Los Angeles Times/Bloomberg

Bush Staff Should Testify Under Oath And Gonzales Should Resign

The Public is Pessimistic About The Economy, Predict Recession in 2007

mericans predict that the U.S. will face an economic recession, and after a year of increasing optimism about the economy, their outlook has taken a decided downward turn, according to the latest Los Angeles Times / Bloomberg poll. In addition, most want Attorney General Alberto Gonzalez to step down, and think Bush administration staffers should testify under oath before the House and Senate Judiciary Committee about their involvement in the dismissal of U.S. Attorneys last year.

The public is less one-sided when it comes to setting timelines for withdrawal of troops from Iraq. Although most do not see progress from President Bush's latest initiatives there, half the country sides with his assertion that setting a timeline for withdrawal of troops from Iraq will harm the forces already on the ground. They are split over whether he should sign or veto Congressional legislation that ties further funding of the war to timelines, and over whether Congress should give in and pass funding that has no conditions, or stand firm, if Bush vetoes the legislation as he has promised to do.

Disagreement on how best to tackle the issue of illegal immigration continues to split Congress along the aisles and pits President Bush against Congressional Republicans, but the public is unusually united. This survey found support across all divisions of politics and ideology for including the Bush-touted idea of a guest worker program along with tougher enforcement and punitive laws.

The Justice Department

The House and Senate Judiciary committee is investigating the circumstances of the firing of eight U.S. Attorneys in an attempt to discover if any inappropriate political considerations played a role. Recently released documents have indicated that Attorney General Alberto Gonzales attended meetings and saw recommendations on the subject of the firings, which seem to contradict the Attorney General's statements that he had not discussed the firings. A majority of the public – 53% - said that he should step down as a result. Fewer than three in 10 disagreed, and 18% weren't sure. Republicans were a lone voice of support for the embattled head of the Justice department – by 52% to 33%, members of his own party said Gonzales should not resign. Even conservatives were split 41% resign to 44% not resign. Among non-Republicans, sentiment ran strongly against the Attorney General– 68% of Democrats and 57% of independents said he should step down.

Respondents were asked if they sided with the Senate Judiciary committee who would like to have Bush administration staff members who talked to Gonzales about the firings testify under oath, or with the Bush administration who said it would allow staff members to talk to the committee in a less formal way. By more than three to one -74% to 20% - the public wants the staffers to testify under oath.

But the public sees that investigation and others in a cynical light. More than six out of 10 said that they believe the Democrats in Congress are undertaking that investigation and others such as the Valerie Plame leak,

unauthorized wiretapping of U. S. citizens, and substandard conditions at Walter Reed hospital, for political reasons. Just under three in ten said they believe that a real concern over ethics is the driving force.

Even Democrats are pretty sure – by 49% to 41% -- that politics is playing the main role in the investigations, along with 60% of independents and 79% of Republicans.

Iraq

Most do not believe that the most recent Bush administration initiatives in Iraq have been a stabilizing force so far. Just over one in five (22%) said that the situation in Iraq has grown better as a result of the plan which calls for sending more troops to Iraq, setting up funding for reconstruction and jobs programs, and increasing pressure on the Iraqi government. More than a third (36%) said the situation is worse now, and 37% said that nothing has changed in Iraq.

Congressional Democrats, who think that Bush is on the wrong track in Iraq, recently passed different House and Senate versions of funding legislation intended to impact the way the war is conducted. The compromise bill that results is likely to tie funding of the war to a phased withdrawal of U.S. troops. Bush has vowed to veto any bill that does so, claiming that any timeline for withdrawal hurts the men and women who are serving in Iraq right now.

His argument has found some support across the country – 50% said that setting a timeline will hurt the troops in Iraq. Just over four in 10 either say that a timeline will help (27%) or that it won't make any difference (15%) to those serving in Iraq. Those who buy Bush's argument that the troops will be harmed by such a move back his resolution to veto Congress's funding bill by a wide margin - 66% to 26%. However, those who think that setting a timeline for withdrawal of U.S. troops from Iraq does not hurt the men and women already serving there, want George W. Bush to *sign* the funding authorization by an even greater margin - 73% to 21%.

Overall, the public is split 48% who want Bush to sign the legislation to 43% who want him to veto it. If he vetoes the legislation, 43% said they think Congress should fund the war without any strings attached, while 45% want Congress to hold firm on mandating timelines, withholding funding until Bush is forced to sign.

Illegal Immigration

The issue of illegal immigration continues to heat up across the country. Colorado and Georgia have passed punitive laws in an attempt to combat an influx of illegal immigrants into their states, and other states such as Texas and Oklahoma are attempting to follow suit. This survey found that the public is worried about the effect that illegal immigrants can have on the nation's economy – by more than two to one, they said that people who are in the country illegally do more a harm than good.

President Bush has called for an approach to the problem of illegal immigration that includes tougher enforcement of existing laws and also creates a guest worker program that allows undocumented workers to work legally in the U.S. on temporary visas. Bush's guest worker program has the support of Democrats in Congress, but has been a more difficult sell to Republican lawmakers who tend to favor a solely tougher approach. However, Bush has the public on his side on this one. By 55% to 40%, there is support for including a guest worker program for undocumented workers, rather than focusing on enforcement and punishment alone.

Interestingly, the political divide in Congress on this issue is not reflected among the public overall - support for including a guest worker program varies little across political ideology. Fifty-eight percent of liberals, 59% of

moderates, and 52% of conservatives all agree that including a guest worker program is a good idea, along with 53% of Democrats, 58% of independents and 56% of Republicans. Race, however, does play a role. While 55% of white respondents want to include a program for immigrant workers, 51% of African Americans favor tougher enforcement alone.

When it comes to dealing with illegal immigration, do you favor an approach that focuses only on tougher enforcement of immigration laws, or an approach that includes both tougher enforcement of immigration laws and also creates a guest worker program that allows undocumented workers to work legally in the U.S. on temporary visas? ("don't know" category left out)

	All	Lib	Mod	Con	Dem	Ind	Rep	White	Black	Oth
Tougher enforcement only	40	35	37	44	40	37	41	41	51	26
Tougher enforcement										
+guest worker program	55	58	59	52	53	58	56	55	38	71

The Economy

Economic news has been mixed lately. A higher than expected number of jobs were added in March and unemployment figures at a five year low have been countered by higher gas prices and concern over a shakeout in the sub-prime lending market. Amid the confusion, public optimism has taken a decided hit, following a period of increasing economic optimism throughout 2006 that reached a high point in January of this year. The proportion of those who say that the economy is doing well has dropped eleven points since then to 57%, and the proportion of those who say it is doing badly has risen to 31%.

Generally speaking, do you think the nation's economy these days is doing very well, or fairly well, or fairly badly, or very badly? (categories shown combine the very/fairly categories, "don't know" left out)

	Now	1/07	12/06	9/06	8/06	6/06	1/06	1/05	3/04	4/03
Well	57	68	61	54	50	50	55	60	49	50
Badly	42	31	38	44	49	47	44	39	49	47

sources: Los Angeles Times/Bloomberg and L.A. Times Polls

There has been a particularly dramatic rise in pessimism among those living in the lowest income households – a 56% majority of those living in households with annual incomes of less than \$40,000 a year now say that the economy is doing badly, compared to more than six in 10 of that group who said it was doing well, just three months ago. Respondents in households making between \$40,000 and \$60,000 have gone from having a more than two-to-one conviction that the economy is doing well – 67% to 33% - to a much closer six point split - 53% to 47%.

Comparison of Economic Optimism by Household Income, April and January 2007

	ALL	L/40K	\$40-\$60K	\$60-100K	M/\$100K
	Now 1/07	Now 1/07	Now 1/07	Now 1/07	Now 1/07
Well	57 68	43 61	53 67	65 72	76 81
Badly	42 31	56 38	47 33	35 27	23 18

source: Los Angeles Times/Bloomberg Polls

Six out of 10, including 71% of those living in households making less than \$40,000 a year, say that it is very (16%) or somewhat (44%) likely that the country could face a recession in the coming year. A look back at previous surveys shows that the public has been on target about this before. In December 2000 a Times Poll survey taken just after the contentious presidential election found 64% predicting a recession at that time. Just

three months later, the NASDAQ Composite Index reached its peak and began the downward slide that signaled the end of the dot-com bubble and the beginning of a three year recession.

The public's perception of their own personal financial situation has shifted downward to (a still high) 64% who say they are feeling secure, compared to 35% who are not. This is a seven point drop from 71% last January.

Would you describe the state of your own personal finances these days as very secure, fairly shaky, or very shaky? (categories shown combine the very/fairly categories, "don't know" left out)

	Now	1/07	6/06	1/06	1/05	2/03	2/02	3/01	5/00
Secure	64	71	67	61	70	65	77	68	72
Shaky	35	28	31	38	29	34	22	30	27

sources: Los Angeles Times/Bloomberg and L.A. Times Polls

Those in lower income households feel the least secure, of course – more than half of those in households making \$40,000 or less said they feel at least somewhat unstable financially. And race plays a definite role – fewer than a third of African-Americans reported feeling either very or fairly secure financially, compared to seven in 10 whites. Similarly, only about four out of 10 black respondents say the economy is doing well, compared to six out of 10 whites, and more than seven in 10 African-Americans predict a recession in the coming months, compared to 58% of whites.

Own personal finances...

	<\$40K	\$40-\$60K	\$60-100K	>\$100K	Black	White
Very Secure	8	11	23	41	9	20
Fairly Secure	37	46	58	47	23	49
Fairly Shaky	28	33	15	11	34	20
Very Shaky	26	10	4	1	34	10

Job Approvals and Tax Cuts

The decline in overall public optimism has taken George W. Bush's economic approval rating down with it. In this survey, only 38% of respondents approved of the president's handling of the economy compared to the January poll in which 45% approved.

Do you approve or disapprove of the way George W. Bush is handling the economy?

	Now	1/07	12/06	9/06	8/06	6/06	1/06	1/05	3/04
Approve	38	45	48	43	38	39	37	49	43
Disapprove	57	49	48	51	59	54	59	46	53

sources: Los Angeles Times/Bloomberg and L.A. Times Polls

Bush's overall presidential job rating also continued to fall, hitting a low of 36% approval compared to 62% disapproval. The proportion of Americans who say they strongly disapprove of the job he is doing as president is approaching half -46%. Similarly, only a third of the public backs his handling of the Iraq war, compared to 65% who do not.

By comparison, barely more than a third approve of the job that Congress is doing, a figure little changed from last January. However, quite a few of the 20% who weren't sure about the new Congress at that time may have

come down on the side of disapproval - in the current survey only 8% weren't sure and the proportion who disapproved rose from 44% in January to 58% today.

The public is split over the effect of making Bush's tax cuts permanent—44% overall said that they sided with those who argue that making the tax cuts permanent will stimulate the economy and provide long term growth. A very similar proportion—41%—side with those who argue that they increase the budget deficit at a time when billions of dollars are being spent on the war in Iraq. A majority (51%) of those in households making over \$100,000 a year support making the cuts permanent, compared to fewer than four in 10 among those in households making less than \$40,000. Whites are more than twice as likely to support making the cuts permanent than are blacks—by 49% to 21% respectively.

Housing Market

While home prices have been flattening and in some parts of the country decreasing, homeowners remain optimistic about the value of their homes. Only 14% of homeowners, and 16% of the public overall, expect home prices in their own neighborhoods to decrease in the coming months. A 54% majority of homeowners expect the market to flatten out in their areas, while about three in 10 predict that house prices will continue to rise. Overall, 83% said that they expect home prices to remain the same or rise in the coming months in their areas. However, more than half (54%) of the public is concerned that the recent slowdown in new home sales nationwide will have a negative effect on the economy. Just over a quarter said it will have no effect, and another 11% said the effect of the slowdown will be positive.

Another area of concern in the housing market is that defaults on sub-prime mortgages are at a four-year high, causing some concern among economists that bargain basement prices on foreclosed homes could lower home prices overall, and could affect the prime mortgage market. Sub-prime mortgages are high-cost home loans sold to borrowers who cannot qualify due to low incomes or less than stellar credit ratings for less expensive loans, and the wave of defaults on these loans have driven some lenders out of business.

The survey found that the public blames lenders for this problem, more so than borrowers or government regulators. Nearly four in 10 blamed lenders, compared to 28% who pointed at borrowers, and 20% who said that regulators should have been monitoring the problem more closely. Some lenders have already paid the price - a spate of bankruptcies, sales, and closures has swept through their ranks in recent weeks.

Democratic presidential candidate Senator Hillary Clinton issued a statement following the bankruptcy announcement of New Century Financial, the nation's largest independent sub-prime mortgage lender, calling for tighter regulation on lenders, and greater disclosure for borrowers. She and others have called for the government to assist borrowers who are facing foreclosure in staying in their homes. The idea of government intervention to aid borrowers in danger of default has the support of half of the country, while 41% disagree.

Analysis by Jill Darling

Results from the Los Angeles Times/Bloomberg Poll

April 5-9, 2007

(Economy, national and political issues)

Guide to Column Headings

ALL All adults

REG Registered voters LIB Self-described liberals Self-described moderates MOD CON Self-described conservatives DEM Self-described Democrats Self-described Independents IND REP Self-described Republicans WHT Whites (non-Hispanic) BLK Blacks (non-Hispanic)

OTHR Other race/Ethnicities (including Hispanic)

(Economic questions 6-10 & 40-43)

ALL All adults MEN Males WOM Females

<40K</p>
Respondents with annual household income of *less* than \$40K
40-60K
Respondents with annual household income between \$40K to \$60K
Respondents with annual household income between \$60K to \$100K
>100K
Respondents with annual household income of *more* than \$100K

OWN Homeowners

WHT Whites (non-Hispanic)
BLK Blacks (non-Hispanic)

OTHR Other race/Ethnicities (including Hispanic)

Note:

- (vol.) indicates a volunteered response
- '-' indicates of less than 0.5%

Q1. Do you think things in this country are generally going in the right direction or are they seriously off on the wrong track?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	MOD	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	WHT	BLK	<u>OTHR</u>
Right direction	25	27	12	19	40	11	22	48	27	13	26
Wrong track	66	65	83	73	48	83	69	41	65	77	61
Don't know	9	8	5	8	12	6	9	11	8	10	13

Q2. Do you approve or disapprove of the way George W. Bush is handling his job as president? (IF APPROVE OR DISAPPROVE) Do you (approve/disapprove) strongly or do you (approve/disapprove) somewhat?

<u>.</u>	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	<u>MOD</u>	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	<u>BLK</u>	<u>OTHR</u>
Approve (net)	<u>36</u>	<u>37</u>	<u>11</u>	<u> 26</u>	<u>63</u>	<u>9</u>	<u> 26</u>	<u>81</u>	<u>41</u>	<u>8</u>	<u>29</u>
Approve strongly	17	18	3	8	34	4	6	45	20	4	11
Approve somewhat	19	19	8	17	28	5	20	36	21	4	17
Disapprove (net)	<u>62</u>	<u>61</u>	<u>87</u>	<u>70</u>	<u>36</u>	<u>90</u>	<u>70</u>	<u>17</u>	<u>57</u>	<u>88</u>	<u>68</u>
Disapprove somewhat	16	14	16	18	13	17	20	9	15	15	18
Disapprove strongly	46	47	71	52	24	73	50	8	42	73	50
Don't know	<u>2</u>	<u>2</u>	<u>2</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>4</u>	<u>3</u>

(ORDER OF NEXT TWO QUESTIONS IS ROTATED)

Q3. Do you approve or disapprove of the way George W. Bush is handling the economy? (IF APPROVE OR DISAPPROVE) Do you (approve/disapprove) strongly or do you (approve/disapprove) somewhat?

<u> 1</u>	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	MOD	<u>CON</u>	<u>DEM</u>	IND	<u>REP</u>	WHT	BLK	OTHR
Approve (net)	<u>38</u>	<u>40</u>	<u>11</u>	<u> 26</u>	<u>68</u>	<u>12</u>	<u>29</u>	<u>80</u>	<u>43</u>	<u>12</u>	<u>29</u>
Approve strongly	19	20	3	8	40	3	8	51	22	1	17
Approve somewhat	19	19	8	18	27	9	21	29	21	11	12
Disapprove (net)	<u>57</u>	<u>56</u>	<u>85</u>	<u>69</u>	<u>28</u>	<u>83</u>	<u>65</u>	<u>17</u>	<u>53</u>	<u>83</u>	<u>63</u>
Disapprove somewhat	19	19	28	23	11	24	23	11	20	24	16
Disapprove strongly	38	38	57	46	17	59	42	6	33	59	47
Don't know	<u>5</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>8</u>

Q4. Do you approve or disapprove of the way George W. Bush is handling the situation in Iraq? (IF APPROVE OR DISAPPROVE) Do you (approve/disapprove) strongly or do you (approve/disapprove) somewhat?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	<u>MOD</u>	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	BLK	<u>OTHR</u>
Approve (net)	<u>33</u>	<u>34</u>	<u>9</u>	<u>24</u>	<u>57</u>	<u>6</u>	<u>27</u>	<u>74</u>	<u>38</u>	<u>4</u>	<u>28</u>
Approve strongly	20	21	7	10	37	3	12	48	22	2	18
Approve somewhat	13	13	2	14	20	3	15	26	15	2	10
Disapprove (net)	<u>65</u>	<u>64</u>	<u>91</u>	<u>73</u>	<u>40</u>	<u>92</u>	<u>71</u>	<u>23</u>	<u>59</u>	<u>93</u>	<u>71</u>
Disapprove somewhat	t 13	12	13	15	12	13	13	12	14	10	12
Disapprove strongly	52	52	78	58	28	79	58	11	46	83	59
Don't know	<u>2</u>	<u>2</u>	_	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>1</u>

Q5. Do you approve or disapprove of the way Congress is handling its job? (IF APPROVE OR DISAPPROVE) Do you (approve/disapprove) strongly or do you (approve/disapprove) somewhat?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	<u>MOD</u>	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	BLK	<u>OTHR</u>
Approve (net)	<u>34</u>	<u>35</u>	<u>45</u>	<u>37</u>	<u>24</u>	<u>45</u>	<u>35</u>	<u>24</u>	<u>34</u>	<u>40</u>	<u>33</u>
Approve strongly	8	8	11	9	7	10	10	5	8	7	13
Approve somewhat	26	27	33	29	18	35	25	19	26	33	20
Disapprove (net)	<u>58</u>	<u>58</u>	<u>46</u>	<u>56</u>	<u>68</u>	<u>45</u>	<u>56</u>	<u>74</u>	<u>59</u>	<u>46</u>	<u>61</u>
Disapprove somewhat	26	25	28	25	25	24	24	30	27	22	20
Disapprove strongly	32	33	19	31	43	21	32	44	32	24	41
Don't know	<u>8</u>	<u>7</u>	<u>9</u>	<u>7</u>	<u>8</u>	<u>10</u>	<u>9</u>	<u>2</u>	<u>7</u>	<u>14</u>	<u>6</u>

ECONOMY

Q6. Generally speaking, do you think the nation's economy these days is doing very well, or fairly well, or fairly badly, or very badly?

	<u>ALL</u>	MEN	<u>WOM</u>	<40K	40-60K	60-100K	>\$100K	<u>OWN</u>	$\overline{\text{WHT}}$	<u>BLK</u>	<u>OTHR</u>
Well (net)	<u>57</u>	<u>67</u>	<u>49</u>	<u>43</u>	<u>53</u>	<u>65</u>	<u>76</u>	<u>62</u>	<u>60</u>	<u>41</u>	<u>54</u>
Very well	9	11	7	4	8	12	13	11	10	4	6
Fairly well	48	56	43	40	45	54	63	52	51	37	48
Badly (net)	<u>42</u>	<u>33</u>	<u>50</u>	<u>56</u>	<u>47</u>	<u>35</u>	<u>23</u>	<u>37</u>	<u>39</u>	<u>57</u>	<u>46</u>
Fairly badly	27	24	29	31	30	26	19	24	26	30	27
Very badly	15	9	20	24	16	8	4	13	12	26	19
Don't know	1	_	1	1	_	_	1	1	1	2	_

Q7. Would you describe the state of your own personal finances these days as very secure, fairly secure, fairly shaky or very shaky?

	<u>ALL</u>	MEN	WOM	<40K	40-60K	60-100K	>\$100K	<u>OWN</u>	WHT	BLK	<u>OTHR</u>
Secure (net)	<u>64</u>	<u>67</u>	<u>61</u>	<u>45</u>	<u>57</u>	<u>81</u>	<u>88</u>	<u>70</u>	<u>70</u>	<u>32</u>	<u>61</u>
Very secure	19	22	16	8	11	23	41	21	20	9	16
Fairly secure	45	46	45	37	46	58	47	49	49	23	45
Shaky (net)	<u>35</u>	<u>32</u>	<u>38</u>	<u>54</u>	<u>43</u>	<u>19</u>	<u>12</u>	<u>29</u>	<u> 29</u>	<u>68</u>	<u>39</u>
Fairly shaky	22	23	20	28	33	15	11	19	20	34	23
Very shaky	13	8	18	26	10	4	1	10	10	34	15
Don't know	1	1	1	1	_	_	_	1	1	_	_

(ORDER OF ARGUMENTS IS ROTATED)

Q8. As you may know, President Bush's tax cuts are scheduled to expire in 2010. Those who want to make the tax cuts permanent say they stimulate the economy and provide more long term growth. Those who oppose making the tax cuts permanent say they increase the budget deficit at a time when billions of dollars are being spent on the war in Iraq. Are you in favor of, or opposed to, making Bush's tax cuts permanent? (IF FAVOR/OPPOSE) Would you (favor/oppose) that strongly or only somewhat?

	<u>ALL</u>	MEN	WOM	<40K	40-60K	60-100K	>\$100K	<u>OWN</u>	WHT	BLK	<u>OTHR</u>
Favor (net)	<u>44</u>	<u>53</u>	<u>36</u>	<u>39</u>	<u>49</u>	<u>44</u>	<u>51</u>	<u>47</u>	<u>49</u>	<u>21</u>	<u>36</u>
Favor strongly	29	38	21	25	30	33	33	32	33	13	21
Favor somewhat	15	15	15	14	19	11	17	15	16	8	15
Oppose (net)	<u>41</u>	<u>39</u>	<u>43</u>	<u>40</u>	<u>41</u>	<u>44</u>	<u>40</u>	<u>39</u>	<u>38</u>	<u>60</u>	<u>44</u>
Oppose somewhat	16	17	15	11	18	21	17	15	15	17	15
Oppose strongly	25	22	28	29	23	23	23	24	22	43	29
Don't know	<u>15</u>	<u>8</u>	<u>21</u>	<u>21</u>	<u>10</u>	<u>12</u>	<u>9</u>	<u>14</u>	<u>13</u>	<u>19</u>	<u>20</u>

Q9. In your opinion, how likely is it that the nation could face an economic recession sometime in the next year? Would you say it is very likely, somewhat likely, not very likely or not likely at all?

	<u>ALL</u>	MEN	WOM	<40K	40-60K	60-100K	>\$100K	<u>OWN</u>	$\overline{\text{WHT}}$	BLK	OTHR
Likely (net)	<u>60</u>	<u>50</u>	<u>69</u>	<u>71</u>	<u>62</u>	<u>55</u>	<u>51</u>	<u>58</u>	<u>58</u>	<u>71</u>	<u>59</u>
Very likely	16	12	20	20	21	13	12	16	14	32	18
Somewhat likely	44	38	48	51	41	42	39	42	45	40	41
Not likely (net)	<u>37</u>	<u>47</u>	<u>28</u>	<u>25</u>	<u>35</u>	<u>42</u>	<u>48</u>	<u>39</u>	<u>39</u>	<u>24</u>	<u>37</u>
Not very likely	26	30	23	17	23	32	33	28	31	12	10
Not likely at all	11	17	6	8	12	10	15	11	8	11	27
Don't know	<u>3</u>	<u>3</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>1</u>	<u>3</u>	<u>3</u>	<u>5</u>	<u>4</u>

(ARGUMENTS ARE ROTATED)

Q10. As you may know the Federal Reserve has held interest rates steady since last July. Some economists say the Federal Reserve should cut interest rates to help the economy grow faster. Some economists say the Federal Reserve should raise interest rates to counter the threat of inflation. What do you think the Federal Reserve should do: Cut interest rates or raise interest rates, or hold the interest rate steady?

	<u>ALL</u>	MEN	WOM	<40K	40-60K	60-100K	>\$100K	<u>OWN</u>	WHT	BLK	OTHR
Cut interest rates	29	25	32	34	26	24	23	26	25	55	27
Raise interest rates	6	8	4	5	7	7	6	6	5	9	6
Hold rates steady	58	62	55	53	63	63	63	62	62	32	59
Don't know	7	5	9	8	4	6	8	6	8	4	8

HOUSING MARKET

Q40. Six months from now, do you expect housing values to increase in your neighborhood, or to decrease, or do you think housing values in your neighborhood will remain about the same?

	<u>ALL</u>	MEN	WOM	<40K	40-60K	60-100K	>\$100K	<u>OWN</u>	WHT	BLK	OTHR
Increase	32	35	29	29	30	36	35	31	29	36	39
Decrease	16	14	17	16	12	18	13	14	15	16	20
Remain about the same	51	51	51	52	57	46	52	54	54	45	41
Don't know	1	_	3	3	1	_	_	1	2	3	_

Q41. As you may know, there has been a slowdown in new home sales nationwide, to the lowest level in seven years. Do you think the decline in new home sales will have a positive or a negative effect on the nation's economy, or won't it affect the nation's economy one way or the other?

	<u>ALL</u>	<u>MEN</u>	$\underline{\text{WOM}}$	<40K	<u>40-60K</u>	<u>60-100K</u>	<u>>\$100K</u>	<u>OWN</u>	$\overline{\text{WHT}}$	$\underline{\text{BLK}}$	<u>OTHR</u>
No effect	27	28	26	33	16	28	27	27	26	20	40
Positive effect	11	12	10	12	15	8	7	10	9	19	13
Negative effect	54	55	54	48	64	57	63	55	58	51	35
Don't know	8	5	10	7	5	7	3	8	7	10	12

As you may know, a growing number of homeowners with sub-prime mortgages are finding it difficult to make payments and are going into default. These sub-prime mortgages, which usually have an adjustable interest rate, were typically sold to people with credit problems or other issues that barred them from getting lower -cost loans.

(ORDER OF BLAME STATEMENTS IS ROTATED)

Q42. Who or what do you think is mostly to blame for borrowers with sub-prime mortgages who are going into default? Is it: The sub-prime mortgage borrowers who should not have taken out loans they would have trouble paying if the interest rate went up, or The sub-prime mortgage lenders who approved mortgages to people who could not afford higher interest rates, or Government regulators who should have been monitoring the sub-prime mortgage market more closely?

	ALL	MEN	WOM	<40K	40-60K	60-100K	>\$100K	<u>OWN</u>	WHT	BLK	OTHR
Borrower	28	31	26	23	21	38	28	30	30	26	19
Lender	39	40	39	36	39	40	50	41	40	25	47
Government regulators	20	17	22	29	27	12	11	17	17	38	21
All (vol.)	9	10	8	7	12	8	7	9	9	5	9
Don't know	4	2	5	5	1	2	4	3	4	6	4

Q43. Do you think the government should or should not intervene to assist low income borrowers who are facing foreclosure?

	<u>ALL</u>	<u>MEN</u>	WOM	<40K	40-60K	60-100K	>\$100K	<u>OWN</u>	$\overline{\text{WHT}}$	<u>BLK</u>	OTHR
Should intervene	50	47	52	63	52	42	36	46	43	85	53
Should not intervene	41	47	36	26	41	50	58	44	47	12	35
Don't know	9	6	12	11	7	8	6	10	10	3	12

ATTORNEY GENERAL ALBERTO GONZALES

Q44. As you may know, Attorney General Alberto Gonzales first said that he did not discuss the firings of some U.S. Attorneys, but documents released showed that he had attended meetings and saw recommendations on the subject. Based on what you know about the matter, do you think Alberto Gonzales should resign his post as Attorney General, or not? (IF RESIGN/NOT) Do you feel strongly about that, or not?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	<u>MOD</u>	CON	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	BLK	<u>OTHR</u>
Resign (net)	<u>53</u>	<u>53</u>	<u>71</u>	<u>52</u>	<u>41</u>	<u>68</u>	<u>57</u>	<u>33</u>	<u>51</u>	<u>67</u>	<u>52</u>
Resign, strongly	39	39	50	41	31	52	40	24	38	46	40
Resign, not strongly	13	13	21	11	10	16	16	9	13	21	11
Not resign (net)	<u>29</u>	<u>30</u>	<u>16</u>	<u>25</u>	<u>44</u>	<u>17</u>	<u>22</u>	<u>52</u>	<u>32</u>	<u>14</u>	<u> 26</u>
Not resign, strongly	15	15	9	15	19	10	12	20	16	8	10
Not resign, not strong	gly 15	16	7	10	25	7	10	32	16	6	16
Don't know	<u>18</u>	<u>17</u>	<u>13</u>	<u>23</u>	<u>15</u>	<u>15</u>	<u>21</u>	<u>15</u>	<u>17</u>	<u>19</u>	<u>22</u>

Q45. As you may also know, Alberto Gonzales' chief of staff had conversations with several of George W. Bush's staff to discuss the firing of some U.S. Attorneys. The Senate Judiciary Committee wants these staff members to testify under oath. The Bush administration says the staff members could have a conversation with the committee, but not under oath. What do you think? Should the White House staff members testify under oath or not testify under oath?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	$\underline{\text{MOD}}$	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	<u>BLK</u>	<u>OTHR</u>
Testify under oath	74	74	91	84	53	91	77	49	72	85	77
Not testify under oath	20	21	5	11	40	6	16	43	22	10	16
Don't know	6	5	4	5	7	3	7	8	6	5	7

Q46. As you may also know, Democrats in Congress have launched investigations into other Bush administration actions including: the leak of the name of a CIA operative to the press; unauthorized wiretapping of U.S. citizens; substandard conditions at Walter Reed Army Medical Center; as well as the firing of U.S. Attorneys. In your opinion, is Congress investigating these issues out of concern over government ethics and oversights, or out of a desire to gain political advantage?

	<u>ALL</u>	<u>REG</u>	LIB	MOD	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	<u>WHT</u>	BLK	<u>OTHR</u>
Concern over ethics	28	28	45	28	17	41	28	14	28	35	22
Political advantage	63	63	41	62	77	49	60	79	64	56	63
Don't know	9	9	14	10	6	10	12	7	8	9	15

WAR IN IRAQ

Q47. As you may know, in addition to sending more troops, the recent Bush administration plan for Iraq includes funding for reconstruction and jobs programs, and increasing pressure on the Iraqi government to stabilize the country. In your opinion, has Bush's plan made the situation in Iraq better, or worse, or hasn't it changed the situation one way or the other? (IF BETTER/WORSE) Is the situation much (better/worse) as a result of Bush's plan, or somewhat (better/worse)?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	MOD	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	BLK	<u>OTHR</u>
Better (net)	<u>22</u>	<u>23</u>	<u>7</u>	<u>16</u>	<u>38</u>	<u>7</u>	<u>14</u>	<u>49</u>	<u>25</u>	<u>5</u>	<u>15</u>
Much better	6	6	2	3	12	3	1	17	7	3	3
Somewhat better	15	16	5	13	25	5	12	33	18	2	12
Worse (net)	<u>36</u>	<u>35</u>	<u>56</u>	<u>38</u>	<u>20</u>	<u>56</u>	<u>40</u>	<u>7</u>	<u>30</u>	<u>60</u>	<u>50</u>
Somewhat worse	12	11	18	13	7	17	13	4	11	18	13
Much worse	24	24	38	25	13	39	28	3	19	43	37
No change	<u>37</u>	<u>38</u>	<u>35</u>	<u>42</u>	<u>36</u>	<u>33</u>	<u>40</u>	<u>36</u>	<u>39</u>	<u>31</u>	<u>33</u>
Don't know	<u>5</u>	<u>4</u>	<u>2</u>	<u>4</u>	<u>7</u>	<u>4</u>	<u>6</u>	<u>7</u>	<u>6</u>	<u>4</u>	<u>2</u>

Q48. Generally speaking, do you think setting a timetable for withdrawal of U.S. troops from Iraq hurts or helps U.S. troops serving in Iraq right now, or doesn't it affect the troops one way or the other?

	$\underline{\text{ALL}}$	<u>REG</u>	<u>LIB</u>	<u>MOD</u>	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	<u>BLK</u>	<u>OTHR</u>
No effect	15	14	21	18	8	19	15	12	16	11	15
Hurts	50	51	33	44	67	36	47	69	49	50	54
Helps	27	28	41	27	20	36	29	15	28	31	22
Don't know	8	7	5	11	5	9	9	4	7	8	9

Q49. As you may know, Democrats in both houses of Congress passed legislation that ties further funding of the war in Iraq to targeted dates for withdrawal of combat troops from Iraq. Bush says he will veto any measure that sets such a timetable because he believes it would tie the hands of battlefield commanders and make defeat in Iraq more likely. Do you think that Bush should sign a funding authorization that includes a timetable for withdrawal, or should he veto that legislation?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	<u>MOD</u>	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	<u>BLK</u>	<u>OTHR</u>
Pass legislation	48	48	76	52	26	74	48	15	46	63	45
Veto it	43	44	17	39	67	18	39	80	47	26	39
Don't know	9	8	7	9	7	8	13	5	7	11	16

Q50. If George W. Bush vetoes the legislation, do you think Congress should pass another version of the bill that provides funding for the war without any conditions for troop withdrawal, or should Congress refuse to pass any funding bill until Bush agrees to accept conditions for withdrawal?

	<u>ALL</u>	REG	LIB	MOD	CON	<u>DEM</u>	IND	<u>REP</u>	WHT	BLK	OTHR
Fund the war without	t										
conditions	43	44	23	41	60	24	40	73	47	25	35
Withhold funding un	til										
Bush signs	45	45	64	51	28	66	43	21	43	58	45
Don't know	12	11	13	8	12	10	17	6	10	17	20

ILLEGAL IMMIGRATION

Q51. Generally speaking, do you think that illegal immigrants help or harm the nation's economy, or do you think they neither help nor harm the nation's economy? (IF HELP OR HARM) Do illegal immigrants (help/harm) the economy a lot or only a little?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	<u>MOD</u>	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	<u>BLK</u>	<u>OTHR</u>
Help (net)	<u>24</u>	<u>24</u>	<u>35</u>	<u>20</u>	<u>21</u>	<u>33</u>	<u>21</u>	<u>16</u>	<u>23</u>	<u>28</u>	<u> 26</u>
Help a lot	12	12	18	11	10	16	12	9	10	19	17
Help a little	12	12	17	9	11	17	9	7	13	9	10
Harm (net)	<u>54</u>	<u>54</u>	<u>40</u>	<u>57</u>	<u>60</u>	<u>44</u>	<u>55</u>	<u>66</u>	<u>56</u>	<u>53</u>	<u>44</u>
Harm a little	12	12	9	12	15	9	16	14	13	10	12
Harm a lot	42	43	31	45	45	34	39	52	44	43	31
Neither help nor harm	<u>17</u>	<u>16</u>	<u>19</u>	<u>20</u>	<u>13</u>	<u>18</u>	<u>21</u>	<u>12</u>	<u>16</u>	<u>16</u>	<u>23</u>
Don't know	<u>5</u>	<u>6</u>	<u>6</u>	<u>3</u>	<u>6</u>	<u>5</u>	<u>3</u>	<u>6</u>	<u>5</u>	<u>3</u>	<u>7</u>

(ORDER OF STATEMENTS IS ROTATED)

Q52. When it comes to dealing with illegal immigration, do you favor an approach that focuses only on tougher enforcement of immigration laws, or an approach that includes both tougher enforcement of immigration laws and also creates a guest worker program that allows undocumented workers to work legally in the U.S. on temporary visas?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	<u>MOD</u>	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	<u>BLK</u>	<u>OTHR</u>
Only tougher enforcement of laws Tougher enforcement and guest worker	40	39	35	37	44	40	37	41	41	51	26
program Don't know	55 5	56 5	58 7	59 4	52 4	53 7	58 5	56 3	55 4	38 11	71 3

Q53. Generally speaking, do you believe employers who knowingly hire illegal immigrants should or should not be punished for their actions?

	<u>ALL</u>	<u>REG</u>	<u>LIB</u>	MOD	<u>CON</u>	<u>DEM</u>	<u>IND</u>	<u>REP</u>	$\overline{\text{WHT}}$	BLK	OTHR
Should be punished	77	78	73	74	83	72	78	87	82	65	60
Should not be punished	18	17	21	22	14	23	19	11	14	28	34
Don't know	5	5	6	4	3	5	3	2	4	7	6

METHODOLOGY

The Los Angeles Times / Bloomberg Poll contacted 1,373 adults nationwide by telephone April 5 through 9, 2007. Telephone numbers were chosen randomly from a list of all exchanges in the nation, and random digit dialing techniques allowed listed and unlisted numbers to be contacted. Multiple attempts were made to contact each number. Areas with higher concentration of African American households were disproportionately contacted in a separate random national sample to allow a more accurate analysis of that subgroup. Adults in both samples were weighted slightly to conform with their respective census proportions by sex, ethnicity, age, education, and national region. The margin of sampling error for all adults is plus or minus 3 percentage points. For certain subgroups, the error margin may be somewhat higher. Poll results may also be affected by factors such as question wording and the order in which questions are presented.