
Huge Majority Believes Wall Street Bonuses Should be Returned

And That Wall Street Needs Tougher Regulation

ROCHESTER, N.Y. – February 26, 2009 – A new survey by *The Harris Poll*® of American attitudes to Wall Street finds a huge 83% majority of adults thinks that bonuses paid by financial institutions that lost money in 2008 should be returned and be paid to shareholders. An even larger majority, 87% believe that “recent events have shown that Wall Street should be subject to tougher regulation.”

Most people clearly do not understand the rationale for bonuses when a firm loses money. A 78% majority thinks “Wall Street firms should only pay bonuses when they are doing well and making good profits.” Only 22% accept the argument that “in order to attract and retain top talent, these companies need to pay these large bonuses.”

These are some of the findings of The Harris Poll of 1,010 adults surveyed by telephone by Harris Interactive between February 10 and 15, 2009.

Several of the questions in this Harris Poll have been asked eight times over the last 13 years; ***this year’s results are the worst ever for Wall Street***. For example:

- Those who think “most people on Wall Street **would be willing to break the law if they believed that they could make a lot of money and get away with it**” are up to **71%**. The highest number previously was 64% in 1996.
- Those who believe that “**most successful people on Wall Street deserve to make the kind of money they earn**” have fallen to **30%**, compared to 40% last year. The lowest number previously was 36% in 2002.
- Those who believe that “**in general people on Wall Street are as honest and moral as other people**” have fallen to 26% from 41% last year. The previous low was 35% in 2000, 2002 and 2003.

The poll does include a few rays of sunshine for Wall Street if not for the people who work there:

- A 54% to 39% majority believes that ***Wall Street benefits the country more than it harms it***. However, a year ago a much larger 73% to 23% majority believed this.
- A 62% to 32% majority believes that **Wall Street is absolutely essential because it provides the money business must have for investments**. This is also lower, but not very much lower than the 71% to 25% majority who felt this way a year ago.

So What?

Two conclusions can be drawn from these results:

1. Many people differentiate between **Wall Street**, or banks and financial services firms on the one hand and **Wall Streeters**, the people who work and manage banks, financial services firm on the other. They tend to see necessary and valuable institutions managed by dishonest and unethical people.
2. The new administration clearly has a popular mandate for new and stronger regulation and for taking a tough line on Wall Street bonuses.

TABLE 1
OVERALL IMPACT OF WALL STREET ON THE NATION
TRENDS 1996 TO 2006

“Overall, would you say that Wall Street and what it does, benefits the country a lot, benefits it somewhat, harms it somewhat or harms the country a lot?”

Base: All adults

	1996	1997	1998	1999	2000	2002	2003	2006	2009
	%	%	%	%	%	%	%	%	%
Benefits (Net)	70	80	73	72	69	66	68	73	54
Benefits country a lot	19	27	22	24	22	23	24	22	17
Benefits country somewhat	51	53	51	48	47	43	44	51	37
Harms (Net)	22	13	19	15	16	24	16	23	39
Harms country somewhat	16	10	16	11	13	17	11	17	25
Harms country a lot	6	3	3	3	3	7	5	6	14
Neither benefits nor harms (vol.)	1	2	2	3	2	3	2	1	2
Not sure/Refused	7	5	6	10	13	7	13	4	5

Note: Percentages may not add up exactly to 100% due to rounding.

TABLE 2

AGREEMENT/DISAGREEMENT WITH SEVEN STATEMENTS ABOUT WALL STREET – TRENDS

“Please say if you tend to agree or disagree with the following statements about Wall Street.”

Base: All adults

			Agree	Disagree	Not Sure/ Refused
Recent events have shown that Wall Street should be subject to tougher regulations	2009	%	87	10	3
Wall Street firms should only pay bonuses when they are doing well and making good profits	2009	%	78	20	2
Most people on Wall Street would be willing to break the law if they believed they could make a lot of money and get away with it	2009	%	71	27	2
	2006	%	63	35	3
	2003	%	54	34	11
	2002	%	61	34	5
	2000	%	60	33	6
	1999	%	60	34	7
	1998	%	56	41	2
	1997	%	56	40	4
Wall Street is absolutely essential because it provides the money business must have for investments	2009	%	62	32	5
	2006	%	71	25	4
	2003	%	62	24	13
	2002	%	66	26	8
	2000	%	72	21	8
	1999	%	69	23	7
	1998	%	73	24	3
	1997	%	69	27	4
In general what is good for Wall Street is good for the country	2009	%	37	59	3
	2006	%	37	60	3
	2003	%	39	47	13
	2002	%	40	55	6
	2000	%	41	52	8
	1999	%	42	51	6
	1998	%	43	53	4
	1997	%	39	57	4
Most successful people on Wall Street deserve to make the kind of money they earn	2009	%	30	66	4
	2006	%	40	56	4
	2003	%	37	51	12
	2002	%	36	58	6
	2000	%	42	50	8
	1999	%	45	46	9
	1998	%	48	47	4
	1997	%	51	44	4
In general people on Wall Street are as honest and moral as other people	2009	%	26	70	4
	2006	%	41	54	4
	2003	%	35	50	15
	2002	%	35	57	8
	2000	%	35	56	9
	1999	%	39	51	10
	1998	%	49	47	5
	1997	%	51	45	4
1996	%	43	52	5	

Note: Percentages may not add up exactly to 100% due to rounding.

TABLE 3

AGREEMENT/DISAGREEMENT ABOUT WALL STREET BONUSES

“Financial institutions in New York paid over 18 billion dollars in bonuses for 2008 when their shareholders lost large amounts of money. Knowing this, do you agree or disagree with the following statements?”

Base: All adults

		Agree	Disagree	Not Sure/ Refused
These bonuses should be returned and the money should instead be paid out to the shareholders	%	83	14	3
In order to attract and retain the top talent, these companies need to pay out these large bonuses	%	22	76	2

Methodology

The Harris Poll® was conducted by telephone within the United States between February 10 and 15, 2009 among a nationwide cross section of 1,010 adults (aged 18 and over). Figures for age, sex, race/ethnicity, education, region, number of adults in the household, size of place (urbanicity) and number of phone lines in the household were weighted where necessary to bring them into line with their actual proportions in the population.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words “margin of error” as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

These statements conform to the principles of disclosure of the National Council on Public Polls.

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Press Contact:

Harris Interactive
Corporate Communications
585-272-8400
press@harrisinteractive.net

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