

Harris Poll x Guardian

Topline Findings

Storyline #1: All Economics Are Politics

Americans are convinced the U.S. economy is worsening, irrespective of many positive economic indicators being reported. Yet this pessimism, while reflected in today's personal struggles with stubborn interest rates are inflamed by unconscious political bias, which colors perceptions of one's economic situation and of the media's role in reporting it. The result is an often-janky reporting of personal finances, colored by contradiction and even outright ignorance of fact.

"Money may be green, but to Americans It's red or blue. In an era of polarization, we are now apt to give a 'voting booth' answer on the economy instead of an honest accounting our financial situation. Bidenomics is colliding with "Wokenomics" a right-leaning inconsolable economic outlook." -- John Gerzema CEO, The Harris Poll

American Pessimism: Americans Are Suspect Of "Good Economic News"

- Two-thirds (68%) report it's **difficult to be happy about positive economic news** when they **feel financially squeezed** each month (Republicans: 69%, Democrats: 68%; <\$50k HHI: 72%).
- And a similar number (67%) **don't feel any positive effects of the good economic news** today on their own financial situation (R: 72% v. D: 64%; <\$50k: 66%).
- And over 4 in 5 (82%) American workers would **feel more positive about the economy** if they felt like their **wages were keeping up** (D: 88% v. R: 81%).

And Instead, Americans Are Doubting The Health Of The Economy

- Two-thirds (65%) of Americans **believe that the economy is worse than the media makes it out to be** rather than better (35%).
 - **Sharp party splits:** (82%) of Republicans and (66%) of Independents believe it is worse compared to half of Democrats (49%).
 - More Republicans are doubtful of the economy compared to <\$50k HHIs (82% v. 70%).
- And over half (53%) of Americans believe **the economy is getting worse** instead of better (18%) or staying the same (29%).
 - **Republicans and Independents** are more likely to think it's **getting worse** (72%, 58% v. D: 32%), while more **Democrats** think it's **getting better** (32% v. R: 8%, I: 13%).
 - More Republicans believe the economy **is getting worse** than those with HHI of <\$50k (72% v. 62%).

And Pointing Fingers At The Current Administration

**Among those who believe the economy is worsening*

- More believe that the economy is getting worse due to **mismanagement of the economy by the current administration** (All Americans 56%; Republicans: 71%, Independents: 54% v. Democrats: 33%).

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Topline Findings

- While (42%) believe the economy is worsening because their **personal financial situation isn't going well currently** (D: 50%, I: 43% v. R: 36%).
- Other reasons for believing the economy are getting worse were **lingering effects from the pandemic** (41%), **positive indicators don't mean the economy is doing well overall** (38%), and **economic improvements aren't trickling down** (36%).

However, Pessimism May Be Due To Ignorance As Americans Fail Economic Trivia

Economic Growth

- (59%) (wrongly) **believe that the U.S. economy is shrinking this year** rather than growing (41%).
 - More **Republican** (72%), **Independent** (63%), and **lower HHI** (<\$50k: 64%) **Americans** believe it's **shrinking** (v. Democrat: 44%, \$100k: 53%).

FACT: The U.S. economy **accelerated to a 2.4% annual growth rate** from April through June

- (62%) of Americans (wrongly) **believe that U.S. economic growth is lower than predicted** rather than higher than predicted (38%).
 - (77%) of **Republicans** believe it's **lower** (v. D: 47%, I: 64%).

FACT: The April-through-June GDP had a faster pace than in the first three months of the year and **above economists' expectations for a 1.8% rate**

S&P

- (59%) (wrongly) **believe the S&P is down for the year** rather than up (41%).
 - More **Republican** (66%), **Independent** (60%), and **lower HHI** (<\$50k: 65%) **Americans** believe it's **down** (v. Democrat: 52%, \$100k: 52%).

FACT: The S&P 500 is **up over 14%** so far in 2023 after falling 19% in 2022

Unemployment

- (51%) (wrongly) **believe that unemployment is nearing a 50-year high** rather than a 50-year low (49%).
 - More **Republicans** and **Independents** (60%, 53% v. D: 40%), **women** (54% v. men: 47%), and **BIPOC** (54% v. white: 48%) believe unemployment is nearing a **high**.
 - **Boomers+** were the only generation to **correctly believe it's nearing a 50-year low** (61% v. Gen Z: 44%, Millennials: 41%, Gen X: 48%).

FACT: The unemployment rate has **dropped to 3.4%** – The lowest it's been since 1969 (54 years)

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Topline Findings

Consumer Confidence

- (64%) (wrongly) believe that **consumer confidence is worsening** rather than improving (36%).
 - More **Republicans** believe it's worsening (80% v. I: 65%, D: 47%).

FACT: Consumer confidence **rose in July 2023 to its highest level since July 2021**, reflecting pops in both current conditions and expectations

Inflation

- (69%) (wrongfully) **believe inflation is increasing** rather than easing (31%).
 - More **Republicans** and **Independents** believe it's increasing (80%, 70% v. D: 57%).

FACT: Annual inflation **hit 3% in June**, the **lowest** since March 2021

- (75%) (wrongfully) believe that **wages aren't keeping up with inflation** now rather than they are rising faster than inflation (25%).
 - The majority of Republicans, Independents, and Democrats believe they aren't keeping up (84%, 75%, 67%).

FACT: In May, wages began **rising faster than inflation** for the first time in years

Storyline #2: Bidenomics Might Work, But I Live In The Here and Now

Even without explicit mention of Bidenomics, Americans are still wary of the administration's investments in infrastructure and clean energy. And while significant partisan splits arise, the fundamental aspects of Bidenomics aren't a guaranteed winner among any Americans. This as the President touts a strong economic record of record employment, future jobs and strengthening markets around the premise that Bidenomics is already working for Americans. Is this a political vulnerability in his platform?

"The potential gains of "Bidenomics" are perceived by most Americans as investments that may one day pay off, but are too far out in the future to affect my economic reality today." – John Gerzema, CEO of The Harris Poll.

Americans Doubt the Fundamental Aspects Of The Administration's Economic Approach

- We asked this question: Which of these public spending plans do you think will **strengthen the overall economy in the future**? Please select all that apply.
- Nearly three-quarters (73%) of Americans supported at least one of the four spending platforms of Bidenomics (Democrats: 89% v. Republicans: 65%).
- However, no majority supported any single spending program:
 - (47%) supported **improving infrastructure** (e.g., road, water systems, internet) (Democrats: 59% v. Republicans: 39%).

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Topline Findings

- (41%) supported **attracting hi-tech electronics manufacturing** in the U.S. (D: 52% v. R: 35%).
- (38%) supported **building clean energy manufacturing facilities** (D: 58% v. R: 24%; <\$50k HHI: 36%).
- (38%) supported **attracting more high-paying union jobs** across the country (D: 49% v R: 29%; <\$50k HHI: 35%).
- But nearly a quarter (23%) said none of the above would strengthen the overall economy in the future (R: 29% v. D: 10%).

Americans Remain Unconvinced About The Federal Government's Economic Choices

- (51%) of Americans believe that **government spending under the current administration is having a negative impact** on the **U.S. economy** (Republicans: 72%, Independents: 54%, Democrats: 30%) rather than a positive impact (21%) or no impact (28%).
 - However, over a third of **Democrats** (35%) believe it's having a **positive impact** (v. R: 11%, I: 16%).
- 2 in 5 (39%) believe the **Fed's management of interest rates in lowering inflation** is having a negative impact on the U.S. economy (v. no impact: 31%, positive impact: 29%).
 - More **Republicans** think it's having a **negative impact** (55% v. I: 38%, D: 27%), while more **Democrats** think it has a **positive impact** (43% v. I: 25%, R: 18%).

Yet – Americans Are Less Optimistic In Today's Impacts Of Government Spending

- **We asked:** Do you think the following are having a positive or negative impact on the current U.S. economy?
- More Americans believe that **public investments in infrastructure, semiconductors, wind and solar energy, and manufacturing** are having a **positive impact on the current U.S. economy** (40%) rather than a negative impact (28%) or no impact (32%).
 - However, while (58%) of **Democrats** believe it's having a **positive impact**, just (26%) of Republicans and (33%) of Independents agree.

But It's Still a Split America: More Convincing Needed For Clean Energy Spending

- Just over half of Americans believe that **investments in clean energy spending** will **create more U.S. jobs** (56%), **lessen U.S. dependence on foreign oil** (55%), and **address climate change** (55%).
 - **More Democrats than Republicans** believe that clean energy spending will create jobs (69% v. R: 43%), lessen dependence (69% v. 42%), and address climate change (77% v. 36%).
 - Even more **Americans with \$50k HHI than Republicans** believe that investments in clean energy will create more jobs (50% v. 43%), lessen dependence (51% v. 42%), and address climate change (52% v. 36%).

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Topline Findings

Not The Only Split: Some Aspects Are Beneficial, Others Harmful To Economy

**Among those familiar with Bidenomics*

- **We asked:** What kind of impact do you think Bidenomics is having on the following?
- Of those familiar with Bidenomics, slightly more Americans believe it is having a **positive** impact on:
 - Clean energy investment (44% v. negative impact: 29% v. no impact: 27%)
 - Improving infrastructure (42% v. negative impact: 30% v. no impact: 28%)
 - Domestic hi-tech manufacturing (39% v. negative impact: 30% v. no impact: 32%)
- However, those familiar also believe that Bidenomics is having a **negative impact on:**
 - The U.S. economy overall (42% v. positive impact: 35% v. no impact: 23%).
 - High-paying job creation (35% v. positive impact: 32% v. no impact: 33%)
 - Middle-class Americans (42% v. positive impact: 32% v. no impact: 26%)
 - Their personal finances (41% v. positive impact: 23% v. no impact: 36%)

Digging Deeper: Bidenomics Causes Significant Partisan Split

**Among those familiar with Bidenomics*

- **Democrats** familiar with Bidenomics are more likely to believe Bidenomics is having a **positive impact** on all aspects:
 - Clean energy investment (D: 67% v. R: 21%)
 - Improving infrastructure (D: 67% v. R: 18%)
 - Domestic hi-tech manufacturing (D: 64% v. R: 15%)
 - The U.S. economy overall (D: 60% v. R: 12%).
 - High-paying job creation (D: 56% v. R: 11%)
 - Middle-class Americans (D: 53% v. R: 13%)
 - Their personal finances (D: 39% v. R: 12%)
- While **Republicans** familiar with Bidenomics are more likely to believe Bidenomics is having a **negative impact** on all aspects:
 - The U.S. economy overall (R: 72% v. D: 14%).
 - Middle-class Americans (R: 72% v. D: 15%)
 - Their personal finances (R: 66% v. D: 17%)
 - More Republicans believe it's having a negative impact on their finances (66%) compared to <\$50k HHI (43%).
 - High-paying job creation (R: 58% v. D: 12%)
 - Improving infrastructure (R: 51% v. D: 11%)
 - Domestic hi-tech manufacturing (R: 51% v. D: 9%)
 - Clean energy investment (R: 51% v. D: 9%)

Especially When It Comes To Benefiting Society: Republicans Need Convincing

**Among those familiar with Bidenomics*

- Among those familiar with Bidenomics, less than 3 in 5 (57%) believe that it is **empowering and educating workers** to grow the middle class (Democrats: 86% v. Republicans: 30%).

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Topline Findings

- Over half (53%) <\$50k HHI and \$50-99k (52%) Americans believe it is empower/educating to grow the middle class, more so than Republicans (30%).
- And the same number (57%) believe Bidenomics **is making smart public investments** throughout the U.S. (D: 88% v. R: 27%).
 - Half (50%) <\$50k HHI and \$50-99k (54%) Americans say it's making smart public investments, about double that of Republicans (27%).
- And (56%) of those familiar believe Bidenomics is **promoting competition to lower costs** and help entrepreneurs/small businesses (D: 83% v. R: 32%).
 - Over half (55%) <\$50k HHI and \$50-99k (52%) Americans also think it's promoting competition, more than Republicans (32%).

And If Bidenomics Is Fair and Helping Those It Aspires To

**Among those familiar with Bidenomics*

- Just half (51%) of Americans familiar with Bidenomics say it is **fair to all Americans** – with just a quarter (24%) of Republicans believing so (v. D: 82%).
 - Nearly half (48%) <\$50k HHI Americans believe it is fair compared, double that of Republicans (24%).
- And the same number (51%) believe Bidenomics is **helping the middle class** – again, something just a quarter (28%) of Republicans believe (v. D: 80%).
 - Over 2 in 5 (45%) <\$50k HHI and half (49%) \$50-99k HHI Americans believe it is helping the middle class, more than Republicans (28%).

Causing Bidenomics To Be Nice In Theory But Struggling To Be Recognized

**Among those familiar with Bidenomics*

- 3 in 5 (59%) Americans familiar with Bidenomics believe **it is good in theory but isn't doing well in implementation** – something both Democrats and Republicans agree with (62% v. 58%).
- (58%) of those familiar with Bidenomics believe **it's the best way to grow the economy** – however, while (86%) of Democrats agree, only (33%) of Republicans (<\$50k HHI: 58%, \$50-99k: 53%).
- Among those familiar, just (54%) believe Bidenomics will have **a lasting positive impact on the U.S. economy** (D: 84% v. R: 28%; <\$50k HHI: 51%, \$50-99k: 54%).

Storyline #3: American's Shaky Finances

After a pandemic and record inflation, Americans are exhausted in their concern for both the broader economy as well as their own personal financial health. Nearly 9 in 10 (86%) remain concerned about the economy, something that even both Republicans and Democrats can agree on (90%, 86%). But it's the three-quarters (74%) of Americans reporting a concern about affording their living expenses, a number that is higher than it was back in September 2022 (68%).

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Topline Findings

No One Can Escape The Worries Of Living Costs and Inflation Today

- The **biggest economic concerns** for Americans today are the **cost of living** (70%) and **inflation** (67%) – however, more Republicans are worried about inflation than Democrats (77% v. 59%).
- Other economic concerns are **taxes** (42%), a **recession** (40%), **wages** (39%), **government debt** (30%), **unemployment rates** (20%), **CPI** (19%), **infrastructure** (17%), and **GDP** (13%).
 - However, **more Republicans** are worried about **taxes** (48% v. D: 36%), a **recession** (46% v. 39%), and **government debt** (42% v. 21%).

Shaky Confidence Underlies America's Discretionary Spending

- Over 3 in 5 Americans are confident in their affording/spending on **necessities** (67%) and **smaller nonessential purchases** (61%) – but it drops to (31%) and (24%) for those that feel “**very confident**.”
 - More **Democrats** report **higher confidence** in affording necessities (77% v. R: 63%) and smaller nonessential purchases (70% v. 55%).
- However, fewer are confident about affording/spending on **surprise bills** (47%), **larger nonessential purchases** (42%), and **expensive purchases or payments** (40%) with less than a fifth feeling “**very confident**” (17%, 16%, 15%)
 - Again, **Democrats** report **higher confidence** in affording surprise bills (55% v. R: 43%), larger nonessentials (52% v. 35%), and expensive purchases (50% v. 35%).

Especially As Many Continue To Brace For Inflation, Potential Recession

- Over 7 in 10 (72%) Americans **believe the worst of inflation is still ahead of us** rather than behind (28%) – with more Republicans believing so (82% v. D: 58%).
- And over three-quarters (77%) remain **concerned about a potential U.S. recession** – similar to the (80%) concerned in September 2022.
- In terms of a potential recession, more Americans believe the **U.S. is coming in for a hard landing** (60%) rather than a soft landing (40%).
 - More **Republican** (68%), **female** (64%), and **lower HHI Americans** (<\$50k: 64%, \$50-99k: 62%) believe **it'll be a hard landing** (v. Democrats: 48%, men: 55%, \$100k+: 54%).

Leaving Many To Feel Further Behind Than Their Parents' Generation

- Only half (50%) of Americans believe **they are financially better off today than their parents** were at their age (Democrats: 57% v. Republicans: 49%).
 - And just a fifth (21%) **strongly agree** they are doing better (\$100k+ HHI: 33% v. \$50k: 12%; Black: 31% v. White: 21%; Democrats: 28% v. Republicans: 18%).

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Topline Findings

- **Bright spot:** (61%) of parents believe that **their child(ren) will be financially better off** at their age than they are today (D: 77% v. R: 48%) – but only a quarter (25%) strongly agree.

Methodology

This survey was conducted online within the U.S. by The Harris Poll from September 1st to 3rd among a nationally representative sample of 2,055 U.S. adults, where 1,063 were familiar with Bidenomics.