

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 1: Q1(A). What do you think is the one most serious problem facing the U.S. economy over the next 2 years?

	<u>Total</u>
Effects of subprime loan defaults	87 33.6%
Excessive household and/or corporate debt	51 19.7%
Rising inflation	25 9.7%
Terrorism and the conflict in the Middle East	24 9.3%
Poorly prepared labor force/ shortage of skilled labor	15 5.8%
Energy prices	14 5.4%
Current account deficit and potential impact on the dollar	8 3.1%
Federal deficit	5 1.9%
Income inequality	1 0.4%
Other	27 10.4%
No response	2 0.8%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 1: Q1(A). What do you think is the one most serious problem facing the U.S. economy over the next 2 years?

Other:

- banking crisis incl all mortgages Fannie/freddie, CDS and derivative valuations
- Below potential economic growth
- CDO deterioration; tighter lending standards vs Fed cutting rates
- Costs of war(s)
- Credit market problems far more widespread than subprime
- Cumulative effects of Republican kleptocracy
- Declining productivity growth
- Dwindling credit availability/credit crunch
- effects of falling housing prices and reduced homebuilding/sales
- Excessive Government Spending at all Levels
- Falling house prices. "Subprime" too narrow a problem
- financial market dislocations
- Government policy mistakes to deal with inflation and sub prime, it's an election year! Govt mistakes cause recessions
- Health Insurance
- Higher taxes
- illegal immigrants
- Illegal Immigration
- imposition of excessive new regulation
- Inadequate regulatory oversight of the financial sector.
- Inflation
- recession and sluggish recovery
- Recession driven by broad cyclical downturn
- rising taxes and government regulation
- significant decline in home prices coupled with mortgage defaults well beyond subprime
- Threat of tax increases for cap gains, dividends, and income tax rates
- tight credit
- Waste of Economic Resources in Wars against Terrorism, Drugs and Poverty

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 2: QI(B). What is the biggest long-term challenge to the economy?

	Total
Health care costs	57 22.0%
Growth of elderly population and rising dependency ratio	51 19.7%
Educational inadequacies and shortage of skilled labor	49 18.9%
Federal deficits and government spending	32 12.4%
Energy issues, global warming & exhaustion of oil supplies	28 10.8%
International competitiveness and job losses to abroad	14 5.4%
Rising inflation	9 3.5%
Global overcapacity	3 1.2%
Other	11 4.2%
No response	5 1.9%
Base	259

Other:

- Any of the above prompting U.S. participants to believe capitalism has failed and the U.S. moves more towards economically stagnating socialist policies
- Entitlement spending and impact on demand for capital
- Excessive Government Spending at all Levels
- Global imbalances
- Huge gov. deficits, debt, and tax cuts make US gov. unable to fulfill its future Soc. Security & Medicare obligations.
- Illegal immigration
- Income Inequality
- overall productivity growth
- Over-regulation
- RAMPANT CRIME DUE TO ILLEGAL IMMIGRATION
- Social Security
- Surviving the Government programs that will be created to solve above problems

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 3: QI(C). What do you think is the U.S.'s greatest economic strength today?

	<u>Total</u>
Flexible economy and labor force	136 52.5%
Technological lead and strong productivity	65 25.1%
Deep capital markets	25 9.7%
Democratic government	13 5.0%
Legal and judicial institutions	10 3.9%
World's sole remaining super power	2 0.8%
Quality work force	2 0.8%
Effective monetary policy	1 0.4%
Other	2 0.8%
No response	3 1.2%
Base	259

Other:

- Our semi-capitalistic system
- total lack of a coherent economic policy while other nations have and act on theirs

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 4: QII(A). Do you consider current monetary policy to be:

	<u>Total</u>
Too stimulative	88 34.0%
Too restrictive	34 13.1%
About right	125 48.3%
Don't know	9 3.5%
No response	3 1.2%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 5: QII(B). Over the next six months, would you prefer monetary policy to be:

	<u>Total</u>
More stimulative	94 36.3%
More restrictive	78 30.1%
Unchanged	84 32.4%
No response	3 1.2%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 6: QII(C). Over the next six months, do you expect short-term interest rates to increase, remain about where they are today, or decrease?

	Total
<u>INCREASE</u>	49 18.9%
Increase, not sure about number of basis points	21 8.1%
Increase of 25 basis points or less	6 2.3%
26 - 50	15 5.8%
51 - 75	3 1.2%
76 - 100	3 1.2%
101 - 125	0 0.0%
126 - 150	1 0.4%
<u>DECREASE</u>	171 66.0%
Decrease, not sure about number of basis points	12 4.6%
Decrease of 25 basis points or less	11 4.2%
26 - 50	86 33.2%
51 - 75	30 11.6%
76 - 100	20 7.7%
101 - 125	5 1.9%
126 - 150	4 1.5%
151 - 175	1 0.4%

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 6: QII(C). Over the next six months, do you expect short-term interest rates to increase, remain about where they are today, or decrease?

	<u>Total</u>
<u>REMAIN THE SAME</u>	38 14.7%
No Change; remain about where they are today	38 14.7%
No response	1 0.4%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 7: QII(D). How would you rate the seriousness of the following risks associated with the monetary easing by the Federal Reserve since September 2007?

	SERIOUSNESS OF RISK							Mean
	Total	VERY 1	2	3	4	NOT 5	N.R.	
Higher U.S. inflation	259 100%	57 22%	103 40%	51 20%	38 15%	9 3%	1 0%	2.4
Declining U.S. dollar	259 100%	38 15%	89 34%	78 30%	36 14%	17 7%	1 0%	2.6
Fueling dangerous asset bubble	259 100%	17 7%	60 23%	81 31%	65 25%	35 14%	1 0%	3.2
Bailing out investors who should have known better	259 100%	57 22%	87 34%	52 20%	43 17%	18 7%	2 1%	2.5
Raising trade barriers	259 100%	17 7%	50 19%	54 21%	66 25%	68 26%	4 2%	3.5

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 8: QII(E). Given any inherent risks, has the monetary easing by the Federal Reserve been timely and appropriate?

	<u>Total</u>
Both timely and appropriate	61 23.6%
Neither timely nor appropriate	41 15.8%
Appropriate, but too late	83 32.0%
Timely, but insufficient	12 4.6%
Timely, but overly aggressive	60 23.2%
No response	2 0.8%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 9: QIII(A). Do you consider current fiscal policy to be:

	<u>Total</u>
Too stimulative	112 43.2%
Too restrictive	38 14.7%
About right	91 35.1%
Don't know	16 6.2%
No response	2 0.8%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 10: QIII(B). Over the next two years, would you prefer fiscal policy to be:

	<u>Total</u>
More stimulative	64 24.7%
More restrictive	126 48.6%
Unchanged	63 24.3%
No response	6 2.3%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 11: QIII(C). Over the next two years, do you expect fiscal policy to be:

	Total
More stimulative	180 69.5%
More restrictive	39 15.1%
Unchanged	38 14.7%
No response	2 0.8%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 12: QIII(D). How helpful to the economy are the following tools in the short run (within two years of enactment)?

	HELPFUL							Mean
	Total	VERY 1	2	3	4	NOT 5	N.R.	
Raise taxes or allow the tax cuts to expire	259 100%	17 7%	37 14%	29 11%	38 15%	133 51%	5 2%	3.9
Extend the tax cuts	259 100%	71 27%	52 20%	50 19%	35 14%	47 18%	4 2%	2.7
Eliminate or substantially limit the AMT	259 100%	84 32%	76 29%	67 26%	20 8%	7 3%	5 2%	2.2
Raise federal spending	259 100%	8 3%	32 12%	65 25%	66 25%	82 32%	6 2%	3.7
Cut federal spending	259 100%	55 21%	63 24%	57 22%	54 21%	25 10%	5 2%	2.7
Reform health care and Medicare	259 100%	94 36%	84 32%	41 16%	26 10%	7 3%	7 3%	2.1
Reform Social Security	259 100%	70 27%	87 34%	58 22%	30 12%	9 3%	5 2%	2.3
Tort reform	259 100%	49 19%	81 31%	63 24%	42 16%	19 7%	5 2%	2.6
Reducing trade barriers and quotas	259 100%	67 26%	91 35%	60 23%	28 11%	6 2%	7 3%	2.3
Raising trade barriers	259 100%	1 0%	2 1%	20 8%	49 19%	181 70%	6 2%	4.6
Other	259 100%	15 6%	8 3%	3 1%	1 0%	8 3%	224 86%	2.4

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 12: QIII(D). How helpful to the economy are the following tools in the short run (within two years of enactment)?

Other:

- Allow the dollar to weaken against all other major currencies.
- balance budget
- Continuation of Massive Increases in Defense Spending
- Decisive margin of control in Congress to one party or the other.
- Decrease military spending greatly. Increase spending on education, labor skill enhancement & productive capacity
- Expensing investment spending would be very helpful
- Government involvement in personal and corporate lives
- Improve regulatory oversight of the financial sector.
- Improved elementary and secondary education
- Increase taxes on gasoline
- Index the AMT, duh
- Need to work to form a REAL international monetary system with enforceable rules
- pass restructured inheritance tax
- Poorly worded question, most of these are long-run policy changes, not short-term
- Reduce deadweight loss from excessive regulations
- reform the tax code - convert to a flat tax or a sales tax
- Restructure spending emphasis away from military/foreign (guns) toward domestic infrastructure/education (butter)
- spend on infrastructure - airports, schools, rivers management, bridges, highways
- subsidize alternative energy; penalize energy companies/oil exploration
- tax rebates
- tax reform and simplification
- troop withdrawal from Iraq

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 13: QIII(E). Is a 2008 fiscal stimulus package necessary to arrest U.S. economic slowdown and/or prevent recession?

	<u>Total</u>
Yes	87 33.6%
No	101 39.0%
Not yet sure	66 25.5%
No response	5 1.9%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 14: QIII(F). How helpful are each of the following potential elements of a 2008 fiscal stimulus package?

	HELPFUL						N.R.	Mean
	Total	VERY 1	2	3	4	NOT 5		
One-time tax rebates for wage earners	259 100%	44 17%	51 20%	60 23%	61 24%	39 15%	4 2%	3.0
Making the 2003 tax cuts permanent	259 100%	66 25%	60 23%	35 14%	40 15%	55 21%	3 1%	2.8
Tax credits for business investment	259 100%	63 24%	90 35%	57 22%	34 13%	12 5%	3 1%	2.4
Extend unemployment benefits	259 100%	45 17%	71 27%	87 34%	26 10%	27 10%	3 1%	2.7
Public spending on projects - infrastructure, etc.	259 100%	42 16%	78 30%	59 23%	40 15%	37 14%	3 1%	2.8
Raising the GSE loan-size in high-cost housing markets	259 100%	32 12%	55 21%	67 26%	65 25%	36 14%	4 2%	3.1
Establish government fund to buy problem mortgages	259 100%	10 4%	33 13%	47 18%	77 30%	88 34%	4 2%	3.8
Other	259 100%	11 4%	3 1%	1 0%	0 0%	2 1%	242 93%	1.8

Other:

- allow bad loans to be liquidated (don't prop up bad loans)
- Control Government Growth and spending
- Cut wasteful Federal, State & Local Government Spending
- ditto - bridges, airports, schools, etc
- Eliminate AMT
- Increase public investment in research via NSF, NIH and NIMH
- Issue more food stamps.
- Limit tax cuts to 75K households
- More spending on early education
- national non-political debate led by NABE
- No bail-out for the irresponsible and the speculators. Let them suffer the logical consequences of their actions.
- public spending on infrastructure, NOT renewable energy
- Recind new bankruptcy laws
- Reduce legislation, reduce gov't interventions, getCongree educated to economics
- Reduce Wasteful War Spending
- Stop Wars on Terrorism Drugs and Poverty

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 15: QIV(A). How urgent do you feel the need is for comprehensive entitlement reform?

	<u>Total</u>
Urgent need for comprehensive reform right now	129 49.8%
Comprehensive reform is needed but it will wait	108 41.7%
Comprehensive reform not needed; smaller fixes will help	17 6.6%
Programs are running well as presently configured	1 0.4%
No response	4 1.5%
 Base	 259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 16: QIV(B). If you feel at least some reform is needed, which federal entitlement program is in most need of change?

	<u>Total</u>
Social Security	75 29.0%
Medicare	158 61.0%
Medicaid	20 7.7%
No response	6 2.3%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 17: QIV(C). How effective are the following means of reducing the projected deficit in the Social Security trust fund over the next generation?

	EFFECTIVE						N.R.	Mean
	Total	MOST 1	2	3	4	LEAST 5		
Raise the age at which retirees collect benefits	259 100%	79 31%	104 40%	42 16%	23 9%	8 3%	3 1%	2.1
Incentives for workers to delay collecting benefits	259 100%	51 20%	119 46%	58 22%	21 8%	7 3%	3 1%	2.3
Raise payroll taxes on current workers	259 100%	22 8%	59 23%	72 28%	59 23%	44 17%	3 1%	3.2
Eliminate the annual dollar cap on SS payroll taxes	259 100%	54 21%	66 25%	66 25%	46 18%	23 9%	4 2%	2.7
Impose a means test on Social Security benefits	259 100%	28 11%	63 24%	74 29%	46 18%	45 17%	3 1%	3.1
Private savings accounts as an element of SS program	259 100%	56 22%	60 23%	45 17%	44 17%	48 19%	6 2%	2.9
Other	259 100%	10 4%	6 2%	0 0%	0 0%	1 0%	242 93%	1.6

Other:

- Adherence to 1990 Law that is supposed to prevent raiding SSI surpluses to fund the budget deficits and tax cuts.
- Allow Early Opt Outs
- change the cola for SS to the core consumption deflator
- Double legal immigration
- Establish true savings/investment accounts for all Social Security payments
- Go back to what the program started as & limit the cost/keep in balance. This would encourage personal savings not reliance on Social Security as a "retirement program"--it was only designed for the extreme/destitute not the mainstream.
- Immigration reform - will increase the number of taxpayers
- Increase access to financial literacy education for adults
- index benefits to prices instead of wages
- Index benefits to wages rather than prices.
- Massive advertising campaign emphasizing that SS is only one part of total retirement income
- national non-political debate led by NABE
- Peg Soc. Security benefits to a slower growing inflation index
- Progressive indexation of benefits
- reduce abusive SSI disability filings
- Reduce Benefits
- Reduce rate of growth of benefits to CPI% minus 50 basis points.
- Stop trying to scare us with prognostications of doom. There are reasonable and sensible solutions to the problem.

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 18: QIV(D). How equitable are the following means of reducing the projected deficit in the Social Security trust fund over the next generation?

	EQUITABLE						N.R.	Mean
	Total	MOST 1	2	3	4	LEAST 5		
Raise the age at which retirees collect benefits	259 100%	52 20%	82 32%	57 22%	38 15%	22 8%	8 3%	2.6
Incentives for workers to delay collecting benefits	259 100%	78 30%	98 38%	46 18%	20 8%	12 5%	5 2%	2.2
Raise payroll taxes on current workers	259 100%	11 4%	27 10%	52 20%	83 32%	80 31%	6 2%	3.8
Eliminate the annual dollar cap on SS payroll taxes	259 100%	57 22%	56 22%	56 22%	36 14%	45 17%	9 3%	2.8
Impose a means test on Social Security benefits	259 100%	33 13%	49 19%	52 20%	50 19%	67 26%	8 3%	3.3
Private savings accounts as an element of SS program	259 100%	75 29%	54 21%	41 16%	37 14%	43 17%	9 3%	2.7
Other	259 100%	3 1%	0 0%	2 1%	1 0%	1 0%	252 97%	2.6

Other:

- Allow Early Opt Outs
- Double legal immigration
- Educate specific committee heads: fin, budget, retirement, & on & on.
- education and debate by non-political NABE
- Growing income concentration also puts stress on Social Security. The upper 90% life expectancy is growing much faster than lower 10%. Upper income will draw on system longer.
- index benefits to prices instead of wages
- Index benefits to wages rather than prices.
- private accounts for young workers; old workers keep what the have
- Reduce Benefits
- Reduce rate of growth of benefits to CPI% minus 50 basis points.
- Review all suspect actual and potential SS recipients

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 19: QIV(E). How politically feasible are the following Social Security reforms?

	POLITICALLY FEASIBLE							Mean
	Total	MOST 1	2	3	4	LEAST 5	N.R.	
Raise the age at which retirees collect benefits	259 100%	35 14%	86 33%	53 20%	53 20%	22 8%	10 4%	2.8
Incentives for workers to delay collecting benefits	259 100%	80 31%	101 39%	43 17%	21 8%	4 2%	10 4%	2.1
Raise payroll taxes on current workers	259 100%	4 2%	29 11%	57 22%	89 34%	70 27%	10 4%	3.8
Eliminate the annual dollar cap on SS payroll taxes	259 100%	36 14%	63 24%	73 28%	58 22%	20 8%	9 3%	2.9
Impose a means test on Social Security benefits	259 100%	11 4%	41 16%	67 26%	76 29%	54 21%	10 4%	3.5
Private savings accounts as an element of SS program	259 100%	23 9%	43 17%	68 26%	72 28%	44 17%	9 3%	3.3
Other	259 100%	5 2%	1 0%	5 2%	3 1%	2 1%	243 94%	2.8

Other:

- Allows Mexico to avoid reforming its sclerotic national labor code.
- Costly burden on infrastructure, not just social services
- disciplines wages and boosts labor force
- If immigration law violations are ignored, why should anyone respect any law?
- Impact of local residential property values
- impact on morale of other economic agents
- Lowers wages for native workers
- Quit scapegoating Mexicans. No Mexican was involved in 911. They build our buildings, they don't destroy them.
- Reduces wages for lowest skilled (other immigrants and natives) Note this is different than displacement
- rewarding crime is un-American
- Threat to English language
- Too many low-skill workers; not enough skilled workers
- Undermines credibility of US border enforcement and value of US citizenship
- Unfair to those who follow legal paths to immigration / Creates incentive to break the rules
- Wholesale flouting of unworkable law not good for country

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 20: QV(A). On net, how would you evaluate the economic impact of immigration (legal and otherwise) into the United States during the past decade?

	Total
Overwhelmingly positive	64 24.7%
Mostly positive	134 51.7%
Neutral	29 11.2%
Mostly negative	24 9.3%
Overwhelmingly negative	6 2.3%
No response	2 0.8%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 21: QV(B). In purely economic terms, indicate the seriousness of the following problems commonly associated with illegal immigration?

	HOW BIG A PROBLEM?						N.R.	Mean
	Total	NOT A PRBLM 1	2	3	4	MAJOR PRBLM 5		
Places costly burden on social services	259 100%	17 7%	51 20%	61 24%	73 28%	53 20%	4 2%	3.4
Displaces domestic workers	259 100%	62 24%	98 38%	53 20%	24 9%	17 7%	5 2%	2.4
Risk to national security	259 100%	58 22%	83 32%	54 21%	41 16%	19 7%	4 2%	2.5
Rise in criminal activity and/or costs of border security	259 100%	22 8%	71 27%	74 29%	56 22%	32 12%	4 2%	3.0
Negative impact of emigration on foreign economies	259 100%	76 29%	75 29%	66 25%	25 10%	9 3%	8 3%	2.3
Other	259 100%	4 2%	1 0%	1 0%	3 1%	8 3%	242 93%	3.6

Other:

- Allows Mexico to avoid reforming its sclerotic national labor code.
- Costly burden on infrastructure, not just social services
- disciplines wages and boosts labor force
- If immigration law violations are ignored, why should anyone respect any law?
- Impact of local residential property values
- impact on morale of other economic agents
- Lowers wages for native workers
- Quit scapegoating Mexicans. No Mexican was involved in 911. They build our buildings, they don't destroy them.
- Reduces wages for lowest skilled (other immigrants and natives) Note this is different than displacement
- rewarding crime is un-American
- Threat to English language
- Too many low-skill workers; not enough skilled workers
- Undermines credibility of US border enforcement and value of US citizenship
- Unfair to those who follow legal paths to immigration / Creates incentive to break the rules
- Wholesale flouting of unworkable law not good for country

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 22: QV(C). In purely economic terms, how would you rank these potential benefits to immigration, whether legal or illegal?

	HOW MUCH BENEFIT?							Mean
	Total	MAJOR BENFT 1	2	3	4	NO BENF 5	N.R.	
Addresses shortage of low-cost unskilled labor	259 100%	137 53%	72 28%	25 10%	18 7%	4 2%	3 1%	1.8
Adds younger workers to an aging population	259 100%	92 36%	82 32%	54 21%	22 8%	6 2%	3 1%	2.1
Brings scarce talent to knowledge industries	259 100%	68 26%	72 28%	61 24%	41 16%	14 5%	3 1%	2.5
Improves ability of U.S. firms to do business abroad	259 100%	29 11%	49 19%	90 35%	56 22%	31 12%	4 2%	3.0
Provides outlet for excess labor abroad	259 100%	22 8%	39 15%	81 31%	65 25%	46 18%	6 2%	3.3
Other	259 100%	3 1%	1 0%	3 1%	2 1%	1 0%	249 96%	2.7

Other:

- CULTURE
- Ease Inflation pressures
- increased investment in U.S.
- Increases dynamic competition and productivity across the board. Similar to benefits of international trade.
- Now there are good Tex-Mex restaurants in every town.
- provides income for poorer neighbouring countries

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 23: Q5(D). If new U.S. border policies could effectively stop all illegal immigration for a period of five years, what would the net impact be on U.S. economic growth?

	<u>Total</u>
A much higher rate of growth	4 1.5%
A marginally higher rate of growth	25 9.7%
No effect on growth	41 15.8%
A marginally lower rate of growth	134 51.7%
A much lower rate of growth	51 19.7%
No response	4 1.5%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 24: QVI(A). What effect do you feel globalization (expansion of cross-border flows of trade and capital) has had on these elements of the U.S. economy during this decade?

	NET EFFECT							Mean
	Total	POSI-TIVE 1	2	NEU-TRAL 3	4	NEGA-TIVE 5	N.R.	
Economic growth	259 100%	151 58%	96 37%	5 2%	4 2%	1 0%	2 1%	1.5
Inflation rate	259 100%	101 39%	64 25%	48 19%	31 12%	12 5%	3 1%	2.2
Employment	259 100%	50 19%	85 33%	74 29%	38 15%	10 4%	2 1%	2.5
Income inequality	259 100%	6 2%	39 15%	95 37%	91 35%	26 10%	2 1%	3.4
Availability of credit	259 100%	75 29%	110 42%	66 25%	4 2%	2 1%	2 1%	2.0
Financial stability	259 100%	28 11%	93 36%	84 32%	45 17%	5 2%	4 2%	2.6
Net overall effect on U.S. economy	259 100%	89 34%	117 45%	22 8%	8 3%	1 0%	22 8%	1.8

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 25: QVI(B). How do you think U.S. policies on international trade and cross-border investment will change over the next five years? 1. Trade policies.

	Total
More protectionist	148 57.1%
More liberal	28 10.8%
No change	79 30.5%
No response	4 1.5%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 26: QVI(B). How do you think U.S. policies on international trade and cross-border investment will change over the next five years? 2. Capital market policies.

	<u>Total</u>
More protectionist	97 37.5%
More liberal	50 19.3%
No change	109 42.1%
No response	3 1.2%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 27: QVI(C). How would you rate the following as potential threats to the continued integration of global trade and capital flows?

	POTENTIAL THREAT						N.R.	Mean
	Total	VERY GRAVE 1	2	3	4	NOT A THREAT 5		
War and terrorism	259 100%	55 21%	114 44%	51 20%	27 10%	9 3%	3 1%	2.3
Financial turmoil	259 100%	45 17%	132 51%	60 23%	16 6%	5 2%	1 0%	2.2
Protectionist policies	259 100%	93 36%	107 41%	46 18%	7 3%	3 1%	3 1%	1.9
High energy prices	259 100%	26 10%	71 27%	87 34%	55 21%	18 7%	2 1%	2.9
Climate change	259 100%	14 5%	44 17%	72 28%	62 24%	63 24%	4 2%	3.5
Other	259 100%	2 1%	1 0%	1 0%	1 0%	1 0%	253 98%	2.7

Other:

- crime
- Increasing income inequality
- Legal and illegal immigration

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 28: QVI(D). How would you characterize your overall level of concern over the rising level of investments by foreign Sovereign Wealth Funds (SWFs) in U.S. companies?

	<u>Total</u>
Very low	40 15.4%
Low	70 27.0%
Neutral	83 32.0%
High	53 20.5%
Very High	5 1.9%
No response	8 3.1%
Base	259

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 29: QVI(E). How would you rate the following as potential concerns in terms of investments by foreign Sovereign Wealth Funds (SWFs) in U.S. companies?

	POTENTIAL CONCERN							Mean
	Total	MAJOR 1	2	3	4	MINOR 5	N.R.	
Foreign government influence over private U.S. companies	259 100%	26 10%	55 21%	77 30%	59 23%	34 13%	8 3%	3.1
Instability in the volume and direction of capital flows	259 100%	14 5%	59 23%	83 32%	57 22%	37 14%	9 3%	3.2
Lack of transparency among major SWFs	259 100%	64 25%	96 37%	52 20%	30 12%	10 4%	7 3%	2.3
Adverse effects on U.S. trade deficit and current acct. def.	259 100%	7 3%	39 15%	86 33%	65 25%	52 20%	10 4%	3.5
Other	259 100%	4 2%	3 1%	2 1%	1 0%	1 0%	248 96%	2.3

Other:

- Access to information that might be adverse to US national interests
- Inappropriate, implicit influence on various government policies
- Investment by foreign government SWFs may justify increased oversight/ownership of US companies by the US government.
- LACK OF NABE OPINIONS
- National security risk for intelligence-sensitive industries (i.e. defense, HL security)
- Potential for foreign government demands on US government regarding investments
- Undue political influence on local or state jurisdictions

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 30: QVII. What special questions or topics would you like to see covered on future policy surveys?

- 1.Effect of ethanol fuel subsidies on food prices 2.Adequacy of supervision in U.S. financial system
- A philosophy that rich are smart but need government help, poor are stupid and don't.
- Ability to deal with non ergodic structural change (See Doug North)
- above topics very good;keep this question in as other topic needs will arise
- Better info & policy coordination about central banks in China & India
- climate change, natural resource scarcity
- Desirability of appreciation of the Chinese currency
- Differentiation in aspects of fiscal policy not just net in total
- discussion of potential benefit of large corporate mergers
- Education reform and workforce quality
- Effect after election of probable democratic vs republican policies.
- Effectiveness in the Fed's role as a banking policy regulator
- Elementary and secondary education system reform
- Energy and commodity price issues
- Energy consumption/generation
- energy security/climate change
- Excessive Government Spending at all Levels
- Explore the impact of falling home prices on home equity withdrawal, consumer spending, retail etc.
- Federal income tax code simplification.
- Global Climate Change and GHG regulation; Aging public and private infrastructure
- global warming
- Has there ever been a worse President than GW Bush?
- Housing Foreclosure
- How do we improve the skill level of all our workers?
- Impact of environmental concerns on investment and production, social investing
- Impact of Federal Fiscal Policy on State/Local Government
- Impact of raising tax rates on dividends and capital gains
- Impacts on corporations of new environmental regs (i.e. requiring utilities to estimate revenues assuming limited emissions)
- Income inequality
- Increasing dependency ratio--retirees/semi-retirees to younger workers
- International Central Bank Policies
- International monetary reform
- Is Chinese yuan necessary to transform to the floating system? If yes, when?
- Magnitude and sources of prospective long-run U.S. productivity gains
- money supply growth, effect on various asset classes
- More on health, education, and energy
- Party presidential candidates prospective economic policies will be very relevant come September! Could be broken down among tax, entitlements, health, trade, etc
- Please try to shorten these a little
- Policies to deal with climate change, such as cap and trade system, carbon tax, etc.
- Political Party Economic Positions
- Poorly prepared labor force / shortage of skilled labor
- potential effects of the global derivatives market on the global and domestic economy
- Poverty, Infrastructure
- providing health insurance for the uninsured; specifics of housing initiatives
- reform of health care policies
- Regional Economics Issues, Innovation
- Retirement funds
- Should U.S. tax credits for alternative energy projects continue/expand?
- Tax Reform
- Thank you for a very interesting and stimulating survey! Great Job.
- the excess growth of elderly entitlements (and other special interests)
- The failure of regulatory policies in the financial sector.

NABE ECONOMIC POLICY SURVEY - MARCH, 2008

Table 30: QVII. What special questions or topics would you like to see covered on future policy surveys?

- The Fed has added significant liquidity since fall 2007, yet bank lending (the primary transmission mechanism) remains, at best, cautious. How should the Fed encourage the distribution of new liquidity to households and businesses?
- This was a good survey. Liked the questions.
- trade policy
- Trade, Tax Policy and growing income concentration.
- U.S. commercial and residential real estate markets
- VI.A. Question is not clear. does a "positive effect on inflation" mean that it increases the rate of inflation or that it helps keep inflation low? (My answer is based on the latter, but I question the validity of this question.)
- Vote on very specific issues, with a bit more background detail.
- WHAT CAN NABE DO TO TRIGGER HONEST DEBATE IN AMERICA
- WHAT ENERGY POLICIES SHOULD THE GOVERNMENT PROMOTE AND HOW SHOULD THE SPACE BETWEEN PUBLIC AND PRIVATE ENERGY POLICIES BE ALLOCATED
- Where does the buck really stop? How could we not have seen the sub prime and housing problems coming?
- Will the presidential election matter and if so, how?
- Your questions about the effect of globalization were ambiguous--I think the effect on inequality is positive but that's negative for the economy; effect on inflation negative but that's positive for the economy.