	347	318
Total Independents	313	358
Sample size for q82 and q84	561	540