



# ECONOMICALLY ISOLATED AMERICANS

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## Abstract

One-quarter of Americans hold attitudes that indicate they have a growing frustration with both big government and big business. These Americans are finding it difficult to get ahead and placing blame on any and all plausible targets.

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## Executive Summary

The results of an online survey conducted among 1,508 members of the general public were used for an in-depth look at a group of economically isolated Americans. The key findings of this analysis are as follows:

- A majority of Americans (52%) believe that the focus of business should be on helping society. However, this statistic may be deceiving as many in this group have other, much less liberal attitudes about economics.
- One-quarter of Americans can be considered economically isolated meaning they are in the middle class and find it difficult to get ahead despite hard work. This group sees big business and big government both as the enemies and feels like neither group cares about them.
- Among the economically isolated, frustration with their financial situation drives the negative opinions of big business and big government. Deep down they are unlikely to be anti-capitalism but they have internalized messages from Democratic campaigns against business. In many cases, they think of “business” as one large group but their negative feelings are more tied to large corporations. The distinction of “small business” is an important one.
- It is possible to tap into the anti-big business sentiment without being economically liberal. Messages against crony capitalism will be especially effective with Independents and Republicans in the economically isolated group.

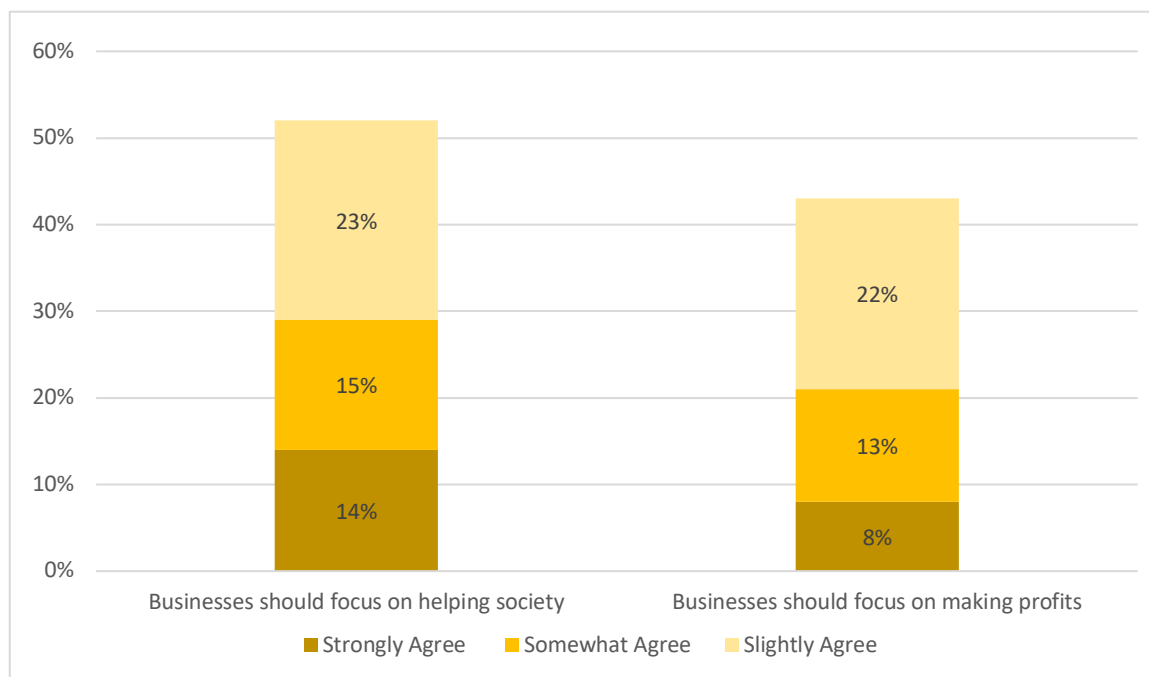
## Introduction

Major political parties and the media often attempt to simplify the average American's view on economic issues into broad and un-descriptive terms such as "conservative" and "liberal." However, the reality is much more complicated and the average American frequently holds contradicting views making it difficult to identify messages that will resonate. As the economy continues to be the most important issues to voters, it is critical that campaigns gain a deeper understanding of how Americans view economic policy and message accordingly.

## The Purpose of Business

A slight majority of Americans (52%) appear to have given up on capitalism agreeing with the statement that "businesses should focus on helping society" instead of profits which allow them to expand and create more jobs (See Figure 1). This lack of faith in America's traditional economic system comes after years of flat or even negative wage growth and increasing costs of living. This attitude is significantly higher among Self-Identified Democrats (64%), 2012 Obama Voters (64%), and Blacks (63%).

Figure 1



The Americans who seemingly reject the basic tenant of capitalism are more likely to identify as a Democrat over a Republican (34% compared to 12%) but largely consider themselves unaffiliated (45% Independent). They are more likely to be in household earning less than \$50,000 annually but otherwise look very much like the average American on age, education, region and perceived burden of government.

## The Economically Isolated

A look at other attitudes held by this seemingly anti-capitalist group of Americans suggests there is a large subset whose anti-business sentiments are symptomatic of a deeper feeling of alienation from both big business and big government.

Nearly half of this “anti-capitalist” group also agree with the statement “as we address our nation’s problems, we should think about what people can do to help themselves” instead of one suggesting we should look to see what government can do to help people. In total, the group that holds these outwardly contradictory statements represents 25% of the American population (See Figure 2).

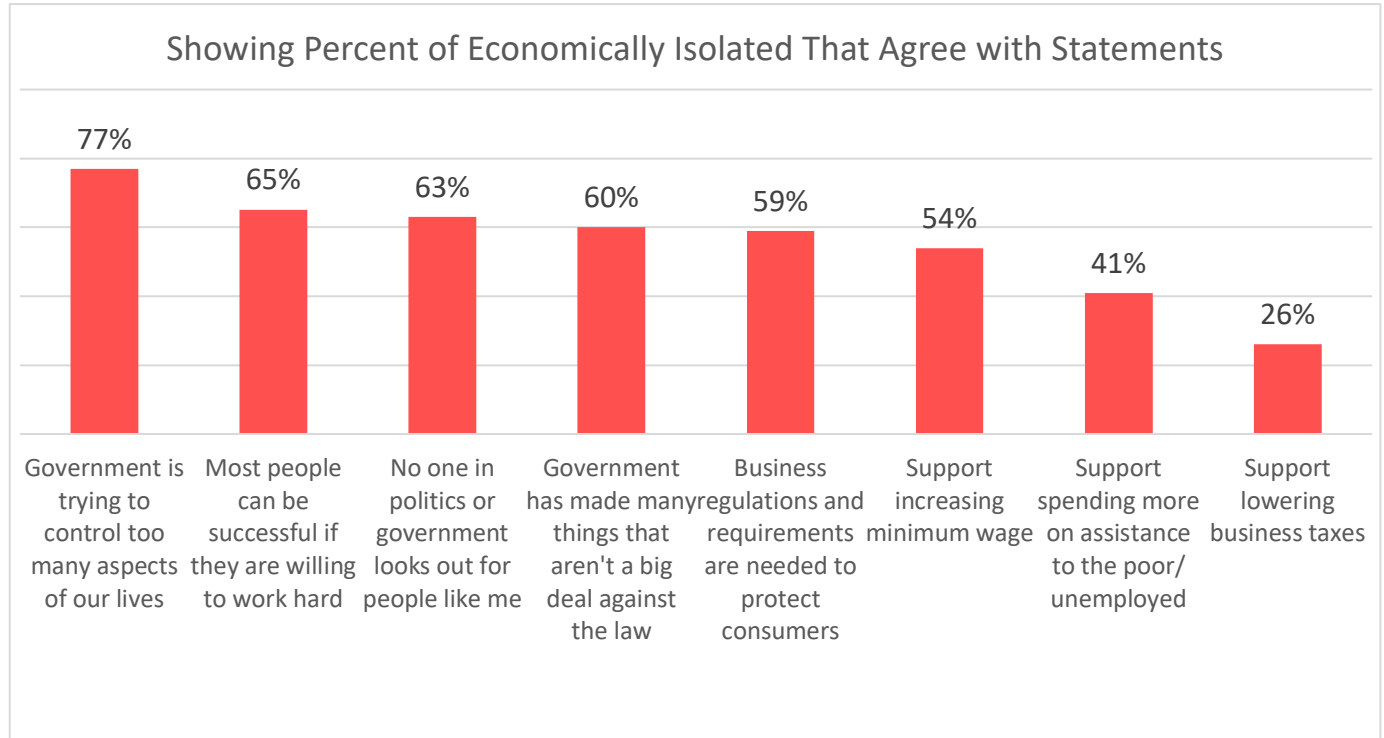
Figure 2

	<b>Agree: Businesses should focus on <u>helping society</u></b>	<b>Agree: Businesses should focus on <u>making profits</u></b>
<b>Agree: As we address our nation’s problems, we should think about what <u>government</u> can do to help the people</b>	27%	15%
<b>Agree: As we address our nation’s problems, we should think about what <u>people can</u> do to help themselves</b>	25%	27%

Note: Cells may not add up to 100% due to “not sure” responses

Further examination of this group reveals a consistent theme of economic isolation. Two-thirds say there is no one in government or politics looking out for people like them. Many in this group have attitudes that go against business (in addition to believing profit is not the focus of business) such a lack of support for lowering business taxes, support of a minimum wage increase and no real outrage at the difficulty of starting a business. However their anti-government attitudes rival, if not exceed their anti-business ones. Over three-quarters think there is too much government control of life and three in five think the government has outlawed too many harmless behaviors. These Americans are focused on their poor economic situation and largely feel alone in dealing with it. Despite believing the odds are stacked against them from both Washington and the corporate world, a majority still believe in the value of hard work (See Figure 3).

Figure 3



Based on this data, it's very possible these Americans do not intrinsically believe society should come before profits in business. Instead, this is a group of Americans frustrated by their stagnant or backward moving station in life. Right now, this group still believes in success through hard work, but that could change if they continue to see diminishing returns. The economically isolated are listening to, and believing, the blame being thrown by both sides of the debate.

This group is likely going to be moved more by experience than rhetoric. Right now they equally blame government and big business for their economic situation but that could quickly change if their individual situation improves, or declines, as a result of one or the other.

A sizeable minority (41%) believe the government should spend more on assistance to the poor or unemployed. This is likely directly related to their own economic situation and need and not necessarily reflective of a deeper belief in a welfare state. This is also the case with the defining statement this group believes in ("businesses should focus on helping society"); it is not an intrinsic anti-capitalism sentiment but rather a cry for help from people who increasingly see fewer and fewer options for themselves.

Demographically, economically isolated Americans are more likely to be female (57%), have completed some schooling past high school without earning a college degree (36%), and earn between \$25,000 and \$50,000 annually (29%). In other words, this group is most likely to represent the middle class in America with a slight skew toward women. Politically, half are Self-Identified Independents and one-quarter affiliate with Democrats.

## **Messages to Attract the Economically Isolated**

The key to making economically isolated Americans a base group for Republicans will be to push messages that show conservatives are as serious about reducing the favor big businesses and Wall Street receive as they are about reducing the size of government. Doing this while keeping a pro-small business and humble entrepreneur platform will be challenging but rewarding.

Strong positions against crony capitalism are likely to impress this group. Furthermore, a candidate who is able to clearly articulate how their plan for less government will lead to less favoritism of large corporations should be very successful in winning this constituency.

Messages on reducing the size of government are important for this group to hear. However, the focus should not be on benefits such as unemployment or poverty programs. Many economically isolated Americans have moderately favorable impressions of these programs, likely because of their current or previous need of a safety net. These Americans are not fully anti-government; they see a time and place for regulation, even on economic matters. However, they also see the excessive waste ingrained into the current system. Emphasize attacks on bloated bureaucracy and frivolous programs that have little impact on the lives of ordinary citizens.

## **Appendix**

### **Methodology**

An online, opt-in survey was conducted among 1,508 members of the general public in America between September 9 and 17, 2014. An active sampling method was used to ensure a nationally representative sample which was balanced on type of phone line, region, education, income and nested gender, age and race groups.