

The Economist's poll of economists

Examining the candidates

Oct 2nd 2008

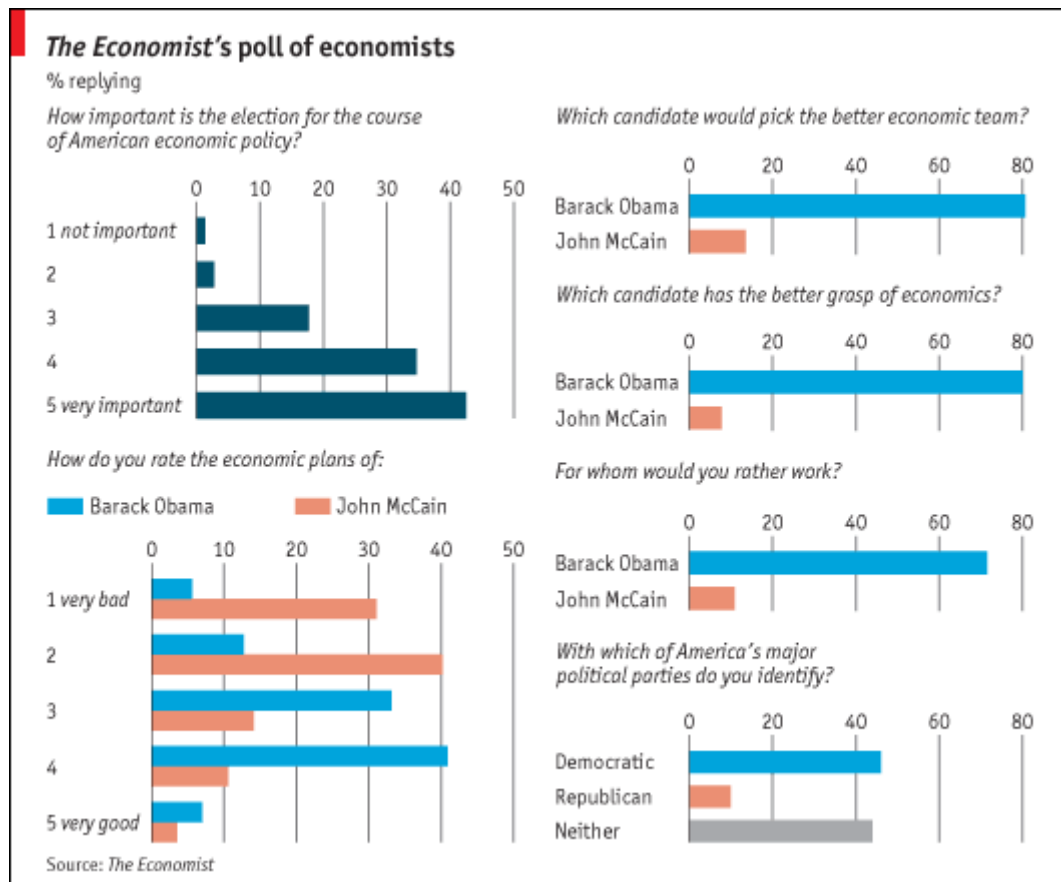
AS THE financial crisis pushes the economy back to the top of voters' concerns, Barack Obama is starting to open up a clear lead over John McCain in the opinion polls. But among those who study economics for a living, Mr Obama's lead is much more commanding. A survey of academic economists by *The Economist* finds the majority—at times by overwhelming margins—believe Mr Obama has the superior economic plan, a firmer grasp of economics and will appoint better economic advisers.

Our survey is not, by any means, a scientific poll of all economists. We e-mailed a questionnaire to 683 research associates, all we could track down, of the National Bureau of Economic Research, America's premier association of applied academic economists, though the NBER itself played no role in the survey. A total of 142 responded, of whom 46% identified themselves as Democrats, 10% as Republicans and 44% as neither. This skewed party breakdown may reflect academia's Democratic tilt, or possibly Democrats' greater propensity to respond. Still, even if we exclude respondents with a party identification, Mr Obama retains a strong edge—though the McCain campaign should be buoyed by the fact that 530 economists have signed a statement endorsing his plans.

Does their opinion matter? Economics is just one of the many things the next president will have to worry about; voters still seem to prefer Mr McCain on foreign policy. And even on the economy, economists may not have the same priorities as the population at large. Arguably, what a president says about economics on the campaign trail is less important than how he responds to the unexpected challenges that inevitably arise once he is in office.

Yet economists' opinions should count for something because irrespective of any party affiliation, most of them approach policy decisions with the same basic tool kit. Their assessment of the candidates' economic credentials and plans represents an informed judgment on how well they will handle difficult trade-offs between efficiency, equity, growth and consensus-building.

Regardless of party affiliation, our respondents generally agree the economy is in bad shape, that the election is important to the course of economic policy and that the housing and financial crisis is the most critical economic issue facing America.



The detailed responses are bad news for Mr McCain (the full data are available [here](#)). Eighty per cent of respondents and no fewer than 71% of those who do not cleave to either main party say Mr Obama has a better grasp of economics. Even among Republicans Mr Obama has the edge: 46% versus 23% say Mr Obama has the better grasp of the subject. "I take McCain's word on this one," comments James Harrigan at the University of Virginia, a reference to Mr McCain's infamous confession that he does not know as much about economics as he should. In fairness, Mr McCain's lower grade may in part reflect greater candour about his weaknesses. Mr Obama's more tightly managed image leaves fewer opportunities for such unvarnished introspection.

A candidate's economic expertise may matter rather less if he surrounds himself with clever advisers. Unfortunately for Mr McCain, 81% of all respondents reckon Mr Obama is more likely to do that; among unaffiliated respondents, 71% say so. That is despite praise across party lines for the excellent Doug Holtz-Eakin, Mr McCain's most prominent economic adviser and a former head of the Congressional Budget Office. "Although I have tended to vote Republican," one reply says, "the Democrats have a deep pool of talented, moderate economists."

There is an apparent contradiction between most economists' support for free trade, low taxes and less intervention in the market and the low marks many give to Mr McCain, who is generally more supportive of those things than Mr Obama. It probably reflects a perception that the Republican Party under George Bush has subverted many of those ideals for ideology and political gain. Indeed, the majority of respondents rate Mr Bush's economic record as very bad, and Republican respondents are only slightly less critical.

"John McCain has professed disdain for 'so-called economists', and for some the feeling has become mutual," says Erik Brynjolfsson, a professor at the Massachusetts Institute of

Technology Sloan School of Management. "Obama's team is mainstream and non-ideological but extremely talented."

On our one-to-five scale, economists on average give Mr Obama's economic programme a 3.3 and Mr McCain's a 2.2. Mr Obama, says Jonathan Parker, a non-aligned professor at Northwestern's Kellogg School of Management, "is a pragmatist not an ideologue. I expect Clintonian economic policies." If, that is, crushing federal debt does not derail his taxing and spending plans.

On his plans to fix the financial crisis, Mr Obama averages 3.1, a point higher than Mr McCain. Still, some said they didn't quite know what they were rating—reasonably enough, since neither candidate has produced clear plans of his own.

Where the candidates' positions are more clearly articulated, Mr Obama scores better on nearly every issue: promoting fiscal discipline, energy policy, reducing the number of people without health insurance, controlling health-care costs, reforming financial regulation and boosting long-run economic growth. Twice as many economists think Mr McCain's plan would be bad or very bad for long-run growth as Mr Obama's. Given how much focus Mr McCain has put on his plan's benefits for growth, this last is quite a repudiation.

Mr McCain gets his highest mark, an average of 3.5 and a clear advantage over Mr Obama, for his position on free trade and globalisation. If Mr Obama "would wake up on free trade", one respondent says, "I could get behind the plans much more." Perhaps surprisingly, the economists rated trade low in priority compared with the other issues listed. Only 53% say it is important or very important. Neither candidate scored at all well on dealing with the burgeoning cost of entitlements such as Medicare and Social Security.

The economists also prefer Mr Obama's tax plans. Republicans and respondents who do not identify with either political party see Mr McCain's tax policies as more efficient but less equitable. But the former prefer Mr McCain's plans—43% of Republicans say they are good or very good—and the latter Mr Obama's. Of non-affiliated respondents, 31% say Mr Obama's are good or very good.

Either way, according to the economists, it would be difficult to do much worse than George Bush. The respondents give Mr Bush a dismal average of 1.7 on our five-point scale for his economic management. Eighty-two per cent thought Mr Bush's record was bad or very bad; only 1% thought it was very good.

The Democrats were overwhelmingly negative, but nearly every respondent viewed Mr Bush's record unfavourably. Half of Republican respondents thought Mr Bush deserves only a 2. "The minimum rating of one severely overestimates the quality of Bush's economic policies," says one non-aligned economist.

THE ECONOMIST POLL OF ACADEMIC ECONOMISTS

This is the fourth presidential election in which *The Economist* has surveyed top academic economists on the economy, the candidates and their plans. Responses were received between September 18th and September 30th.

Respondents were anonymous unless they agreed to use of their names. To avoid any individual answering multiple surveys, only one questionnaire could be submitted from each IP address.

THE ECONOMIST - Poll of Academic Economists (Revised)

Please rate the state of the US economy. (1=very bad, 5=very good)

Answer Options	1	2	3	4	5	no opinion/don't know	Rating Average	Response Count
State of the US economy	21	77	38	6	0	0	2.204225	142
Comment (optional)								11
answered question								142
skipped question								0

THE ECONOMIST - Poll of Academic Economists (Revised)

Please grade the Bush economic record. (1=very bad, 5=very good)

Answer Options	1	2	3	4	5	No opinion/don't know	Rating Average	Response Count
Bush economic record	75	41	18	6	1	1	1.702128	142
Comment (optional)								9
answered question								142
skipped question								0

THE ECONOMIST - Poll of Academic Economists (Revised)

Please grade John McCain's economic plans. (1=very bad, 5=very good)

Answer Options	1	2	3	4	5	No opinion/don't know	Rating Average	Response Count
Mr McCain's economic plans	44	57	20	15	5	1	2.148936	142
Comment (optional)								11
answered question								142
skipped question								0

THE ECONOMIST - Poll of Academic Economists (Revised)

Please grade Barack Obama's economic plans. (1=very bad, 5=very good)

Answer Options	1	2	3	4	5	No opinion/don't know	Rating Average	Response Count
Mr Obama's economic plans	8	18	47	58	10	1	3.312057	142
Comment (optional)								15
answered question								142
skipped question								0

THE ECONOMIST - Poll of Academic Economists (Revised)							
Please rate the importance of the following issues (1=not important, 5=very important) and the quality of the candidates' plans to address them (1=very bad, 5=very good).							
Importance of Issue							
Answer Options	1	2	3	4	5	Don't know/don't know	Response Count
Addressing the housing and financial crisis	10	5	12	26	84	0	137
Boosting long-run economic growth	5	11	35	41	44	1	137
Promoting fiscal discipline	3	13	26	52	43	0	137
Narrowing income inequality	8	21	48	49	10	0	136
Dealing with entitlements	5	14	39	44	32	1	135
Reducing the number of people without health insurance	2	16	42	54	21	0	135
Controlling health-care costs	6	12	36	61	19	1	135
Energy policy	7	12	25	58	34	0	136
Free trade and globalisation	4	14	43	50	24	0	135
Reforming financial regulation	8	8	35	44	41	0	136

4.2
3.8
3.9
3.2
3.6
3.6
3.6
3.7
3.6
3.8

Mr McCain's plans							
Answer Options	1	2	3	4	5	Don't know/don't know	Response Count
Addressing the housing and financial crisis	37	43	22	7	1	18	128
Boosting long-run economic growth	27	37	35	19	5	5	128
Promoting fiscal discipline	59	33	22	8	6	0	128
Narrowing income inequality	82	25	8	7	1	4	127
Dealing with entitlements	37	35	34	9	2	8	125
Reducing the number of people without health insurance	61	34	19	7	2	2	125
Controlling health-care costs	45	34	24	11	4	8	126
Energy policy	50	40	20	13	3	1	127
Free trade and globalisation	10	7	35	51	16	6	125
Reforming financial regulation	43	29	30	4	2	19	127

2.0
2.5
2.0
1.5
2.2
1.8
2.1
2.0
3.5
2.0

Mr Obama's plans							
Answer Options	1	2	3	4	5	Don't know/don't know	Response Count
Addressing the housing and financial crisis	10	19	43	29	10	16	127
Boosting long-run economic growth	7	24	40	46	7	3	127
Promoting fiscal discipline	12	29	47	33	7	0	128
Narrowing income inequality	3	11	25	63	24	1	127
Dealing with entitlements	26	29	42	16	6	6	125
Reducing the number of people without health insurance	5	10	23	63	23	1	125
Controlling health-care costs	16	33	42	21	7	7	126
Energy policy	9	22	37	43	14	2	127
Free trade and globalisation	20	40	41	14	6	4	125
Reforming financial regulation	5	18	38	33	12	19	125

3.1
3.2
3.0
3.7
2.6
3.7
2.7
3.2
2.6
3.3

	Question Totals
Comment (optional)	16
answered question	137
skipped question	5

THE ECONOMIST - Poll of Academic Economists (Revised)							
One of the big differences between the candidates is on tax policy. Rate each candidate's tax plan overall and in terms of efficiency, equity and simplicity. (1=very bad, 5=very good)							
Efficiency							
Answer Options	1	2	3	4	5	nion/don	Response Count
Mr McCain's tax plan	16	29	42	29	5	9	130
Mr Obama's tax plan	13	34	52	18	5	8	130
							2.81818
							2.7377
Equity							
Answer Options	1	2	3	4	5	nion/don	Response Count
Mr McCain's tax plan	72	32	11	9	1	5	130
Mr Obama's tax plan	3	10	21	65	28	3	130
							1.68
							3.82677
Simplicity							
Answer Options	1	2	3	4	5	nion/don	Response Count
Mr McCain's tax plan	29	30	38	13	0	20	130
Mr Obama's tax plan	17	30	45	12	6	20	130
							2.31818
							2.63636
Overall							
Answer Options	1	2	3	4	5	nion/don	Response Count
Mr McCain's tax plan	42	47	22	17	2	3	133
Mr Obama's tax plan	6	23	48	39	13	2	131
							2.15385
							3.23256

	Question Totals
Comment (optional)	8
answered question	133
skipped question	9

THE ECONOMIST - Poll of Academic Economists (Revised)		
Which candidate would pick the better economic team?		
Answer Options	Response Percent	Response Count
John McCain	13.6%	19
Barack Obama	80.7%	113
No opinion/don't know	5.7%	8
Comment (optional)		14
<i>answered question</i>		140
<i>skipped question</i>		2

THE ECONOMIST - Poll of Academic Economists (Revised)		
Which candidate strikes you as having a better grasp of economics?		
Answer Options	Response Percent	Response Count
John McCain	7.8%	11
Barack Obama	80.1%	113
No opinion/don't know	12.1%	17
Comment (optional)		18
<i>answered question</i>		141
<i>skipped question</i>		1

THE ECONOMIST - Poll of Academic Economists (Revised)

How important is this election for the course of American economic policy? (1=not important, 5=very important)

Answer Options	1	2	3	4	5	no opinion/don't know	Rating Average	Response Count
Importance of this election	2	4	25	49	60	2	4.15	142
Comment (optional)								10
answered question								142
skipped question								0

THE ECONOMIST - Poll of Academic Economists (Revised)		
If you had a chance to work in a policy job in Washington, would you take it?		
Answer Options	Response Percent	Response Count
yes	55.3%	73
no	44.7%	59
<i>answered question</i>		132
<i>skipped question</i>		10

THE ECONOMIST - Poll of Academic Economists (Revised)		
For whom would you rather work?		
Answer Options	Response Percent	Response Count
John McCain	10.9%	15
Barack Obama	71.5%	98
No preference	17.5%	24
Comment (optional)		3
<i>answered question</i>		137
<i>skipped question</i>		5

THE ECONOMIST - Poll of Academic Economists (Revised)		
Do you identify with one of America's major political parties?		
Answer Options	Response Percent	Response Count
Democratic	46.1%	65
Republican	9.9%	14
Do not identify with one or the other	44.0%	62
Comment (optional)		8
<i>answered question</i>		141
<i>skipped question</i>		1

THE ECONOMIST - Poll of Academic Economists (Revised)		
Your responses to the questions above are strictly anonymous. If you		
Answer Options	Response Percent	Response Count
I have no comments for attribution	86.7%	104
The Economist may associate my name with these	13.3%	16
<i>answered question</i>		120
<i>skipped question</i>		22