



43% of Americans Say the Political Environment is the Biggest Threat to the U.S. Economy

One-third are saving more in response to economic threats

NEW YORK – November 28, 2018 – More than 4-in-10 Americans (43%) say the current political environment in Washington, D.C. is the biggest threat to the U.S. economy over the next six months. This is nearly 5 times more than the next highest threat, terrorism at 9%. For more information click here:

<https://www.bankrate.com/personal-finance/financial-security-november-2018/>

“With the U.S. economy seemingly on solid ground in the near-term, the turbulent political environment is generating an increasing sense of unease extending to personal finances. Resolution of the midterm elections doesn’t change that,” said Mark Hamrick, senior economic analyst at Bankrate.com.

The tendency to cite political concerns increases with age. While it was the runaway top choice among all age groups, it ranged from 32% among younger Millennials (ages 18-27) to 56% among those in the Silent Generation (ages 73 and older). Households with higher income, higher levels of education, and located in the western U.S. are also more likely to cite this concern.

To a lesser extent, Americans note rising interest rates (8%), a decline in the stock market (7%), political or economic instability overseas (7%), or something else (6%) as the biggest threat to the economy. Many Americans (14%) say they don’t know the biggest threat.

Overall, the threats to the economy are prompting one-third of Americans (33%) to save more money and 23% to spend less money. 8% said they’re investing less in the stock market while 3% are investing more in the stock market, as a result. One-in-three (33%) aren’t taking any action regarding their spending, saving, or stock market investing in response.

“It is good to see many Americans making savings a higher priority, but the reality is that still others would benefit by doing the same. This is a prime opportunity to work to save more money amid improvement in wages and above-trend U.S. growth. Low unemployment won’t last forever. We just don’t know how long. The time to make financial hay, to put more money in the bank, is while the sun is still shining, Hamrick added.”

Perhaps since many older Millennials (age 28-37) were coming of age during the great recession, 39% say they’re saving more money in response to threats to our economy, while 44% of older Baby Boomers (age 64-72) and 49% of the Silent Generation are not taking any action.

Interestingly, 7% of Americans see no immediate threat to the economy.

The study was conducted online in Ipsos' Omnibus using the web-enabled "KnowledgePanel," a probability-based panel designed to be representative of the US general population, not just the online population. The sample consists of 1,000 nationally representative interviews conducted between November 2-4, 2018 among adults aged 18+. The margin of error is +/-3 percentage points.

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