2010 Hamilton College Youth Poll

The U.S. Economy

Economics 461
Labor Economics

- Joseph Buicko, class of 2011
- Shunyi Chao, class of 2010
- Matthew Giamalis, class of 2011
- Jeffrey Harris, class of 2010
- Mario Magana, class of 2010
- Eugene Nahm, class of 2010
- Robert Neighbours, class of 2010
- Andrew Richardson, class of 2010
- Adam Vorchheimer, class of 2011
- Stephen Wu, Associate Professor of Economics

Motivation and Overview

- Effects of recent economic events
- Youth attitudes, expectations
- Knowledge about the U.S. economy

Introduction

- Survey conducted using Knowledge Panel created by Knowledge Networks
- Participants chosen using random selection of telephone and residential addresses

Data Description

- Three sections of questions:
  - Background characteristics
  - Knowledge of U.S. Economy
  - Attitudes

Summary Statistics

Age of respondents			
age	Freq.	Percent	Cum.
15	111	13.57	13.57
16	290	35.45	49.02
17	294	35.94	84.96
18	123	15.04	100.00
Total	818		

Gender breakdown			
Gender	Freq.	Percent	Cum.
Male	429	52.44	52.44
Female	389	47.56	100.00
Total	818		

Summary Statistics

Distribution of race among respondents			
Race / ethnicity	**Freq.**	**Percent**	**Cum.**
White, non-Hispanic	631	77.14	77.14
Black, non-Hispanic	52	6.36	83.50
Other, non-Hispanic	27	3.30	86.80
Hispanic	83	10.15	96.94
2+ races, non-Hispanic	25	3.06	100.00
Total	**818**		

Have you taken (or are you currently taking) an economics course in high school?			
	Freq.	**Percent**	**Cum.**
Yes	338	41.68	41.68
No	473	58.32	100.00
Total	**811**		

Summary Statistics: Knowledge Questions

Respondents best approximation of the current national debt (March 2010)			
	Freq.	Percent	Cum.
$8 billion	14	1.72	1.72
$128 billion	51	6.25	7.97
$1.3 trillion	154	18.87	26.84
$12.5 trillion	278	34.07	60.91
$150 trillion	127	15.56	76.47
Don't know	192	23.53	100.00
Total	816		

Respondents approximation of the current unemployment rate (March 2010)			
	Freq.	Percent	Cum.
1.2%	1	0.12	0.12
4.5%	41	5.03	5.15
9.7%	407	49.94	55.09
12.5%	169	20.74	75.83
18.1%	80	9.82	85.64
Don't know	117	14.36	100.00
Total	815		

Summary Statistics: Knowledge Questions

Approximations of the current level of the DOW Jones index (March 2010)			
	Freq.	Percent	Cum.
4,300	14	1.72	1.72
6,300	31	3.81	5.54
8,300	57	7.01	12.55
10,500	224	27.55	40.10
12,300	6	0.74	40.84
Don't know	481	59.16	100.00
Total	813		

What is the role of the Federal Reserve?			
	Freq.	Percent	Cum.
To promote a healthy economy through appropriate fiscal policy	110	13.61	13.61
To promote a healthy economy through appropriate monetary policy	259	32.05	45.67
To review congressional budgets and other legislation with budgetary implications	76	9.41	55.07
To examine matters related to the payment and receipt of public funds	61	7.55	62.62
To help taxpayers in understanding and meeting their tax responsibilities	15	1.86	64.48
Don't know	287	35.52	100.00
Total	808		

Summary Statistics: Knowledge Questions Continued

"When the economy is contracting, does the Federal Reserve Bank usually raise or lower interest rates?"			
	Freq.	**Percent**	**Cum.**
Raise rates	157	19.31	19.31
Leave rates unchanged	31	3.81	23.12
Lower rates	373	45.88	69.00
Don't know	252	31.00	100.00
Total	**813**		

"Who is the current chair of the Federal Reserve?"			
	Freq.	**Percent**	**Cum.**
John Maynard Keynes	11	1.35	1.35
Alan Greenspan	75	9.20	10.55
Timothy Geithner	57	6.99	17.55
Ben Bernanke	228	27.98	45.52
Henry Paulson	12	1.47	46.99
Don't know	432	53.01	100.00
Total	**815**		

Summary Statistics: Knowledge Questions Overall

Knowledge questions answered correctly			
	Freq.	Percent	Cum.
0	161	19.68	19.68
1	181	22.13	41.81
2	164	20.05	61.86
3	119	14.55	76.41
4	95	11.61	88.02
5	65	7.95	95.97
6	33	4.03	100.00
Total	818		

Summary Statistics: Other Findings

Did your mother get laid off or involuntarily lose a job in the last two years?			
	Freq.	**Percent**	**Cum.**
Yes	99	12.16	12.16
No	594	72.97	85.14
Not applicable- mother does not work or live at home	121	14.86	100.00
Total	**814**		

Did your father get laid off or involuntarily lose a job in the last two years?			
	Freq.	**Percent**	**Cum.**
Yes	120	14.72	14.72
No	602	73.87	88.59
Not applicable- father does not work or live at home	93	11.41	100.00
Total	**815**		

Summary Statistics: Other Findings

Which of the following most reflects your beliefs about the future of Social Security?			
	Freq.	Percent	Cum.
I believe social security will be more generous at the time I retire than it currently is	28	3.46	3.46
I believe social security will be equally generous at the time I retire as it currently is	100	12.35	15.80
I believe social security will be less generous at the time I retire than it currently is	284	35.06	50.86
I do not believe social security will be available at the time I retire	398	49.14	100.00
Total	810		

"Do you believe China will surpass the United States as an economic power within the next 20 years?"			
	Freq.	Percent	Cum.
Definitely not	21	2.59	2.59
Probably not	85	10.49	13.09
Maybe	325	40.12	53.21
Probably	261	32.22	85.43
Definitely	118	14.57	100.00
Total	810		

Summary Statistics: Future Expectations

"Do you expect the future economy to be worse, better, or the same in the next 5 years?"			
	Freq.	**Percent**	**Cum.**
Much worse	45	5.52	5.52
Worse	230	28.22	33.74
The same	129	15.83	49.57
Better	386	47.36	96.93
Much better	25	3.07	100.00
Total	**815**		

"Do you believe that your standard of living will be worse or better than that of your parents?"			
	Freq.	**Percent**	**Cum.**
Much worse	28	3.45	3.45
Worse	184	22.66	26.11
The same	283	34.85	60.96
Better	284	34.98	95.94
Much better	33	4.06	100.00
Total	**812**		

Index of Knowledge Questions

- Summation of six knowledge questions.
- Variables correlated with higher quiz scores:
  - Household Income.
  - Class Year.
  - Online News.
  - Economics Class.

Barack Obama Approval

- "How would you describe Barack Obama's performance as the President of the United States?"
- "Relative to your expectations before the election, how has Barack Obama performed?"
- Variables associated with higher approval ratings:
  - Race.
  - No other significant results.

Bush vs. Obama

- “How responsible do you feel former President George W. Bush and President Obama are for the current recession, respectively?”

- Main results:
  - Black and Hispanic students were more lenient on Obama and more critical of Bush than their White peers.

Expectations Questions

- "Do you believe that your standard of living will be better or worse than your parents?"
- Variables correlated with more optimistic expectations:
  - Race
    - Related to approval of Barack Obama?
    - No other significant results.

Conclusion

- Youth economic knowledge is not very high
  - Out of 6 knowledge questions average students answers ~2 correct
- Economic knowledge highly dependent upon:
  - Parental education level
  - Household income
  - Whether enrolled in an economics class
  - How often read news online

Conclusion

- Race plays a significant role in:
  - Approval of Barack Obama's performance
  - Accountability for financial crisis
  - Expectations of standard of living
- Youth are pessimistic about specific issues related to economy, but optimistic about their individual standard of living and overall health of the economy