



Eye on the Economy

VOTER PERCEPTIONS ABOUT TODAY'S ECONOMY

Key Findings

WHERE WE ARE TODAY

While a lot has changed since GSG's Eye on the Economy report last June, **voters' economic perspective remains dire**. Today, 7 in 10 voters rate the current economy as poor, a majority believe we are heading in the wrong direction, and many are pessimistic about progress being made in the next year. However, voters' macro economic outlook is far different than their view of the economy closer to home – voters are less negative about the economy in their local area and more voters believe their personal financial situation will improve in the next year.

WHAT DRIVES PERCEPTIONS

Inflation continues to dominate as the most important issue facing our economy. That, along with wages keeping up with the cost of living, is gaining importance with voters – while supply chain disruptions have seen a dramatic 17-point decrease since last summer. While voters believe inflation and the cost of basic necessities have gotten worse and will continue to get worse, more voters are now saying they are able to afford those same necessities today and blame for what's causing inflation is mixed.

VOTERS' MARKET OUTLOOK

Half of voters are concerned that they or someone they know will lose their job in the next few months – this is especially true among Hispanic and AAPI voters. Those working in retail, real estate, or manufacturing are perceived to be the most vulnerable to layoffs. **Despite feelings of job insecurity, a majority of voters believe now is a good time to look for work**. When it comes to housing, 2 in 3 voters say it's a bad time to buy – a potentially long-term outlook as less than a quarter believe housing costs in their area will decrease in the next year.

GOVERNMENT & THE TWO PARTIES

Fewer voters today believe the economy is in free fall and requires major intervention. However, **voters across the board think there is opportunity for the government to do more, and few of them believe government action will make inflation worse**. Still, neither party has had much success demonstrating their vision to improve the economy, and while Republicans have somewhat gained ground on communicating their message – voters who are most concerned do not trust the Republicans' economic vision.

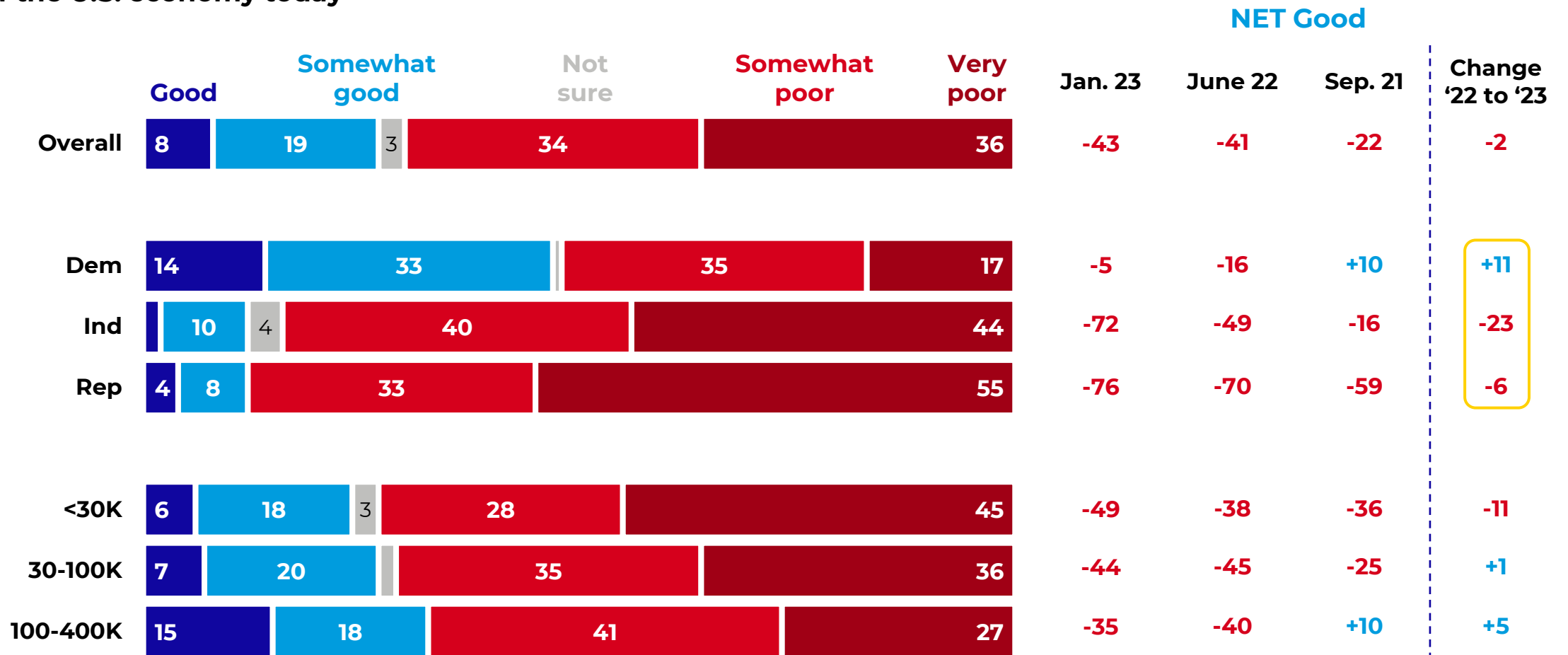
THE ECONOMY VOTERS WANT

Voters agree that a strong economy hinges on providing an affordable cost of living and a healthy manufacturing industry. Nearly half of voters believe **an economy that puts middle class families first is most important, and 45% of voters trust Democrats to deliver that** economy vs. only 31% who say the same of Republicans.



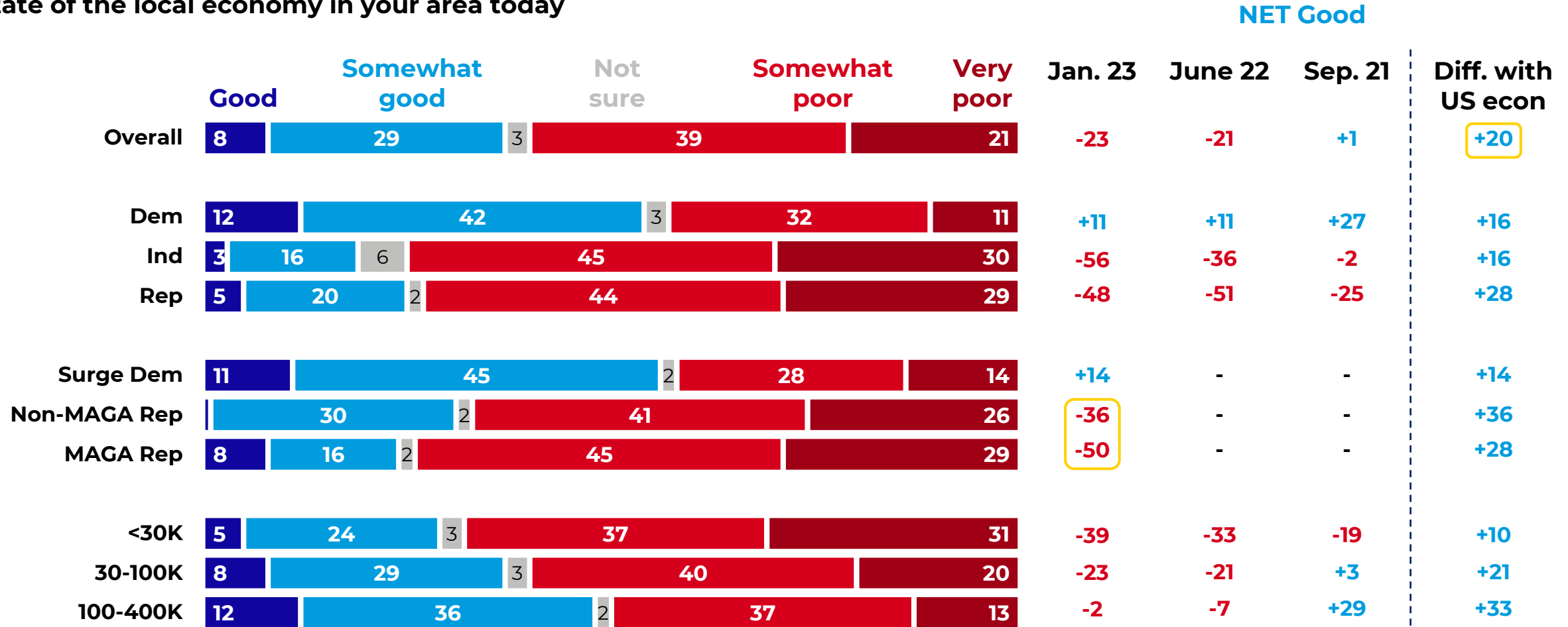
Voters remain pessimistic about the current state of the U.S. economy; Independents especially have grown more negative

State of the U.S. economy today



While voters continue to rank their local economies negatively, their local outlook is far better than their national perception

State of the local economy in your area today

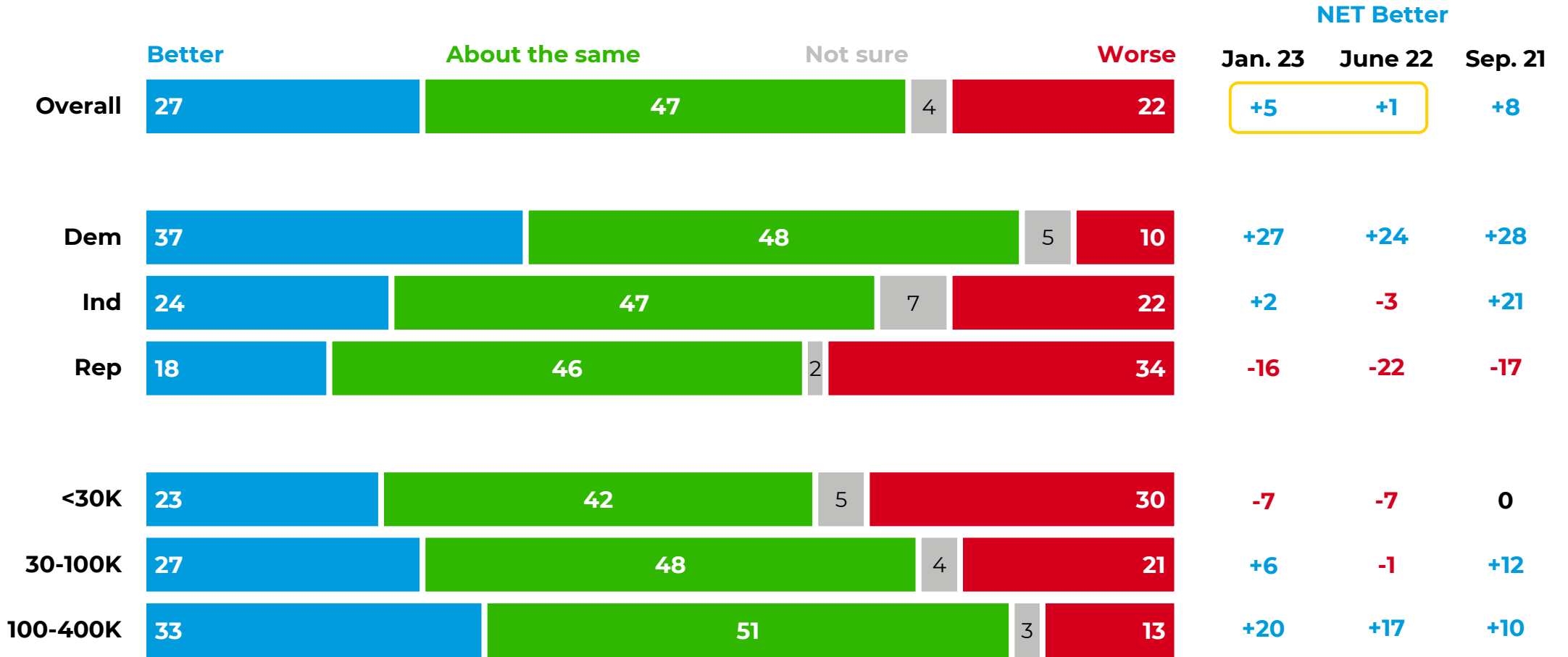


Surge Dems refers to self-identified Democrats who voted in a November general election for the first time in 2018, 20 or 22. MAGA Reps are self-identified Republicans who are supporters of the MAGA movement; Non-MAGA Reps are self-identified Republicans who are not supporters of the MAGA movement.



Voters are more likely to believe their financial situation will improve this year – a four point net increase since June

Personal financial situation a year from now



Unsurprisingly, inflation continues to dominate the economic issues voters find most important, while supply chain concerns dropped considerably

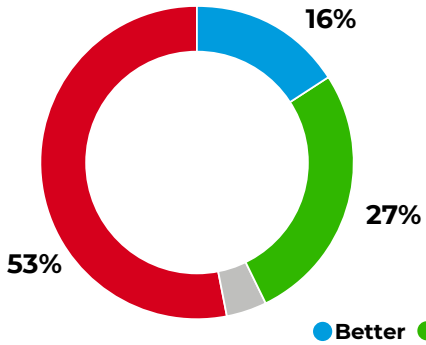
Most important issues facing economy today (top three)

	Total	Total			June 22	Change '22 to '23
		Dem	Ind	Rep		
Inflation	75	66	78	85	72	+3
Wages keeping up with the cost of living	45	49	55	37	42	+3
Health care costs	27	32	22	22	25	+2
Supply chain disruptions	25	21	20	31	42	-17
National debt	24	14	25	35	20	+4
Poverty	24	26	22	22	17	+7
Corporate greed	21	29	23	11	21	0
Income inequality	17	25	12	11	16	+1
Labor/worker shortages	16	15	13	18	19	-3
Unemployment	14	12	19	14	12	+2
Fluctuations in the stock market	10	10	10	11	10	0
Other		1	1	4	4	-2

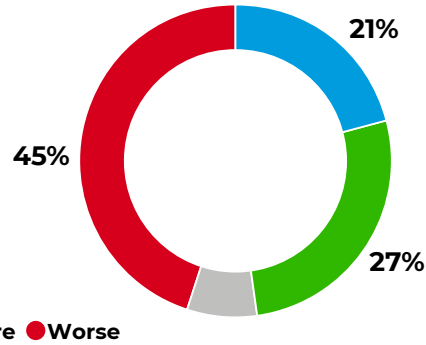
Majorities believe inflation and the cost of necessities has increased since last summer, and will continue to do so

Generally speaking, do you think inflation has gotten better or worse than it was 6 months ago?

INFLATION

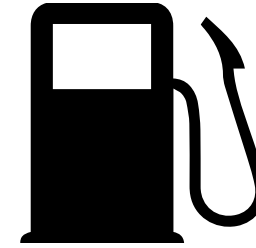
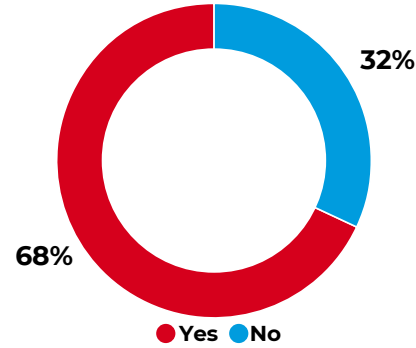


In the next year, do you think inflation will be:

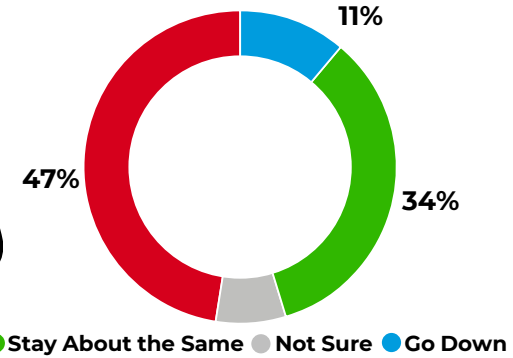


GAS

Do you feel the price of gas is going up?

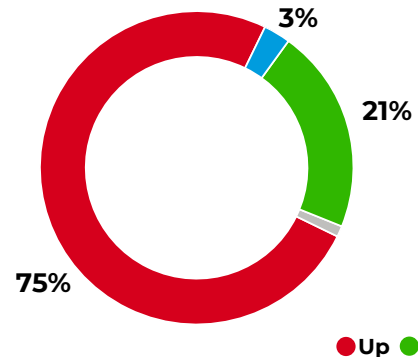


In the next year, do you think the price of gas will:

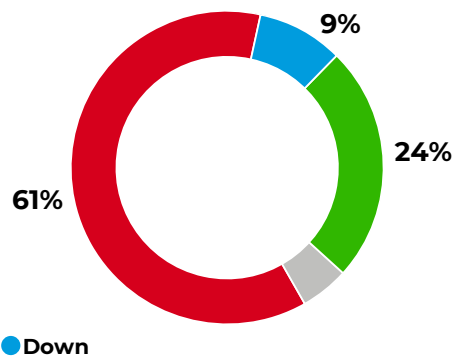


When it comes to the costs of everyday goods like groceries, do you think costs are currently going:

GROCERIES

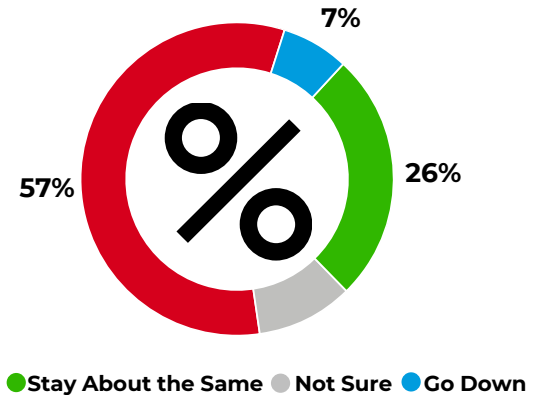


In the next year, do you think the cost of everyday goods like groceries will go:



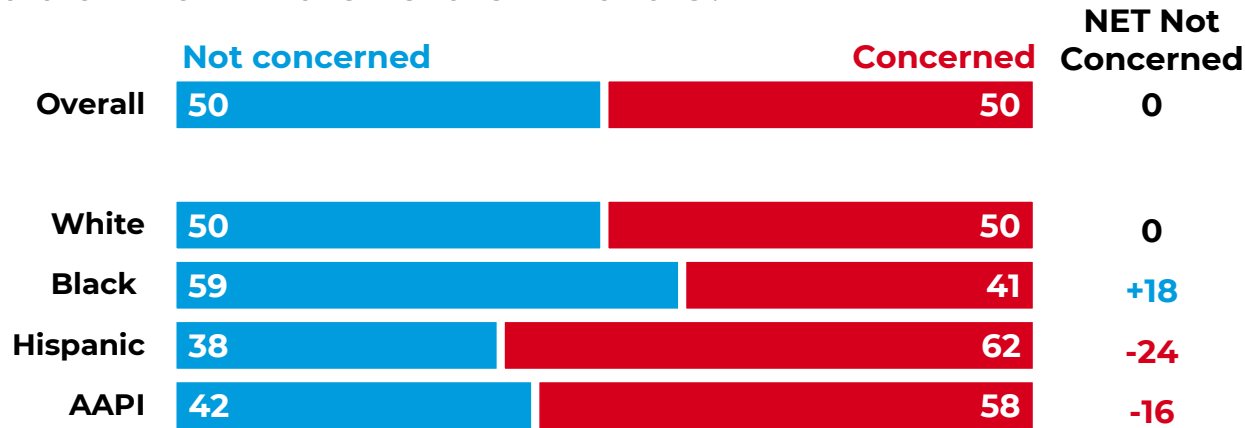
INTEREST RATES

In the next year, do you think interest rates will:

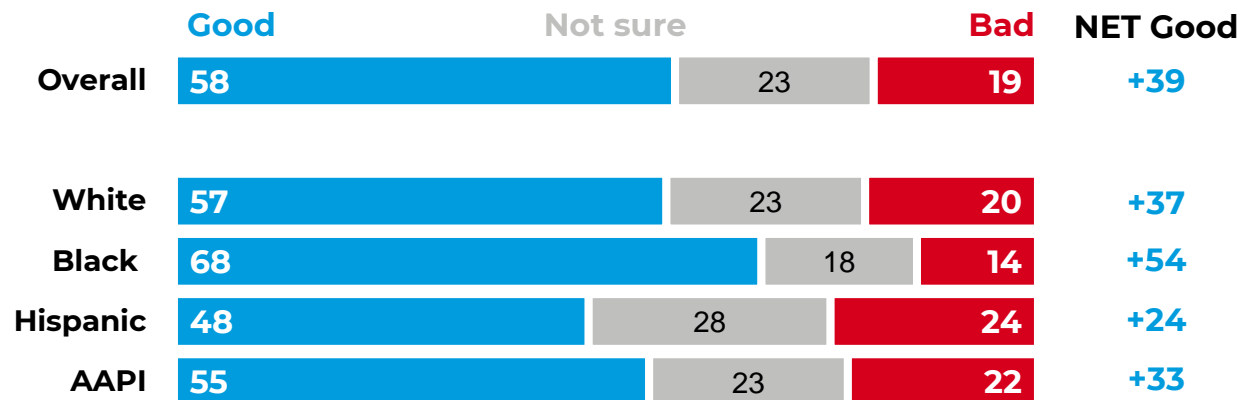


Job loss is a potential concern for many voters, but a majority believe now is a good time look for work

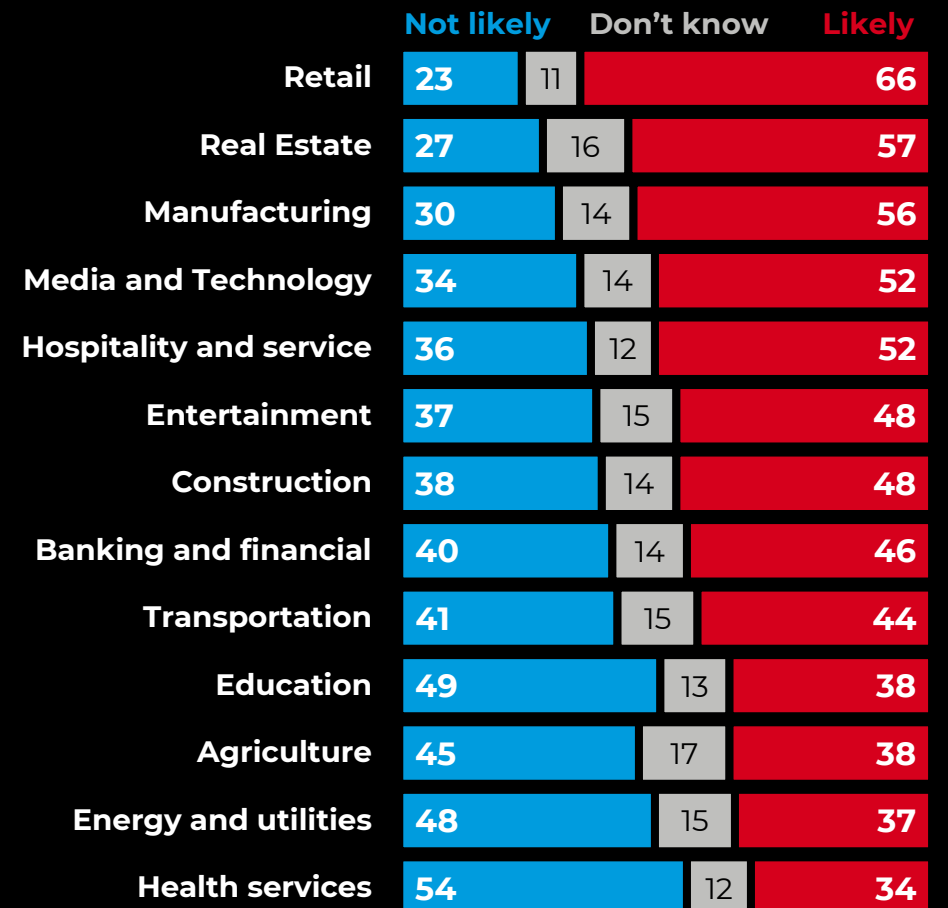
How concerned are you that you or someone you know will be laid off work in the next few months?



Good or bad time to look for a new job

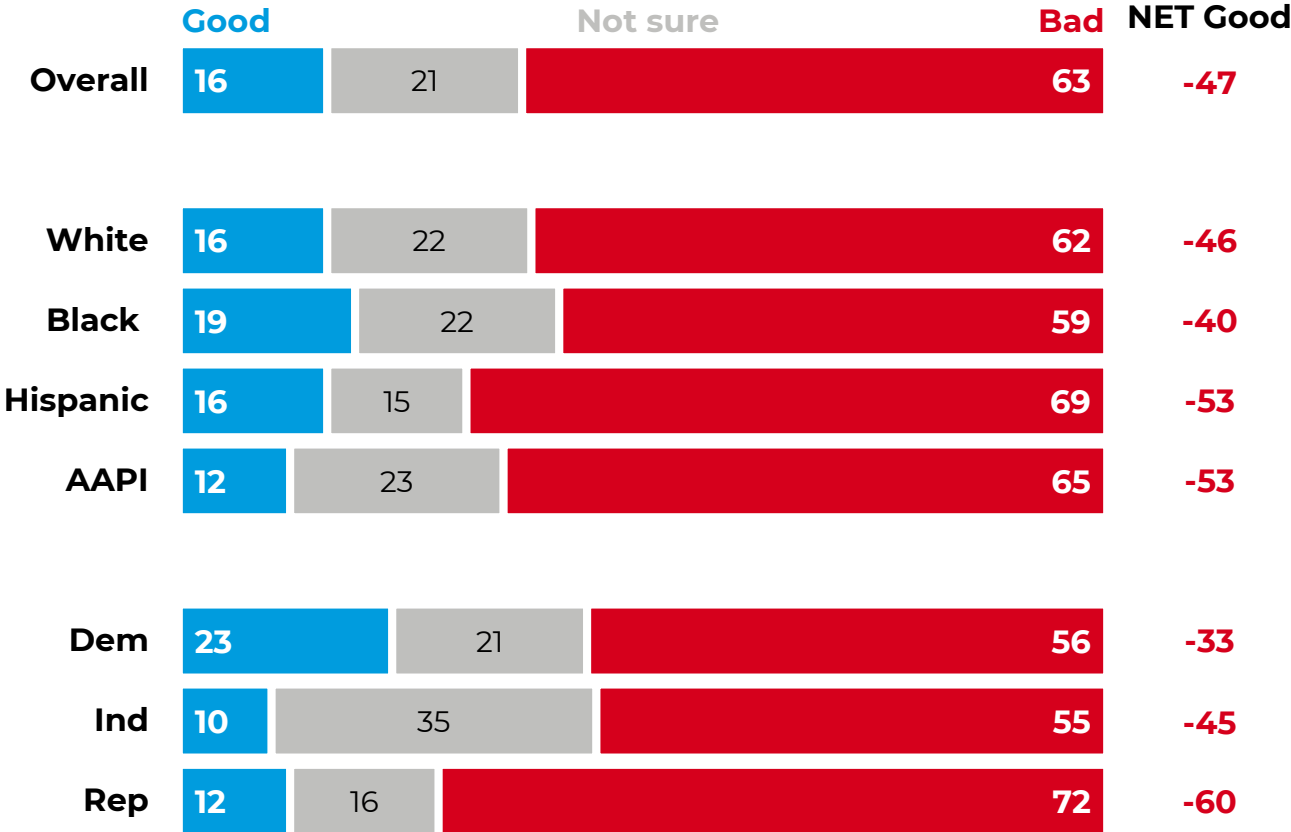


Likelihood industries are to face employee layoffs in the coming months

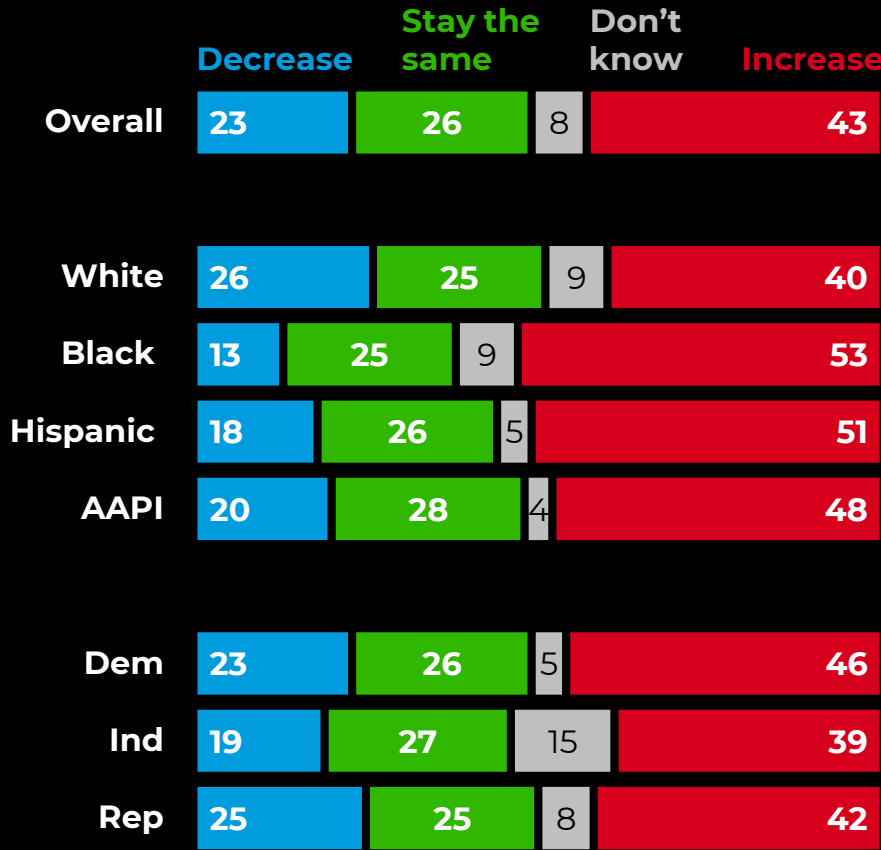


Broad majorities believe it's a bad time to buy a house, and few predict housing prices will decrease over the next year

Good or bad time to buy a house

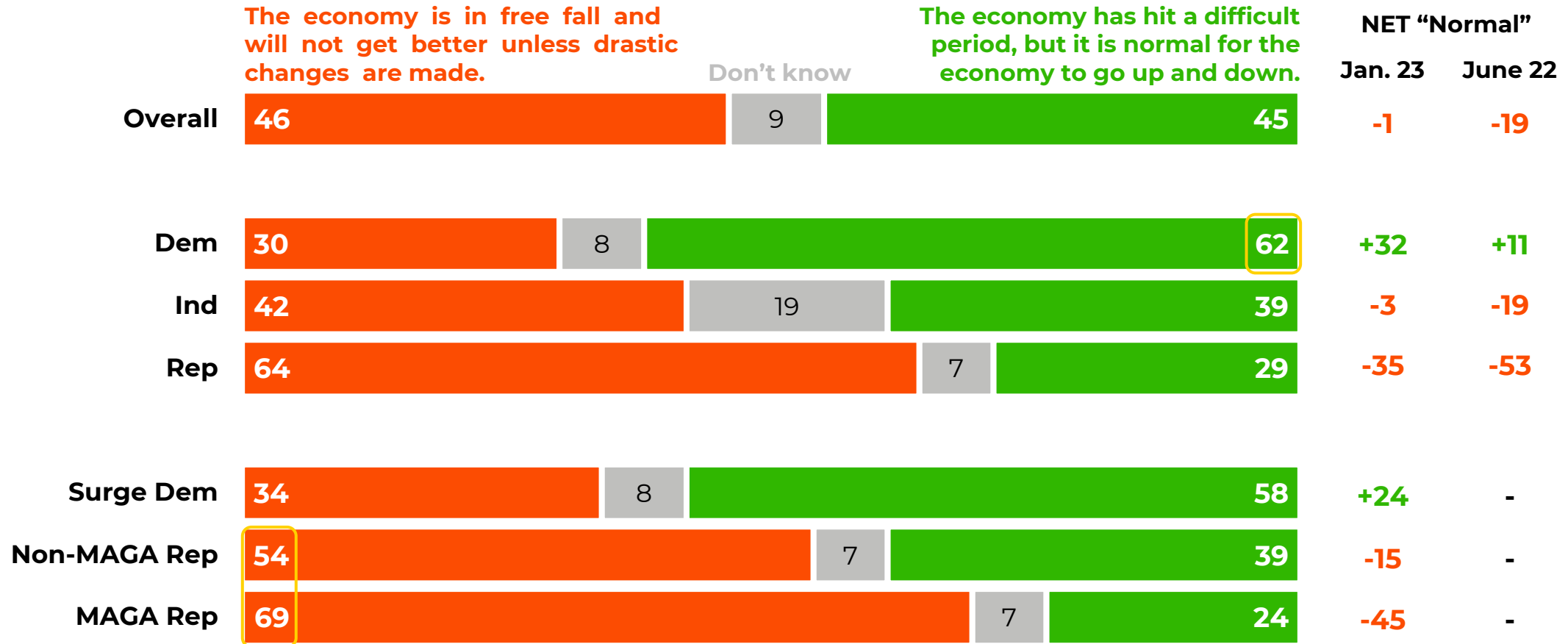


Local housing prices: increase or decrease over next year



Voters are now more divided between whether the economy has hit a typical, short-term downturn or if drastic action is needed

Need drastic changes vs. normal occurrence



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Voters agree that a strong economy hinges on an affordable cost of living followed by strong manufacturing

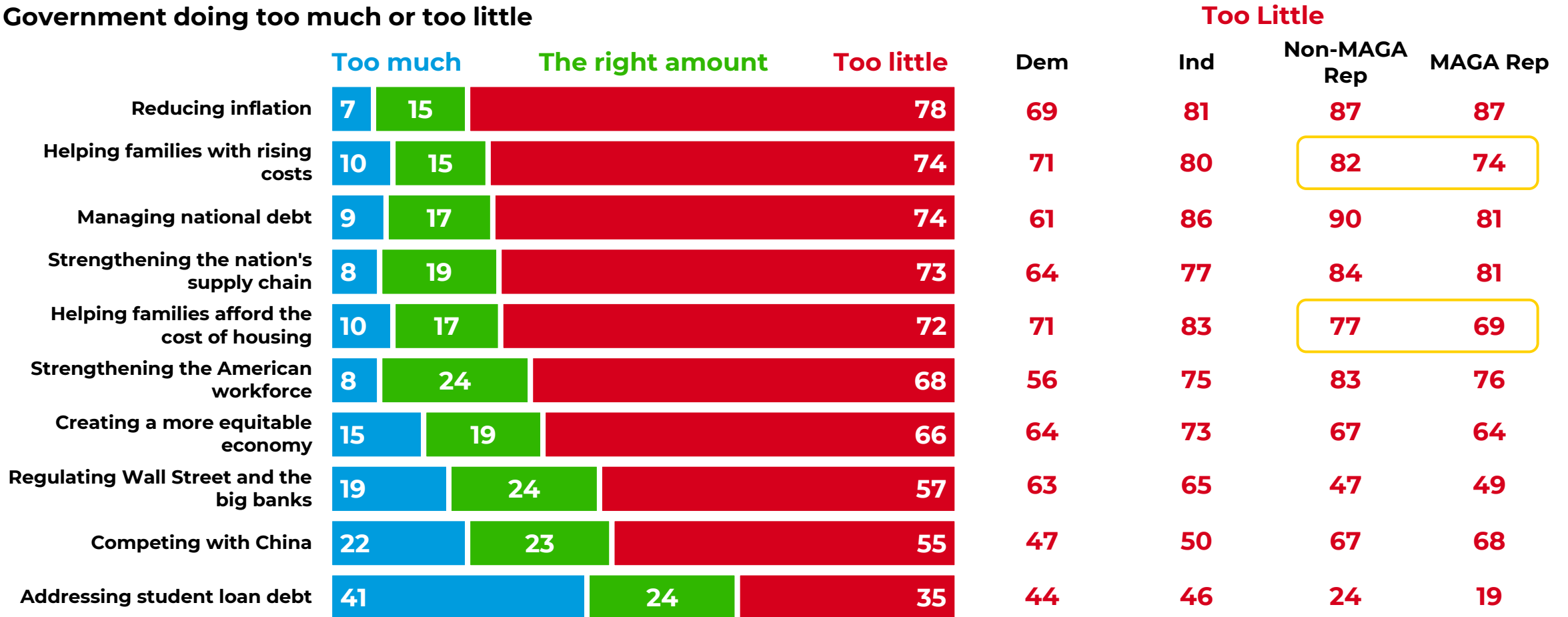
Most important for a strong economy (top three)

		Total			
		Dem	Ind	Non-MAGA Rep	MAGA Rep
Affordable cost of living	66	64	65	59	70
A strong manufacturing industry and supply chain	43	34	39	58	55
A low unemployment rate	33	30	32	32	37
Rising wages	32	38	35	30	23
Protecting consumers from corporate greed	23	25	21	27	19
More high-paying jobs for workers without college degrees	22	20	25	20	23
A strong stock market	21	17	25	22	25
Reduced income inequality	17	26	11	14	7
Investments in critical infrastructure	15	17	14	12	14
Investments in research and development	13	11	9	19	16
An expansion of worker rights and labor unions	9	13	7	3	7

MAGA Reps are self-identified Republicans who are supporters of the MAGA movement; Non-MAGA Reps are self-identified Republicans who are not supporters of the MAGA movement.

Broad majorities agree that government is not doing enough to address major economic challenges; Non-MAGA Republicans are more likely to believe too little is being done to help families

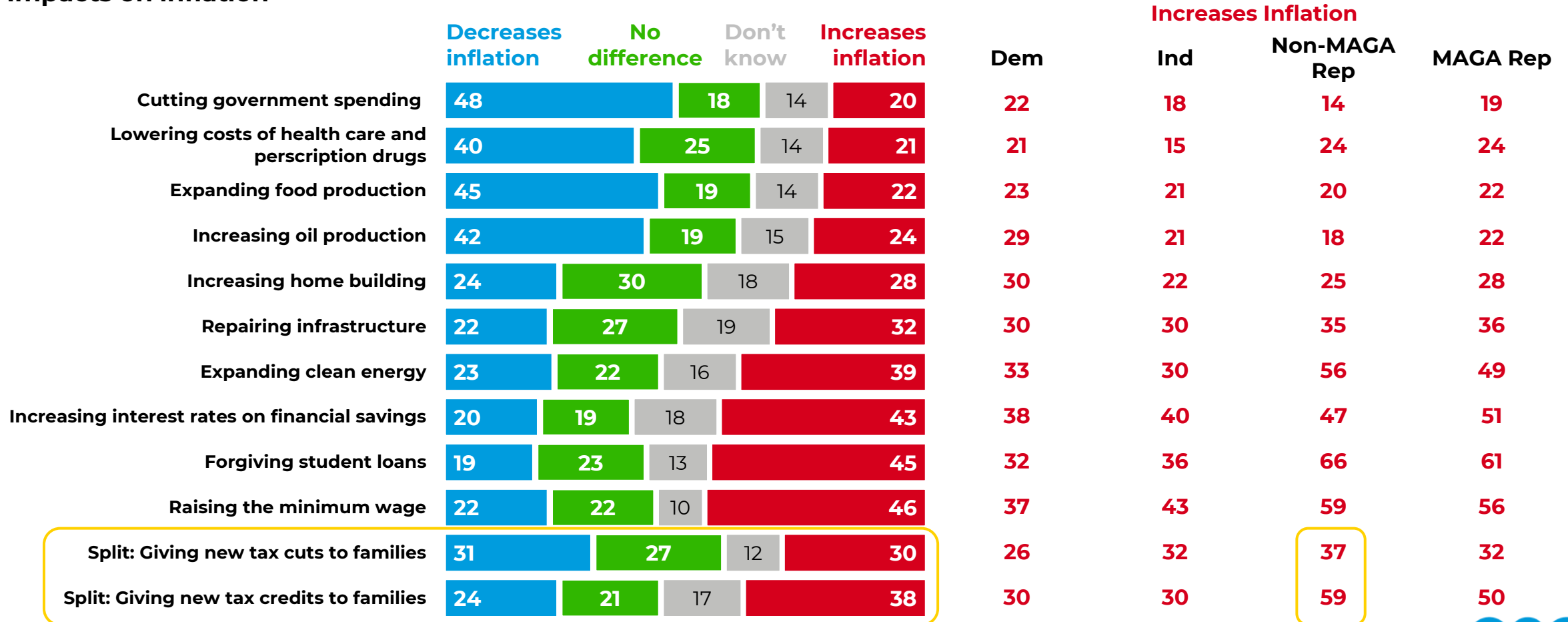
Government doing too much or too little



MAGA Reps are self-identified Republicans who are supporters of the MAGA movement; Non-MAGA Reps are self-identified Republicans who are not supporters of the MAGA movement.

Majorities do not believe government actions to address economic challenges will increase inflation; Tax cuts for families are seen as less inflationary than tax credits

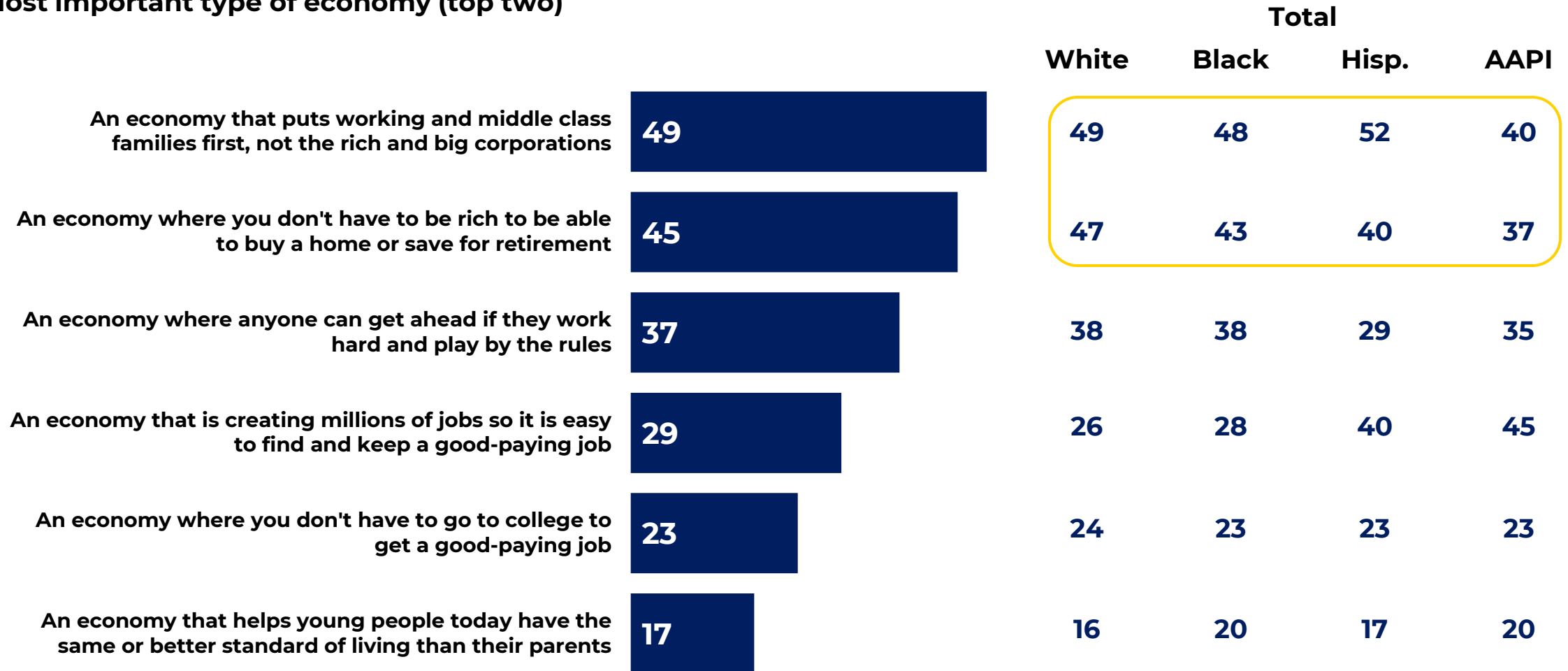
Impacts on inflation



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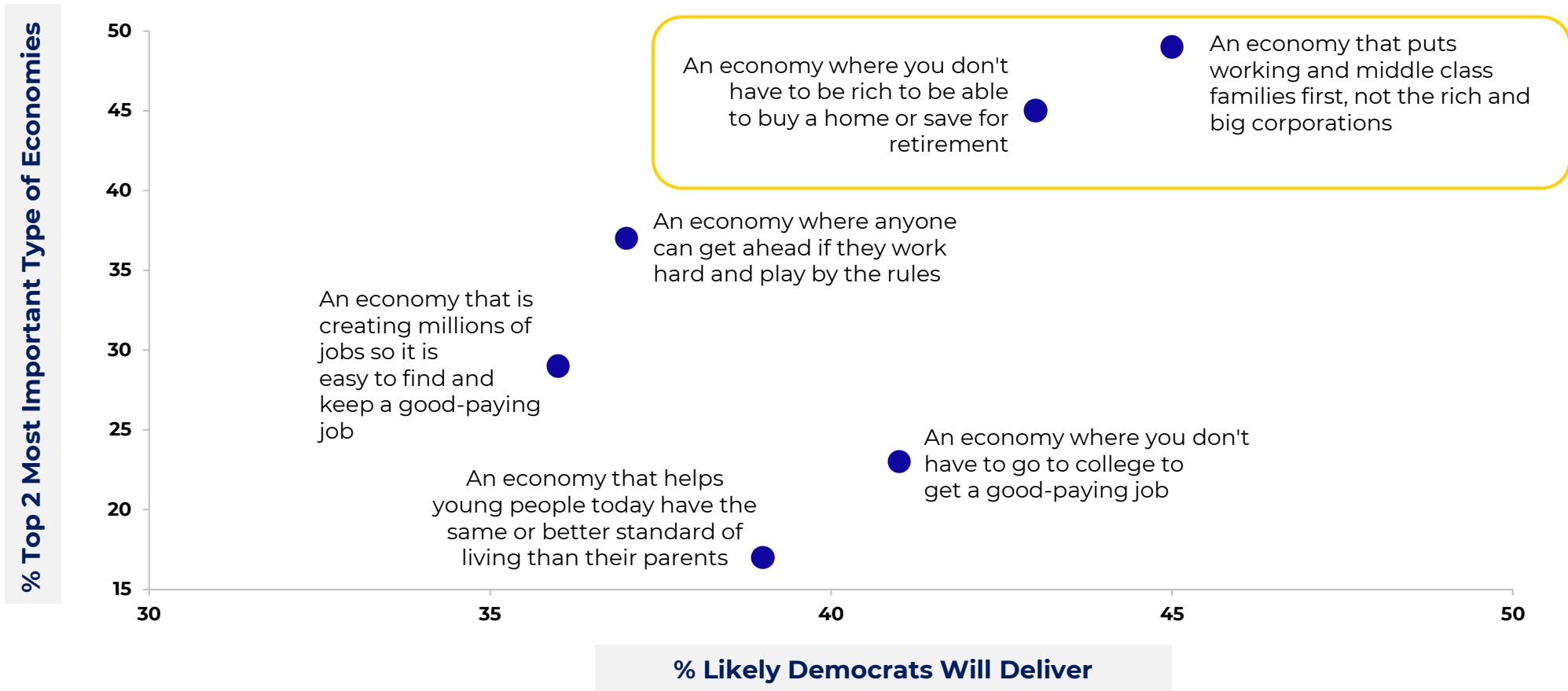
Voters prioritize an economy that serves working- and middle-class families and allows them to buy a home and save

Most important type of economy (top two)



Voters see Democrats as best equipped to deliver an economy that works for regular people, not the rich; Less confidence in Democrats on jobs

Economic preferences compared to which party will deliver



Only 31% of voters say Republicans are capable of creating an economy that puts working and middle class family first over the rich and corporations compared to 45% who say the same of Democrats.

What It Means

- **Perceptions of the economy remain dire.** In many ways economic perceptions are worse today than they were in both September 2021 and June 2022 – meanwhile half of voters are concerned that they could lose their job this spring.
- **Signs of hope exist.** While inflation and the cost of necessities is viewed as getting worse, more voters today believe they can afford those same necessities. While there is concern about job loss, a majority believe it is a good time to look for new work. And while the national outlook is bleak, voters feel more hopeful closer to home.
- **Voters want government to do more.** Broad majorities believe the government is not doing enough to improve our economy – with notable overlap between Democratic priorities and non-MAGA Republican priorities on the issue. At the same time, inflation should not be a deterrent to economic action, as a wide range of potential government initiatives are not seen as inflationary by the majority of voters.

About this study

Global Strategy Group's *Eye on the Economy* research series – now in its third year – explores voters' ever-changing perceptions of the economy, personal financial challenges, and the government's impact in the eyes of voters.

GSG's *Eye on the Economy* reports are available on our website: globalstrategygroup.com

Methodology

Global Strategy Group conducted a public opinion survey among **1,000 registered voters nationwide between January 9 – 12, 2023** and has a confidence interval of +/- 3.1%. The survey included an oversample to reach 100 AAPI registered voters. Margin of error on subgroups is greater.

The survey was conducted online, recruiting respondents from a leading opt-in panel vendor.

Thank You

We are interested in your feedback! Please send questions or comments to:



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