

A decorative bar in the top left corner, consisting of a large green rectangle and a smaller yellow square at its bottom right corner.

Opinions on the Federal Budget Among U.S. Adults

Conducted for AARP Bulletin

A yellow square is positioned at the intersection of a horizontal and a vertical grey line. The horizontal line extends to the left from the square, and the vertical line extends upwards from the square.

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Opinions on the Federal Budget Among U.S. Adults

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Survey conducted by
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Purpose and Methodology

The purpose of this study was to gather opinions about the federal budget for the *AARP Bulletin*. Results provide some insight into which budget areas adults think the U.S. should increase federal dollars, which areas the U.S. should decrease federal dollars, and which areas comprise the largest portions of the federal budget. In addition, the survey gathered information on how concerned the population is about the federal deficit and their preferences for reducing the deficit.

Questions were included on an omnibus survey January 4-9, 2006. The omnibus survey, conducted by International Communications Research (ICR), is a bi-weekly national telephone survey of U.S. households. ICR conducted a stratified, random-digit-dialing sample of telephone households. The survey included demographic and lifestyle questions, as well as questions about the effects of high energy prices and other topics.

The survey was conducted with 1,026 respondents age 18 and older (502 respondents ages 18-49 and 524 respondents ages 50+), and all responses were subsequently weighted to be nationally representative of the U.S. population 18+, balanced by key demographics. The margin of error is +/- 3.1%.

Key Findings

- Among 8 budget areas, more respondents felt we should increase spending for education (74%) than for any other item, and younger respondents (18-49) were significantly more interested in increasing education funds (79%) compared to older (50+) respondents (67%).
- When asked from the same list of 8 items which 3 make up the biggest proportion of the current budget, Defense was selected most often (75%), followed by Social Security (53%), Medicare (45%), payment on national debt (33%), Education (27%), Medicaid (26%), Transportation (15%), and Agriculture (11%). Respondents with at least some college education selected Defense more often (83%) than respondents with lower education levels (66%).
- The majority of respondents (71%) said they are either very (37%) or somewhat (34%) concerned with the current budget deficit. Older respondents (50+) are more concerned (79%) than younger (18-49) respondents (66%). Female respondents are more concerned (75%) than male respondents (66%).
- When asked for each of 8 possible methods for decreasing the budget deficit, respondents most agreed that we should keep the estate tax on estates over 2 million dollars (69%) and raise income taxes for households earning over \$100,000 dollars (61%). Not surprisingly, the wealthiest respondents (household income of \$75K+) were less in favor of raising income taxes for high income households (50%), although just as many of these respondents (49%) were in favor of raising high income household taxes. Respondents also agreed strongly that we should NOT cut social security benefits (92%) nor cut Medicare and Medicaid spending (87%).
- While most responses, including the ones just cited, did not see any differences among older and younger respondents, younger respondents were more in favor of a national sales tax (43%) compared to older respondents (30%), while older respondents were more in favor of cutting farm subsidies (38%) than younger respondents (24%).

1. For each of the following budget items, please state whether you think the new budget should increase spending on this item from the previous budget, decrease spending on this item from the previous budget, or keep it the same.

a. Defense

	Increase spending	Decrease spending	Keep the same	Don't know	Refused
Total	35	24	37	4	*
18-49	35	26	36	2	*
50+	34	20	39	6	1

b. Social Security

	Increase spending	Decrease spending	Keep the same	Don't know	Refused
Total	60	6	32	2	*
18-49	62	7	30	1	*
50+	57	4	36	2	*

c. Medicare

	Increase spending	Decrease spending	Keep the same	Don't know	Refused
Total	61	6	30	2	*
18-49	64	7	27	2	*
50+	58	4	34	3	1

d. Medicaid

	Increase spending	Decrease spending	Keep the same	Don't know	Refused
Total	51	10	34	4	*
18-49	54	10	33	2	*
50+	47	9	36	8	*

e. Interest payment on national debt

	Increase spending	Decrease spending	Keep the same	Don't know	Refused
Total	29	26	38	6	1
18-49	26	29	40	5	*
50+	34	22	35	9	1

f. Transportation

	Increase spending	Decrease spending	Keep the same	Don't know	Refused
Total	33	17	46	4	*
18-49	33	18	46	1	*
50+	33	14	46	7	*

g. Education

	Increase spending	Decrease spending	Keep the same	Don't know	Refused
Total	74	6	18	1	*
18-49	79	6	14	1	*
50+	67	6	25	2	--

h. Agriculture

	Increase spending	Decrease spending	Keep the same	Don't know	Refused
Total	42	14	40	4	*
18-49	46	12	38	3	*
50+	35	17	42	6	*

2. From the eight items just discussed, which THREE do you think make up the biggest proportion of the current budget?

Total Mentions (total respondents)

	Total	18-49	50+
Defense	75	73	78
Social Security	53	53	53
Medicare	45	43	47
Medicaid	26	29	22
Payment on national debt and interest	33	32	36
Transportation	15	16	12
Education	27	31	22
Agriculture	11	12	10
Don't know	3	3	3
Refused	*	*	*

3. The federal deficit this year is 317 billion dollars. The total budget is 2.4 trillion dollars. How concerned are you about the current budget deficit?

	CONCERNED			NOT CONCERNED			Don't know	Refused
	NET	Very	Somewhat	NET	Only a little	Not at all		
Total	71	37	34	28	16	12	1	*
18-49	66	28	37	34	20	14	*	--
50+	79	51	28	19	9	10	1	*

4. I am going to read you a list of possible ways to reduce the federal deficit. For each, please state whether that is something you think the United States should or should not do.

a. Create a national sales tax

	Should do	Should not do	Don't know	Refused
Total	38	57	5	1
18-49	43	54	3	*
50+	30	60	9	1

b. Cut defense spending

	Should do	Should not do	Don't know	Refused
Total	41	57	2	*
18-49	43	56	1	*
50+	37	59	3	*

c. Cut Medicare and Medicaid spending

	Should do	Should not do	Don't know	Refused
Total	11	87	2	*
18-49	11	87	1	*
50+	11	86	2	*

d. Raise the Social Security tax

	Should do	Should not do	Don't know	Refused
Total	25	72	3	*
18-49	24	74	1	*
50+	25	70	5	*

e. Cut Social Security benefits

	Should do	Should not do	Don't know	Refused
Total	7	92	*	*
18-49	7	92	1	*
50+	7	92	*	*

f. Raise income taxes for households earning over \$100,000 dollars

	Should do	Should not do	Don't know	Refused
Total	61	37	2	*
18-49	60	39	1	*
50+	63	34	3	1

g. Keep the estate tax on estates over 2 million dollars

	Should do	Should not do	Don't know	Refused
Total	69	24	6	1
18-49	69	25	5	*
50+	68	24	8	1

h. Cut farm subsidies

	Should do	Should not do	Don't know	Refused
Total	30	64	6	*
18-49	24	71	5	*
50+	38	53	8	--