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THE POLLS—TRENDS
CONFIDENCE IN BANKS, FINANCIAL INSTITUTIONS, AND WALL STREET, 1971–2011

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Abstract Animosity toward banks, financial institutions, and Wall Street has been an important part of the public discourse since the bank bailouts of 2008. Indeed, Americans' confidence in all three institutions has plummeted accordingly in the years since. This article places these declines in confidence in historical perspective. I examine trends in confidence in commercial banks, local banks, savings and loan associations, Wall Street, and Wall Street executives over the past 40 years, as well as perceptions of the moral and ethical practices of bankers and stockbrokers. I pay particular attention to how confidence shifts in response to both economic contractions and major scandals. My findings suggest that while changes in the business cycle have an effect on public opinion in this domain, it is the economic contractions that correspond to major scandals in the financial sector that motivate the largest shifts in confidence and provoke the most public outrage.

Introduction

Beginning in 2007, Americans experienced two major fluctuations in the business cycle—the worst recession since the Great Depression and the bursting of the housing bubble—and a series of major public scandals involving the nation's large commercial banks and financial institutions (Glynn, Lunney, and Huge 2009; Lewis 2010). The result was a radically altered financial landscape. Lehman Brothers, AIG, Washington Mutual, and IndyMac collapsed; Bear Stearns was bought by JP Morgan; Wells Fargo purchased Wachovia; Bank of America purchased Merrill Lynch and (disastrously) Countrywide

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Financial; the government seized control of Fannie Mae and Freddie Mac; and the list goes on (Fligstein and Goldstein 2011).

In response to this panic in the markets, as well as the panic among government officials, Congress passed legislation aimed at stabilizing the financial crisis. The now infamous $700 billion Troubled Asset Relief Program (TARP), more commonly referred to as the "bank bailouts," was signed into law by President George W. Bush in October 2008. TARP resulted in a flurry of public outrage targeted at the financial institutions that received government bailouts and, arguably, helped fuel two populist political movements, namely Occupy Wall Street and the Tea Party. Perhaps not surprisingly, this populist moral outrage and anti-bailout rhetoric emerged as an important narrative in the mid-term elections of 2010. Indeed, just two months after TARP was signed into law, 73 percent of Americans in an NBC/Wall Street Journal Poll *disagreed* that the government should provide financial aid or loans to investment firms in financial trouble. For a point of comparison, 82 percent of Americans *agreed* that the government should provide loans to small businesses (data not shown). (For a related trend, see also table 1.)

Table 1. Support for the Bank Bailouts
''In 2008, the government made loans of roughly 700 billion dollars to try to keep financial institutions and markets secure. Do you think this was the right thing or the wrong thing for the government to do?''

	Pew/ ORC Mid-9/08[a] (%)	Pew/ PSRAI Late 9/08[a,b] (%)	Pew/ PSRAI 10/08[c] (%)	Pew/ ORC 11/08[c] (%)	Pew/ PSRAI 12/08[d] (%)	Pew/ PSRAI 3/09[e] (%)	Pew/ PSRAI 2/10 (%)
Right thing	57	45	47	40	47	48	40
Wrong thing	30	38	37	43	43	40	51
Don't know/refused (Vol.)	13	17	16	17	10	12	9
N	1,003	752	1,508	1,004	1,489	1,308	678

[a]In mid- and late September, the question was worded, ''As you may know, the government is potentially investing billions to try to keep financial institutions and markets secure. Do you think this is the right thing or the wrong thing for the government to be doing?''

[b]In late September 2008, an experiment testing the word ''committing'' instead of ''investing'' showed no difference in the results. Results for the two versions have been combined.

[c]October and November 2008 surveys did not include the phrase ''of dollars'' after ''billions.''

[d]In December 2008, the question was worded, ''As you may know, the government is investing billions of dollars to try to keep financial institutions and markets secure. Do you think this is the right thing or the wrong thing for the government to be doing?''

[e]Question read: ''In addition to the economic stimulus program Congress recently passed, the government is investing roughly 700 billion dollars to try to keep financial institutions and markets secure...''

As the economic devastation of the Great Recession continued, citizens, pundits, and politicians alike turned their ire toward the people running Wall Street. Their frustration with these so-called Wall Street "fat cats" (a term repopularized by President Barack Obama in an interview with the television show *60 Minutes*, which aired on December 13, 2009) was driven by news of hefty bonuses and paychecks on Wall Street, despite the continuing recessionary environment and high levels of unemployment. A February 2010 Pew poll found that 62 percent of Americans were angry about the large bonuses paid to executives in banks and financial institutions (another 24 percent were simply bothered). The ethical and moral practices of these financial elites quickly came under the microscope—perhaps best epitomized by U.S. Senator Carl Levin's public shaming of Goldman Sachs employee Fabrice "Fabulous Fab" Tourre in the April 2010 congressional hearings.

The events surrounding the Great Recession present an interesting opportunity to disentangle the effects of business cycles on confidence in banks and financial institutions from the effects of what Smith (1994) refers to as major social events. Both event-driven and cyclical models have been demonstrated to effectively explain shifts in public opinion, particularly shifts that are short-term and non-linear (Smith 1994). Event-driven models posit that major social events, such as political scandals (e.g., Watergate), which are widely known, result in demonstrable changes in public opinion (Lipset and Schneider 1983; Smith 1994). Cyclical models suggest that cyclical phenomena, such as election cycles and business cycles, result in modest but noticeable shifts in opinion (Kenworthy and Owens 2011).

The Great Recession is both a contraction in the business cycle and a period characterized by several major financial scandals. This article is not the forum for a complete discussion of these events. However, the bank bailouts, the collapse of the housing market, predatory lending scandals, the "robo-signing" scandal of 2010 (i.e., banks participating in the mass production of fraudulent mortgage documents), and the news that large quantities of toxic assets, often given triple-A ratings by the major rating agencies, were sold to public employee pension funds such as California's CalPERS, among others, certainly constitute a series of scandals involving the major financial institutions.

This article examines trends in confidence in banks, financial institutions, and Wall Street as well as public perceptions of the ethical and moral practices of the individuals running these institutions. I then place these trends in historical perspective, paying particular attention to how confidence shifts in response to both economic contractions and major scandals.

Confidence in Banks and Financial Institutions

The General Social Survey (GSS) has assessed Americans' confidence in banks and financial institutions since 1973 (see table 2), and the Harris Survey has

Table 2. Confidence in Banks and Financial Institutions

"I am going to name some institutions in this country. As far as the people running these institutions are concerned, would you say you have a great deal of confidence, only some confidence, or hardly any confidence at all in them? . . . Banks and financial institutions."

	Harris 8/71 (%)	GSS 2/73 (%)	GSS 2/75 (%)	GSS 2/76 (%)	GSS 2/77 (%)	GSS 2/78 (%)	GSS 2/80 (%)	GSS 2/82 (%)	GSS 2/83 (%)	GSS 2/84 (%)	GSS 2/86 (%)	GSS 2/87 (%)	GSS 2/88 (%)
A great deal	36	40	32	40	42	33	32	27	24	32	21	27	27
Only some	46	48	54	48	47	54	50	55	58	55	60	57	58
Hardly any	13	10	11	10	9	12	16	16	16	11	18	14	13
Don't know	5	2	3	2	2	1	3	2	2	2	2	2	2
N	1,600	1,504	1,490	1,499	1,530	1,532	1,468	1,506	1,561	982	1,470	1,466	987

	GSS 2/89 (%)	GSS 2/90 (%)	GSS 2/91 (%)	GSS 2/93 (%)	GSS 2/94 (%)	GSS 2/96 (%)	GSS 2/98 (%)	GSS 2/00 (%)	GSS 2/02 (%)	GSS 2/04 (%)	GSS 3/06 (%)	GSS 4/08 (%)	GSS 3/10 (%)
A great deal	19	18	12	15	18	25	26	29	22	29	30	19	11
Only some	59	58	52	57	61	56	56	54	58	57	56	60	47
Hardly any	19	22	34	26	20	17	16	14	18	13	13	20	42
Don't know	3	2	2	2	1	2	2	2	1	1	1	1	1
N	1,025	915	1,011	1,071	1,995	1,936	1,888	1,878	922	939	2,255	1,349	1,362

NOTE.—Personal interviews.

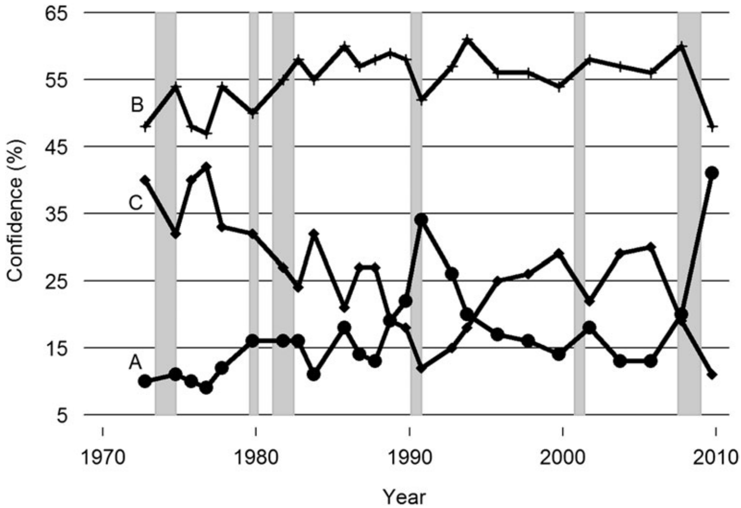

Figure 1. Confidence in Banks and Financial Institutions Across Recessions. GSS: "I am going to name some institutions in this country. As far as the people running these institutions are concerned, would you say you have a great deal of confidence, only some confidence, or hardly any confidence at all in them?... Banks and financial institutions."
A. "Hardly any" confidence in banks and financial institutions
B. "Only some" confidence in banks and financial institutions
C. "A great deal" of confidence in banks and financial institutions

done so since 1971. Figure 1 displays the GSS trend between 1973 and 2010. The shaded vertical bars represent recessions. Those periods, as determined by the National Bureau of Economic Research, are November 1973 to March 1975, January 1980 to July 1980, July 1981 to November 1982, July 1990 to March 1991, March 2001 to November 2001, and December 2007 to June 2009. Following the cyclical model of shifts in public opinion, we might expect that recessions, and their associated slowdowns in economic activity, would be correlated with low confidence in banks and financial institutions. Indeed, the percentage of Americans with "a great deal" of confidence typically decreases modestly during recessions (about 5 to 10 percentage points).

However, not all recessions are created equal. The two most dramatic shifts in confidence are associated with the savings and loan (S&L) crisis of the late 1980s and the financial panic of the Great Recession. Between 1988 and 1991, the percentage of Americans with "a great deal" of confidence fell 15 percentage points, while the portion of Americans with "hardly any" confidence rose 21 points. Between 2006 and 2010, the percentage of Americans with "hardly any" confidence increased from 13 percent to a historic high of 42 percent (an increase of

29 points in just 4 years). Correspondingly, the percentage of Americans with "a great deal" of confidence dropped by 19 percent during this period (the percentage of Americans with "only some" confidence fell by 8 points).

While the percentage of Americans who have "hardly any" or a "great deal" of confidence in banks and financial institutions has fluctuated quite dramatically at times, the percentage of respondents who have "only some" confidence has remained somewhat steady over the period, moving from a high of 61 to a low of 48 percent, but usually hovering in the 50- to 60-percent range. Ultimately, it seems that major scandals involving the banks, rather than economic contractions more generally (such as the bursting of the tech bubble in the early 2000s), drive changes in confidence.

Confidence in Banks *or* Financial Institutions

Although the GSS indicator of banks and financial institutions is informative, survey items about confidence in banks or confidence in financial institutions alone may not tap the same underlying construct if, for example, Americans have more positive or negative associations with banks as opposed to financial institutions. As an example, financial institutions may conjure up images of credit rating agencies (e.g., Standard and Poor's) and hedge funds (e.g., Long-Term Capital Management) in addition to large commercial banks (e.g., Bank of America). The next set of trends examines these two institutions separately.

One question asks Americans about their confidence in the financial industry from 2000 to 2011. The responses, depicted in table 3, demonstrate a steady, almost monotonic, decline in the percentage of Americans with "quite a bit" of confidence, from 25 percent in 2000 to just 6 percent in 2009. Conversely, the percentage of Americans with no confidence ("none at all") increased from 4 to 26 percent during this period. Confidence recovered somewhat between 2009 and 2011, with only 16 percent of Americans reporting no confidence in 2011 compared to 26 percent in 2009.

Table 4 displays the trend for Gallup's confidence in banks item from 1978 to 2010. Similar to the GSS trend, confidence in banks shifted most dramatically in response to the S&L crisis of the late 1980s and the financial panic of the late 2000s recession. The percentage of Americans with "quite a lot" of confidence in banks fell fairly sharply between 1987 and 1991 (from 36 to 20 percent) and between 2006 and 2010 (from 31 to 14 percent).

In the 2000s, Gallup began asking Americans whether they had a positive or negative view of the banking sector (table 5). The percentage of Americans with a "very positive" view of banking stayed fairly constant, hovering around 13 percent from 2001 to 2007. By 2008, that figure had dropped to 7 percent, where it remained through 2010. Negativity toward the banks continued to increase, even after the bank bailouts of late 2008. The percentage of Americans

Table 3. Confidence in the Financial Industry

"Now I'm going to list some institutions in American society, and I'd like you to tell me how much confidence you have in each one—a great deal, quite a bit, some, very little, or none at all. . . . The financial industry."

	NBC/WSJ 12/00 (%)	NBC/WSJ 1/02 (%)	NBC/WSJ 7/02 (%)	NBC/WSJ 7/07 (%)	NBC/WSJ Registered Voters 9/08[a] (%)	CBS Late 9/08 (%)	NBC/WSJ 1/09 (%)	CNBC 12/09 (%)	NBC/WSJ 8/10 (%)	NBC/WSJ 1/11 (%)
A great deal	11	10	5	5	5	4	4	2	4	4
Quite a bit	25	18	10	11	5	9	6	8	6	5
Some	45	50	49	48	33	40	28	29	33	39
Very little	13	16	27	21	37	44	34	31	33	35
None at all	4	3	8	9	18	2	26	26	20	16
Not sure	2	3	1	6	2	1	2	4	4	1
N	500	500	1,014	NA[b]	579	1,257	504	404	500	500

NOTE.—Sample sizes are approximate.

[a]Response categories differ slightly in this poll. "None" was volunteered only, and "Don't Know/No Answer" was substituted for "Not Sure."

[b]Sample size not available.

Table 4. Confidence in Banks

"How much confidence do you, yourself, have in these American institutions? Would you say a great deal, quite a lot, some, or very little? . . . Banks and banking."

	Gallup 4/78[a] (%)	Gallup 4/79 (%)	Gallup 10/80 (%)	Gallup 7/81 (%)	Gallup 8/83 (%)	Gallup/NW 10/84 (%)	Gallup 5/85 (%)	Gallup 7/86 (%)	Gallup 7/87 (%)	Gallup 9/88 (%)	Gallup 8/90 (%)	Gallup 2/91 (%)	Gallup 3/93 (%)	Gallup/CNN 3/94 (%)	Gallup/CNN 4/95 (%)	Gallup/CNN 5/96 (%)
Great deal	20	21	25	21	19	20	15	13	15	16	13	12	14	12	18	16
Quite a lot	35	39	36	30	32	31	36	36	36	33	23	20	24	23	25	28
Some	31	29	26	32	34	33	36	37	38	38	40	46	42	46	42	41
Very little	9	9	9	15	12	14	11	12	10	11	21	19	19	17	12	13
None (vol.)	3	1	2	–	1	–	1	1	1	1	2	2	1	–	1	2
Don't know/ No opinion	2	2	3	2	2	2	2	2	1	1	1	–	–	2	2	1
N	1,523	1,509	1,593	1,545	1,497	750	1,528	1,539	1,607	1,030	1,241	1,012	1,003	1,036	1,008	1,019

	Gallup/CNN 7/97 (%)	Gallup/CNN 6/98 (%)	Gallup/CNN 6/99 (%)	Gallup 6/00 (%)	Gallup/CNN 6/01 (%)	Gallup/CNN 6/02 (%)	Gallup/CNN 6/03 (%)	Gallup 5/04 (%)	Gallup 5/05 (%)	Gallup 6/06 (%)	Gallup 6/07 (%)	Gallup 6/08 (%)	Gallup 6/09 (%)	Gallup 7/10 (%)
Great deal	17	17	16	14	17	17	19	17	22	18	15	11	8	9
Quite a lot	24	24	27	32	27	30	31	36	27	31	26	21	14	14
Some	43	43	40	41	41	39	38	36	39	39	44	45	49	45
Very little	15	14	15	11	13	12	11	10	11	10	13	21	26	28
None (vol.)	1	1	1	1	1	1	1	–	1	–	1	1	3	2
Don't know/ No opinion	1	2	1	1	1	1	–	1	–	1	1	1	1	1
N	1,004	1,003	1,016	1,021	1,011	1,020	1,029	1,002	1,004	1,002	1,007	822	1,011	1,020

[a]Personal interviews through 1983. Telephone interviews after.

Table 5. Positive or Negative Views of the Banking Industry
GALLUP: ''On another subject, for each of the following business sectors in the United States, please say whether your overall view of it is very positive, somewhat positive, neutral, somewhat negative, or very negative. How about . . . Banking?''

	8/01 (%)	8/02 (%)	8/03 (%)	8/04 (%)	8/05 (%)	8/06 (%)	8/07 (%)	8/08 (%)	8/09 (%)	8/10 (%)
Very positive	12	12	13	15	12	15	13	7	7	7
Somewhat positive	35	34	39	31	34	41	37	29	21	19
Neutral	31	29	26	34	31	25	30	25	20	20
Somewhat negative	13	17	15	14	18	14	16	26	30	33
Very negative	7	7	5	3	4	3	2	11	21	21
No opinion	2	1	2	3	1	2	2	2	1	1
N	1,013	518	469	518	497	486	516	510	492	508

with a "somewhat negative" view of banking rose from 26 in 2008 to 33 percent by 2010. The percentage of Americans with a "very negative" view of banking similarly increased from 11 percent in 2008 to a high of 21 percent in 2009, where it has remained.

Savings and Loans

The S&L crisis of the 1980s and 1990s is widely considered to be a partial cause of the 1990–1991 recession. Table 6 shows responses to a question from several sources that gauges whether Americans have more or less confidence (compared to previous years) in "the financial condition of large American banks" during the S&L crisis. Before the 1990 recession, 23 percent of Americans had "much less" confidence. After the recession, the portion increased to 28 percent.

Another item asks Americans about their confidence in "Savings and Loans." Table 7 depicts responses to this item. Between 1985 and 1991, the percentage of Americans with either "a great deal" or "a lot" of confidence in S&Ls decreased from 36 (28+8) to 12 (7+5) percent, a 24-point drop. The percentage of Americans with "very little" confidence increased from 19 to 54 percent during this period.

National versus Local Banks

On the whole, Americans have more confidence in their local banks (or the bank they personally deal with) than commercial banks. Tables 8–10 display the trends for polls that include questions about local banks, as compared to commercial banks. The percentage of Americans with more confidence in local banks than commercial banks was a little over 50 percent in the early 1990s, while the corresponding percentage for Americans with more

Table 6. Confidence in Large American Banks and Their Depositors
''We are interested in whether you feel more confidence or less confidence in our financial institutions. Compared to a few years ago, do you now have much more confidence, somewhat more confidence, somewhat less confidence, or much less confidence in the financial condition of large American banks and the safety afforded to their depositors?''

	Times Mirror/ Gallup[a] 1/89 (%)	Times Mirror/ PSRAI[a] 5/90 (%)	Money Magazine/ ABC Late 5/90 (%)	Gallup 6/90 (%)	US News/ PSRAI 10/92 (%)
Much more	4	4	7	5	4
Somewhat more	19	20	21	16	16
Somewhat less	40	38	38	37	40
Much less	23	25	23	24	28
Same (vol.)	11	9	4	11	4
Don't know	3	4	7	7	8
Refused	–	–	–	1	–
N	2,048	3,004	500	1,233	1,200

[a]Personal interviews.

Table 7. Savings and Loans
''I am going to read you a list of institutions in American society. Please tell me how much confidence you, yourself, have in each one—a great deal, quite a lot, some, or very little. Do you have a great deal, quite a lot, some, or very little confidence in . . . Savings and Loans?''

	Gallup 5/85[a] (%)	ABC News/ Wash. Post 9/90[b] (%)	Wash. Post/ ICR 3/91 (%)	LA Times 4/91 (%)	ABC News/ Wash. Post 10/91[b] (%)
Great deal	8	6	9	5	5
A lot	28	6	7	11	7
Some	41	31	32	31	32
Very little	19	56	47	51	54
Not sure	2		4	2	
Don't know/ Refused	3	1	1	0	2
N	1,528	1,011	1,006	1,761	1,009

[a]Personal interviews. Question wording slightly different: ''I am going to read a list of institutions in American society. Would you tell me how much confidence you, yourself, have in each one—a great deal, quite a lot, some, or very little? . . . Savings & loan and savings banks.''
[b]Response category ''don't know'' slightly different, ''Don't know/No opinion.''

Table 8. Confidence in National versus Local Banks
TIME/CNN/Yankelovich: "Do you have more confidence in local banks or more confidence in larger regional and national banks?"

	1/91 (%)	9/94 (%)
Local banks	52	54
Larger regional and national banks	36	33
Same/No difference (vol.)	3	4
Neither (vol.)	4	3
Not sure	5	6
N	1,000	600

Table 9. Confidence in Commercial Banks
LA Times: "Now I'd like to ask you about your level of confidence in some of the nation's financial institutions. Do you have a great deal, quite a lot, some, or very little confidence in . . . the nation's commercial banks?"

	4/91 (%)	11/91 (%)	10/92 (%)
Great deal	10	5	8
Quite a lot	26	14	16
Some	47	39	40
Very little	14	36	28
Not sure	3	6	8
N	1,761	1,709	1,829

Table 10. Confidence in Local Banks
"Do you have a great deal, quite a lot, some, or very little confidence in the bank or banks you yourself deal with?"

	LA Times 4/91 (%)	LA Times 10/92 (%)	Gallup[a] 4/09 (%)	Gallup[a] 3/10 (%)
Great deal	37	29	25	31
Quite a lot	34	32	33	27
Some	22	26	29	31
Very little	5	9	11	10
Don't deal with bank (vol.)	2	3	–	–
Not sure	–	1	–	–
N	1,761	1,829	924	1,006

[a]Slightly different question wording: "Please tell me how much confidence you, yourself, have in your primary or main bank, that is, the bank or financial institution where you do most of your banking . . . a great deal, quite a lot, some, or very little."

Table 11. Honesty and Ethics of Bankers

"Please tell me how you would rate the honesty and ethical standards of people in these different fields—very high, high, average, low, or very low? Bankers . . . "

	Gallup 8/77 (%)	Gallup 7/81 (%)	Gallup 5/83 (%)	Gallup 7/85 (%)	Gallup 9/88 (%)	Gallup 2/90 (%)	Gallup 5/91 (%)	Gallup 6/92 (%)	CNN/ Gallup 7/93 (%)	CNN/ Gallup 9/94 (%)	Gallup 10/95 (%)	CNN/ Gallup 12/96 (%)	CNN/ Gallup 11/97 (%)	CNN/ Gallup 10/98 (%)
Very high	8	5	5	5	2	4	3	4	3	3	3	3	4	4
High	31	34	33	32	23	28	27	23	25	24	24	23	30	26
Average	50	47	49	51	55	52	52	53	55	56	56	59	51	55
Low	7	8	7	8	12	12	11	14	13	13	12	9	11	11
Very low	2	1	2	1	3	1	3	3	3	3	3	3	3	2
Don't know/ No opinion	3	4	4	3	4	3	4	4	1	1	2	3	2	2
N	1,507	1,564	1,534	1,536	1,030	1,228	1,002	1,206	1,011	1,009	1,229	813	1,003	1,013

	Gallup 11/99 (%)	Gallup 11/00 (%)	CNN/ Gallup 11/01 (%)	CNN/ Gallup 11/02 (%)	CNN/ Gallup 11/03 (%)	Gallup 11/04 (%)	Gallup 11/05 (%)	USA Today 12/06 (%)	USA Today 12/07 (%)	USA Today 11/08 (%)	Gallup 11/09 (%)	Gallup 11/10 (%)
Very high	3	5	4	3	5	6	5	3	4	3	3	4
High	27	32	30	33	30	36	36	34	31	20	16	19
Average	57	51	55	52	53	55	48	52	49	53	46	48
Low	10	10	8	9	9	7	7	9	13	18	22	20
Very low	2	1	1	2	2	1	3	1	2	5	11	8
Don't know/ No opinion	1	1	2	1	1	1	1	1	–	–	1	1
N	1,011	1,028	1,025	1,017	1,004	1,015	1,002	1,009	1,006	1,010	1,017	1,037

NOTE.—Switches from personal interviews to phone interviews in 1990.

Table 12. Confidence in Wall Street

''Now I'm going to list some institutions in American society, and I'd like you to tell me how much confidence you have in each one—a great deal, quite a bit, some, very little, or none at all . . . Wall Street.''

	Gallup/CNN 6/02[a] (%)	NBC/WSJ 1/09 (%)	NBC/WSJ 1/11 (%)
A great deal	8	6	4
Quite a bit	11	7	6
Some	52	25	41
Very little	21	31	32
None at all	3	28	14
Not sure	–	3	3
No opinion	5	–	–
N	1,020	503	500

[a]''None'' was volunteered; additional category, ''no opinion.''

Table 13. Confidence in Leaders on Wall Street

CPL: ''Turning now to specific areas of leadership . . . How much confidence do you have in . . . leaders on Wall Street—a great deal, a moderate amount, not much, or none at all?''

	9/05[a] (%)	9/06 (%)	9/07 (%)	9/09 (%)	9/10 (%)
Great deal	7	8	9	2	2
Moderate amount	46	43	43	21	24
Not much	25	28	25	34	40
None at all	14	13	14	39	30
Not sure	7	9	10	5	4
N	1,374	1,604	1,207	1,040	1,029

[a]Includes an oversample of 18-to-24-year-olds, results weighted to reflect the national adult population.

confidence in commercial banks than local banks was about 35 percent (see table 8). Confidence in commercial banks was accordingly low (just under 10 percent of Americans had a "great deal" of confidence in the early 1990s, see table 9). The percentages of Americans in 1991 and 1992 with a "great deal" of confidence in their local banks were 37 and 29 percent, respectively (table 10).

Table 14. Favorability of Wall Street Investors
‘‘(I’d like your opinion of some organizations. As I read from a list, please tell me which category best describes your overall opinion of what I name.) Would you say your overall opinion of . . . Wall Street investors . . . is very favorable, mostly favorable, mostly unfavorable, or very unfavorable?’’

	Times Mirror/ Gallup 4/87[a] (%)	Times Mirror/ Gallup 1/88[a,b,c] (%)	Times Mirror 7/94[c] (%)	Pew/ PSRAI 2/96[a] (%)	Pew/ PSRAI 5/97[c] (%)
Very favorable	5	3	8	10	6
Mostly favorable	33	30	51	40	42
Mostly unfavorable	30	37	18	23	19
Very unfavorable	11	10	4	11	7
Never heard of	2	1	2	2	2
Can’t rate	19	19	17	14	24
N	4,244	2,109	1,900	750	614

[a]Personal interviews.
[b]Question worded ‘‘Wall Street brokers’’ instead of ‘‘Wall Street investors.’’
[c]Times Mirror. The main sample included an oversample of 197 black adults. The results are weighted to be representative of the national adult population.

Honesty and Ethics of Bankers

How do Americans rate the ethics of bankers? Americans may consider bankers and banks to be essentially the same, and trends in attitudes toward bankers may follow alongside trends in attitudes toward the banking industry. Alternatively, questions about bankers may evoke images of the bankers they personally deal with, and receive correspondingly higher ratings. Gallup has asked Americans to rate the honesty and ethics of bankers since 1977 (table 11). It seems that Americans have never rated the honesty and ethics of bankers very highly. Between 1977 and 2010, the percentage of Americans who rated bankers’ ethics “very high” never rose above 8 percent and typically hovered around 3 or 4 percent. The combined “high” and “very high” percentages, however, dropped noticeably during the late 1980s and late 2000s (from 37 to 19 percent between 2006 and 2009, and from 37 to 27 percent between 1985 and 1992). The Great Recession had a larger impact on the public’s perceptions of the ethical standards of bankers than did the S&L crisis.

Confidence in Wall Street

A 2009 Pew poll asked respondents to give the first thing that comes to their mind when they hear the phrase “Wall Street.” The two most frequent

Table 15. Confidence in the People Running Wall Street

Harris: ‘‘As far as people in charge of running . . . Wall Street are concerned, would you say you have a great deal of confidence, only some confidence, or hardly any confidence at all in them?’’

	1977 (%)	1978 (%)	1980 (%)	9/81 (%)	1987 (%)	1988 (%)	7/89 (%)	11/90 (%)	2/91 (%)	2/92 (%)	1/93 (%)	2/94 (%)	2/95 (%)
A great deal	19	15	12	13	12	10	8	9	9	12	14	16	14
Only some	–	–	–	53	59	58	58	55	57	56	63	58	61
Hardly any	–	–	–	22	21	29	30	31	26	26	19	17	19
N	–	–	–	1,249	–	–	1,249	1,255	1,250	1,254	1,255	1,252	1,250

	1/96 (%)	1/97 (%)	1/98 (%)	1/99 (%)	1/00 (%)	1/01 (%)	1/02 (%)	12/02 (%)	2/04 (%)	2/05 (%)	2/06 (%)	2/07 (%)	2/08 (%)	2/09 (%)	2/10 (%)
A great deal	18	19	19	30	30	23	19	12	17	15	15	17	11	4	8
Only some	59	57	56	–	46	51	54	50	50	59	56	51	52	33	43
Hardly any	19	17	15	–	11	11	18	31	23	23	24	24	27	57	45
N	1,005	1,005	1,000	1,008	1,010	1,011	1,011	1,023	1,020	1,012	1,016	1,013	1,010	1,010	1,010

NOTE.—Missing sample size data in some years. For 1977–1980 and 1999, response categories ‘‘only some’’ and ‘‘hardly any’’ were combined. I have therefore only reported ‘‘a great deal.’’

Table 16. Ethical and Moral Practices of Stockbrokers
''(I'd like your views on the ethical and moral practices of different groups in this country.) Take . . . Stockbrokers. How would you rate their ethical and moral practices: excellent, good, only fair, or poor?''

	ORC 9/75 (%)	ORC 5/77 (%)	ORC 8/79 (%)	ORC 9/81 (%)	ORC 6/83 (%)	TIME/CNN/ Harris 7/02 (%)
Excellent	3	3	4	3	3	1
Good	31	30	26	28	31	17
Only fair	28	24	27	35	33	39
Poor	5	5	8	10	8	32
Don't know/No opinion/Not sure	33	38	35	24	25	11
N	2,101	3,078	1,054	1,061	1,010	1,003

responses were, not surprisingly, "stocks/stock market" (19 percent) and "money" (13 percent). "Greedy" was the third most frequent response, with 9 percent of respondents nominating this association. Although many Americans clearly hold Wall Street in low esteem, this was not always the case. Four trends examine Americans' levels of confidence in Wall Street.

Table 12–14 depict short trends about confidence in Wall Street and its leaders. A longer trend, from Harris, examines confidence in the people running Wall Street from 1977 to 2010 (see table 15). Responses to this question mirror the results of earlier questions about confidence in banking and financial institutions (recall table 2 and 4), with stark drops in the percentage of Americans with "a great deal" of confidence in the people running Wall Street in the late 2000s and late 1980s. The percentage of Americans with "a great deal" of confidence dropped from 15 percent in 2005 to a historic low of 4 percent in 2009. The second lowest percentage of Americans with "a great deal" of confidence in the people running Wall Street was 8 percent in 1989.

Honesty and Ethics on Wall Street?

Four final questions examine the ethics of stockbrokers (tables 16–19). Gallup has asked Americans how they would rate the honesty and ethics of stockbrokers since 1983. By 2009, stockbrokers' ethics ratings were at an all-time low (combined "Very high" and "High" of 9 percent; see table 17). Again, the early 1990s also stand out as a particularly dismal time for stockbrokers' ratings (combined "Very high" and "High" of 14 percent in 1991 and 1992). Two final items from Harris examine whether stockbrokers are as honest and moral as "other people" and whether "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

Table 17. Honesty and Ethics of Stockbrokers
"Please tell me how you would rate the honesty and ethical standards of people in these different fields—very high, high, average, low, or very low? Stockbrokers . . . "

	Gallup 5/83 (%)	Gallup 7/85 (%)	Gallup 9/88 (%)	Gallup 5/91 (%)	Gallup 6/92 (%)	Gallup/CNN 7/93 (%)	Gallup/CNN 9/94 (%)
Very high	2	3	2	2	2	1	3
High	17	17	11	12	12	12	12
Average	45	51	50	46	52	52	59
Low	8	9	19	17	18	20	18
Very low	3	1	5	4	5	4	4
Don't know/No opinion	25	19	13	19	12	11	4
N	1,534	1,536	1,030	1,002	1,206	1,011	1,009

	Gallup 10/95[a] (%)	Gallup/CNN 12/96 (%)	Gallup/CNN 11/97 (%)	Gallup/CNN 10/98 (%)	Gallup 11/99 (%)	Gallup 11/00 (%)	Gallup/CNN 11/01 (%)
Very high	2	2	2	2	3	2	5
High	14	14	16	17	14	17	14
Average	52	58	54	58	59	54	58
Low	17	15	14	14	16	16	14
Very low	4	2	3	2	4	3	2
Don't know/No opinion	11	11	11	7	5	8	7
N	1,229	813	1,003	1,013	505	1,028	1,025

Continued

Table 17. *Continued*

	Gallup/CNN 11/02 (%)	Gallup/CNN 11/03 (%)	Gallup 11/05 (%)	Gallup/USA Today 12/06 (%)	Gallup/USA Today 11/08 (%)	Gallup/USA Today 11/09 (%)
Very high	2	2	2	3	2	2
High	10	13	14	14	10	7
Average	53	54	56	56	40	40
Low	24	23	19	19	34	33
Very low	5	6	4	4	11	13
Don't know/No opinion	6	2	5	5	3	5
N	1,017	1,004	1,002	1,009	1,010	1,017

Personal interviews through 1988; telephone interviews begin in 1991.
Survey included oversample of blacks (N = 321). Results are weighted to be representative of a national adult population.

Table 18. Ethics of People on Wall Street Compared to Other People
Harris: ''(Please say if you tend to agree or disagree with the following statements about Wall Street.) . . . In general, people on Wall Street are as honest and moral as other people.''

	9/96 (%)	10/97 (%)	9/98 (%)	9/99 (%)	9/00 (%)	10/02 (%)	10/03 (%)	4/06 (%)	2/09 (%)	2/10 (%)	4/11 (%)
Agree	43	51	49	39	35	35	35	41	26	31	26
Disagree	52	45	47	51	56	57	50	54	70	64	70
Don't know/ Refused	5	4	5	10	9	8	15	4	4	5	4
N	1,032	1,003	1,009	1,009	1,022	1,010	1,017	1,016	1,010	1,010	1,010

Table 19. Breaking the Law on Wall Street
Harris: ''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.''

	9/96 (%)	10/97 (%)	9/98 (%)	9/99 (%)	9/00 (%)	10/02 (%)	10/03 (%)	4/06 (%)	2/09 (%)	2/10 (%)	4/11 (%)
Agree	64	56	56	60	60	61	54	63	71	66	67
Disagree	33	40	41	34	33	34	34	35	27	29	31
Don't know/ Refused	3	4	2	7	6	5	11	3	2	5	2
N	1,032	1,003	1,009	1,009	1,022	1,010	1,017	1,016	1,010	1,010	1,010

with it". In 1996, the first year Harris asked this question, 43 percent of people agreed that people on Wall Street were as honest and ethical as other people. By 2011, this number had shrunk to 26 percent (table 18). The numbers for the "breaking the law" question, however, are somewhat different. Sixty-four percent of Americans agreed that people on Wall Street would be willing to break the law in 1996, and 67 percent agreed in 2011 (table 19).

Conclusions

Americans' confidence in banks, financial institutions, and Wall Street is certainly related to the strength of the overall economy (recall figure 1). This is perhaps unsurprising. After all, it is fairly easy to express confidence in Wall Street when retirement accounts are growing, just as it might be easy to express confidence in a military that is winning a war. The largest shifts in confidence, however, are associated with major scandals, such as the events precipitating the Great Recession and the S&L crisis of the late 1980s. Although changes in the business cycle have an effect on public opinion in this domain, economic contractions that correspond to major scandals in the financial sector are what motivate the largest declines in confidence. It is likely that moral outrage coupled with economic insecurity, rather than economic insecurity alone, drives these shifts.

Ultimately, Americans seem outraged by the recent activities of the banks and the behavior of the people who work in them. The "bank bailouts" of 2008 added fuel to the fire as Americans questioned why their financial circumstances remained dire yet the banks were deemed "too big to fail." If there is any silver lining, it is that the political climate for serious financial reform has probably not been this favorable in over 40 years.

Appendix

Abbreviations

ABC/Wash. Post: American Broadcasting Company with the *Washington Post*

CBS: Columbia Broadcasting System

CNBC: Consumer News and Business Channel

CPL: Center for Public Leadership of the John F. Kennedy School of Government, Harvard University, and *U.S. News & World Report*

Gallup/CNN: Cable News Network and *USA Today* conducted by Gallup

Gallup/NW: Gallup for *Newsweek*

GSS: General Social Survey conducted by the National Opinion Research Center

LA Times: *Los Angeles Times*

NBC/WSJ: National Broadcasting Company and *Wall Street Journal*

ORC: Opinion Research Corporation

PEW/ORC: Pew Research Center for People and the Press conducted by Opinion Research Corporation

PEW/PSRAI: Princeton Survey Research Associates International for Pew Research Center for People and the Press

TIME/CNN/Harris: Harris for *TIME* Magazine and Cable News Network

TIME/CNN/Yankelovich: Yankelovich for *TIME* Magazine and Cable News Network

Times Mirror/Gallup: Gallup for the Times Mirror Company

Times Mirror/PSRAI: Princeton Survey Research Associates International for the Times Mirror Company

US News/PSRAI: Princeton Survey Research Associates International for *U.S. News & World Report*

USA Today/Gallup: Gallup for *USA Today*

Wash. Post/ICR: International Communications Research for the *Washington Post*

The survey results reported here were obtained from searches of the iPOLL Databank and other resources provided by the Roper Center for Public Opinion Research (University of Connecticut), the General Social Survey from the National Opinion Research Center at the University of Chicago, Gallup Organization's websites, and Pew's online databanks. Unless otherwise noted, all surveys were conducted by telephone interviews with national adult samples. The General Social Survey conducts in-person interviews.

Response rates are as follows:

GALLUP: 3/94 30%, 7/97 25%, 6/98 27%, 6/99 26%, 6/00 21%, 6/01 18%, 6/02 15%, 6/03 12%, 5/04 19%, 5/05 16%, 6/06 17%, 6/07 15%, 6/08 10%, 6/09 13%, 7/10 11%, 8/01 16%, 8/02 16%, 8/03 16%, 8/04 16%, 8/05 17%, 8/06 15%, 8/07 14%, 8/08 11%, 8/09 13%, 8/10 11%, AAPOR RR3

GSS: 1975 76%, 1976 75%, 1977 77%, 1978 74%, 1980 76%, 1982 78%, 1983 79%, 1984 79%, 1986 76%, 1987 75%, 1988 77%, 1989 78%, 1990 74%, 1991 78%, 1993 82%, 1994 78%, 1996 76%, 1998 76%, 2000 70%, 2002 70%, 2004 70%, 2006 71%, 2008 70%, 2010 70%, AAPOR RR3

PEW: late 9/08 17.4% (landline) 9.9% (cellular), 10/08 16.9% (landline) 10.3% (cellular), 12/08 16.3% (landline) 11.8% (cellular), 3/09 15.3% (landline) 10.9% (cellular), 2/10 17.7% (landline) 7.4% (cellular), AAPOR RR3

CPL: 9/05 22%, 9/06 33%, 9/07 23%, 9/09 33%, AAPOR RR3

Response rates for other surveys were requested but not available.

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