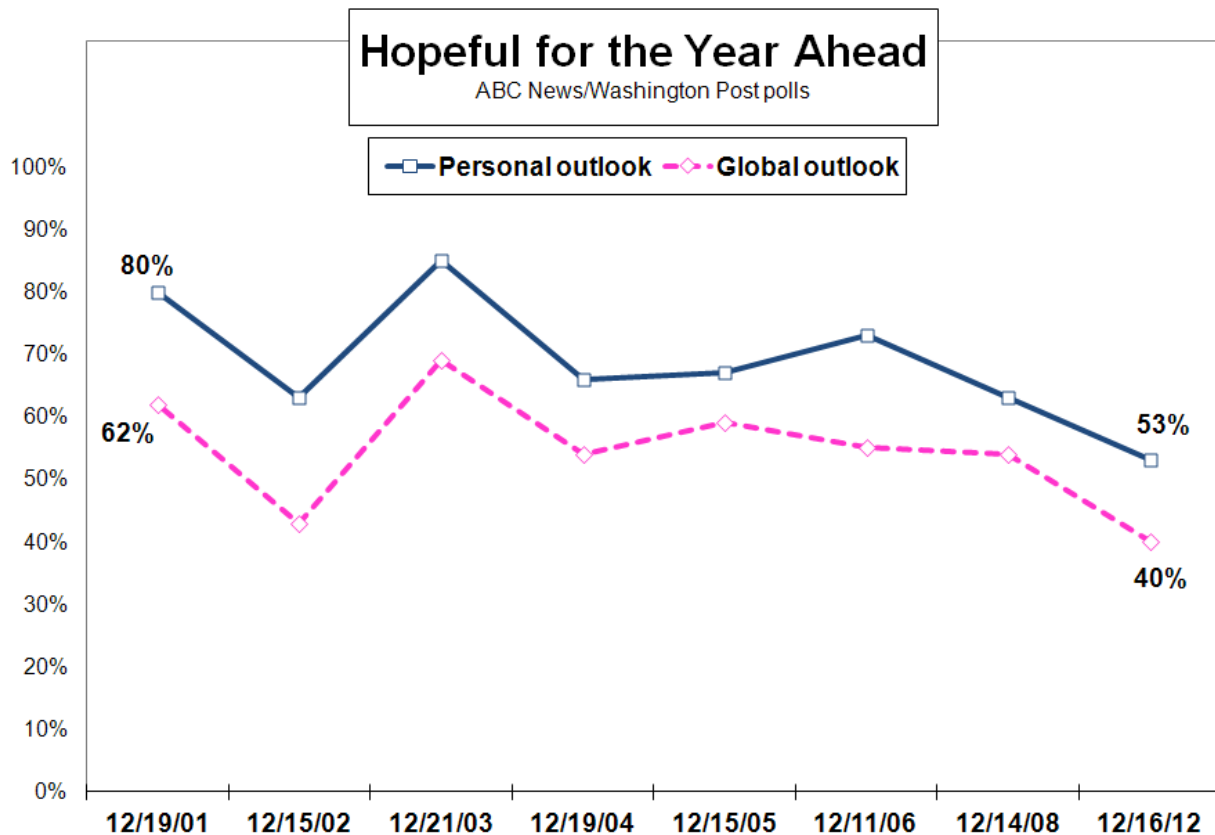


Despite Hints of Economic Recovery, Optimism's Scarce for the Year Ahead

With three-quarters of Americans saying the economy's still in a recession, optimism both about personal and global prospects in the year ahead are at their lowest in 11 years. Nonetheless, unlike the past three years, a majority at least says an economic recovery's begun.

Optimism continues to trump pessimism in personal outlook: Fifty-three percent in this ABC News/Washington Post poll are more hopeful than fearful about what 2013 holds in store for them personally. Fewer, 40 percent, are more hopeful than fearful about the world's prospects.

Both are down sharply, by 32 and 29 percentage points, respectively, from their highs in December 2003, to their lowest level in more than a decade. The 56 percent who express fearfulness about the global outlook ties the high right before 2003, with war in Iraq imminent.



PARTISANSHIP – Political allegiances factor heavily into these views. Seventy-five percent of Democrats express personal optimism, matching its level after the 2008 elections, and their global optimism is just 6 points lower, now 61 percent. Among Republicans, a second consecutive loss is a lot to bear: Their personal and global optimism are nearly half their level vs. four years ago (25 vs. 44 percent, and 18 vs. 39 percent, respectively).

	Personal outlook: Hopeful			Global outlook: Hopeful		
	2012	2008	Change	2012	2008	Change
Democrats	75%	75	0	61	67	-6
Republicans	25	44	-19	18	39	-21
Independents	50	62	-12	38	48	-10

That mirrors trends after the 2004 election, when George W. Bush won his second term. Personal optimism for the next year among Democrats dropped by 29 points from the previous year, and global optimism by 20 points, while optimism among Republicans was virtually unchanged.

Compared to 2008, hopefulness among independents has dropped by 12 and 10 points, respectively. But party's at play there also; Democratic-leaning independents are nearly identical in hopefulness to Democrats, while Republican-leaning independents look much like Republicans.

ECONOMY and THE CLIFF – Despite easing unemployment, Americans continue to feel the effects of the longest, deepest downturn since the Great Depression. Seventy-six percent in this poll, produced for ABC by [Langer Research Associates](#), think that the country still is in a recession, unchanged since April.

But the economy's trajectory matters also. On that, more than half – 53 percent – say that in their personal experience the nation's economy has started to recover. While that's not significantly different than its level this March, it's up by 17 points in the last year.

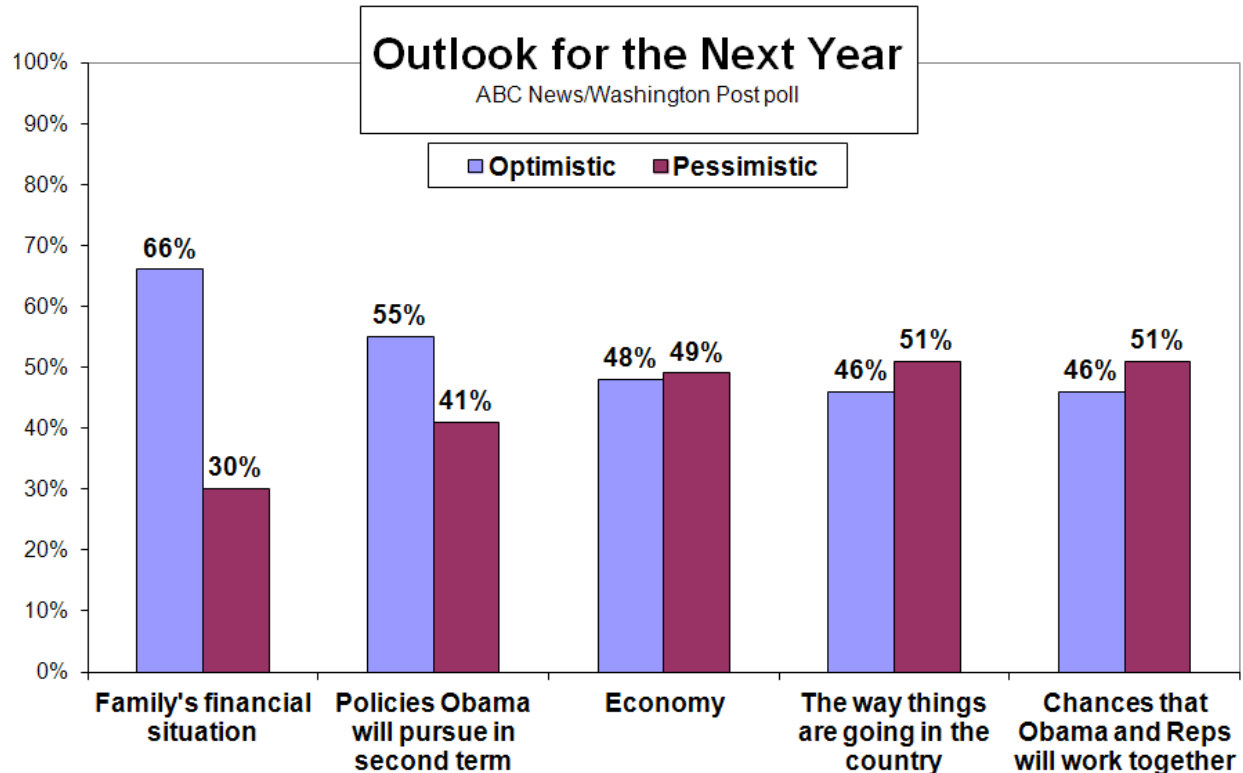
The increase is broadly based, occurring in nearly every group, albeit only up 10 points to 35 percent among Republicans (compared with a 25-point increase to 72 percent among Democrats) and by a slight 7 points among conservatives, to 34 percent.

Yet even among those who say the recovery is underway, three-quarters say it's a weak one.

While heavily influenced by partisanship, these perceptions still factor into expectations for the year ahead. Personal and global optimism are 26 to 47 points higher among those who say the recession is over or the recovery has begun, compared with those who disagree.

The potential impacts of not reaching an agreement on the fiscal cliff weigh heavily on Americans as well: Three-quarters or more are concerned about its effects on the national economy, their personal finances, the government's operations and the U.S. military. And those who are very worried about these consequences are 17 to 22 points less optimistic about their personal outlook compared with those who are less worried.

MORE ISSUES – Despite the ongoing economic challenges, 66 percent of Americans express optimism about their personal finances in the next year. But the public divides evenly in optimism or pessimism about the national economy more broadly. Both have been stable since March and are nearly identical to their levels four years ago.



Fifty-one percent today say they are pessimistic about the way things are going in this country, a majority for the first time since the question first was asked in 2004. Optimism about the policies Barack Obama will pursue in his second term is at 55 percent, 13 points lower than it was before his first term, but similar to George W. Bush's at the start of his second term. That includes a 28-point drop among Republicans to 17 percent, and 26-point drops each among conservatives (to 25 percent) and affluent Americans (to 46 percent).

Further highlighting Obama's political challenges, 51 percent are pessimistic that he and the Republicans in Congress will find a way to work together on important issues in the year ahead, up 8 points since last measured in early 2011. Not surprisingly, pessimism is highest among Republicans and strong conservatives, at about two-thirds (up 16 and 13 points, respectively).

GROUPS – Across all issues, Democrats are more optimistic than Republicans, with independents falling in between. Excluding hopefulness about personal finances, which exceeds 50 percent even among Republicans, 59 to 85 percent of Democrats are optimistic, compared with 14 to 31 percent of Republicans. (The range is 38 to 54 percent among independents.)

Related to partisanship, one of Obama's core support groups, nonwhites, are more optimistic personally, globally, and on all other specific issues measured, compared with whites. Adults younger than 40 also are more hopeful than fearful about the next year on all issues – except the chances of bipartisanship.

METHODOLOGY – This ABC News/Washington Post poll was conducted by telephone Dec. 13-16, 2012, among a random national sample of 1,002 adults, including landline and cell-phone-only respondents. Results have a margin of sampling error of 3.5 points, including design effect. Partisan divisions are 31-24-38 percent, Democrats-Republicans-independents.

The survey was produced for ABC News by Langer Research Associates of New York, N.Y., with sampling, data collection and tabulation by Abt-SRBI of New York, N.Y.

Analysis by Damla Ergun.

ABC News polls can be found at ABCNEWS.com at <http://abcnews.com/pollingunit>.

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Full results follow.

*= less than 0.5 percent

1-8 and 15-31 previously released.

9. Looking ahead to next year, are you more hopeful, or more fearful, about what the year 2013 holds in store for you personally?

	More hopeful	More fearful	No opinion
12/16/12	53	44	4
12/14/08	63	35	2
12/11/06	73	24	2
12/18/05	67	31	2
12/19/04	66	30	4
12/21/03*	85	12	4
12/15/02	63	35	2
12/19/01	80	16	4

*ABC News

10. How about for the world in general? Are you more hopeful, or more fearful, about what the year 2013 holds in store for the world in general?

	More hopeful	More fearful	No opinion
12/16/12	40	56	3
12/14/08	54	45	1
12/11/06	55	43	2
12/18/05	59	40	1
12/19/04	54	43	2
12/21/03*	69	27	4
12/15/02	43	56	1
12/19/01	62	35	3

*ABC News

11. Thinking about the next 12 months, would you say you feel (optimistic) or (pessimistic) about [ITEM]?

12/16/12 - Summary Table

	--- Optimistic ---			--- Pessimistic ---			No opinion
	NET	Very	Smwt.	NET	Smwt.	Very	
a. The state of the national economy	48	15	33	49	21	28	3
b. Your own family's financial situation	66	30	36	30	16	14	4
c. The way things are going in this country	46	17	29	51	21	30	3
d. The policies Obama will pursue in his second term in office	55	26	29	41	14	26	5
e. The chances that Obama and the Republicans in Congress will work together on important issues	46	14	32	51	22	29	3

Trend:

a. The state of the national economy

	----- Optimistic -----			----- Pessimistic -----			No opinion
	NET	Very	Somewhat	NET	Somewhat	Very	
12/16/12	48	15	33	49	21	28	3
3/10/12	49	18	30	48	20	28	3
12/18/11	44	14	30	52	25	27	5
4/24/09	55	NA	NA	42	NA	NA	3
2/22/09	48			50			2
12/14/08	48			50			3
9/29/08	43			53			4
4/13/08	40			58			2
2/1/08	45			51			4
12/9/07	45			52			3
12/11/06	64			33			3
5/15/06	52			46			1
12/18/05	55			44			1
9/11/05	51			46			2
6/5/05	59			40			1
12/19/04	58			40			2
6/20/04	64			34			2
1/18/04	63	"	"	35	"	"	2

b. Your own family's financial situation

	----- Optimistic -----			----- Pessimistic -----			No opinion
	NET	Very	Somewhat	NET	Somewhat	Very	
12/16/12	66	30	36	30	16	14	4
3/10/12	66	28	39	30	16	14	4
12/18/11	61	23	38	35	19	16	4
4/24/09	66	NA	NA	31	NA	NA	3
2/22/09	66			31			3
12/14/08	68			29			2
9/29/08	61			34			5
4/13/08	66			31			3
2/1/08	67			30			3
12/9/07	72			25			3

12/11/06	82			16			2
5/15/06	79			20			1
12/18/05	73			26			1
12/19/04	75	"	"	23	"	"	2

c. The way things are going in this country

	----- Optimistic -----			----- Pessimistic -----			No
	NET	Very	Somewhat	NET	Somewhat	Very	opinion
12/16/12	46	17	29	51	21	30	3
12/14/08	51	NA	NA	46	NA	NA	4
12/11/06	61			36			2
5/15/06	48			50			2
12/18/05	57			42			2
12/19/04	57			41			2
7/25/04 RV	67			30			3
6/20/04	62			36			2
1/18/04	69	"	"	29	"	"	2

d. The policies Obama will pursue in his second term of office

	----- Optimistic -----			----- Pessimistic -----			No
	NET	Very	Somewhat	NET	Somewhat	Very	opinion
12/16/12	55	26	29	41	14	26	5
12/14/08*	68	NA	NA	26	NA	NA	6

* "the policies Obama will pursue"

Compare to Bush:

	Optimistic	Pessimistic	No opinion
12/11/06	47	47	6
5/15/06	43	53	4
12/18/05	53	43	4
12/19/04*	51	45	5

* "... in his second term in office"

e. The chances that Obama and the Republicans in Congress will work together on important issues

	----- Optimistic -----			----- Pessimistic -----			No
	NET	Very	Somewhat	NET	Somewhat	Very	opinion
12/16/12	46	14	32	51	22	29	3
1/16/11*	55	22	33	43	18	25	2
1/5/11*	48	14	34	46	27	19	6

**"Strongly" instead of "very"; 1/5/11 ABC News/Yahoo! News

12. Do you think the country's (economic recession is over), or do you think the (economy is still in a recession)?

	Recession is over	Still in a recession	No opinion
12/16/12	21	76	3
4/8/12	21	76	4

Compare to: Changing topics, many economists say that using the standards they apply, the recession probably is over. Thinking about your own experience of economic conditions, would you say that from your point of view the recession is over, or not over?

	Over	Not over	No opinion
2/8/10	12	88	1
12/13/09	13	86	1

10/18/09 16 82 1

13. Regardless of whether or not the recession is over, in terms of your own personal experience, do you feel the economy has or has not begun to recover?

	Has	Has not	No opinion
12/16/12	53	45	2
3/10/12	49	49	2
1/15/12	45	54	1
11/3/11	36	63	1
6/5/11	42	57	1
3/13/11	46	53	1
12/12/10	41	57	2
10/5/10*	34	63	2
2/8/10	45	53	1
12/13/09**	50	49	1
11/15/09	44	54	1

*ABC News/Yahoo! News

**Add "Regardless of whether or not the recession is over..."

14. (IF ECONOMY HAS BEGUN TO RECOVER) Do you think the economy's recovery so far has been a strong one or a weak one?

	Strong	Weak	No opinion
12/16/12	22	76	2
3/10/12	24	74	2
1/15/12	21	77	2
11/3/11	19	77	3
6/5/11	17	81	2
2/8/10	25	75	1
12/13/09	24	73	3

13/14 NET:

	-Recovery's begun-				
	NET	Strong	Weak	Has not	No opinion
12/16/12	53	12	41	45	2
3/10/12	49	12	37	49	2
1/15/12	45	9	36	54	1
11/3/11	36	7	29	63	1
6/5/11	42	7	34	57	1
2/8/10	45	11	34	53	1
12/13/09	50	12	36	49	1

*** END ***