# HEARTLAND MONITOR POLL



# Americans Believe China Has Surpassed the United States in Economic Strength; Back Government Support of Manufacturing to Create U.S. Jobs

In Seventh Allstate-National Journal Heartland Monitor Poll, Americans Remain Optimistic About America's Long-Term Prosperity

**WASHINGTON, D.C.,** December 8, 2010 – The American public is deeply concerned about the strength of the U.S. economy and its competitiveness with the rest of the world, according to poll results announced today by The Allstate Corporation (NYSE: ALL) and *National Journal*.

The seventh quarterly Allstate-*National Journal* Heartland Monitor Poll focused on how Americans view U.S. workforce competitiveness and the American manufacturing sector as a key driver of job creation. Only 20% of Americans polled believe that the United States has the strongest economy in the world, while nearly half say this distinction lies with China.

Despite this pessimistic view, one-third of Americans (34%) believe the United States will have the world's strongest economy 20 years from now, roughly in line with those who hold similar expectations of China's economy (37%). Respondents cited America's strengths in its higher education system (74%), science and research (66%), workforce (56%) and corporate leaders (57%).

Eighty percent of Americans say manufacturing will be extremely or very important to U.S. economic growth over the next five to 10 years. Emphasizing this point, 62% agree it's important for the government to help advanced manufacturing industries with tax incentives and funding – even if it means more federal spending and more government involvement in the economy.

"Americans clearly understand the global economic landscape has changed," said **Thomas J. Wilson**, Allstate chairman, president and chief executive officer. "As a result, they are concerned about their future and that of their children. They want public and private leaders to put aside ideological fundamentalism and make compromises to move the country forward. Businesses need to expand their investment in U.S. growth. Public sector leaders must support manufacturing, research and education. Our common goal should be for America to remain the most advanced, most innovative, and largest economy in the world."

"President Obama said this week that the nation is facing 'our Sputnik moment' in the international economic competition, and it's clear from the latest Heartland Monitor survey that many Americans agree," said **Ronald Brownstein**, editorial director of National Journal Group. "The powerful anxiety crackling through this poll about the nation's precarious position in the global race for jobs and growth should be a signal to politicians in both parties that Americans are open to, and even eager for, bold ideas from business and government to strengthen our competitive position."

The seventh Allstate-*National Journal* Heartland Monitor Poll (<u>PDF</u>) identified several key personal, financial, and economic concerns:

- 1) Americans believe the United States now lags behind China as the strongest economy in the world and are deeply pessimistic about the current track of the country.
  - Only 20% of Americans believe that the United States has the strongest economy in the world today. Nearly half (47%) believe that this distinction lies with China.
  - When asked about the direction of the country, 60% said the United States is heading in the wrong direction, up from 50% in September 2009.
  - More than half of Americans (67%) believe that their financial situation will get worse or remain the same in 2011, rather than improve.
  - More than one-third of Americans (37%) believe the country is significantly worse off due to President Obama's policies, consistent with previous Heartland Monitor Poll findings in April (37%) and August (41%) of this year.
  - More than one-third (35%) of Americans believe recent economic policies have decreased opportunities for people to get ahead, and only 14% believe that the country is better off because of those policies.
- 2) The manufacturing sector is seen as fundamental to the U.S. economy and a top priority for government investment and protection, even if it means more federal spending and involvement.
  - A total of 80% of Americans believe that manufacturing will be extremely or very important to U.S. economic growth over the next five to 10 years.
  - More than half of Americans (62%) agree that it's important for the government to help advanced manufacturing industries with tax incentives and funding – even if it means more federal spending and more government involvement in the economy.
  - More than two-thirds (68%) say they support a policy that would require a percentage of high-end manufactured products sold in the United States to be produced or assembled here even if it means higher prices.
- 3) Americans see global competition as a major reason for economic problems in the United States.
  - More than half (58%) blame the loss of U.S. manufacturing jobs on companies that shifted jobs overseas to lower labor costs and increase profits.
  - Two-thirds (67%) say that U.S. corporate outsourcing has played a major role in the recent high unemployment rate.
  - More than half (53%) believe that U.S. elementary and secondary schools lag behind those of other countries.
- 4) The American workforce has not lost faith in the American Dream despite serious concerns about the current state of the economy. Americans remain optimistic about America's long-term prosperity and economic resilience.
  - Americans believe that several aspects of the U.S. economy rank ahead of other world economic powers, namely, colleges and universities (74%), science and research (66%), the American workforce (56%) and corporate leaders (57%).
  - One-third (34%) of Americans believe that the United States will have the strongest economy in the world 20 years from now, roughly in line with the number who identified China (37%).

- 5) Americans want leaders in Washington to work together, and they place a greater priority on investment for job creation than on deficit reduction.
  - As the new Congress takes office, more than two-thirds (70%) of Americans prefer that the Republicans in Congress compromise with President Obama and Congressional Democrats.
  - Only 25% say Republicans should pursue their own agenda, including repeals of President Obama's legislation and regulations.
  - Americans say that the top priority of elected officials in Washington should be to provide new spending on infrastructure, research and education to encourage job creation (28%), well above those who said that the most important priority should be new tax cuts (22%), repealing or changing healthcare reform (19%), extending all the Bush Era tax cuts (13%) or addressing the federal deficit (11%).

# **Notes to Editors**

## **Survey Methodology**

National Sample of 1200 ADULTS AGE 18+ (Margin of Error = +/-2.8%) Interviews Conducted via Telephone November 29-December 1, 2010

#### **About Allstate**

The Allstate Corporation (NYSE: ALL) is the nation's largest publicly held personal lines insurer. Widely known through the "You're In Good Hands With Allstate®" slogan, Allstate is reinventing protection and retirement to help more than 17 million households insure what they have today and better prepare for tomorrow. Consumers access Allstate insurance products (auto, home, life and retirement) and services through Allstate agencies, independent agencies, and Allstate exclusive financial representatives in the U.S. and Canada, as well as via <a href="www.allstate.com">www.allstate.com</a> and 1-800 Allstate®. For an overview of the other Allstate-National Journal Heartland Monitor Polls, visit <a href="http://www.allstate.com/heartland-monitor">http://www.allstate.com/heartland-monitor</a>.

### **About National Journal Group**

Since 1969, National Journal Group has provided insight for insiders through nonpartisan reporting on current political and policy issues as well as tools professionals need to do their jobs well. National Journal Group properties include *National Journal*, *National Journal Daily*, National Journal.com, *The Hotline*, The Almanac of American Politics and Global Security Newswire.

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