

Consumer confidence hits five-year high in Michigan

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(PhysOrg.com) -- Despite Michigan's continued economic malaise, residents' optimism about the future is at its highest in nearly five years, according to Michigan State University's latest State of the State Survey.

According to the summer 2010 survey, 54.8 percent of Michigianians believe they will be better off financially one year from now. That's up from 50.1 percent in the previous survey and the highest mark since fall 2004, when it was 60.1 percent.

Charles Ballard, director of the quarterly survey and professor of economics, said the optimism is likely due to a slight improvement in the state economy, but also because residents just seem ready to believe after years of tough times.

"It was a tough decade for Michigan," Ballard noted, "and in a sense it is really important psychologically for people to believe things will get better. And that can be a self-fulfilling prophesy. If you're convinced that all is lost, it's hard to get out of bed and do what you need to do."

According to the survey, President Barack Obama's approval rating in Michigan jumped 7 percentage points – to 43.9 percent from an all-time low of 36.9 percent in the previous survey.

Gov. Jennifer Granholm, who is term-limited, saw a more modest boost of 2.4 percentage points, although her 23.2 percent approval rating is still one of her lowest ever.

Creating jobs and restructuring Michigan's manufacturing-based economy is the major theme of the campaign to replace Granholm next year. Ballard said voters will pick a new governor Nov. 2 amid a backlash against the "party in power" – the Democrats – even though the recession cannot be pinned to any one party.

Michigan's unemployment rate has ticked down fairly steadily since December 2009, when it peaked at 14.5 percent. But the jobless rate was still 13 percent in September – second-highest in the nation to Nevada's 14.4 percent.

"The economy has actually begun to improve and you would think that would be good for the party in power, but it's still not where people would like it to be," Ballard said. "The psychology of this is sometimes hard to figure. We give politicians way too much credit when things are good and way too much blame when things are bad."

The survey, conducted by MSU's Institute of Public Policy and Social Research, is the only scientific survey that monitors the public mood on important issues facing [Michigan](#) and the state's major regions. The summer 2010 telephone survey of 979 residents has a margin of error of 3.2 percent.

Provided by Michigan State University

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