

Epic • MRA survey for Crain's Detroit Business and Honigman Miller Schwartz and Cohn L.L.P.

The following survey deals with questions pertaining to the economy, state government and the outlook for businesses in the coming months.

01. Overall, how satisfied are you with the condition of the U.S. economy -- very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied?

1%	Very satisfied	27%	Somewhat dissatisfied
9%	Somewhat satisfied	62%	Very dissatisfied
1%	Undecided/Don't know/refused		
10%	TOTAL SATISFIED	89%	TOTAL DISSATISFIED

02. Do you think the U.S. economy is getting stronger, getting weaker, or staying about the same?

21%	Getting stronger	36%	Getting weaker
42%	Staying about the same	1%	Undecided/Don't know/Refused

03. How about here in the state, overall, how satisfied are you with the condition of Michigan's economy -- very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied?

1%	Very satisfied	16%	Somewhat dissatisfied
3%	Somewhat satisfied	80%	Very dissatisfied
__%	Undecided/Don't know/refused		
4%	TOTAL SATISFIED	96%	TOTAL DISSATISFIED

04. Do you think that Michigan's economy will improve in the second half of 2009, get worse, or remain about the same?

18%	Improve	34%	Remain about the same
47%	Get worse	1%	Undecided/Don't know/refused

05. How long do you think it will be before there will be improvement in Michigan's economy -- one year, two years, or three or more years?

21%	One year	39%	Three or more years
38%	Two years	2%	Undecided/Don't know/Refused

06. Thinking about your business for the rest of 2009, do you think that the outlook for your business will improve, get worse or remain about the same?

31%	Improve	50%	Remain about the same
17%	Get worse	2%	Undecided/Don't know/Refused

07. Do you think that your personal or family financial situation is getting better, getting worse, or staying about the same?

10%	Getting better	53%	Staying about the same
36%	Getting worse	1%	Undecided/Don't know/Refused

08. Generally speaking, do you favor or oppose the federal government taking action to intervene in the private financial sector by guaranteeing loans provided to for-profit corporations such as banks, insurance companies, investment firms and mortgage lenders?

12%	Strongly favor	47%	Strongly oppose
20%	Somewhat favor	16%	Somewhat oppose
5%	Undecided/Don't know/Refused		
32%	TOTAL FAVOR	63%	TOTAL OPPOSE

09. Generally speaking, do you favor or oppose the direct takeover of more seriously troubled, for-profit companies, including banks, insurance companies, investment firms and mortgage lenders?

8%	Strongly favor	57%	Strongly oppose
12%	Somewhat favor	19%	Somewhat oppose
4%	Undecided/Don't know/Refused		
20%	TOTAL FAVOR	76%	TOTAL OPPOSE

10. Specifically, Congress has enacted a financial assistance package of loans for banks and financial institutions of up to \$700 billion to prevent these companies from going out of business and to also enable them to provide loans to consumers and businesses. How effective do you think the financial assistance package for banks and financial institutions has been in loosening credit and causing an improvement in the financial markets? Would you say it has been very effective, somewhat effective, only a little effective or not really effective at all?

2%	Very effective	47%	Not really effective at all
17%	Somewhat effective	2%	Undecided/Don't know/Refused
32%	Only a little effective		
19%	TOTAL EFFECTIVE	79%	TOTAL LITTLE/NONE

11. Thinking about the condition of the major banks, insurance underwriters, investment houses and others in the financial sector of the economy, do you believe that, overall, the condition of the financial sector has become stable, or, do you think the condition of these institutions is still unstable?

3%	Very Stable	43%	Somewhat Unstable
20%	Somewhat Stable	29%	Very Unstable
4%	Neither yet (VOLUNTEERED)	1%	Undecided/Don't know/Refused
23%	TOTAL STABLE	72%	TOTAL UNSTABLE

12. Some financial experts say that the financial system may need as much as an additional \$2.5 trillion to be able to stabilize the financial system and restore enough confidence for the banking system to allow it to return to normal. If there was such a proposal in Congress to provide as much as \$2.5 trillion in additional financial support for banks and financial institutions, would you favor or oppose the proposal?

4%	Strongly favor	16%	Somewhat oppose
11%	Somewhat favor	63%	Strongly oppose
6%	Undecided/Don't know/Refused		
15%	TOTAL FAVOR	79%	TOTAL OPPOSE

13. Overall, based on what you know or have heard or read about the economic stimulus package, called the American Recovery and Reinvestment Act of 2009, which includes \$789 billion in government funded spending programs and tax cuts, do you favor or oppose the economic stimulus package that was enacted?

17%	Strongly favor	14%	Somewhat oppose
26%	Somewhat favor	34%	Strongly oppose
9%	Undecided/Don't know/Refused		
43%	TOTAL FAVOR	48%	TOTAL OPPOSE

14. What is the main reason why you FAVOR the economic stimulus package?

27%	Boost economy	22%	Needed to do something
10%	Job creation	8%	Avoid disaster
5%	Money for the people	5%	Spending – Consumer confidence
3%	Boost the middle class	3%	Increase lending
3%	Help business generally	3%	Agree with it

14. What is the main reason why you FAVOR the economic stimulus package? (continued)

2%	Help small businesses	2%	Give hope
2%	Undecided/Don't know	1%	Money to the states
1%	Infrastructure improvements	1%	Sustain families
1%	Help the real estate market	1%	Work for the Federal government

15. What is the main reason why you OPPOSE the economic stimulus package?

29%	Not helping – won't work	12%	No accountability
8%	Keep government out of the private sector	7%	All to big businesses
6%	Creates more debt	6%	Taxpayers shouldn't bail out private sector
6%	Too much money	5%	Disagree with it
5%	Long term tax increase	4%	Long term budget problems
3%	Moving to socialism	2%	Bigger government spending
1%	Burden on employers	1%	No jobs created
1%	It's social welfare	1%	Not enough auto aid
1%	Geared toward the states	1%	Politically biased
1%	Undecided/Don't know		

Putting aside whether you said you favor or oppose the economic stimulus package, I would like to now read a brief description of some of the broad component categories addressed by the plan. For each item I describe, please tell whether you think the stimulus funding aimed at that component will be Effective or Ineffective in helping the economy.

16. Transportation infrastructure investments, including money for improvements to roads, bridges, rail lines and other transportation facilities. Do you think this funding will be Effective or Ineffective in helping the economy?...

26%	Very effective	9%	Very ineffective
4%	Undecided/Don't know		
76%	Total effective	20%	Total ineffective

17. Utility and environmental infrastructure investments that include improving the electrical grid and wastewater treatment infrastructure and cleanup of hazardous waste and brownfields.

22%	Very effective	15%	Very ineffective
5%	Undecided/Don't know		
64%	Total effective	31%	Total ineffective

18. Relief for individuals and families, such as raising the floor of the alternative minimum tax, general tax credits and specialized tax credits and deductions for child care, home and car purchases and education.

19%	Very effective	19%	Very ineffective
5%	Undecided/Don't know		
58%	Total effective	37%	Total ineffective

19. Support for state governments for Medicaid, education and other programs.

14%	Very effective	22%	Very ineffective
5%	Undecided/Don't know		
52%	Total effective	43%	Total ineffective

20. Support for public education, such as funding for low-income schoolchildren, special education, Head Start, educational technology and funding aid to local school districts.

19%	Very effective	23%	Very ineffective
4%	Undecided/Don't know		
58%	Total effective	38%	Total ineffective

21. Relief for business, through renewable energy tax credits, bonus depreciation and loss carry-forwards to offset future profits.

19%	Very effective	20%	Very ineffective
7%	Undecided/Don't know		
55%	Total effective	38%	Total ineffective

22. Funding for health-care information technology investments.

18%	Very effective	17%	Very ineffective
5%	Undecided/Don't know		
51%	Total effective	34%	Total ineffective

23. Aid to the unemployed, including job training, subsidy of health insurance premiums and making some unemployment payments tax-free.

21%	Very effective	17%	Very ineffective
5%	Undecided/Don't know		
60%	Total effective	35%	Total ineffective

24. Overall, how effective do you think the economic stimulus package will be in causing the improvement in the economy? Will it be very effective, somewhat effective, only a little effective or not really effective at all?

9%	Very effective	31%	Somewhat effective
33%	Only a little effective	24%	Not really effective at all
3%	Undecided/Don't know/Refused		
40%	TOTAL EFFECTIVE	57%	TOTAL LITTLE/NONE

25A/B: What one or two specific parts of the economic stimulus package, if any, do you think will be MOST EFFECTIVE in helping to stimulate and improve the economy?

27%	Infrastructure	13%	Nothing
9%	Business relief	8%	Environment
8%	Unemployment benefit extension	7%	Family relief
6%	Education	3%	Health care
2%	State government assistance	2%	Housing assistance
2%	Bank/Credit bailout	1%	All of them
1%	Auto bailout	1%	Consumer confidence
11%	Undecided		

26A/B: What one or two specific parts of the economic stimulus package, if any, do you think will be LEAST EFFECTIVE in helping to stimulate and improve the economy?

11%	Environment	10%	Unemployment benefit extension
9%	Bank/Credit bailout	7%	Education
7%	State government assistance	6%	Health care
5%	None	4%	Family relief

26A/B: What one or two specific parts of the economic stimulus package, if any, do you think will be LEAST EFFECTIVE in helping to stimulate and improve the economy? (continued)

4%	All of them	4%	Infrastructure
4%	Special interests	3%	Auto bailout
2%	Business relief	2%	No oversight of funds
2%	Welfare	1%	Move to socialism
19%	Undecided		

27. Are there any actions or programs that were not part of the economic stimulus package which you feel should have been included?

23%	Yes	69%	No
8%	Undecided/Don't know/Refused		

28A/B: What one or two actions or programs should have been included in the economic stimulus package?

15%	Small business relief	10%	Temporary tax cut for all
6%	More accountability	6%	New business tax breaks
5%	Reworking mortgages	4%	Housing market
4%	Lending criteria	4%	More auto relief
4%	Reduce income taxes	3%	Cuts in government
3%	Education investment	3%	Foreign trade deficit
3%	Health care reform	3%	Job creation
2%	Alternative fuels investment	2%	Education vouchers
2%	Let banks do accounting	2%	Military/Defense funding
2%	New car incentives	2%	Non-profit relief
1%	Disagree with it all	1%	End education credit limit
1%	Enforce corrections	1%	Historic preservation
1%	Invest in communities	1%	Leave out private sector
1%	Manufacturing relief	1%	More transportation
1%	401k protection	1%	Conservative values
2%	Undecided		

29. Generally speaking, do you think that the economic stimulus package will help your business, hurt your business, or, would you say it probably won't have an impact on your business one way or the other?

5%	Help a lot	6%	Hurt some
22%	Help some	3%	Hurt a lot
62%	No impact	2%	Undecided/Don't know/Refused
27%	TOTAL HELP	9%	TOTAL HURT

On another topic...

30. Do you believe that state and local tax cuts and tax incentives are an effective or an ineffective public policy in stimulating the economy?

29%	Very effective	21%	Somewhat ineffective
28%	Somewhat effective	13%	Very ineffective
5%	Neither effective or ineffective	4%	Undecided/Don't know/Refused
57%	TOTAL EFFECTIVE	34%	TOTAL INEFFECTIVE

For any of the following specific businesses or industries, do you think that state and local tax cuts and tax incentives have been successful in attracting businesses to Michigan?

31. The film industry. Do you think tax cuts and incentives have been successful in attracting this business sector to Michigan?

78%	YES	12%	NO	10%	UND/DK
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32. Renewable energy companies

58%	YES	22%	NO	20%	UND/DK
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33. Biotechnology

55%	YES	19%	NO	26%	UND/DK
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34. Computer or software companies

34%	YES	43%	NO	23%	UND/DK
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35. Manufacturing

29%	YES	60%	NO	11%	UND/DK
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36. Battery technology companies

61%	YES	18%	NO	21%	UND/DK
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On another topic . . .

37. As part of his economic stimulus plan, President Obama has specifically proposed improvements in high-speed railroad systems in the United States, which would be funded by \$8 billion included in the stimulus package and another \$1 billion per year for five years. Included in his proposal would be a high speed rail system located in the Midwest which could connect Toledo, Detroit, Chicago, Milwaukee, Minneapolis-St. Paul, St. Louis, Kansas City, Cleveland, Cincinnati, Indianapolis, and Louisville. Would you favor or oppose such a proposal for a high speed rail system.

40%	Strongly favor	18%	Strongly oppose	63% TOTAL FAVOR
23%	Somewhat favor	8%	Undecided/Don't know/Refused	29% TOTAL OPPOSE
11%	Somewhat oppose			

[Click here to view the accompanying *Crain's Detroit Business* article
"Survey: Don't expect big results from stimulus
Transportation, utility infrastructure, job training have best chance at success"](#)
By Nancy Kaffer And Chad Halcom