

First of Two Part Series on Obama's Budget and Petroleum Strategy,
Part 1 on Obama's Budget

**Obama's Budget and General Performance—Good Grade for
Race Relations, Failing Grades for Economic Management**

**Weekly CEO/Business Leader Poll By COMPAS in *Canadian Business*
For Publication Week of February 20th, 2012**



**COMPAS Inc.
Public Opinion and Customer Research
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1.0 Introduction

Compared to three years ago, the CEOs and business leaders in the COMPAS business panel continue to assign President Obama a good grade for race relations. But they give him a failing grade for managing the economy and especially for insufficient achievement in cutting reliance on overseas oil and cutting the deficit (table 2a). On balance they tend to blame the President for not controlling the deficit (table 2b).

With respect to provisions for increased spending, panelists tend to agree with the Obama advocacy of more spending on education and disagree with his commitment to more spending on foreign aid, for example to encourage democracy in the Arab world (table 2c).

With respect to cuts, panelists are most supportive of reductions at Homeland Security and least supportive of cuts to the Justice budget, which includes the FBI (table 2d).

These are the key findings from this past week's Internet survey of CEOs and business leaders on the COMPAS panel. The weekly business survey is undertaken for *Canadian Business* magazine.



2.0 Details in Tables

Table 2a: Now that you've had a chance to see President Obama in action for many months, would you please score his performance on a 100 point, report card-type scale in respect of dealing effectively with RANDOMIZE

	2012	2009
	MEAN	MEAN
Race relations at home	60	64
Healthcare policy	55	57
Encouraging natural gas production	52	N/A
Islamist radicalism abroad	50	54
The environment	49	50
Managing the economy	49	N/A
Reducing U.S. reliance on overseas oil imports	40	N/A
Managing the deficit	38	N/A



Table 2b: The U.S. deficit remains over a trillion dollars per year. Health and social security is almost two-thirds of all spending, and the White House is being criticized for not bringing it under control. How much do you agree with the criticism of the White House on a 7 point agreement scale where 1 means disagree strongly with the criticism and 7, agree strongly.

MEAN	7	6	5	4	3	2	1	DNK
4.5	17	19	19	12	17	8	8	0

Table 2c: The following departments received the biggest budgetary increases. On a 7 point agreement scale where 1 means disagree strongly and 7, agree strongly, how much do you agree with each of these increases? RANDOMIZE

	MEAN	7	6	5	4	3	2	1	DNK
Education, for example to encourage State Departments of Education to improve the standards of their worst performing schools	5.5	22	35	21	13	4	1	1	2
Veterans Affairs for new efforts such as helping homeless veterans	5.1	14	26	34	12	6	4	1	2
Foreign Aid, for example programs to encourage Arab countries to embrace democracy	3.3	2	6	20	17	19	21	15	1



Table 2d: The following departments received the biggest budgetary cuts. On a 7 point agreement scale where 1 means disagree strongly and 7, agree strongly, how much do you agree with each of these cuts.

	MEAN	7	6	5	4	3	2	1	DNK
Homeland Security	5.2	24	29	18	14	8	6	2	0
Defense	5.1	23	28	14	13	13	8	1	0
Justice, including the FBI	4.7	9	29	13	29	9	9	1	2

The following verbatim comments provide a nuanced sense of respondent opinion:

The U.S. seems to be a failed state. Hardly a good example for the rest of the world.

Don't blame Obama for the faults of a dysfunctional Congress.

It is very difficult to lay blame for the U.S. deficit on the White House, when Congress is dominated by the Republicans - dealing with the question in a proactive manner requires both political parties to make the commitment to deficit elimination.

Too many unemployed have left the job market. Too many are borrowing beyond their means. Too many are leveraged and exposed to ANY increase in fixed costs. Too many are aging, living longer and not needing to spend on fringe items. All this points to a slowdown of epic proportions for a long time to come.

Encourage self-reliance and let all factions settle between themselves.

The U.S. controls their currency, why do we not do anything in Canada?



3.0 Methodology

The COMPAS web-survey of CEOs and leaders of small, medium, and large corporations was conducted February 21 – 23, 2012. Respondents constitute an essentially hand-picked panel with a higher numerical representation of small and medium-sized firms.

Because of the small population of CEOs and business leaders from which the sample was drawn, the study can be considered more accurate than comparably sized general public studies. In studies of the general public, surveys of n=91 are deemed accurate to within approximate 10.3 percentage points 19 times out of 20. The principal and investigator on this study is Conrad Winn, Ph.D.

