

2011 Texas Lyceum Poll

Executive Summary of Attitudes about Economic Issues and Most Important Problem

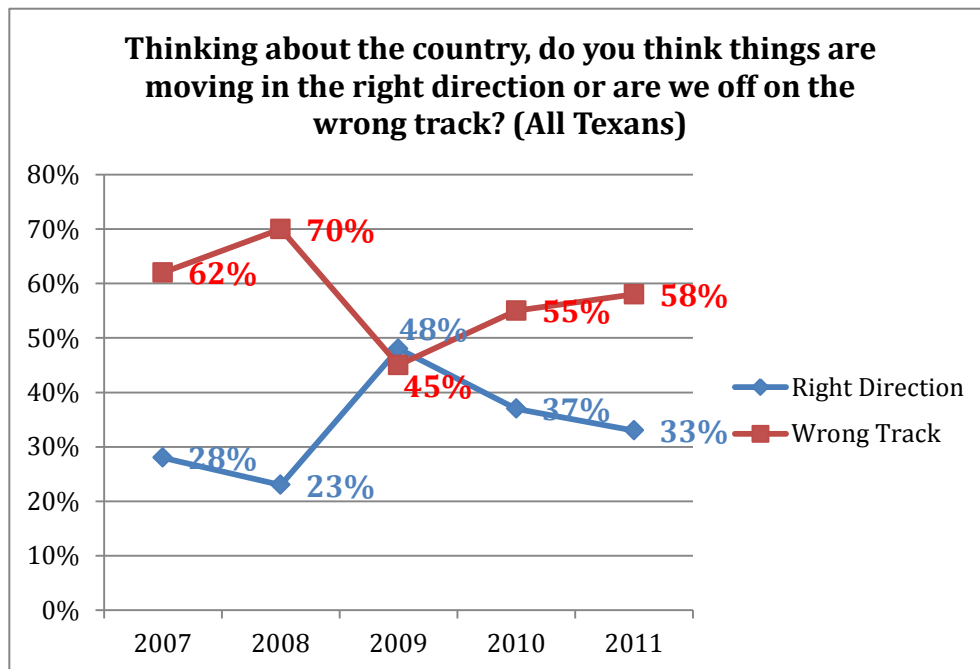
Better than Yesterday but Pessimistic about Tomorrow:

A recent Texas Lyceum poll shows that adult Texans have nuanced opinions about the direction of the country and the state of the economy. They are more positive about the economy today in Texas than they are nationally, but they are pessimistic in terms of their own pocketbooks and do not have a positive outlook about the future of the economy for the next generation. While they see the economy as the most significant problem at the national level, education is by far the most important problem facing the state of Texas today.

Summary of Findings:

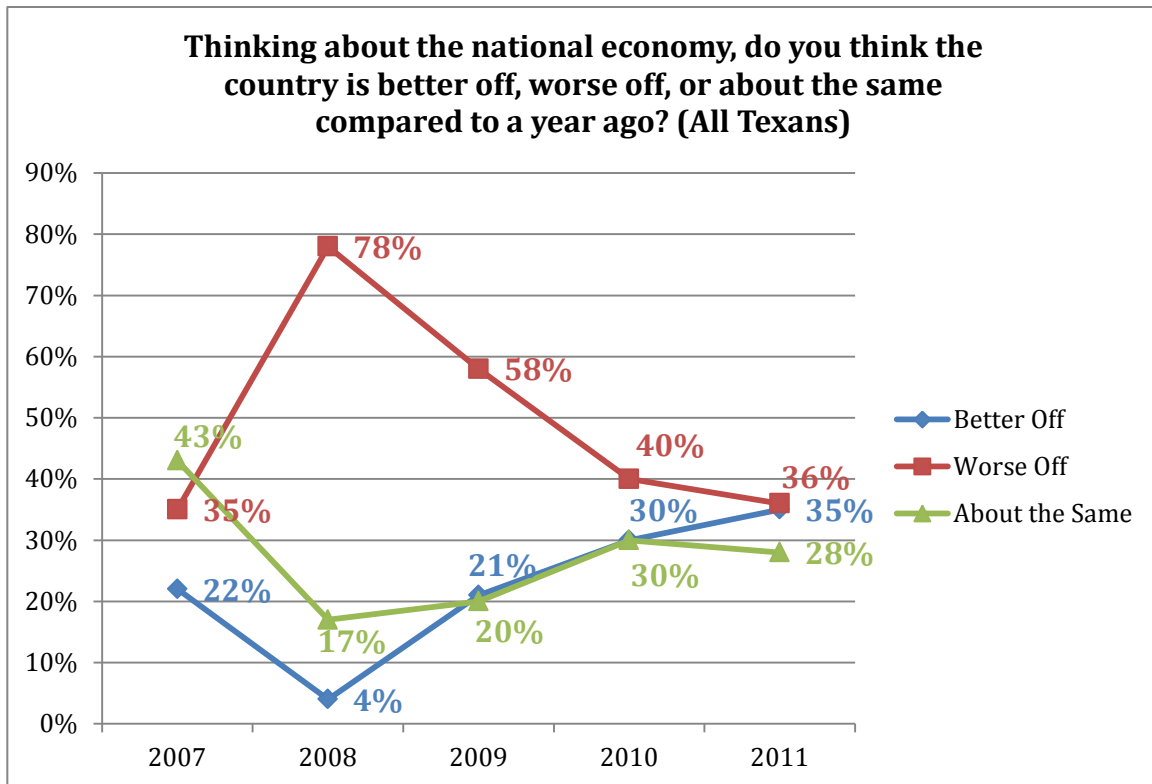
Direction of the Country:

Only 33% of respondents feel that the country is moving in the right direction compared to 58% who feel that the country is on the wrong track. After feeling more positive about the direction of the country in 2009 (45% feeling that the country is on the wrong track), a five-year trend of opinion shows that Texans' feelings about the direction of the country in 2011 are continuing to reflect greater pessimism.



The Past and Present:

Texans appear to hold a general perception that the national economy is improving relative to last year. Thirty six percent of adult Texans feel that the economy is worse off compared to a year ago while an equal number (35%) feel that the economy is better off. While clearly less than a majority, this is an increase in the percent of adult Texans feeling we are better off nationally than a year ago and the highest percentage over the last 5 years. Similarly, the percentage of adult Texans feeling we are worse off relative to last year has dropped to 2007 levels after a high in 2008 with 78% feeling that the national economy was worse off than the previous year.



A subgroup of “Likely Voters” are more pessimistic about the state of the national economy relative to a year ago with 40% thinking that the country is worse off than a year ago. This reflects a generally more negative outlook among those who participate in the political process by voting.

Perceptions of the Debt Ceiling:

One possible reason for pessimism about the country is people’s view about the nation’s debt ceiling, an issue that has received extensive attention from Congress and coverage in the press. When asked about their views on the issue of the debt ceiling, 66% of Texans indicated that Congress must not raise the debt limit even if it hurts the economy in the short term or limits our ability to fund military operations since federal spending is out of control. Twenty-three percent of adult Texans expressed the view that Congress does not have a choice; it has to raise the

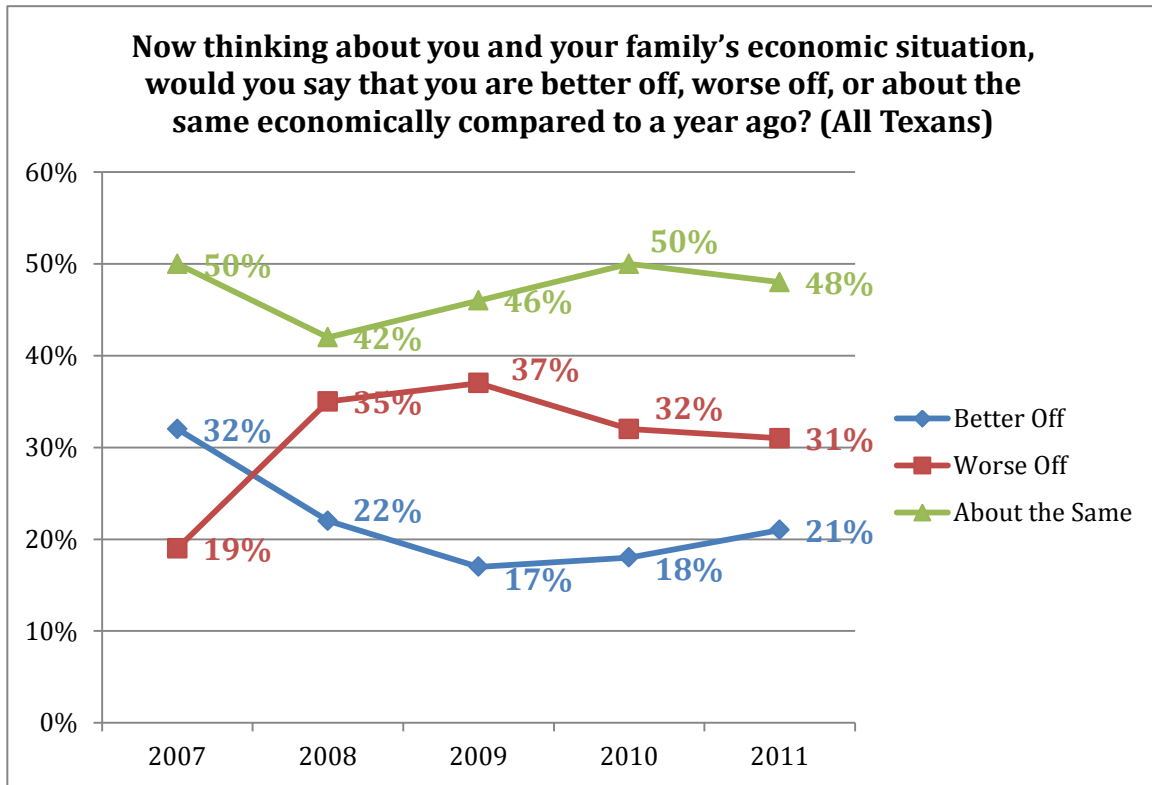
debt limit to fund the government in times of bad economy and multiple wars. Among likely voters, 29% expressed that they saw no choice but to raise the debt ceiling.

Bullish on Texas:

Adult Texans feel more optimistic about the state economy than they do about the national economy. Despite the state budget deficit, 60% of Texans feel that the state economy is better off than the rest of the country with only 10% feeling that Texas is worse off relative to the rest of the country. Likely voters are more positive with 63% agreeing that the state economy is better off. This sentiment has remained relatively stable since 2009.

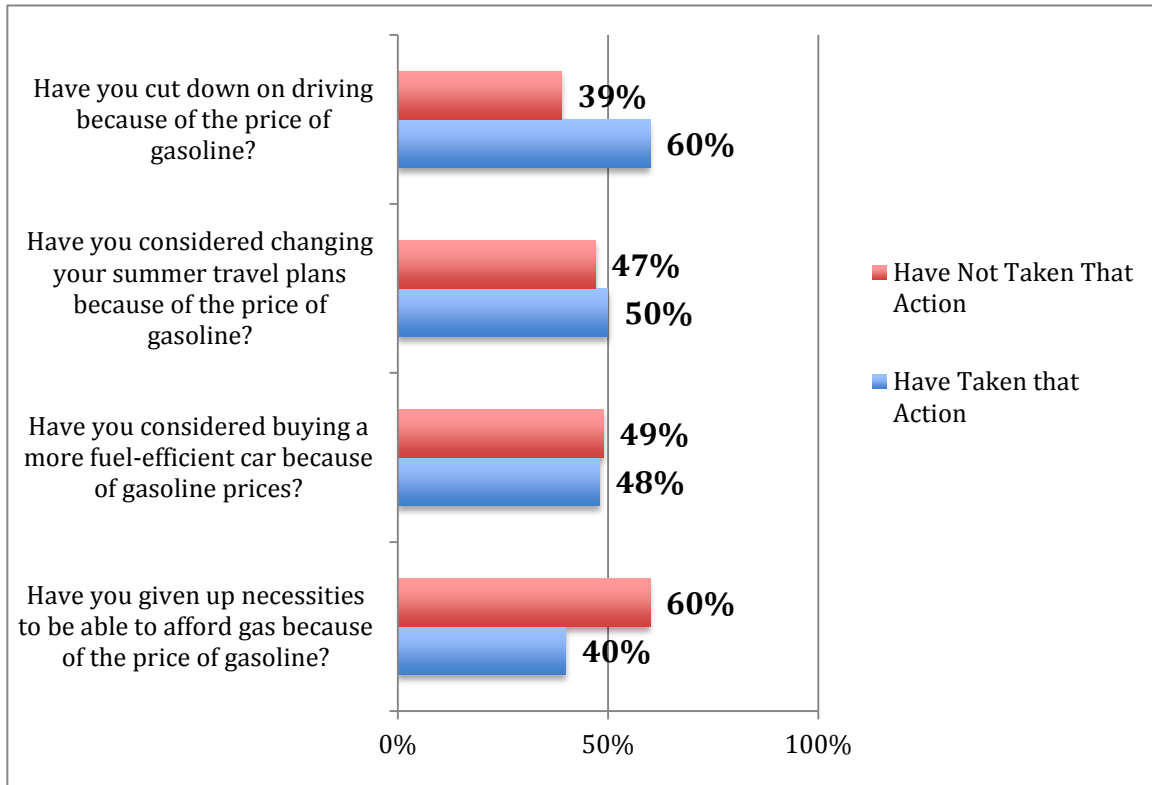
Personal Economic Circumstances:

Texans express different feelings when asked about their own personal economic situation and the future. When thinking about their own family, 31% feel that they are worse off than a year ago, with only 21% feeling that they are better off, and with less than a majority (48%) feeling that their personal financial circumstances are about the same as a year prior. These numbers reflect consistent pessimism since a shift in 2008 when more people began to feel worse off than better off about their own pocketbooks.



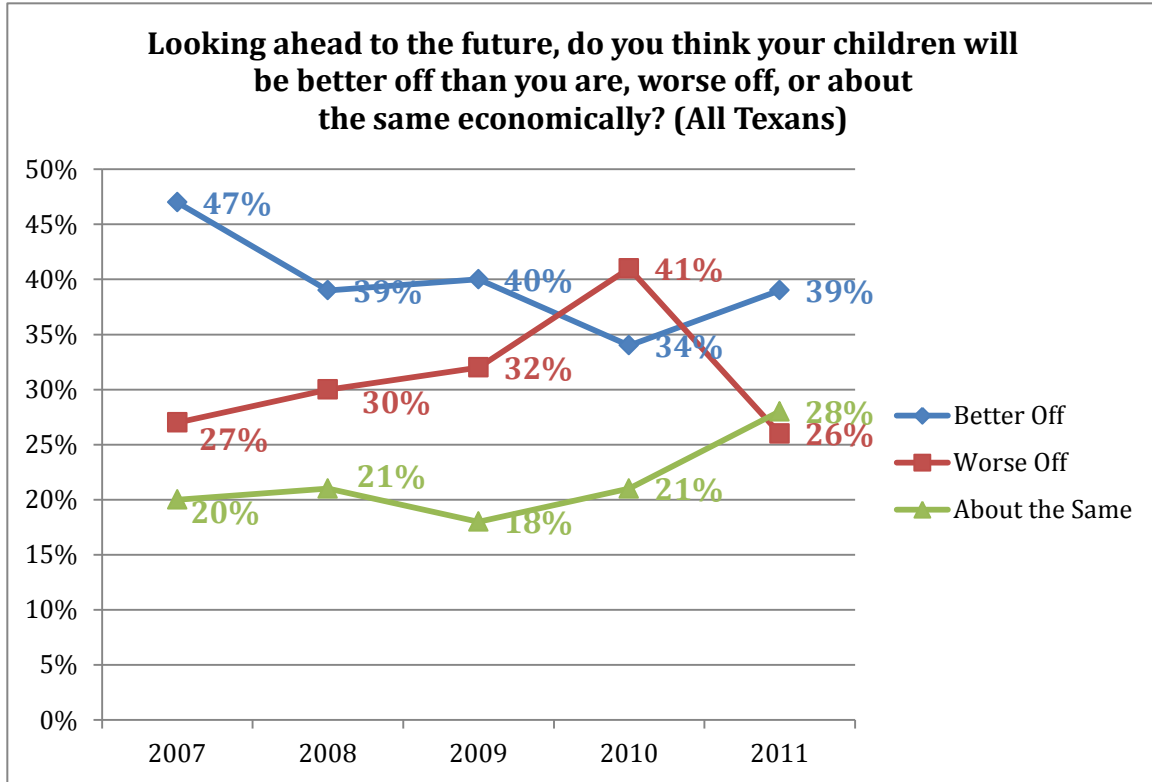
The Impact of Gas Prices on Behavior:

Answers to poll questions about the impact of rising gas prices show how pocketbook issues are affecting personal budgetary and spending decisions. Sixty percent of Texans indicated that they have cut down on driving because of the price of gas and 50% of all adult Texans have considered changing their summer travel plans because of the price of gasoline. Close to half, or 48%, of Texans reported considering buying a more fuel-efficient car because of the price of gas. A smaller percentage, 40% of Texans, said that they had given up necessities to be able to afford gas.

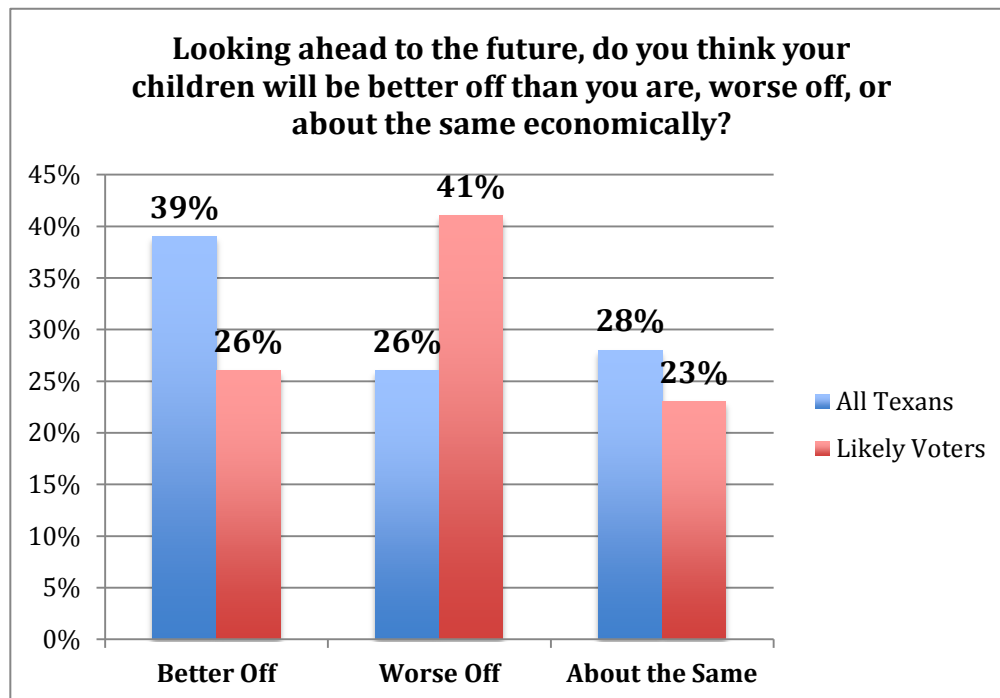


Perceptions about the Future:

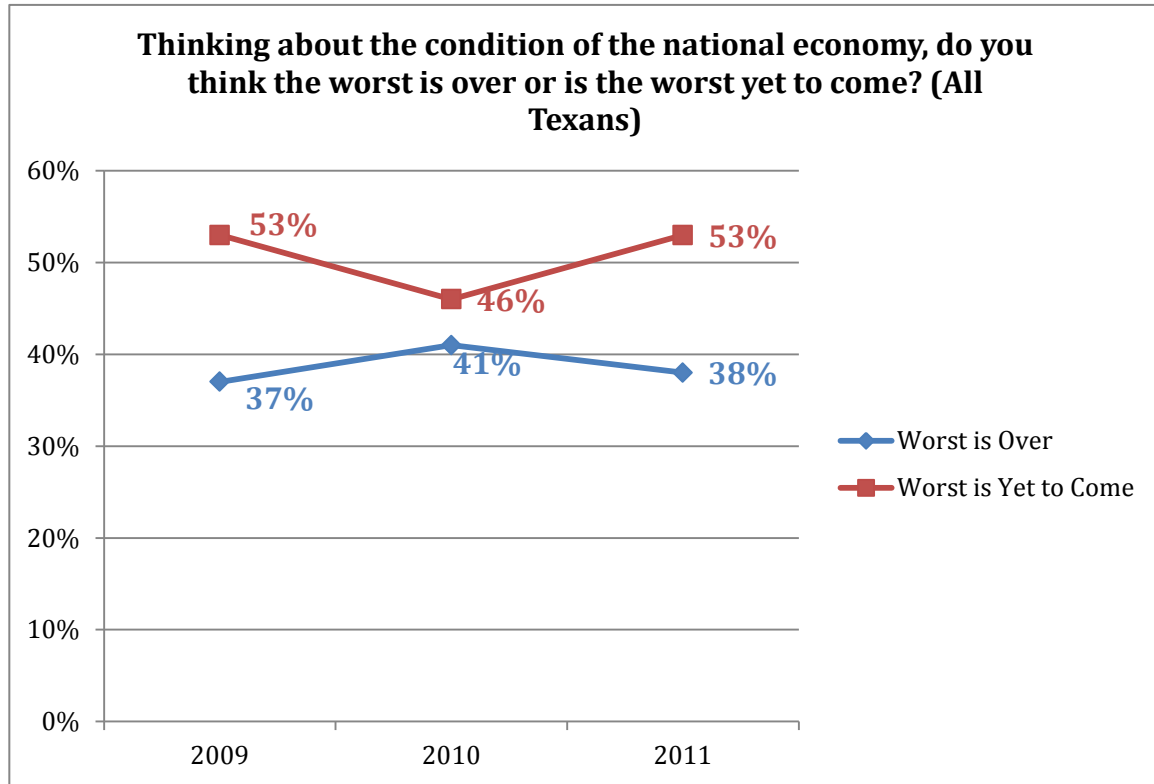
It is possible that making such economic tradeoffs today are affecting Texans' perceptions of prosperity in the future. When thinking about the likelihood of economic prosperity for their own children, only 39% of adult Texans think their children will be better off, while 26% think their children will be worse off than themselves. The percentage thinking that their kids will be better off has stayed relatively stable over the past five years within the bounds of a high of 47% in 2007 and a low of 34% in 2010. The percentage of those thinking that their kids will be worse off has dropped back to 2007 levels after a gradual increase in pessimism.



However, the opinion of *likely voters* in 2011 is the inverse of adult Texans and is strikingly more pessimistic about the future for the next generation. Forty-one percent of likely voters think that their children will be worse off, with only 26% thinking that their children will be better off.



This pessimism is also seen in the assessment of the national economy in the future. Among adult Texans, only 38% feel that the worst is over while 53% feel that the worst is yet to come. This pessimistic feeling about the future is an increase from 2010, and is similar to 2009 opinion results.



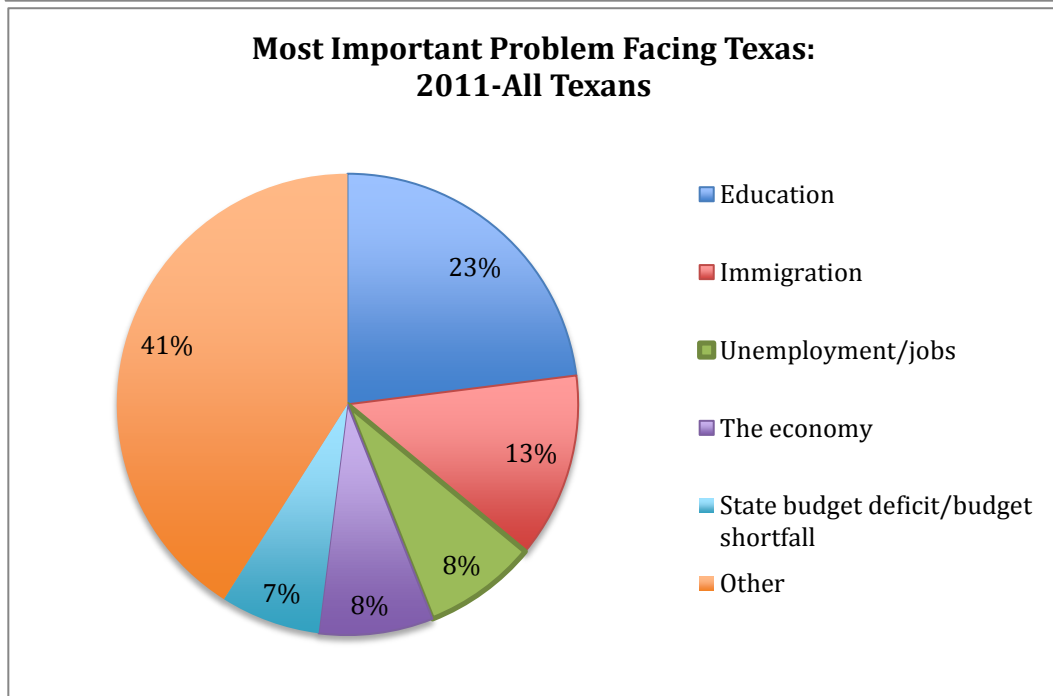
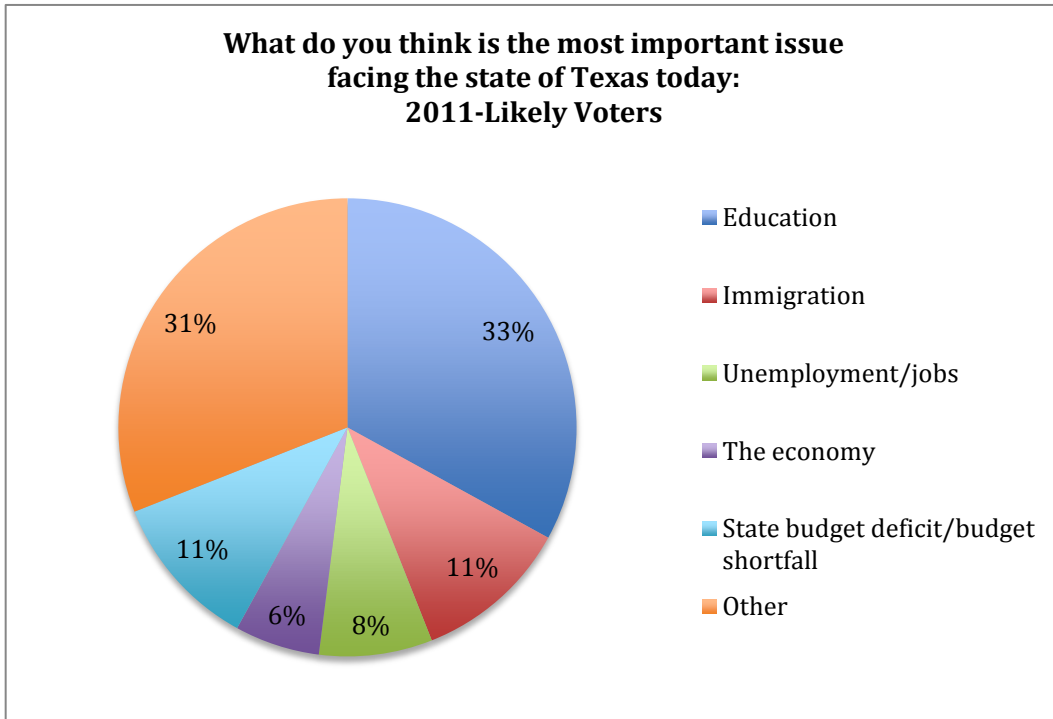
Among likely voters, 57% think that the worst is yet to come, reflecting a generally more pessimistic outlook of those who participate in the political process according to this poll.

Most Important Problem:

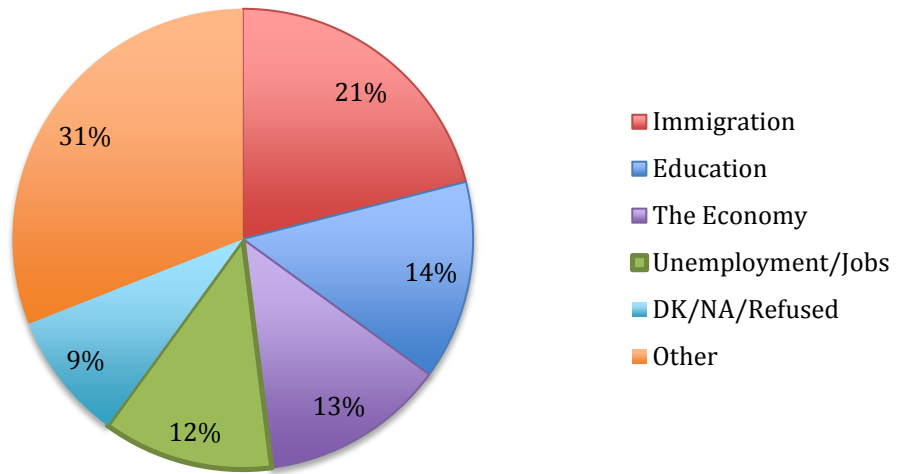
Given the numbers above, it is unsurprising to see that the economy is the biggest problem facing the country at the national level. Among both Texans (32%) and the subset of likely voters (35%) the economy ranked first as the biggest problem facing the nation and has been on the top of people’s minds as the most important national problem since 2008. Unemployment/jobs and the national debt were rated most important for around 10% of respondents in this most recent poll.

However, at the state level, education is by far the most important problem facing Texas today, ranking well above immigration, the economy, unemployment/jobs and the state budget deficit. Twenty-three percent of adult Texans, and 33% of likely voters named education as the most important problem facing Texas today. Thirteen percent of adult Texans named immigration as the most important problem for the state, while immigration and the state budget deficit tied among likely voters with 11% rating these as the most important problem.

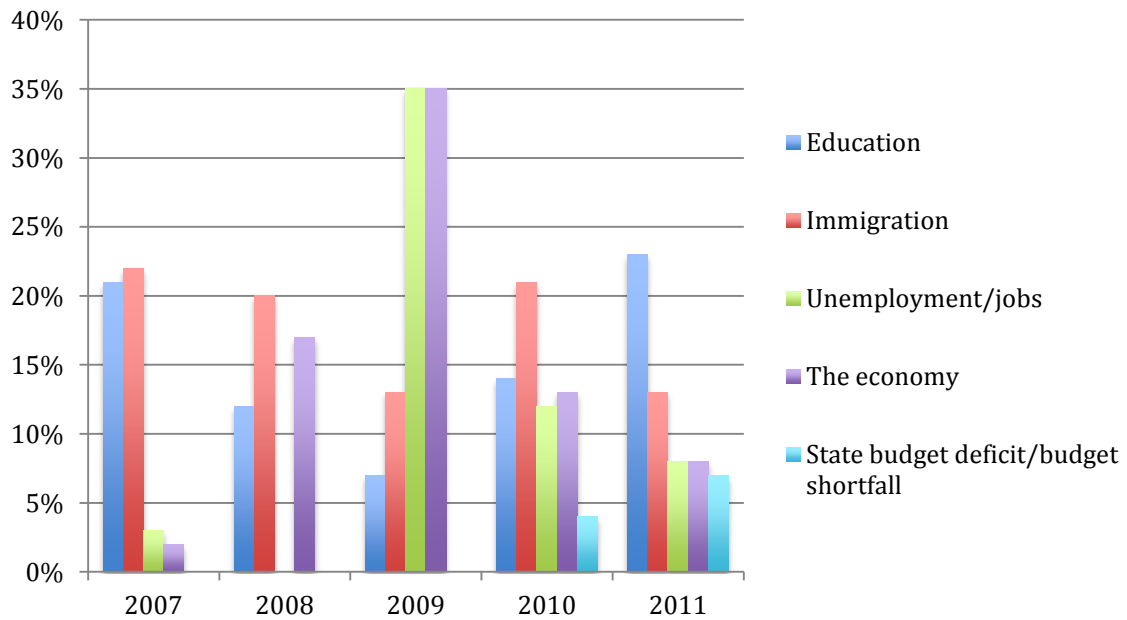
The perception that education in the most important problem in Texas is a major shift from past poll numbers. Education has not topped Texans' list of the most important problem facing the state since 2007 when it tied with immigration. Immigration topped the list in 2008 and 2010 for the largest percentage of Texans while the economy was seen as the biggest problem facing the state in 2009.



**Most Important Problem Facing Texas:
2010-All Texans**



**What do you think is the most important issue facing the
state of Texas today?
(All Texans)**



Note: in 2009, the economy (purple) and unemployment/jobs (green) bars should be interpreted as a single category since they were combined as one category in the 2009 data.

Methodology:

From May 24 through May 31, 2011, The Texas Lyceum conducted a statewide telephone survey. The survey utilized a stratified probability sample design, with respondents being randomly selected at the level of the household. On average, respondents completed the interview in 17 minutes. Approximately 5,000 records were drawn to yield 707 completed interviews. The final data set is weighted by race/ethnicity, age and gender to achieve representativeness. The margin of error for the poll is +/- 3.69 percentage points.

Some numbers and analysis were produced with a screen for likely voters. Voters were deemed "likely" if they indicated that they were registered to vote, indicated that they were "somewhat" or "extremely" interested in politics, and indicated that they had voted in "almost every" or "every" election in the last 2-3 years. This screen produced 303 likely voters, 43% of the full sample and 77% of registered voters. The margin of error for the survey of likely voters is +/- 5.63 percentage points.

The Texas Lyceum:

The Texas Lyceum has committed to annual probability samples of the state of Texas to bolster its understanding of public opinion on crucial policy issues. The professional rationale for the Texas Lyceum Poll is straightforward: a non-partisan, high quality, scientific survey designed to provide (1) specific data points on issues of interest, and (2) a time series of key demographics, attitudes, and opinions. Towards this end, the trademark of the Texas Lyceum Poll is transparency. Top-line and detailed cross-tabular results of each poll will be made available on the Texas Lyceum website at www.texaslyceum.org.

The Texas Lyceum, now 31 years strong, is a non-profit, non-partisan statewide leadership organization focused on identifying the next generation of Texas leaders. The Texas Lyceum consists of 96 men and women from throughout the state. Directors begin their service while under the age of 46 and have demonstrated leadership in their community and profession, together with a deep commitment to Texas.

The Lyceum has an impressive list of former members who are serving or have served in public office, including: Former President George W. Bush, Senator Kay Bailey Hutchison, Governor Rick Perry, State Attorney General Greg Abbott, former Texas Comptroller John Sharp, Texas State Senators Rodney Ellis and Kirk Watson, Texas State Representatives Dawnna Dukes, Jose Menendez, David Farabee, Tommy Merritt, Pete Gallego, Garnet Coleman, Veronica Gonzales and Allen Vaught, Houston Mayor Bill White, Galveston Mayor Joe Jaworski, Texas Supreme Court Justices Don Willett and Dale Wainwright, U.S. District Judge Vanessa Gilmore, former Secretary of Education Margaret Spellings, and Congressmen Pete Olson, Henry Cuellar and

Jim Turner. Marc Veasey is a current Lyceum Director serving in the Texas House.

The Texas Lyceum acts as a catalyst to bring together diverse opinions and expertise to focus on national and state issues, and seeks to emphasize constructive private sector, public sector, and individual responses to the issues.

To accomplish these purposes, the Lyceum conducts periodic public forums, publishes the Lyceum *Journal*, commissions The Texas Lyceum Poll, and convenes programs for the Directors to explore and discuss key economic and social issues of the state and nation.

Poll Questions:

Are you registered to vote in the state of Texas?

76% Yes, registered.
23% No, not registered.
1% DON'T KNOW/REFUSED/NA.

Generally speaking, would you say that you are extremely interested in politics and public affairs, somewhat interested, not very interested, or not at all interested?

29% Extremely interested.
50% Somewhat interested.
13% Not very interested.
8% Not at all interested.
1% DON'T KNOW/REFUSED/NA.

There are many elections in the state of Texas. Furthermore, many people intend to vote in a given election, but sometimes personal and professional circumstances keep them from the polls. Thinking back over the past two or three years, would you say that you voted in all elections, almost all, about half, one or two, or none at all?

23% Every election.
27% Almost every election.
11% About half.
12% One or two.
27% None at all.
1% DON'T KNOW/REFUSED/NA.

Thinking about the country, do you think things are moving in the right direction or are we off on the wrong track?

	All Texans:	Likely Voters:
Right direction.	33%	31%
Off on the wrong track.	58%	65%
DON'T KNOW/REFUSED/NA.	8%	4%

Thinking about the national economy, do you think the country is better off, worse off, or about the same compared to a year ago?

	All Texans:	Likely Voters:
Better off.	35%	35%
Worse off.	36%	40%
About the same.	28%	24%
DON'T KNOW/REFUSED/NA.	1%	1%

Now thinking about you and your family's economic situation, would you say that you are better off, worse off, or about the same economically compared to a year ago?

	All Texans:	Likely Voters:
Better off.	21%	20%
Worse off.	31%	34%
About the same.	48%	47%
DON'T KNOW/REFUSED/NA.	0%	0%

Looking ahead to the future, do you think your children will be better off than you are, worse off, or about the same economically?

	All Texans:	Likely Voters:
Better off.	39%	26%
Worse off.	26%	41%
About the same.	28%	23%
DON'T KNOW/REFUSED/NA.	1%	10%

Thinking about the condition of the national economy, do you think the worst is over or is the worst yet to come?

	All Texans:	Likely Voters:
Worst is over.	38%	35%
Worst is yet to come.	53%	57%
DON'T KNOW/REFUSED/NA.	9%	9%

Do you think Texas's economy is better off, worse off, or about the same as the rest of the country?

	All Texans:	Likely Voters:
Better off.	60%	63%
Worse off.	10%	7%
About the same.	28%	28%
DON'T KNOW/REFUSED/NA.	2%	1%

Next I would like to ask you some questions about the price of gasoline. I'm going to ask you a list of actions - for each one, please tell me if you have taken that action because of the price of gas.

All Texans:

	Have Taken that Action	Have Not Taken that Action	Don't Know/NA/Refused
Have you cut down on driving because of the price of gasoline?	60%	39%	1%
Have you given up necessities to be able to afford gas because of the price of gasoline?	40%	60%	1%
Have you considered buying a more fuel-efficient car because of gasoline prices?	48%	49%	3%
Have you considered changing your summer travel plans because of the price of gasoline?	50%	47%	3%

What do you think is the most important issue facing the country today?

All Texans:

- 32% The economy
- 12% Unemployment/jobs
- 9% National debt
- 8% Federal spending/budget deficit
- 8% Political corruption/leadership
- 7% Health care
- 3% Education
- 3% Immigration
- 2% Moral decline
- 2% National security/terrorism
- 1% Border security
- 1% Gas prices
- 1% Energy
- 1% Social welfare programs
- 1% Afghanistan/Pakistan
- 1% Iran/nuclear weapons

Likely Voters:

- 35% The economy
- 11% Unemployment/jobs
- 11% National debt
- 9% Federal spending/budget deficit
- 9% Political corruption/leadership
- 6% Health care
- 4% Immigration
- 3% National security/terrorism
- 2% Moral decline
- 2% Border security
- 1% Taxes
- 1% Energy
- 3% Education
- 1% Iran/nuclear weapons

What do you think is the most important issue facing the state of Texas today?

All Texans:

23%	Education
13%	Immigration
8%	Unemployment/jobs
8%	The economy
7%	State budget deficit/budget shortfall
6%	Border security
2%	Gas prices
2%	Health care
2%	Water supply
1%	Crime and drugs
1%	State government spending
1%	Taxes
1%	Social welfare programs
1%	Energy
1%	Transportation/roads/traffic
1%	Abortion

Likely Voters:

33%	Education
11%	State budget deficit/budget shortfall
11%	Immigration
8%	Unemployment/jobs
6%	The economy
6%	Border security
6%	Political corruption/leadership
1%	Health care
1%	Gas prices
1%	State government spending
1%	Taxes
1%	Social welfare programs
2%	Water supply
1%	Energy
1%	Transportation/roads/traffic

As you may know, the U.S. Congress is currently debating whether to raise the nation's debt ceiling, which establishes how much money the country can borrow. Which of the following comes closest to your view on this issue?

All Texans:

23%	In times of a bad economy and multiple wars, there isn't a choice -- Congress has to raise the debt limit to fund the government and to cover the country's commitments /OR/
66%	Federal spending is out of control -- Congress must send a message to the world that the U.S. is serious about getting its financial house in order and not raise the debt limit, even if that hurts the economy in the short term or limits our ability to fund military operations.
2%	DON'T KNOW / REFUSED / NA

Likely Voters:

29%	In times of a bad economy and multiple wars, there isn't a choice... /OR/
68%	Federal spending is out of control...
4%	DON'T KNOW / REFUSED / NA