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*Special New York State Survey: The Financial Crisis*

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**For information/comment: Dr. Don Levy: 518-783-2901 or [dlevy@siena.edu](mailto:dlevy@siena.edu)**

**NY'ers on Economy: It's Bad and Getting Worse**

*Majority Worried about Jobs, Lifestyle Decay, Investment Loss and Postponed Retirement*

**Fear Grows over Unemployment, Global Depression, Bank Failures**

*Consumers Cutting Back; Hope Stimulus will Generate Recovery*

**Loudonville, NY** – A growing percentage of New York residents expect the current national financial crisis to have a serious effect on their household according to a new survey released today by the Siena College Research Institute (SRI). Eighty-one percent of New Yorkers, up from 64% last fall, anticipate a very (36%) or somewhat serious (45%) impact. Specifically, a majority (53%) believe either they or another member of their household could lose their job, fifty-eight percent do not think they will be able to maintain their current lifestyle, fifty-seven percent have lost a substantial amount of money from their retirement investments, and fifty-one percent of those not already retired now are afraid that economic conditions will force them to delay their retirement.

“New Yorkers don’t have to be economists to know how they feel. Today nearly eight in ten are concerned that we are headed into a global depression, over ninety percent expect unemployment to reach near record levels, and over seventy percent think it likely the government will take control of many large banks,” according to Dr. Don Levy, Director of SRI. “No matter what we asked about, the overall economy, jobs, bank failures or the stock market, consumers are more concerned today than they were last fall.”

Fifty-three percent of all New Yorkers, 58% of those not currently retired, and 60% of those earning less than \$50,000 per year believe that either their job or that of a household member may no longer be secure. As recently as October, 43% of all residents, and 54% of lower income New Yorkers were worried about job security. Currently, 58% of all state residents, up from 50% last October, think that the economic conditions could make it impossible to maintain their present style of living. Concern over being able to afford current lifestyle is greater among New York City residents at 63% than either Suburbanites (58%) or Upstaters (52%). Fifty-seven percent of New Yorkers, up from 51%, say they have lost a substantial amount of money from their retirement account over the past couple of months. Residents making over \$100,000 a year are hardest hit at 76%. And 51% of those not already retired now believe they will have to postpone their retirement because of this financial crisis as compared to October when 40% said that they would have to continue to work. Nearly two-thirds of residents over 55 years of age now believe they will need to postpone their retirement.

Greater percentages of New Yorkers now, as compared with last fall, think it likely that we are headed into a global depression, that unemployment will reach near record levels, and that there will be widespread bank failures. Fewer residents today think the stock market will regain its recent losses, or that the economy will soon recover than felt that way last October. And currently, 72% of residents think it at least somewhat likely that the federal government will take control of many large banks and, a majority, 57%, thinks it unlikely that American auto makers will soon return to profitability.

	Likely 3/09	Unlikely 3/09	Likely 10/08	Unlikely 10/08
Unemployment will reach near record levels	91%	8%	77%	21%
We are headed into a global economic depression	78%	20%	59%	38%
The federal gov't. will take control of many large banks	72%	23%	na	na
There will be widespread bank failures	68%	28%	56%	42%
Stock Market will regain its recent losses	53%	43%	72%	27%
The economy will soon recover	48%	50%	58%	41%
American auto makers will soon return to profitability	40%	57%	na	na

“Last fall, a majority of residents were more inclined to agree with the view that this crisis would pass rather than with those that said ‘these are the worst economic times since the Great Depression’. Today, New Yorkers, by 58% to 38% agree that these are the most difficult times since the ‘30’s as opposed to believing that this tsunami will soon recede,” according to Levy.

A majority of New Yorkers today continue to think it likely that the federal stimulus plan will soon bring the economy back to health. Today, 15% find that very likely, and 43% indicate somewhat likely. Last fall, 65% as compared with the current 58% thought it somewhat or very likely that the government rescue plan would soon begin to bring the economy back to health.

A majority of state residents say they really haven’t had to alter their lifestyle in response to the current economic situation. Fifty-five percent say that as of now their lifestyle remains unchanged but 44% disagree and indicate that the economy has led to changes. However, in response to specific questions, 89% of New Yorkers say they are watching their spending more carefully today than a year ago, 74% have cut back on the amount of money they spend on recreation and entertainment, 68% have decided to hold off on some major purchase and 81% are talking about money and finances more than they used to. Thirty-four percent of New Yorkers have saved more money in the last year than in previous years, but 64% have not.

“Although many state residents have already been hit hard by the economy, for many it looms as a frightening and undecipherable threat. New Yorkers are concerned, worried and for now, they are keeping their head down, going to work and hoarding as many acorns as they can,” according to Levy.

**The Special Financial Crisis Survey was conducted March 2 - 8, 2009 by random telephone calls to 1012 New York State residents over the age of 18. Data was weighted to be enhance representativeness. Results are reported with a margin of error of  $\pm$  3 points. For more information or comments, please call Dr. Don Levy, Director, Siena College Research Institute, at 518-783-2901 or [dlevy@siena.edu](mailto:dlevy@siena.edu). Survey cross-tabulations can be found at [www.siena.edu/sri/research](http://www.siena.edu/sri/research)**

