

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

Q1(A). What do you think is the one most serious problem facing the U.S. economy over the next two years?

	HURRICANE		
	Total	BEFORE	AFTER
Energy prices	60 29.7%	28 31.5%	32 28.3%
Terrorism and the war in Iraq	41 20.3%	23 25.8%	18 15.9%
Federal deficit	27 13.4%	11 12.4%	16 14.2%
Current account deficit & potential impact on the dollar	23 11.4%	8 9.0%	15 13.3%
Excessive household and/or corporate debt	18 8.9%	9 10.1%	9 8.0%
Rising inflation	11 5.4%	3 3.4%	8 7.1%
Poorly prepared labor force/ shortage of skilled labor	5 2.5%	1 1.1%	4 3.5%
Global overcapacity	1 0.5%	0 0.0%	1 0.9%
Lack of jobs	1 0.5%	1 1.1%	0 0.0%
Other	11 5.4%	4 4.5%	7 6.2%
No response	4 2.0%	1 1.1%	3 2.7%
Base	202	89	113

Other:

- International military conflicts
- FOMC raises Fed Funds rate target high enough to have a recession prematurely
- lack of jobs for the 3 million factory workers who lost them in the last 4 years
- Need for fundamental tax reform
- Effects of housing market downturn
- increase in consumer savings rate due to slowdown in home appreciation
- unwinding the housing bubble
- Insufficient corporate US risk taking
- Recovery / Rebuilding of all areas devastated by natural disasters. This will be a complex problem that will effect every American.
- natural disaster / Hurricane Katrina
- Growth of Government to fight the phantom terrorist threat

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QI(B). What is the biggest long-term challenge to the economy?

	HURRICANE		
	Total	BEFORE	AFTER
Health care costs	46 22.8%	23 25.8%	23 20.4%
Federal deficits and government spending	45 22.3%	19 21.3%	26 23.0%
Educational inadequacies and shortage of skilled labor	43 21.3%	22 24.7%	21 18.6%
Growth of elderly population & rising dependency ratio	36 17.8%	11 12.4%	25 22.1%
International competitiveness & job losses to abroad	15 7.4%	5 5.6%	10 8.8%
Energy issues, global warming & exhaustion of oil supplies	7 3.5%	4 4.5%	3 2.7%
Other	8 4.0%	4 4.5%	4 3.5%
No response	2 1.0%	1 1.1%	1 0.9%
Base	202	89	113

Other:

- Growing income gaps
- Fixing the 3 big entitlement programs - Social Security, Medicare and Medicaid
- Terrorism
- Risk of excess government -- both size and intervention: We become more like Europe
- maldistribution of income
- Prudent management/delegation of geopolitical issues.
- Growth of government to fight the phantom terrorist threat

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QI(C). What do you think is the U.S.'s greatest economic strength today?

	HURRICANE		
	Total	BEFORE	AFTER
Flexible economy and labor force	84 41.6%	40 44.9%	44 38.9%
Technological lead and strong productivity	52 25.7%	24 27.0%	28 24.8%
Deep capital markets	23 11.4%	6 6.7%	17 15.0%
Democratic government	13 6.4%	7 7.9%	6 5.3%
Effective monetary policy	8 4.0%	5 5.6%	3 2.7%
World's sole remaining super power	7 3.5%	2 2.2%	5 4.4%
Legal and judicial institutions	6 3.0%	3 3.4%	3 2.7%
Quality work force	2 1.0%	0 0.0%	2 1.8%
Other	6 3.0%	2 2.2%	4 3.5%
No response	1 0.5%	0 0.0%	1 0.9%
Base	202	89	113

Other:

- Highly integrated with global economy
- The U.S. is relatively well positioned vis-a-vis rest of world
- Willingness of the American people to assist eachother in times of tragedy. The willingness to find jobs and housing for those that have lost theirs in times of natural disaster.
- sorry, we don't have any strengths left
- price stability
- Large internal market

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QII(A). Do you consider current monetary policy to be:

	HURRICANE		
	Total	BEFORE	AFTER
Too stimulative	60 29.7%	27 30.3%	33 29.2%
Too restrictive	9 4.5%	3 3.4%	6 5.3%
About right	131 64.9%	59 66.3%	72 63.7%
Don't know	2 1.0%	0 0.0%	2 1.8%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QII(B). Over the next six months, would you prefer monetary policy to be:

	HURRICANE		
	Total	BEFORE	AFTER
More stimulative	17 8.4%	6 6.7%	11 9.7%
More restrictive	97 48.0%	48 53.9%	49 43.4%
Unchanged	85 42.1%	35 39.3%	50 44.2%
No response	3 1.5%	0 0.0%	3 2.7%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QII(C). Over the next six months, do you expect short-term interest rates to increase, remain about where they are today, or decrease?

	HURRICANE		
	Total	BEFORE	AFTER
<u>INCREASE</u>	181 89.6%	86 96.6%	95 84.1%
Increase of 25 basis points or less	13 6.4%	3 3.4%	10 8.8%
26 - 50	77 38.1%	36 40.4%	41 36.3%
51 - 75	55 27.2%	28 31.5%	27 23.9%
76 - 100	30 14.9%	15 16.9%	15 13.3%
101 - 125	4 2.0%	2 2.2%	2 1.8%
126 - 150	1 0.5%	1 1.1%	0 0.0%
151 - 175	1 0.5%	1 1.1%	0 0.0%
<u>DECREASE</u>	3 1.5%	1 1.1%	2 1.8%
Decrease of 25 basis points or less	2 1.0%	0 0.0%	2 1.8%
26 - 50	0 0.0%	0 0.0%	0 0.0%
51 - 75	0 0.0%	0 0.0%	0 0.0%
76 - 100	1 0.5%	1 1.1%	0 0.0%
<u>REMAIN THE SAME</u>	17 8.4%	2 2.2%	15 13.3%
No Change	17 8.4%	2 2.2%	15 13.3%
No response	1 0.5%	0 0.0%	1 0.9%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIII(A). Do you consider current fiscal policy to be:

	HURRICANE		
	Total	BEFORE	AFTER
Too stimulative	150 74.3%	70 78.7%	80 70.8%
Too restrictive	5 2.5%	2 2.2%	3 2.7%
About right	42 20.8%	16 18.0%	26 23.0%
Don't know	3 1.5%	0 0.0%	3 2.7%
No response	2 1.0%	1 1.1%	1 0.9%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIII(B). Over the next two years, would you prefer fiscal policy to be:

	HURRICANE		
	Total	BEFORE	AFTER
More stimulative	11 5.4%	3 3.4%	8 7.1%
More restrictive	156 77.2%	73 82.0%	83 73.5%
Unchanged	32 15.8%	12 13.5%	20 17.7%
No response	3 1.5%	1 1.1%	2 1.8%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIII(C). Over the next two years, do you expect fiscal policy to be:

	HURRICANE		
	Total	BEFORE	AFTER
More stimulative	89 44.1%	29 32.6%	60 53.1%
More restrictive	24 11.9%	8 9.0%	16 14.2%
Unchanged	85 42.1%	51 57.3%	34 30.1%
No response	4 2.0%	1 1.1%	3 2.7%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIII(D). Which of following tools would be most help to the economy in the short run?

All respondents

	IMPORTANCE						N.R.	Mean
	Total	MOST 1	2	3	4	LEAST 5		
Raising taxes	202 100%	28 14%	23 11%	10 5%	6 3%	5 2%	130 64%	2.1
Cutting taxes	202 100%	28 14%	17 8%	15 7%	13 6%	12 6%	117 58%	2.6
Raising federal spending	202 100%	7 3%	7 3%	3 1%	5 2%	2 1%	178 88%	2.5
Cutting federal spending	202 100%	66 33%	44 22%	18 9%	12 6%	2 1%	60 30%	1.9
Tort reform	202 100%	14 7%	29 14%	33 16%	38 19%	6 3%	82 41%	2.9
Reducing trade barriers and quotas	202 100%	26 13%	45 22%	52 26%	18 9%	5 2%	56 28%	2.5
Raising trade barriers	202 100%	1 0%	1 0%	5 2%	1 0%	4 2%	190 94%	3.5
Other	202 100%	14 7%	7 3%	13 6%	9 4%	17 8%	142 70%	3.1

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIII(D). Which of following tools would be most help to the economy in the short run?

All respondents

Other:

- Social Security reform
- None of the above in likely magnitude in 2 years
- Campaign spending reform
- Expand vocational schooling
- Reducing regulatory burden
- Creating leadership over federal budget and programs.
- Changing the mix of federal spending
- Shifting fiscal policy back to domestic programs that have been reduced or eliminated
- Shift in Fiscal Priorities (cut some types of spending/taxes, raise others)
- Rationalize environmental and other regulations
- Reforming the tax system to reduce/eliminate taxes on capital income
- Dealing with long-term challenges
- Changing current Bush administration fiscal priorities.
- Raise minimum wage
- noninterventionist Fed policy
- breaking the one party hold on government; competition is always better
- Social Security privatization for the direction toward fiscal discipline that it would imply
- Allow sunseting provisions in tax cuts to take effect/keep Inheritance Tax (but, raise exemption).
- Reducing energy consumption
- Improving our international relationships
- simplify tax code and reduce subsidies
- Fixing health care
- Tax Reform
- begin pull out of Iraq
- change focus of federal spending to domestic needs like poverty, education and Gulf Coast restoration
- Addressing the prospective Medicare and Medicaid shortfalls.
- Deal with unfair economic practises undertaken by trading partners
- Appointment of Warren Buffett as Chairman of the Financial Accounting Standards Board
- Energy development and conservation
- Continued reduction of liquidity
- Negotiating global reduction of agricultural subsidies
- energy policy reform and restructuring of economic incentives
- Keeping Inflation Low
- Get health care costs under control
- Eliminating Social Security ceiling.
- Reducing military expenditures and shifting resources to building infrastructure
- medicare funding
- infrastructure spending
- Business Deregulation & Tax Reform
- Revising Sarbannes-Oxley
- raising energy taxes
- Ease immigration
- Major push for alternatives to oil
- Reducing regulation
- Medicare/Medicaid reform
- Control Health Care Costs
- Reform health care system
- Stop providing economic incentives for outsourcing
- Redirecting foreign military spending to domestic needs
- reduction in regulation
- Better energy policy
- Elimination of incumbancy advantage, gerrymandering
- Continued sound monetary policy
- INCOME TAX REFORM
- Eliminate the last 5 cabinet positions
- Less Government regulation
- Reduce Excessive Regulation
- Resolving Social Security issues

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIII(D). Which of following tools would be most help to the economy in the short run?

Respondents prior to hurricane

	IMPORTANCE						N.R.	Mean
	Total	MOST 1	2	3	4	LEAST 5		
Raising taxes	89 100%	14 16%	10 11%	4 4%	2 2%	2 2%	57 64%	2.0
Cutting taxes	89 100%	13 15%	6 7%	5 6%	4 4%	6 7%	55 62%	2.5
Raising federal spending	89 100%	2 2%	2 2%	1 1%	2 2%	0 0%	82 92%	2.4
Cutting federal spending	89 100%	28 31%	28 31%	4 4%	4 4%	1 1%	24 27%	1.8
Tort reform	89 100%	5 6%	11 12%	19 21%	16 18%	2 2%	36 40%	3.0
Reducing trade barriers and quotas	89 100%	15 17%	19 21%	24 27%	8 9%	2 2%	21 24%	2.5
Raising trade barriers	89 100%	0 0%	0 0%	4 4%	0 0%	1 1%	84 94%	3.4
Other	89 100%	6 7%	5 6%	8 9%	8 9%	7 8%	55 62%	3.1

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIII(D). Which of following tools would be most help to the economy in the short run?

Respondents after hurricane

	Total	IMPORTANCE					N.R.	Mean
		MOST 1	2	3	4	LEAST 5		
Raising taxes	113 100%	14 12%	13 12%	6 5%	4 4%	3 3%	73 65%	2.2
Cutting taxes	113 100%	15 13%	11 10%	10 9%	9 8%	6 5%	62 55%	2.6
Raising federal spending	113 100%	5 4%	5 4%	2 2%	3 3%	2 2%	96 85%	2.5
Cutting federal spending	113 100%	38 34%	16 14%	14 12%	8 7%	1 1%	36 32%	1.9
Tort reform	113 100%	9 8%	18 16%	14 12%	22 19%	4 4%	46 41%	2.9
Reducing trade barriers and quotas	113 100%	11 10%	26 23%	28 25%	10 9%	3 3%	35 31%	2.6
Raising trade barriers	113 100%	1 1%	1 1%	1 1%	1 1%	3 3%	106 94%	3.6
Other	113 100%	8 7%	2 2%	5 4%	1 1%	10 9%	87 77%	3.1

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(A). The average home price in the United States is up 42% over the last five years. Is this a bubble?

	HURRICANE		
	Total	BEFORE	AFTER
There is a serious national bubble	28 13.9%	12 13.5%	16 14.2%
Little or no national bubble are significant local bubbles	160 79.2%	73 82.0%	87 77.0%
There is no bubble; the market is functioning correctly	14 6.9%	4 4.5%	10 8.8%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(B). What do you expect to be the average annual change in home prices over the next five years?

	HURRICANE		
	Total	BEFORE	AFTER
Plus 6% or greater	15 7.4%	6 6.7%	9 8.0%
Plus 2% to 6%	96 47.5%	39 43.8%	57 50.4%
Minus 2% to plus 2%	59 29.2%	27 30.3%	32 28.3%
Minus 2% to Plus 6%	21 10.4%	10 11.2%	11 9.7%
A drop of more than 6%	11 5.4%	7 7.9%	4 3.5%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY, SEPTEMBER 2005

C. In Japan home prices have dropped 25% over the last seven years. What is the probability of a similar U.S. drop in the near future?

Probability in percent

	HURRICANE		
	Total	BEFORE	AFTER
000	15 7.4%	4 4.5%	11 9.7%
001	8 4.0%	5 5.6%	3 2.7%
002	2 1.0%	2 2.2%	0 0.0%
003	2 1.0%	1 1.1%	1 0.9%
005	36 17.8%	14 15.7%	22 19.5%
006	1 0.5%	0 0.0%	1 0.9%
008	1 0.5%	0 0.0%	1 0.9%
010	38 18.8%	19 21.3%	19 16.8%
012	1 0.5%	0 0.0%	1 0.9%
015	17 8.4%	10 11.2%	7 6.2%
020	27 13.4%	10 11.2%	17 15.0%
025	17 8.4%	10 11.2%	7 6.2%
030	14 6.9%	6 6.7%	8 7.1%
033	3 1.5%	1 1.1%	2 1.8%
035	4 2.0%	0 0.0%	4 3.5%
036	1 0.5%	1 1.1%	0 0.0%
040	1 0.5%	0 0.0%	1 0.9%

NABE ECONOMIC POLICY SURVEY, SEPTEMBER 2005

C. In Japan home prices have dropped 25% over the last seven years. What is the probability of a similar U.S. drop in the near future?

Probability in percent Percent

	HURRICANE		
	Total	BEFORE	AFTER
050	10 5.0%	5 5.6%	5 4.4%
060	1 0.5%	1 1.1%	0 0.0%
070	1 0.5%	0 0.0%	1 0.9%
No response	2 1.0%	0 0.0%	2 1.8%
Base	202	89	113
Mean	15.9	16.1	15.8
S.D.	13.6	13.3	13.8
Median	10.0	10.0	10.0

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(D). Why have home prices risen so sharply, even relative to income?

All respondents

	IMPORTANCE						N.R.	Mean
	Total	MOST 1	2	3	4	LEAST 5		
Low mortgage rates	202 100%	139 69%	31 15%	13 6%	6 3%	0 0%	13 6%	1.4
Easier credit standards	202 100%	15 7%	55 27%	34 17%	21 10%	13 6%	64 32%	2.7
Innovative mortgage products - interest only & no-doc loans	202 100%	14 7%	39 19%	48 24%	25 12%	16 8%	60 30%	2.9
Strong demographic demand from baby boomers and its echo	202 100%	19 9%	24 12%	25 12%	31 15%	19 9%	84 42%	3.1
Demand for second homes from baby boomers	202 100%	1 0%	10 5%	12 6%	24 12%	19 9%	136 67%	3.8
Immigration and purchases by foreign residents	202 100%	1 0%	2 1%	11 5%	12 6%	17 8%	159 79%	4.0
Lack of confidence in the stock market after bear market	202 100%	2 1%	16 8%	26 13%	25 12%	28 14%	105 52%	3.6
Artificial constraints on home construction	202 100%	3 1%	8 4%	10 5%	15 7%	16 8%	150 74%	3.6
Increase in average home size and amenities	202 100%	1 0%	11 5%	16 8%	16 8%	28 14%	130 64%	3.8

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(D). Why have home prices risen so sharply, even relative to income?

Respondents prior to hurricane

	IMPORTANCE						N.R.	Mean
	Total	MOST 1	2	3	4	LEAST 5		
Low mortgage rates	89 100%	66 74%	10 11%	7 8%	3 3%	0 0%	3 3%	1.4
Easier credit standards	89 100%	8 9%	23 26%	16 18%	7 8%	6 7%	29 33%	2.7
Innovative mortgage products - interest only & no-doc loans	89 100%	5 6%	19 21%	20 22%	14 16%	8 9%	23 26%	3.0
Strong demographic demand from baby boomers and its echo	89 100%	7 8%	13 15%	11 12%	13 15%	9 10%	36 40%	3.1
Demand for second homes from baby boomers	89 100%	0 0%	4 4%	2 2%	12 13%	9 10%	62 70%	4.0
Immigration and purchases by foreign residents	89 100%	1 1%	0 0%	8 9%	4 4%	7 8%	69 78%	3.8
Lack of confidence in the stock market after bear market	89 100%	0 0%	10 11%	13 15%	10 11%	13 15%	43 48%	3.6
Artificial constraints on home construction	89 100%	0 0%	4 4%	4 4%	7 8%	8 9%	66 74%	3.8
Increase in average home size and amenities	89 100%	1 1%	5 6%	5 6%	10 11%	13 15%	55 62%	3.9

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(D). Why have home prices risen so sharply, even relative to income?

Respondents after hurricane

	Total	IMPORTANCE					N.R.	Mean
		MOST 1	2	3	4	LEAST 5		
Low mortgage rates	113 100%	73 65%	21 19%	6 5%	3 3%	0 0%	10 9%	1.4
Easier credit standards	113 100%	7 6%	32 28%	18 16%	14 12%	7 6%	35 31%	2.8
Innovative mortgage products - interest only & no-doc loans	113 100%	9 8%	20 18%	28 25%	11 10%	8 7%	37 33%	2.9
Strong demographic demand from baby boomers and its echo	113 100%	12 11%	11 10%	14 12%	18 16%	10 9%	48 42%	3.0
Demand for second homes from baby boomers	113 100%	1 1%	6 5%	10 9%	12 11%	10 9%	74 65%	3.6
Immigration and purchases by foreign residents	113 100%	0 0%	2 2%	3 3%	8 7%	10 9%	90 80%	4.1
Lack of confidence in the stock market after bear market	113 100%	2 2%	6 5%	13 12%	15 13%	15 13%	62 55%	3.7
Artificial constraints on home construction	113 100%	3 3%	4 4%	6 5%	8 7%	8 7%	84 74%	3.5
Increase in average home size and amenities	113 100%	0 0%	6 5%	11 10%	6 5%	15 13%	75 66%	3.8

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(E). Should the Fed raise interest rates to control excessive home price/demand pressure?

	HURRICANE		
	Total	BEFORE	AFTER
Yes	58 28.7%	28 31.5%	30 26.5%
No	140 69.3%	61 68.5%	79 69.9%
No response	4 2.0%	0 0.0%	4 3.5%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(F). Why are mortgage rates so low?

All respondents

	IMPORTANCE						N.R.	Mean
	Total	MOST 1	2	3	4	LEAST 5		
Flow of private investment funds from overseas	202 100%	80 40%	51 25%	24 12%	6 3%	3 1%	38 19%	1.8
Lack of confidence in stock market	202 100%	6 3%	16 8%	34 17%	23 11%	17 8%	106 52%	3.3
Central bank purchases of Treasury securities	202 100%	21 10%	46 23%	19 9%	18 9%	7 3%	91 45%	2.5
Very low expectations of future inflation	202 100%	52 26%	45 22%	40 20%	19 9%	6 3%	40 20%	2.3
Very low expectations of future growth	202 100%	2 1%	0 0%	8 4%	11 5%	14 7%	167 83%	4.0
Drop in federal deficit	202 100%	0 0%	0 0%	2 1%	3 1%	7 3%	190 94%	4.4
Stimulative central bank policies	202 100%	32 16%	31 15%	32 16%	15 7%	7 3%	85 42%	2.4

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(F). Why are mortgage rates so low?

Respondents prior to hurricane

	IMPORTANCE						N.R.	Mean
	Total	MOST 1	2	3	4	LEAST 5		
Flow of private investment funds from overseas	89 100%	38 43%	22 25%	11 12%	2 2%	1 1%	15 17%	1.7
Lack of confidence in stock market	89 100%	3 3%	7 8%	13 15%	13 15%	9 10%	44 49%	3.4
Central bank purchases of Treasury securities	89 100%	8 9%	22 25%	7 8%	12 13%	3 3%	37 42%	2.6
Very low expectations of future inflation	89 100%	23 26%	17 19%	20 22%	10 11%	4 4%	15 17%	2.4
Very low expectations of future growth	89 100%	1 1%	0 0%	3 3%	4 4%	9 10%	72 81%	4.2
Drop in federal deficit	89 100%	0 0%	0 0%	2 2%	0 0%	3 3%	84 94%	4.2
Stimulative central bank policies	89 100%	13 15%	16 18%	16 18%	4 4%	1 1%	39 44%	2.3

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(F). Why are mortgage rates so low?

Respondents after hurricane

	Total	IMPORTANCE					N.R.	Mean
		MOST 1	2	3	4	LEAST 5		
Flow of private investment funds from overseas	113 100%	42 37%	29 26%	13 12%	4 4%	2 2%	23 20%	1.8
Lack of confidence in stock market	113 100%	3 3%	9 8%	21 19%	10 9%	8 7%	62 55%	3.2
Central bank purchases of Treasury securities	113 100%	13 12%	24 21%	12 11%	6 5%	4 4%	54 48%	2.4
Very low expectations of future inflation	113 100%	29 26%	28 25%	20 18%	9 8%	2 2%	25 22%	2.2
Very low expectations of future growth	113 100%	1 1%	0 0%	5 4%	7 6%	5 4%	95 84%	3.8
Drop in federal deficit	113 100%	0 0%	0 0%	0 0%	3 3%	4 4%	106 94%	4.6
Stimulative central bank policies	113 100%	19 17%	15 13%	16 14%	11 10%	6 5%	46 41%	2.6

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(G). Should the Fed and other regulators discourage the use of interest-only mortgages and other mortgage innovations or encourage tighter lending standards?

	HURRICANE		
	Total	BEFORE	AFTER
Yes	137 67.8%	61 68.5%	76 67.3%
No	60 29.7%	25 28.1%	35 31.0%
No response	5 2.5%	3 3.4%	2 1.8%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(H). Should Fannie Mae and Freddie Mac be limited in their ability to lend by restricting their portfolios or the instruments they can invest in?

	HURRICANE		
	Total	BEFORE	AFTER
Yes	135 66.8%	60 67.4%	75 66.4%
No	59 29.2%	24 27.0%	35 31.0%
No response	8 4.0%	5 5.6%	3 2.7%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(I). If Fannie Mae and Freddie Mac were scaled back significantly, would this damage the mortgage market?

	HURRICANE		
	Total	BEFORE	AFTER
Yes, significantly	37 18.3%	18 20.2%	19 16.8%
Yes, but only slightly	124 61.4%	50 56.2%	74 65.5%
Not at all	35 17.3%	17 19.1%	18 15.9%
No response	6 3.0%	4 4.5%	2 1.8%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(J). Which major metropolitan area is most likely to see prices fall?

	HURRICANE		
	Total	BEFORE	AFTER
San Diego	32 15.8%	15 16.9%	17 15.0%
San Francisco	29 14.4%	10 11.2%	19 16.8%
Los Angeles	21 10.4%	10 11.2%	11 9.7%
New York	12 5.9%	6 6.7%	6 5.3%
Washington	7 3.5%	2 2.2%	5 4.4%
Boston	27 13.4%	16 18.0%	11 9.7%
Chicago	6 3.0%	5 5.6%	1 0.9%
Miami	34 16.8%	13 14.6%	21 18.6%
Other	8 4.0%	2 2.2%	6 5.3%
No response	26 12.9%	10 11.2%	16 14.2%
Base	202	89	113

Other:

- Los Vegas
- vegas
- Many smaller, second home and rental markets most likely to fall
- Las Vegas, NV
- Las Vegas
- New Orleans
- South Coastal region with Hurricane damage and future risk

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(K). Which major metropolitan area is most likely to see continued price increases?

	HURRICANE		
	Total	BEFORE	AFTER
San Diego	11 5.4%	3 3.4%	8 7.1%
San Francisco	24 11.9%	14 15.7%	10 8.8%
Los Angeles	11 5.4%	3 3.4%	8 7.1%
New York	17 8.4%	8 9.0%	9 8.0%
Washington	47 23.3%	22 24.7%	25 22.1%
Boston	4 2.0%	0 0.0%	4 3.5%
Chicago	21 10.4%	9 10.1%	12 10.6%
Miami	15 7.4%	9 10.1%	6 5.3%
Other	12 5.9%	6 6.7%	6 5.3%
No response	40 19.8%	15 16.9%	25 22.1%
Base	202	89	113

Other:

- Smaller cities with good job growth
- PHILADELPHIA
- Do not know
- N/A
- Phoenix-Mesa-Scottsdale
- Dallas
- PHOENIX
- Phoenix
- Austin, TX

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(L). Would you buy a house today if you intend to use it as a primary residence?

	HURRICANE		
	Total	BEFORE	AFTER
Yes	168 83.2%	77 86.5%	91 80.5%
No	32 15.8%	11 12.4%	21 18.6%
No response	2 1.0%	1 1.1%	1 0.9%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(M). Would you buy a second home?

	HURRICANE		
	Total	BEFORE	AFTER
Yes	66 32.7%	25 28.1%	41 36.3%
No	136 67.3%	64 71.9%	72 63.7%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

QIV(M). Would you buy a rental home?

	HURRICANE		
	Total	BEFORE	AFTER
Yes	34 16.8%	9 10.1%	25 22.1%
No	167 82.7%	80 89.9%	87 77.0%
No response	1 0.5%	0 0.0%	1 0.9%
Base	202	89	113

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

Future? Topics

- Impact of war on US economy: so far and in the future given lack of exit strategy 2. Adjustment of consumers & economy to higher energy prices
- The effects of the budget deficit on the economy. 2. The effects of one-party rule in Washington on the economy (i.e., w/ one party-rule, we're more likely to have tax cuts and/or spending increases, both of which raise the deficit.)
- Adequacy of Public Administration and Infrastructure
- Analysis of the U.S. primary and secondary education system; possible progress on vouchers in some states
- Are we doing the right thing (spending enough, emphasis) on education, or has the call to keep property taxes low colored the debate?
- Campaign spending and finance reform; social security reform
- consensus on stock market valuation (over, under, at fair value); opinion on current involvement in Iraq; greatest deficiency in accounting data reported under GAAP; impact of Sarbanes-Oxley on capital markets (positive, negative, no difference);
- Crash program to change US education process
- current account deficit; Medicare reform; tax reform
- Depth of threat to world economies from sharp energy usage increases in China and India
- Develop Questions from consumer view like Greenspan does not only professional economists
- economic effects of Katrina Hurricane
- Education and productivity
- Education for improved job skills for lower income
- Education, energy, specific taxes
- Effect of change in exchange rate regime in China
- EFFECTS OF MAL-DISTRIBUTION OF INCOME AND WEALTH
- energy policy
- Energy Policy and Economic Security
- Energy Price
- energy prices
- Energy, Aging Population, Education
- environment; impact of Hurricane Katrina and destruction of New Orleans
- Federal Budget Priorities
- Federal energy policy; alternative Federal tax schemes
- Federal Spending and Taxes
- Foreign affairs vs. internal affairs
- Future rise of Federal debt to excessive levels
- Global warming
- Good list keep up the good work!
- Gulf Coast recovery and rebuilding--federal, state and local policy issues
- Health care, tax policy
- Healthcare, Immigration
- How can we get our political process to address our health care and social security looming financial crises?
- How will our failure to increase number of graduates who are engineers, scientists, etc impact innovation and our economic growth?
- I do not like your ranking approach. Would much prefer rating importance of each item as extremely important, somewhat important, etc.
- immigration policy
- Impact of Katrina
- income inequality, Fed leadership transition
- Internet impediments - spam & malware, identity theft and other fraud, uncertain copyright trends, illogical business process patents, etc.
- Is the tax system too progressive?
- Long Term Competitiveness of the United States
- long-term income distribution trends
- Managing public/private pension and health care obligations.
- Medicare solvency
- Mortgage Revenue Bonds and Mortgage Credit Certificates

NABE ECONOMIC POLICY SURVEY - SEPTEMBER, 2005

Future? Topics

- new Fed chairman
- Outsourcing's Effect on Productivity in the U.S.
- Pension/social security/retirement; tax policy; education
- Protectionist policies
- Q. What is your opinion about nuclear power?
- questions related to views and expectations on medical costs - rate of increase and causes, short and longer term views on significance for economy and likely changes in delivery/financing
- Response to Hurricane Katrina
- Special topics: How has the Insurance Industry been affected by recent natural disasters? Related insurance cost increases / decreases for all Americans. Tracking recovery of areas effected by Katrina (evacuees and rescuers)
- STIMULATIVE TAX REFORM---INCOME TAX AND NATIONAL SALES TAX
- Succession of Fed Chairmanship. Flattening yield curve
- Tax Policy
- tax policy and energy policy
- tax reform
- Tax reform and options (estate, VAT, wage-based Soc Sec, etc)
- Terms of international trade....
- The Effect of immigration on the economy and what will be the effect on the economy due to Katrina
- Trade policy
- Transportation infrastructure, including private and public transportation companies as well as roads, ports, etc.
- U.S. savings rate trends over long term
- US Competitiveness in the Global Market
- Who should be the next Fed Chairman?
- Workforce and employment policies -- what value if any is there