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Throughout its history, the United States has had a complicated relationship with its corporate citizens. During the late 1800s, the term “robber barons” was in vogue. In the early 1900s, antitrust populism was the subject of much public debate and figured prominently in presidential elections. Nonetheless, the U.S. long ago made the transition from an agricultural economy to an industrial one in which mid- to large-sized companies employ two-thirds of the American workforce.

Given that reality, it should be a bit unnerving that the majority of Americans have little or no confidence in the corporations to which their lives are so fundamentally connected. Gallup has been polling Americans about their confidence in corporations for at least forty years. In 1973, just 26% of Americans had a great deal of confidence or a lot of confidence in corporations. Around 2000, the figure reached a high-water mark around 30%, but by 2014 had fallen back again to just 21%.

If we look more closely at the numbers, we find a bit of a saving grace. When you include the number of respondents who report having at least some confidence in corporations, the numbers look drastically different. In 2014, the portion of respondents expressing some confidence or a lot of confidence totaled 59%.
Recently, IEI collaborated with the National Conference on Citizenship to produce the **2015 North Carolina Civic Health Index**. We released the Index at the 2015 Emerging Issues Forum, **Innovation Reconstructed**, where we made the link between high levels of civic health and good economic outcomes, including those flowing from strong innovation ecosystems. (See sidebars for more on the Index and the Forum.)

The Civic Health Index draws on extensive survey data compiled in the U.S. Census Bureau’s Current Population Survey. Among the questions the Survey poses is one very similar to Gallup’s question about confidence in corporations. The results for North Carolina are very interesting. Across a range of demographic subgroups, there are distinct differences in how corporations are viewed.

**Confidence in Corporations: Demographics Matter**

Among North Carolinians earning more than $75k per year, 79% report **some confidence or a great deal of confidence** in corporations, compared to just 54% of those earning no more than $35k:

![Chart 4. Engagement by Annual Income](chart4.jpg)


Looking at educational attainment, we find a similar split of 24 percentage points in reported confidence in corporations between those with at least a Bachelor’s degree and those with a high school diploma:

![Chart 5. Engagement by Educational Attainment](chart5.jpg)

Geographically, those living in suburban areas report far more confidence in corporations (73%) as compared to those who live in urban or rural communities (roughly 58% for either):

![Chart 5. Engagement by Geography](chart)

The gap by race is not quite as large, but still significant: blacks report less confidence in corporations than do whites by 55% to 64%.

I suspect that these numbers reflect the greater level of integration into corporations and the wider global economy by those with higher education and income levels. Across North Carolina, these individuals tend to reside in suburban communities.

Although the 2015 North Carolina Civil Health Index uses a wide mix of indicators to estimate an overall level of civic engagement by North Carolinians, I purposefully chose the corporate confidence measure. As we have been thinking about how we will structure the economy of tomorrow, much has been said about community partnerships and the need for collaborations between industry and the citizenry. If the data tell us anything, it’s that we have to make significant inroads across a wide range of civic engagement indicators if we are to build a thriving economy that includes all of North Carolina.

The challenge will only get tougher if we don’t start now, given the demographic trends currently reshaping North Carolina. We’re projected to become a majority-minority state in just 25 to 30 years. Disproportionate numbers of North Carolina’s minority citizens are isolated by lower educational opportunity and earnings levels, and we know these demographic subgroups are least likely to be civically engaged.

IEI is responding. We are beginning to roll out a full program of post-Forum work which emphasizes new collaborations that widen the circle of engagement.
You’ll be hearing more from us about this new work very soon.

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