

HONESTY AND TRUST IN AMERICA

A REPORT BY
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I. Introduction

“Honesty,” Plato wrote, “is for the most part less profitable than dishonesty.” A few centuries and a few billion ethics scandals later, it would seem that that unfortunate piece of wisdom is still alive and living very well.

In the last few years we have seen an unsettling number of ethics scandals involving corporate executives, politicians, athletes and other celebrities. And every time we hear of another scandal our level of trust and confidence in individuals and institutions declines. Are these events the result of a few rogue individuals and organizations bending or breaking the rules to suit their own needs, or is there a nationwide epidemic of greed and corruption driven by a win-at-any-cost attitude?

How much trust and confidence *do* Americans have in the critical institutions that constitute a great part of the infrastructure of the country – corporate, government, and media? Are Americans, *themselves* honest and trustworthy or are they willing to bend the rules for personal gain? Is America becoming a culture of corruption?

II. The beginning

With the above questions as a basis, I began collecting notes. I spoke with friends, colleagues, journalists and others to get their thoughts and ideas on what they would like to learn from a survey on honesty and trust in America. Of course, I was interested in how people would rate the level of trustworthiness of various groups such as the president, congress, media and corporate leaders. But I also wanted to test Americans *own* level of honesty.

I wanted a series of scenarios that would check an individual’s beliefs. It’s not enough to grade your own level of honesty (most people give themselves high marks); I wanted to know how that principle might stand-up when tested against a particular scenario. And the scenarios, themselves, had to be carefully chosen.

After speaking with a number of business people, I drafted seven scenarios based on real-life situations; situations that could happen to many of us (one additional scenario was based on an article I read in a newspaper).

But, I wanted something more.

The one thing that always seemed to be lacking in most polls was a way for respondents to put forth their *own* thinking on an issue. I wanted to know any *solutions* Americans might propose to bring about change?

Ultimately, I came up with three, solution-oriented questions:

- *What two or three specific changes would have to take place in order to improve your trust in corporations today?*
- *What two or three specific changes would have to take place in order to improve your trust in government today?*
- *What two or three specific changes would have to take place in order to improve honesty and trust in America today?*

III. The process

Working with Zogby International, a polling organization which conducts surveys from market research to political campaigns, I submitted several pages of notes on the scope of the survey and possible questions. The final edit resulted in forty-five questions representing rating, write-in, scenario, choice, and belief statements

When I first contacted Zogby my original idea was to present the questions utilizing the standard phone method. Whenever you hear the results of a poll in the media rating the popularity of a politician or issue, one-thousand individuals are interviewed by phone. The results of such a poll generally yield a margin of error of plus or minus three percentage points. This means that if 75% of a thousand respondents favor say, “trash pick-up on Monday,” you can reliably trust that 72% to 78% of the entire country feels the same way.

However, Zogby had a different suggestion. Why not offer my Honesty & Trust survey online? By online they did not mean posting the questions on their web site and allowing anyone to respond. They meant they would contact individuals who had already agreed to take part in online surveys; individuals who met the right demographic regarding age, gender, ethnicity, location, etc.

Zogby said that by offering the survey online we could not only offer more write-in responses, but people could take more time to read and carefully think about their responses. This, they felt, would lead to greater interest and a higher response rate, which, in turn would lead to a smaller margin of error, which meant increased accuracy that the responses would reflect the true feelings of more Americans.

How many people would respond to such a survey?

Zogby felt confident that such an online poll, conducted with the same parameters as their phone polls, could result in a response rate between four and six thousand – that’s four to six times the number generated in a typical phone survey!

IV. The final numbers

The online poll ran from April 18 through April 24, 2006. The poll resulted in 8,175 adults responding. The margin of error is plus or minus 1.1 percentage points.

The number of write-in responses totaled 37,798. (This included responses to scenarios that asked for another option beyond the options given.)

The question – *Which ethical issue occurs most frequently?* – received 905 responses.

The question – *What would you do if you caught a friend or co-worker in a lie?* – received 8,425 responses.

And the number of responses to the three solution-oriented write-ins that asked – *What two or three specific changes would have to take place in order to improve: your trust in corporations, government... and honesty and trust in America?* – totaled 25,249.

V. Conclusions

The conclusions offered here come from three sources: an assessment of the data numbers by the Zogby group; an analysis of the survey from a cultural and historical perspective by the Center for Cultural Studies and Analysis; and my own evaluation.

Honesty and trust of Americans

The key question I was looking to answer was this: *Are the ethics scandals of recent years a condition limited to one segment of society or a symptom that America, as a whole, is becoming less ethical?*

The good news is that the survey indicates that Americans, as a whole, demonstrate honesty and integrity in their lives. In the words of the Cultural Studies group, “not only do most Americans agree on what the ‘rules’ for honesty and trust are, but they know how to apply them consistently in a wide variety of circumstances.”

When tested with eight, real-life narratives, the majority chose to do the right thing. When faced with a choice between honoring the confidentiality of a pedophile and the safety of their children in their own neighborhood (Q-29), 60% would choose to violate the rules in order to protect their children – a difficult choice and an understandable concern.

When it comes to honesty and trust in the workplace (Q-26), 98% believe that it is important. And more than half, (53%) would turn in a co-worker for lying, cheating or stealing (Q-28). However, 31% say that they have been pressured at work to be less than honest (Q-34). And when that group was asked what level of pressure they had faced, the numbers are almost equally divided between high, medium and low levels of pressure (Q-35). Even though this number represents less than a majority, greater emphasis needs to be placed on developing ways to reduce workplace pressure to act unethically.

When it comes to accountability and incentive, an overwhelming 95% of respondents believe that *all* employees should be held to the same ethical standards (Q-39). And 65% believe that “virtue” should not be the *only* reward for doing the right thing. Americans believe that anyone within a company who comes forward with information regarding an illegal or unethical act should be rewarded in a similar manner to those individuals who meet a sales or other company goal (Q-44).

Honesty and trust in government

However, when it comes to handing out grades for Honesty and Trust regarding the various institutions in America, the news is far from good.

The Four Horsemen of the Ethical Apocalypse continues to be: *Money, Power, Influence and Arrogance.*

As stated by the Cultural Studies group, “Americans have hit what may be the lowest level of trust of government institutions since the Depression. That is, the levels of mistrust go beyond a lack of trust in individual politicians to a deeper level: the perception that the institutions themselves are corrupt.

“Most Americans have moved beyond thinking of violations of honesty and trust as the problem of a few ‘rotten apples,’ but instead view our major institutions as a ‘rotten barrel’ problem... [and] ...feel that core values are being threatened by the very institutions and leadership that are supposed to serve and reinforce them.”

When asked to grade the level of Trustworthiness of Select Groups (Q-13-18), Congress was given the lowest numbers at 76%, with the President and Corporate Leaders tied at 69% of “low” numbers.

Furthermore, when asked, “*Today, which of the following individuals or groups do you believe demonstrate the best example of honesty and trust?*” (Q-40), not a single respondent – out of 8,175 – cited “*politicians and elected officials.*” The Zogby numbers reveal that American political leadership ranks at the same levels of trust as “*entertainment and sports figures,*” which also received no votes.

When asked, “*What 2 or 3 specific changes would have to take place in order to improve your trust in government today?*”(Q-19), the American public has called for nothing less than a tsunami of change in leadership. Of the more than 8,400 write-in responses to this question, the top three called for, “*Personnel changes/Impeachment proceedings; Curtail/Eliminate lobbying, minimize Cronyism,*” and “*Campaign finance reform.*”

Americans also want to see their elected officials live up to their responsibilities with greater transparency, less greed and partisanship, and a lot more honesty and integrity. (One respondent suggested moving D.C. to Yuma, Arizona. Another said that it [change] would take a miracle!)

Honesty and trust in corporations

According to the Zogby survey, three-quarters of Americans (74%) have less trust that corporations are doing the right thing by consumers, and 77% have less trust that corporations are doing the right thing by their employees (Table 1).

Looking closer, 79% of women have less trust than men (69%) that corporations are doing the right thing by consumers and by employees (81% women to 73% men). The Cultural Studies group points out that, “This can be a major problem indicator for both employee satisfaction (almost 60% of the workforce are

women) and marketing (women are the buyers, influencers, or deal-breakers in nearly all consumer purchases).”

Further, “Only 19% believe corporations are doing the right thing by shareholders and 4 out of 10 (42%) have less trust that corporations are working to enrich even their own shareholders – disturbing news, since at least half of all American households own stock (including IRA portfolios) and increasing shareholder equity is the most frequently trumpeted goal of American corporations.”

When asked, “*What 2 or 3 specific changes would have to take place in order to improve your trust in corporations today?*”(Q-8), the top two responses said, “*Do something about CEOs salary/compensation,*” and “*More transparency,*” followed closely by “*Improve employer/employee relationships, Eliminate greed, Enforce existing regulations & laws, Reduce outsourcing,*” and “*Stop corporate influence.*” (1% noted that “*Nothing they do would restore my confidence*”).

The cultural analysis tells us that the responses “...reflect the same issues (money, power, influence and arrogance) that drove social corrective action at the beginning of the last century, and are likely to do so again.”

However, there are examples of corporate boards and CEOs who *do* act with an ethical conscience. In March, 2005, the Board of Directors at aerospace giant Boeing fired President Harry Stonecipher after an investigation revealed that he was having an affair with a female employee. In a statement to the press, the Board said that it had little tolerance for missteps. In March of this year, U.S. Airways CEO Doug Parker *declined* a bonus of \$770,000. In a written statement, Parker said that he refused the money because of the sacrifices other employees had made to keep the company moving forward, and that his leadership “...comes with some expectation of shared sacrifice.”

Sadly, examples such as these seem too few and far between, especially when compared to the, almost routine, reports of corporate malfeasance.

“Americans are notoriously slow to anger,” the Center says, “but this survey reflects a deep anger and suspicion that portends the current standards of corporate behavior will not remain unchallenged much longer.”

Honesty and trust in media

“The news media has long been thought of as America’s ethical watchdog,” the Center says, “but even they are perceived as having serious trust issues.”

When it comes to confidence in the media that the reporting is accurate and fair, the Zogby survey tells us only 20% of those surveyed gave Cable news (*CNN, FOX, MSNBC*) “high” marks, while 46% gave them “low” marks (Table 2). The Internet scored the lowest “high” rating at 19%, while Newspapers and Broadcast

television (ABC, NBC, CBS) received 25% “high” marks. The cultural analysis says that “...Americans in general are much better at separating opinion and “Spin” from fact than they are generally given credit for.”

In fact, when asked, “*What two or three specific changes would have to take place in order to improve honesty and trust in America today?*”, the third-highest write-in response was, “*A fair and balanced media.*”

Among the many additional write-in comments regarding the media: “*Stop the spin and tabloid nonsense; Have real journalists who would question the agents, flacks, lobbyists, etc., rather than just repeating their blather; Report more positive roll models; End reality TV and the examples it portrays; Stop rewarding and fawning over corrupt celebrities and athletes.*”

An ethical 9/11

A critical question put forth by the Cultural Studies report is, will the perception that Americans hold regarding corporations and government drive them to action?

“The survey reflects a growing perception of a large gap between the values of corporations and government institutions and the values of the American middle class,” the report says. “Values gaps are always perceived as threatening, and a perceived threat to the middle class inevitably leads to social action as it did during the Great Depression.”

Nineteenth century British statesman John Morley reminds us that, “*Public opinion is often rich in wisdom, but we lack the courage of that wisdom.*” However, with public opinion at a “tipping point,” as the Center’s report indicates, the necessary courage could be achieved fueled by the anger of more ethics scandals involving political and corporate leadership.

Assessing more than 25,000 write-in responses calling for solutions, Americans believe that something is critically wrong in the country, but can’t quite put their finger on it until the issue of ethics and leadership is raised. There are very few issues that affect approximately three-quarters of society, and this issue – honesty and trust – is running below the political radar.

“It will take only one precipitating event,” the Center tells us. “*An Ethical 9/11*, in conjunction with the rise of a recognized [perceived] champion of the middle class... to gain critical mass.”

Since taking office in 1999, New York Attorney General Eliot Spitzer has not only demonstrated a willingness to go after conflicts-of-interest, bid-rigging, fraud and the like, but has garnered the trust and confidence of most Americans as a champion of the people. Patrick J. Fitzgerald, the Deputy Attorney General

appointed to look into the Valerie Plame CIA leak controversy not only comes to the national scene with the necessary integrity, but comes from an Irish working-class background which greatly appeals to most Americans.

But the questions remain – How many more Enrons, Halliburtons, and WorldComs will it take? How many more people like Jack Abramoff, Jeff Skilling, Tom DeLay, Bernard Ebbers, and William Jefferson will Americans need to see on the nightly news before they take action?

VI. Recommendations

The results of the survey clearly point to a massive gap in trust and confidence between the American public and corporate and political leadership.

So, what's to be done? How can we get Washington to change? How can we reduce or eliminate the current culture of corporate and political corruption and promote a culture of character?

These are not easy questions and there are no easy answers.

The write-in responses clearly reflect more than just anger; they reveal a genuine, deep-seated passion for change in leadership. Based on the findings of the survey and write-in suggestions, here are Six Key Lessons for those occupying positions of power and leadership to consider:

- **Greater Accountability**
 - Individuals in positions of corporate and political leadership need to be held to same ethical standards as the rest of us, PERIOD.
- **Independent Oversight**
 - *Sarbanes/Oxley* is a good start, but it's just a beginning. Corporate boards ought to recognize, as Plato once wrote, "*Good people do not need laws to tell them to act responsibly, while bad people will find a way around the laws.*" Ethics is not about doing what the law requires, it's about going *beyond* the law to exercise good judgment for *ALL* stakeholders involved. And political leaders should not be any more exempt from independent oversight than corporations.
- **More Transparency**
 - This was the 2nd highest comment regarding trust in corporations, and the 4th highest regarding trust in government. Americans are no longer willing to go along with "business as usual." They expect to know exactly *how* that business is conducted and for whose benefit.

These first three steps would go a long way to restoring trust between the American public and their leadership.

- **Ethics Training**
 - All leadership should be required to participate in on-going ethics training. Corporate and political leadership need to walk the same walk they require of employees and staff.
- **Corporate Boards need to adopt firm, ethical standards**
 - Now, more than ever, shareholders need to press the issue of implementing firm, ethical standards on their boards of directors. And the boards, themselves need to be resolute in their action against *all* wrong-doing – from the top down.
- **The Media Needs to Take a Greater Role**
 - The write-in responses clearly show that Americans are sick and tired of the “Spin, Reality-TV, Tabloid and Fawning-Over-Corrupt-Celebrities-and-Athletes” approach to news and entertainment.
 - Now, more than ever, Americans want: *“Positive emphasis on the true ‘heroes;’ End celebrity worship!!; Less focus on gossip and sensationalism; Publicize instances of trust and honesty; Work on the Cable News channels to increase their integrity and honest unbiased reporting of matters.”*
 - One suggestion to advance awareness: *“Commit public resources to a public relations campaign promoting honesty.”*

We’ve got some serious issues in this country, but if Americans no longer have trust and confidence that their political and corporate leadership is meeting it’s responsibilities in dealing with those issues in an ethical manner, new leadership is required – the kind of leadership that acts and responds to the interests of *ALL*, rather than the few.

In the final question, “*What 2 or 3 specific changes would have to take place in order to improve honesty and trust in America?*”, more than 8,000 Americans are telling political and corporate leadership as well as the media just what is needed most:

“We need more statesmen as leaders.”

“We need to make sure that everyone is accountable for their actions -- whether an assembly-line worker or... CEO.”

“We need to stop rewarding the most adept liars and cheaters with great wealth and success.”

“We need to stop applauding money and start applauding ethics.”

“We need a media that... actually does some investigation into important issues not trivial ones.”

“We need less media pundits... [that] do nothing but spread hatred in order to make themselves more popular.”

“We need some new heroes... like parents, teachers, [and] community activists.”

“We need to hold up people of character as role models.”

“We need to show respect for people that are honest even when we may not agree with them.”

“We need to remind each other that we are all Americans. That we're not Republicans or Democrats, Liberal or Conservative, Left or Right.”

“We need... leaders who communicate openly with the people.”

“We need leadership that places a high value on honesty, even when they have to pay a high price for it...”

“...But, it will take special people with great courage and influence, as well as time.”

If we're ever going to bring about positive change in our culture; if we ever going to avoid an *Ethical 9/11* we need ethics – now more than ever!

A Cultural Analysis
of the
Lichtman/Zogby Survey
on
Honesty and Trust in America

Prepared by

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The CENTER for
CULTURAL
STUDIES
& ANALYSIS

The purpose of the survey on Honesty and Trust in America was to discern whether the well-publicized spate of corporate, political, and celebrity ethics scandals of the past several years are the product of a small but influential segment of society engaging in unethical activities, or a sign of a deeper, more serious problem – that America and Americans, as a whole, are actually becoming more corrupt and less ethical as a people.

The purpose of this cultural analysis of the survey is to assess the relevant data within a cultural, historical, and contextual framework in order to gain a deeper understanding of where America really stands on issues of honesty and trust. Is there a dichotomy between reality and perception, or have American institutions really become more corrupt? If there is a real trend towards dishonesty and unethical dealing, is it due to the actions of a few, albeit prominent, “bad apples,” or does it genuinely reflect a shift in the moral values of the general population? In either case, what are the underlying cultural or contextual factors that may negatively affect ethical behavior, and can these forces be mitigated or eliminated by individuals or society?

Method

The Center for Cultural Studies & Analysis is a Philadelphia-based think tank that studies how factors such as age, gender, and culture influence group decisions at an unconscious level. Cultural analysis identifies and describes consistent patterns of group behavior over time in order to uncover the cultural values that drive group action. This analysis has interpreted the results of this survey in the context of a large database of cultural, contextual, and historical patterns of American behavior.

Perception and reality

The leading concept in analyzing the survey results is that the Lichtman/Zogby survey measures *perception*, which may or may not reflect reality. Eighteen percent of respondents believed the state of honesty and trust in America is in the worst shape possible (Question 1). Moreover, another 41% believed the U.S. was in the next-to-worst possible state, for a clear majority on the “worst” side of the scale at 59%, or roughly six out of ten Americans. Only 35% chose the middle-- halfway between best and worst. Only five percent thought things were good, and not one respondent believed that the state of honesty in America today is the best possible. Almost three-quarters of those surveyed thought the state of honesty today was worse than when they were children (Q-2).

What’s more, 45% of Americans believe that the state of honesty will actually decline in the next five years (Q-3). Slightly more than one-quarter (28%) expect it to remain the same, while only 13% expect it to improve.

Where does this high negative perception come from? Cognitive scientists explain that people compute the odds of an event occurring by how easily they can recall a similar event. The years 2005 and 2006 have featured an ongoing series of political, sports, and corporate ethics scandals, news which makes recall instantaneous. Many of these scandals such as the *Enron*, *WorldCom*, *Tyco*, and *Adelphia* drag on for years in the media and the courts, so the perception of dishonest and untrustworthy behavior as ongoing and all-pervading could be a result of our natural mental proclivity for estimating the incidence of an occurrence by high profiling.

Perception of corporate America

Is corporate America, in fact, developing a culture of corruption? Is corruption the norm or the exception? From an outside perspective, Transparency International is the only international non-governmental organization that tracks corruption on a worldwide basis, monitoring the performance of key institutions and publishing an annual Corruption Perceptions Index. Since 1995, when the index was started, the US has remained a relatively stable position among the top 20 countries with low levels of corruption. Currently ranking 7.5 on a scale of 10, The US is comparable to countries such as Germany, France, and Canada, which would seem to indicate that the recent spate of highly visible scandals notwithstanding, the overall level of corporate corruption may not have risen in the past decade.

However, this survey deals with American perception – and it is perception, not facts, that drives both individual action and shapes public policy. In this respect, the news for corporate America is not as good. The survey indicates that three-quarters of Americans (74%) have less trust at present that corporations are doing the right thing by consumers, and 77% have less trust today that corporations are doing the right thing by their employees (Table 1).

There is a gender component as well, which should be even more troubling to corporate America. Seventy-nine percent of women have less trust than men (69%) that corporations are doing the right thing by consumers and by employees (81% women to 73% men). This can be a major problem indicator for both employee satisfaction (almost 60% of the workforce are women) and marketing (women are the buyers, influencers, or deal-breakers in nearly all consumer purchases).

What should be even more disturbing to corporate America is the fact that only 19% believe corporations are doing the right thing by shareholders and 4 out of 10 (42%) have less trust that corporations are working to enrich *even their own shareholders* – disturbing news, since at least half of all American households own stock (including IRA portfolios) and increasing shareholder equity is the most frequently trumpeted goal of American corporations. Only 19% of respondents report more confidence that corporations are doing the right thing by

shareholders, with another 31% reporting the same level of confidence as in the past.

Most interesting is that while a significant majority of respondents report that trust in corporate America is extremely low, most of those same respondents agree that they haven't personally experienced serious ethical violations. Two-thirds (66%) state that their company has a good reputation for acting honestly and ethically (Table 9); with only 23% stating that their company's reputation could use some improvement. Sixty-four percent report that they have never been pressured at work to act dishonestly or violate the trust of their customers or those with whom they work (Table 10). About a third (31%) state from time to time they have been pressured at work to be less than honest with levels of pressure at high (31%), medium (32%) and low (37%) (Table 11). Only 25% reported that lying in the workplace occurred frequently, and only 8% reported problems with stealing or cheating (Q-22).

Throughout the survey, there is little doubt that Americans share a strong common concept of what constitutes honest and ethical dealing and recognize misconduct when they see it. Nearly all agree (98%) that honesty and trust are important in the workplace (Table 6). Seventy-five percent rate their friends with the highest level of trustworthiness (Table 3), while nearly all (95%) believe that their friends and co-workers consider them trustworthy (Table 4).

When asked to respond to scenarios, they do so in a manner consistent with their expressed beliefs. Only 4% say they would pad their resume to make it appear that they graduated from a university they only attended (Q-25), 86% would report an error in their favor on accumulated vacation time (Q-23), and 54% would confront a co-worker over a lie (Q-30). Two-thirds agree that they would challenge questionable, albeit successful, sales methods, with only 2% encouraging such tactics (Q-32).

Eighty-five percent agree that their personal goals are less important than acting with honesty and integrity (Table 7). There is an age component at work here. Nineteen percent of 18-29 year-olds put goals first — even while still agreeing that honesty and integrity are important, while only 7% of those over 50 agree that achieving personal goals is more important than acting in an honest and trustworthy manner.

Perception of government ethics

Historically, Americans have never trusted government very far. The Bill of Rights was introduced specifically to limit the possibility of government interference with individual liberty. The division of our government into Executive, Legislative, and Judicial branches was designed as a system of checks and balances to keep any one faction from exercising total power (the framers of the Constitution never anticipated the two-party system as a force). The founding

fathers went so far as to establish a country with no standing army (but an armed citizenry) to ensure that no government could enforce its own will against that of the people.

This historical lack of trust of government is, to a great extent, theoretical and precautionary. It does not necessarily translate into hostility or distrust, but instead comes in the form of a defensive presumption: not automatically assuming that politicians and government officials will always have your best interests at heart. An interesting side effect of this attitude comes in the form of low expectations for politicians. Historically, most Americans don't vote regularly and have long tended to shrug off such political behavior that doesn't involve outright fraud or serious criminality.

Given that, the Honesty and Trust survey clearly demonstrates that Americans have hit what may be the lowest level of trust of government institutions since the Depression. That is, the levels of mistrust go beyond a lack of trust in individual politicians to a deeper level: the perception that the institutions themselves are corrupt.

Survey responses on the trustworthiness of government leaders and institutions parallel the thinking on the state of corporate ethics. Corporate leaders and the President of the United States received identically low levels of trust (69%) (Table 3). It is important to remember that respondents were rating trustworthiness, not Presidential approval – which can swing dramatically based on events of the moment. On the other hand, trust, once violated, is extremely difficult to regain.

This is bad news for Congress, which respondents rated with the lowest level of trust numbers for any government institution - 76% (Table 3). Only 3% of respondents rated Congress with high levels of trust (as opposed to 24% for the President), and only two out of ten (20%) granted them even a medium level of trust.

What's more, when asked "*Today, which of the following individuals or groups do you believe demonstrate the best example of honesty and trust?*"(Q-40), not a single respondent – out of over 8,000 - cited politicians and elected officials. That puts our political leadership at the same levels of trust as entertainment and sports figures, which also received no votes.

The courts fared slightly better – but not well – with respondents more or less divided evenly. Approximately three out of ten (29%) respondents granted the courts a high level of trust, four out of ten (38%) moderate trust, and another third (33%) low levels (Table 3).

When asked, "*What 2 or 3 specific changes would have to take place in order to improve your trust in government today?*" (Q-19), accountability and punishment

of offenders (“personnel changes/impeachment”), and major institutional changes (“curtail lobbying, campaign finance reform, more transparency”) led the pack.

Overall, responses on the honesty and trustworthiness of government indicate that most Americans have moved beyond thinking of violations of honesty and trust as the problem of a few “rotten apples” but instead view our major institutions as a “rotten barrel” problem, with the prime cause identified as a leadership that does not feel themselves bound by the same value set in regard to honesty as that of the general public.

Perception of trust in the media

The news media has long been thought of as America’s ethical watchdog, but even they are perceived as having serious trust issues. When asked to rate the confidence that various media outlet reporting is accurate and fair, cable television (CNN, FOX, MSNBC) news ranked poorly with only 20% of those surveyed giving cable “high” marks while 46% gave the lowest scores (Table 2). The internet has the lowest “high” rating (19%), a strong indication that Americans in general are much better at separating opinion and “spin” from fact than they are generally given credit for.

While newspapers did not fare well, with four out of ten respondents giving them the lowest level of confidence (40%) (Table 2), broadcast news fared even worse, with almost half of all respondents (49%) rating them at the lowest level of confidence – a figure even more indicative of the dramatic drop in the public’s trust of our institutions when you consider that CBS News anchor Walter Cronkite, who only retired in 1980, was dubbed “the most trusted man in America.”

Today, only one in four Americans has confidence that either newspapers or broadcast news are fair and accurate. What’s more, as age of respondent increases, confidence in fairness and accuracy decreases to a low of 21% or no confidence among those over 65, while only 8% of 18-29 year olds express similar distrust. In terms of consumer products, this means that the highest levels of no confidence in newspapers and broadcast news come from their traditional customer base.

Conclusions

The Honesty and Trust Survey demonstrates that ethical standards in American society are not only intact among the general populace, but that society keeps raising the bar on ethical behavior – and they are increasingly less accepting of ethical misbehavior that would have been shrugged off in the recent past.

Nearly all individuals place high value on honesty and trustworthiness and want to do the right thing. They resent and try to avoid circumstances that force them to compromise their personal integrity.

There is a common standard across the U.S. as to what Honesty and Trust entail – the only distinctions among ethnic, gender, age, and geographic categories is of degree, otherwise all categories agree, across the board, on what constitutes and what violates ethical behavior. The scenarios portion of the survey indicates that not only do most Americans agree on what the “rules” for honesty and trust are, but they know how to apply them consistently in a wide variety of circumstances.

Not only do Americans share common standards for honesty and trust, they uniformly recognize violations of those standards when they see them – and they see them everywhere in our major institutions – whether government, corporate, or media – and place the blame squarely on the shoulders of leadership.

At root, the Honesty and Trust survey reflects a widespread and growing culture clash. This is not the “culture wars” traditionally framed by the media as a battle between left and right, but a more pervasive perception by the general public that their leaders and the institutions they control no longer share – or feel bound by – the values of the people they claim to represent, regardless of their political leanings.

The state of trust and honesty in America today is widely viewed as a crisis of values and leadership. It transcends the red and blue divide in that respondents from all areas of the political spectrum feel that core values are being threatened by the very institutions and leadership that are supposed to serve and reinforce them.

The write-in suggestions (“*What 2 or 3 specific changes would have to take place in order to improve your trust...?*”) (Qs-8, 19 & 45) clearly indicate that the problem is viewed as endemic – that the institutions themselves have become corrupt (rotten barrels) rather than laying the problem at the feet of a few “rotten apples.” Over 38,000 write-in suggestions demonstrate that not only have people thought about the problem, but would seem to indicate a call to action: that nothing less than a sea change in the way our institutions and leaders think of what is important; what should be punished and rewarded; can even hope to reverse the situation.

Will this perception drive action?

As stated above, it is public perception that shapes decisions and drives action and public policy. The growing economic gap between those at the top of organizations and those who labor under them is a core issue with respondents. It is clear from the above that a significant share of respondents believe that

corporations exist primarily to enrich their top executives at the expense of their employees, customers, and even stockholders. When asked what two or three specific changes would restore trust in American corporations, the number-one answer (16% of write-in suggestions – over 6,000 respondents) was “Do something about CEOs’ salary/compensation.”

As of 2006, the average American CEO earned more in one workday than the average worker made all year. On average, CEO’s took home \$11 million, while the typical worker’s annual pay was slightly less than \$42,000 (Economic Policy Institute *Snapshot*, June 27, 2006). This compensation gap is echoed by the fact that almost 7 out of 10 (69%) respondents rated corporate leaders at the lowest level of trust (Table 3: Trustworthiness of Select Groups).

Such a wide disparity in the reward system not only violates the core American value of Fairness, but also has a strong symbolic effect. It removes the top levels of the organization far away from the social net that exists within the organization—the infrastructure that supports the high levels of trust reported for friends and co-workers (75%).

This does not mean that Americans are opposed to wealth, only to great disparities and great imbalances in power. It is a core American assumption that this “bigness” or authority must be viewed with suspicion. Raising yourself in class is not just an American ideal, it is an assumption - people are *expected* to do better than their parents. Americans have always celebrated the rags-to-riches story. (Before his downfall, the Horatio Alger-like rise from poverty to wealth was a core component of Enron CEO Ken Lay’s personal mythology).

Because of the legacy of the Protestant work ethic in American culture, we have an underlying belief that those who work hard deserve their wealth – up to a point. First we celebrate the entrepreneur, but once that endeavor becomes established and powerful, we grow apprehensive and suspicious of the large corporation.

So long as Americans feel that the playing field is level – that they too have the possibility of moving up the social pyramid--they display an amazing lack of envy – even admiration - for earned wealth. Sam Walton (who, were he alive today, would still be the wealthiest man on earth) was admired for his rags-to-riches history and dedication to his family. No such tolerance is extended to the corporation that succeeded him. An ostentatious display of wealth is a deal-breaker for most Americans. Most U.S. millionaires lead lives of low-key spending, frugality, re-investment, and community service, and identify with the working and middle class rather than with wealth (*The Millionaire Next Door*, Stanley & Danko, 1998).

It is the imbalance of power that accompanies great wealth – with its potential for abuse and undue influence – that drives Americans to action. The Honesty and

Trust survey clearly indicates a deep dissatisfaction with the state of corporate America. The disparity between the top and bottom segments of American society has driven social action in the past, but action is driven even more currently by dissatisfaction with the disparity between the top and the *middle* segments of society. Over 90% of Americans are self-described as middle class because Americans see middle class as a platform of values, not an economic marker – and the value of social mobility is vital to the construct of middle class.

The survey reflects a growing apprehension that the ethics of corporate America are seriously out of sync with the core values of middle-class Americans, presenting the danger of a permanent “ruling class” or even “aristocracy” based on money, power, influence, and arrogance. Great wealth can only be acceptable in America so long as the middle class doesn’t feel they are being sidelined or driven out of the competition. There is a generalized anxiety today, for example, that higher education – the traditional means of upward social mobility in America – is being priced out of the market for the middle class. As the gateway to the American dream, no family issue has a higher priority than getting children through the school system into a top or respectable college.

Historically, our current period compares to the Gilded Age of the late 1800s that saw the rise of the great industrialists like Frick, Carnegie, Mellon, Rockefeller, and Morgan when great wealth concentrated in a few hands. The present pattern is similar. Just as the 1970s and 1980s were the decades of the “celebrity” CEO, most Americans before the turn of the 20th century believed the “titans of industry” were deserving of their wealth.

Within two decades, however, displays of conspicuous consumption, in conjunction with the stagnant social mobility of the working classes, led to criticism of the “robber barons” and social action in the early 1900s to correct this inequality. Muckrakers such as Jacob Riis and Upton Sinclair began exposing the dark underbelly of capitalism. By the early twentieth century, the Progressive movement was well under way. President Theodore Roosevelt – who would not be considered a liberal by any modern standard – introduced “Trust-Busting” to break up the great financial syndicates. The biggest social corrective to the problem of concentrations of wealth came with the passage of the 16th Amendment in 1913, which established the graduated income tax on capital gains. The wealthy took a hit with the 16th Amendment because the capital gains tax reduced the primary source of their wealth. By the early 1920s, the old wealth was seen as hollow and superficial, hence the term “Gilded Age.”

Question 8 of the Honesty and Trust survey (“*What 2 or 3 specific changes would have to take place in order to improve your trust in corporations today?*”) illuminates American concerns. Responses such as “Do something about CEOs salary/compensation, more transparency, improve employer/employee relationships, stop corporate influence, respect consumers, eliminate corporate welfare, more civic and community involvement,” reflect the same issues (money,

power, and arrogance) that drove social corrective action at the beginning of the last century –and are likely to do so again in the near future.

Americans are notoriously slow to anger (the “Sleeping Dragon” syndrome), but this survey reflects a deep anger and suspicion that portends the current standards of corporate behavior will not remain unchallenged much longer.

Corporate and government ethics – or the perceived lack thereof – is clearly a serious issue for most Americans – type “corporate ethics” into an internet search engine and you’ll get over *75 million* hits; “government ethics” will pull up 114 million – an enormous number even accounting for redundancy. The survey reflects a growing perception of a large gap between the values of corporations and government institutions and the values of the American middle class. Value gaps are always perceived as threatening, and a perceived threat to the middle class inevitably leads to social action as it did during the Great Depression when voters rejected the slow but steady approach (“Prosperity is just around the corner”) for a totally new way of thinking about how government should operate (Franklin Delano Roosevelt’s “New Deal”). It will take only one precipitating event – an Ethical 9/11 – in conjunction with the rise of a recognized [perceived] champion of the middle class, for a replay of the social corrective movements of the early twentieth century to gain critical mass.

Under the current levels of perception, an Ethical 9/11 – an event so compelling that it results in a massive and unprecedented negative response from the public – seems not only inevitable, it has already played out on the State level.

Pennsylvania is both the most rural state in the U.S. and the oldest demographically. The cynical description of the state as “Alabama with a city at both ends” holds a kernel of truth (the center of the state culturally matches more with the Midwest, while the lower-middle third skews more in line with the South). Politically, the values of the middle of the state are conservative, with more liberal values holding sway in Philadelphia and Pittsburgh. The conservative middle dominates the state legislature, providing a strong conservative Republican majority. Historically, it is almost unheard of for an incumbent not to be returned to office.

In 2005, on the first Monday after the Fourth of July holiday, at 2:00 a.m. and without debate, the state legislature passed a bill giving themselves pay raises up to 54%, depending on leadership status. In an end-run around the state constitution provision against legislators taking pay raises granted in their own term, the pay grab was classified as “unvouchered expenses.” Appeals to the State Supreme Court seemed futile, since the bill tied the judges’ pay raises to that of the legislature.

There was a storm of protest in the newspapers, but the legislature stonewalled – one legislative leader publicly called it “a tempest in a teapot,” declaring that “it would all blow over.”

It didn't. In the fall of 2005 Pennsylvania voters ousted – for the first time ever – a State Supreme Court justice. In the spring of 2006, voters rejected 17 incumbent legislators including two members of the Senate leadership. The fallout is still continuing despite a too-little, too-late repeal of the pay hike, and the legislature has become dramatically more responsive to voter needs.

Moreover, the voter rebellion occurred not in the liberal cities, but in the state's conservative – and formerly acquiescent – heartland. It was the legislators' core constituencies that voted them out. The four horsemen of the ethical apocalypse – Money, Power, Influence, and Arrogance – combined to spark an unprecedented popular revolt.

Given the deep levels of distrust and dissatisfaction with American institutional leadership – government, corporate, and media – reflected in this survey, a replay of the Pennsylvania experience at the national level seems close at hand and even overdue. The deep-set perceived misfit between the value of the average American and the values of our leadership and institutions is the ticking time-bomb for those occupying positions of power and leadership. That a pronounced majority of Americans perceive that we are heading for an Ethical 9/11 is resoundingly clear. The only remaining question is when.

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HONESTY AND TRUST IN AMERICA SURVEY

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I. Methodology and Sample Characteristics

Zogby International conducted interviews of 8175 adults online. Panelists who have agreed to participate in Zogby polls online were invited to participate in the survey. The online poll ran from 4/18/06 through 4/24/06. The margin of error is +/- 1.1 percentage points. Margins of error are higher in sub-groups. Slight weights were added to region, age, race and gender to more accurately reflect the population.

Sample Characteristics	Frequency	Valid Percent*
Sample size	8175	100
East	1869	23
South	2112	26
Central/Great Lakes	2518	31
West	1625	20
Did not answer region	51	1
18-29	1629	20
30-49	3258	40
50-64	1874	23
65+	1385	17
18-24	589	7
25-34	1657	20
35-54	3389	42
55-69	1859	23
70+	652	8
Did not answer age	29	--
Less than high school	46	1
High school graduate	432	5
Some college	2329	29
College graduate+	5337	65
Did not answer education	31	--
White	6070	74
Hispanic	809	10
African American	890	11
Asian/Pacific	162	2
Other/mixed	162	2
Did not answer race	82	1
Less than \$15,000	301	4
\$15,000-\$24,999	425	5
\$25,000-\$34,999	722	9

Sample Characteristics	Frequency	Valid Percent*
\$35,000-\$49,999	1122	14
\$50,000-\$74,999	1688	21
\$75,000 or more	3085	38
Did not answer income	833	10
Male	3923	48
Female	4217	52

* Numbers have been rounded to the nearest percent and might not total 100.

II. Executive Summary

In examining the state of honesty in America today respondents were asked straightforward questions regarding their feelings on honesty, their personal level of honesty and their take on how much honesty they encounter in their everyday lives. They were also asked questions about trust, the trust they have in government, corporations, and in the sources they use for the information upon which they build their opinions.

No one agrees that the state of honesty in America today is the best possible and about 1 in 6 thinks it is in the worst shape possible. In general, less than half of Americans believe the state of honesty will improve in the next several years. Hope springs eternal for some however, as thirteen percent expect it to improve, and more than a quarter expect it to remain the same.

Americans have 4 times more trust that corporations are doing the right thing by *shareholders* than by either their consumers or their employees. Americans are much more confident that corporations are working to enrich their shareholders.

When Americans are building these opinions, to whom do they turn as a reliable source? Newspapers and national news on broadcast television have the most trust at 25% high each, while 20% or less trust the other named news sources. The Internet has the lowest “high” rating, while the lowest of the low goes to broadcast television news, with half of Americans not confident in their reporting.

Who do we trust? Friends and co-workers are invested with high trustworthiness by three-quarters of respondents. And most respondents report that they feel their friends and family trust them as well. Work issues tend to appear as general productivity and pay equity complaints or under the general guise of “backstabbing.” There are certainly concerns with the ethics of employers and/or upper level management. As one respondent put it, for employers the “ends justify the means.” Other respondents had no problems or consider themselves fortunate to be working among people who share their values, for example: “I’ve worked with the same group of doctors in a small practice for 10 years and never had a problem with any of this;” or an even more interesting “I have great respect and admiration for my co-workers. I have *NEVER* seen my employees lie, cheat or steal. We operate our business on Quaker values and assume each individual is important and worthy of respect.”

Which groups or individuals do you trust? By slim margins, teachers and parents are seen as trustworthy, as are health care providers and parents. The clergy holds some ground here as well. Speaking in generalities really didn’t resonate with respondents as witnessed by this verbatim response “Ethical

behavior is not conferred upon an individual by virtue of membership in some group.”

When asked about what two or three changes would make a more honest America, answers were wide-ranging and diverse. Raising children right, giving parents the tools to raise honest kids, cracking down on lying politicians, and firing Congress were just a few of the suggested solutions.

Respondents typically view honesty as a problem “away from home” they see themselves, and to a great extent their friends and family, as essentially honest and moral. Once you move beyond the borders of home and family to the workplace, to corporate America, to Washington DC and the world at large, the sense of security in knowing that the world is an honest place to do business diminishes significantly.

III. Narrative Analysis

1. On a scale of 1 to 5, with 1 being the worst and 5 being the best, what is the state of honesty in America today?

1 The worst possible	18%
2	41
3	35
4	5
5 The best possible	--
Not sure	1

No one believes that the state of honesty in America today is the best possible, and about 1 in 6 thinks it is in the worst shape possible. Forty-one percent chose 2, next to the worst possible, and 35% were in the middle, choosing 3, halfway between best and worst.

Hispanics (23%) and African Americans (26%) are more likely than are whites (16%) to call the state of honesty the worst possible. Younger respondents appear to be less jaded, as 11% of 18-24 year olds call the state of honesty the worst possible, while twice as many respondents over the age of 70 call it the worst possible. Although youthful respondents do not call the state of honesty good, just slightly less bad, with them more likely to choose a 2 on the scale than are the older respondents.

Across most demographics, in most income brackets, age groups and areas of the country, the state of honesty is most often rated a 2 or 3 on a 5 point scale.

2. Is the state of honesty in America today better or worse than it was when you were a child?

Better	4%
Worse	74
The same	18
Not sure	5

Three quarters find the state of honesty in America worse than it was when they were young. Just 4% find it better and another 1 in 6 believe it has not changed since they were young.

There is a regional difference here, 73% of Easterners finding the state of honesty worse than when they were children and 78% of Westerners finding it to be worse. Correspondingly 14% of Westerners call the state of honesty the same, and 18% of Easterners believe that it is.

Eighteen to twenty-four year olds are twice as likely (6%) as 55-69 year olds (3%) to find the world a more honest place now. Men (20%) are slightly more likely than women (15%) to agree that the state of honesty is better now than it was when they were young.

In every demographic, no more than 7% said the state of honesty in America today is better than it was when they were a child.

3. In general, do you anticipate the state of honesty in America will improve or decline in the next five years?

Improve	13%
Decline	45
Remain the same	28
Not sure	14

In general, 45%-less than half- of Americans believe that the state of honesty will improve in the next five years. This is interesting as three-quarters of them feel it is worse now than it was when they were young. Thirteen percent expect it to improve, and more than a quarter expect it to remain the same.

Asians (53%) are more likely than whites (45%), Hispanics (46%), or African Americans (46%) to believe that the state of honesty in America will decline in the next five years.

Every demographic plurality expects the state of honesty to decline.

4. In general, do you have more or less trust in your government now than you did 5 years ago?

More	8%
Less	75
The same	17
Not sure	1

Respondents have less trust in the government than they did 5 years ago, by a wide margin. Three quarters have less trust, while 8% have more trust and 17% have the same amount of trust as they did 5 years ago.

Residents of the Great Lakes are nearly twice as likely to have more trust now, than are residents of the east or west (10% and 6% respectively). Older residents too are somewhat more likely to have more trust now than 5 years ago, but the numbers are still below 10%. Whites and Hispanics are twice as trusting as Asians. Seventy-four percent of whites have less trust and 83% of African Americans have less trust in the government than they did 5 years ago.

Respondents, who say they have less trust now, decrease as their income rises. Eighty-one percent of those earning \$15,000 or less have less trust in the government now, while 73% of those earning \$75,000 or more have less trust in the government now.

Seventy-one percent of men have less trust than 5 years ago, and 77% of women do.

5 – 7. In general, do you have more or less trust that corporations are doing the right thing by consumers... by employees... by shareholders?

Table 1. Trust in Corporations

	More	Less	The same	Not sure
By consumers	5	74	21	1
By employees	5	77	17	2
By shareholders	19	42	31	8

Americans have 4 times more trust that corporations are doing the right thing by shareholders than by either their consumers or their employees. Three quarters of them have less trust that corporations are doing the right thing by consumers and 77% of them have less trust that corporations are doing the right thing by their employees.

Women (79%) have significantly less trust than men do (69%) that corporations are doing the right thing by consumers. They also have less trust that corporations are doing the right thing by employees (81% women, 73% men) and shareholders (45% women, 39% men).

About 1 in 5 believes that corporations are doing the right thing by shareholders, though a still robust 42% has less trust that corporations are working to enrich even their own shareholders.

Seventy percent or more in every demographic group has less trust that corporations are doing the right thing by consumers. Seventy-three percent or more in every demographic group has less trust that corporations are doing the right thing by employees.

Americans are somewhat more confident that corporations are working to enrich their shareholders. While those reporting more confidence that corporations are doing the right thing by shareholders hovers around the 20% mark in most demographic subgroups, those reporting the same confidence hovers in the 20%-30% range as opposed to the high teens or low 20's as in the previous 2 questions.

8. What 2 or 3 specific changes would have to take place in order to improve your trust in corporations today?

Do something about CEOs salary/compensation	16%
More transparency	6
Improve employer/employee relationship	5
Eliminate greed	5
Enforce existing regulations & laws	5
Reduce outsourcing	5
Stop corporate influence	5
More financial accountability	4
Respect consumers	4
Pay employees better	4
None/not sure	4
Implement new regulations & laws	3
Eliminate corporate welfare	3
Protect the environment	3
More civic & community involvement	2
Protect retirement pensions/401Ks	2
Improvement of health benefits	2
Restructure Board of Directors	2
Accountability: non-financial, unspecified	2
Long-term strategic planning,	2
Ease regulations	1
Increased shareholder control	1
Government change	1
Get rid of corporate personhood	1
Less monopolies	1
Nothing they do would restore my confidence	1
Stop hiring illegal immigrants	1
Lower oil & gas prices, impose windfall profit tax	1
Promote unions	1
Fire executives	1
Reduce union influence	0.5
Fair & balanced reporting	0.5
Stop lay-offs,	0.4
Impeach Bush, Cheney, etc.	0.3
Lower profits, rationale unspecified	0.2
Increased employee dedication	0.2

9 – 12. On a scale of 1 to 5, with 1 being no confidence at all, and 5 being very confident please rate how much confidence you have in the following.

Table 2. Confidence in Media (ranked by % high)

How much confidence do you have that the reporting is accurate and fair?	High (4+5)	Medium (3)	Low (1+2)	Not sure
When you read an article in newspapers	25	35	40	1
When you read an article on the Internet	19	48	31	2
When you watch national news on broadcast television (ABC, CBS, NBC)	25	26	49	1
When you watch national news on cable television (CNN, FOX News, MSNBC)	20	33	46	2

National news on broadcast television and newspapers have the most trust at 25% high, while 20% trust the news on cable. The Internet has the lowest “high” rating, while the lowest of the low goes to broadcast television news, with half of Americans not confident in their reporting.

As age increases, confidence in newspaper reporting decreases. Confidence in the accuracy of Internet reporting also decreases age increases but the range is much smaller, ranging from 3% 18-29 year olds with no confidence, to 8% of those 65 and over with no confidence. The Newspapers have a high of 21% no confidence among those 65 and over, with 8% of 18-29 year olds expressing no confidence at all in newspapers. No confidence at all in the national news ranges from 14% among 18-29 year olds to 33% among individuals aged 65 and over.

Women (22% no confidence) express somewhat more confidence than do men (27% no confidence) in broadcast television news, and in the accuracy of newspaper reporting (women 13% no confidence, vs. men 18% no confidence).

13 – 18. On a scale of 1 to 5 with 1 being not at all trustworthy and 5 being very trustworthy, how much do you trust each of these to act properly?

Table 3. Trustworthiness of Select Groups (ranked by % high)

	High (4+5)	Medium (3)	Low (1+2)	Not sure
Friends and Co-Workers	75	21	4	1
Corporate Leaders	7	23	69	1
The Media	11	31	58	--
The President	24	7	69	--
The Courts	29	38	33	1
Congress	3	20	76	

Friends and co-workers are invested with high trustworthiness by three-quarters of respondents.

Low levels of trust were given to Corporate Leaders and the President (69% each), with the lowest numbers given to Congress at 76%.

The courts are held as moderately trustworthy by 38%, they score low trustworthiness with 33% and high trustworthiness by 29%.

Across nearly every demographic, individuals award their friends and co-workers a 4 on a 1-5 scale of trustworthiness.

Corporate leaders score not at all trustworthy or a 2 on the scale about a third of the time each. African Americans and Hispanics particularly distrust corporate leaders rating them as not at all trustworthy 42% and 38% respectively.

The media fares better, with nearly a third choosing the more moderate 3 as their score for the trustworthiness of the media, and about another third choosing a 2.

19. What 2 or 3 specific changes would have to take place in order to improve your trust in government today?

Personnel changes/Impeachment proceedings	17%
Curtail/eliminate lobbying, minimize cronyism	10
Campaign finance reform	8
More transparency	7
Reduce greed, show honesty/integrity etc.	6
More focus on holding people accountable	6
Term limits	5
Less partisanship	5
Checks and balances/more equal distribution of power	3
Fiscal/economic responsibility	3
Restructure the government: set up/policies/laws	3
More/Less media involvement	2
Curtail Pork Barrel spending/don't hide spending	2
More protection of citizens' rights	2
Increase/enforce criminal laws for gov't officials	2
More focus on key issues e.g. healthcare, social security etc...	2
Overhaul/simplify tax system	2
Improved Congressional investigation/oversight	2
Increase/decrease/restructure compensation for politicians	2
Less voting fraud/increase in voters	1
Not sure, can't think of anything	1
Overhaul/enforcement of immigration laws	1
Smaller government	1

Increased involvement of third parties	1
Follow the Constitution more closely	1
Reduce/increase US involvement in foreign issues	1
Abolish Electoral College/election reform	1
Reign in Supreme Court/eliminate legislation from the bench	1
Abolish gerrymandering/redistricting	1
Separation of church & state	1
Nothing can be done at this point	0.5
Increase in National Security	0.4
Environmental protection	0.3
Less dependence on foreign oil	0.2

One each: A lot; Elimination of “spin”; Trying to please everyone; Questions aren’t valid; Move D.C. to Yuma, Arizona; Revolution; A miracle; Less frivolous lawsuits; Fewer millionaires in Congress; End atmosphere of complacency; Ask Jesus what to do

20. Do you consider yourself honest and trustworthy?

21. Do your friends and co-workers consider you honest and trustworthy?

Table 4. Respondents’ Trustworthiness

	Yes	No	Not sure
Consider yourself	97	1	2
Friends/co-workers consider you	95	--	5

Significant majorities in every subgroup consider themselves trustworthy. While 75% consider their own friends trustworthy, nearly all (95%) believe that their friends and co-workers consider them trustworthy.

22. In your work experience, which ethical issue occurs most frequently?

Lying	25%
Stealing/cheating	8
Lack of respect	43
*Other	11
Not sure	14

***Other:** People being counterproductive (138); Backstabbing (129); Lack of equality (46); Pay differences (39); Overall lack of ethics (35); Prejudice (35); All of the above (35); Lack of responsibility (30); Lack of respect (29); Lack of trust (28); Stealing/cheating (19); Lack of integrity (18); Lack of accountability (15); Conflict of interest (10); Fraud (9); Apathy (6); People thinking about themselves (6); Confidentiality issues (6); No commitment to goals (6); Poor communication (6); Ignorant about workplace issues (4); Worker fatigue (3); Legal/union problems (3); Issues with illegal immigrants (2); None (105)

In their work experience 43% agree that lack of respect occurs most frequently. A quarter agree that lying occurs most often and 8% believe that stealing and cheating are the most frequent problem.

23. You work for a company that provides paid vacations that grow in length the longer you stay with the company. You have worked there several years and have helped the company grow and prosper. You decide to take a vacation with your family and realize that you have been credited with five more days than you are entitled to. You know your spouse and family would be overjoyed with the extra time. What do you do?

Take the extra time; you deserve it	5%
Take the extra time, but vow to work extra hours when you come back	4
Report the error and plan a vacation based on the time you have actually earned	86
Not sure	6

An overwhelming majority indicates that they would honestly report the error in their vacation time and plan a vacation based on the time they actually earned. A scant 5% would just take the time, and 4% would take the time and work extra hours to replace it.

As age increases the likelihood of reporting the error increases, 70% of 18-29 year olds would report the error, 87% of 30-49 year olds would report it, and 92% of those over 50 would report it.

Fewer than 10% of respondents in any category would just take the extra time, with the exception of those aged 18-24 where 16% would just take the time.

24. Which of the following two statements comes closest to your own beliefs – A or B?

Table 5. Importance of Honesty and Trust in Personal Life

	%
Statement A: I believe that honesty and trust are important in my personal life	99
Statement B: I believe that being seen as honest and trustworthy is not really that important in my personal life	1
Not sure	1

Everyone agrees that honesty and trust are important in their personal life.

25. You are updating your resume for a job you are anxious to get. You are out of work, have a mortgage payment and kids in school. You believe you're ideal for the job. It's exactly the same as your last job where you excelled. However, your potential employer requires a college degree for anyone interviewed and you never graduated. Do you imply that you're a graduate to get the interview, or do you honestly describe your education level?

Make it appear I'm a graduate	4%
Honestly describe my education	92
Not sure	4

Nearly all respondents agree that the best course is to honestly describe their education. Fewer than 10% in every demographic subgroup are willing to make it appear as though they have graduated to secure the job.

26. Which of the following two statements comes closest to your own beliefs – A or B?

Table 6. Importance of Honesty and Trust in the Workplace

	%
Statement A: I believe that honesty and trust are important in the workplace	98
Statement B: I believe that being seen as honest and trustworthy are not really that important in the workplace	1
Not sure	1

Nearly all agree that honesty and trust are important in the workplace.

27. Which of the following two statements comes closest to your own beliefs – A or B?

Table 7. Honesty and Integrity vs. Goals

	%
Statement A: I believe that honesty and integrity are important as long as they don't compromise my goals	10
Statement B: I believe that my goals are less important than acting with honesty and integrity	85
Not sure	4

Eighty-five percent agree that their personal goals are less important than acting with honesty and integrity.

Again there is an age component in responses—19% of 18-29 year olds agree that honest and integrity are important as long as they don't compromise their goals, and just 7% of those over 50 agree. For the older the respondent, honesty and integrity are more important than their goals, while for the younger respondents, there is still some consideration of goals before honesty.

28. Would you turn in a co-worker for lying, cheating or stealing?

Yes	53%
No	10
Not sure	38

More than half would turn in a co-worker for lying, cheating or stealing. Nearly two in five however, are unsure about whether they would, perhaps indicating that this is situational. Still, pluralities in every demographic, and majorities in most would turn in a co-worker for such transgressions.

29. A pedophile has moved into your community. You are aware of this because you work in the mental health system. Your knowledge of this is confidential but if someone checked the online database they would find the information online. Do you...?

Table 8. Confidentiality vs. Safety

	%
Say nothing; the job demands your confidentiality	29
Casually mention to some neighbors that the website listing sex offenders is a good place to visit periodically, and hope someone else figures it out	35
Say something, the children's safety is paramount	25
Not sure	11

This proved a thornier issue for respondents with 35% agreeing that they would casually mention the website, 29% strictly adhering to the ethical guidelines for employees of the mental health system. A quarter agrees that they would simply say something, valuing the children's safety above their own vow of confidentiality.

Curiously, here 18-29 year olds are least likely to breach confidentiality, while older respondents are more inclined to breach their code of ethics to protect the neighborhood children.

30. What would you do if you caught a friend or co-worker in a lie?

Confront them	54%
Depends on the circumstances	27
Report them to a supervisor/authorities	4
Do nothing, but lose respect/trust in them	4
Ignore the incident, do nothing	4
Don't know, not sure, no idea	3
Investigate before taking any action	1
Mention it to friends, co-workers, others	1

31. You baby-sit your neighbor's young son each week in your home across the street in return for much needed grocery money. Their teenage daughter comes home in the afternoon long before her parents. You've noticed that a teenage boy has been hanging around their house after school every day. You obviously do not know exactly what is going on, but the parents seem unaware. One day, the mother expresses to you her concerns for her daughter and asks you if you have noticed anything unusual. Do you...?

Mention it to them and possibly risk your day care job and the money you need	79%
Let it be, you don't really know the circumstances anyway	5%
*Other	10
Not sure	6

***Other:** Confront girl (168); Advise mother to speak with daughter (55); Ask for clarification (45); Depends (43); Speak to daughter (28); Give specific advice to parent (22); Get actively involved (9); Confront boy (5); Confront girl & boy (5); Watch the situation (4)

Eight in ten would risk their day car job to mention to their neighbor about their daughter's afternoon visitor. Just 5% would let it be, and 10% chose "other" with another solution.

Older respondents once again are more likely to mention the issue, possibly risking their jobs, while younger respondents are somewhat more likely to just let it be.

32. You are the owner of company with a good sales team, but due to increased competition they've been struggling lately. However, a new sales person has achieved a dramatic surge in sales by using some questionable sales methods. Although, her methods go against what you strive to achieve as good business practice, you employ 50 people and her contracts help keep them employed. What do you do?

Encourage her methods because they work	2%
Ignore her methods hoping she will move on, but in the meantime benefit from her practices	5
Ask her to change her methods or she will have to leave the company	66
*Other	12
Not sure	16

***Other:** Coach employee to change, then monitor (218); Modify methods (135); Address the methods (116); Find out more (94); Find compromise (60); Depends (57); Discuss with staff (44); Fire/Demote her (26); Consult with employees (18); Are her methods unethical? (17); Review policies (9); Hire a consultant (4)

Two thirds agree that the course of action is to ask the sales person to change her questionable methods or leave the company. Just 5% agree that they would ignore her methods, and a mere 2% would encourage her.

33. Which of the following two statements comes closest to your own beliefs – A or B?

Table 9. Company's Reputation for Honesty/Integrity

	%
Statement A: My company has a good reputation for acting in an honest and ethical manner.	66
Statement B: My company's reputation could use improvement in the areas of honesty and trust.	23
Not sure/Not Applicable	12

Two thirds agree that their company has a good reputation for acting in an honest and ethical manner. About a quarter agree that their company could use some improvement in the areas of honesty and trust.

Thirty percent of African Americans chose statement B, 21% of whites and Asians did, and 25% of Hispanics did. Otherwise there were few demographic differences.

34. Which of the following two statements comes closest to your own beliefs – A or B?

Table 10. Pressure at Work to be Dishonest

	%
Statement A: I have never been pressured at work to violate the honesty and trust of our customers or those with whom I work	64
Statement B: From time to time, I have been pressured at work to be less than honest	31
Not sure	5

Sixty-four percent have never been pressured at work to violate the honesty and trust of their customers or those with whom they work. Thirty-one percent agree that from time to time they have been pressured at work to be less than honest.

(Asked only of those who say they have been pressured at work.)
35. On a scale from 1 – 5, 5 representing the most pressure, how much pressure have you felt to violate honesty and trust?

Table 11. Pressure to Lie

	High (4+5)	Medium (3)	Low (1+2)	Not sure
Pressure to violate honesty and trust	31	32	37	--

A third chose right in the middle, halfway between most and least pressure to violate honesty and trust. Almost another third chose high pressure to violate honesty and trust and 37% feel a low pressure to violate honesty and trust.

36. You are selling your home and you know that it has a serious defect that would likely not be detected for several years. This defect could potentially decrease your profit substantially. Do you encourage the buyer to hire a home inspector and pretend you do not suspect any defects, believing in the motto “Buyer Beware,” or do you disclose the defect?

Encourage the buyer to hire a home inspector	30%
Disclose the defect	58
Not sure	12

More than half agree that the right thing to do would be to disclose the defect, and 30% would encourage the buyer to hire a home inspector. More than 10% are not sure how they would handle it.

Westerners (27%) are less likely than Easterners to encourage the buyer to hire an inspector, and 11% more likely to agree that they would disclose the defect.

Just about half of 18-29 year olds agree that they would disclose the defect, and 10% more 30-49 year olds would. Sixty-four percent of 50-64 year olds would disclose and 61% of those over 65 would as well.

37. Do you play by the rules, even when others do not?

Always	31%
Usually	64
Sometimes	5
Never	--
Not sure	1

Sixty-four percent usually play by the rules even when others do not, with 31% agreeing that they always play by the rules. Five percent say they sometimes play by the rules even when others do not.

Again there are some regional differences, East coast residents agree that they always play by the rules 25% of the time, and West coast residents agree that they always play by the rules 31% of the time.

Age plays a part here as well, with 17% of 18-29 year olds always playing by the rules and twice as many 50-64 year olds playing by the rules. Thirty-seven percent of those 65 and older play by the rules and 31% of 30-49 year olds do, so as age increases the decision to stick with the rules appears to become more popular.

38. A co-worker, who has become a friend, goes on maternity leave from your company. State law mandates that the company "hold" her job for one year until she returns. Although she had previously said she had every intention to return to work, two months into your friend's leave, she tells you that she has decided not to return to work, but will not tell the company's owner in order to continue to collect benefits for the full year. Later, the boss confides to you that he'll be glad when your friend returns to work, as she is a strong asset to the company. What do you do?

Tell him the truth. He deserves to know what you know	17%
Say nothing. It's up to my friend to tell the boss	64
Not sure	19

Sixty-four percent agree that they would do nothing and let their friend tell the boss herself. Seventeen percent say they would tell the boss the real story, and 19% are just not sure what they would do.

39. Should all employees be held the same ethical standard?

Yes	95%
No	2
Not sure	4

Nearly all respondents agree that all employees should be held to the same ethical standard.

40. Today, which of the following individuals or groups do you believe demonstrate the best example of honesty and trust?

Teachers or educators	22%
The clergy	13
Elected officials/politicians	--
Businesswomen and men	2%
Sports figures/entertainers	--
Parents	16
Community activists	12
*Other	7
None	16
Not sure	13

***Other:** Depends on individual (152); Health Care (95); Military Personnel (73); Public Service (59); Religious (30); Young children (21); Elected officials (17); Activists (15); Media (14); The clergy (13); Parents (13); Volunteers (8); Business professionals (6); Non Profits (5); Sports figures/entertainers (4); Friends/family (4); Democrats (3); Libertarians (3); Conservatives (2); Teachers (2); Liberals (2)

Teachers and educators are seen as the best examples of trust and honesty by a small margin of 22%. Parents are slightly more trusted than clergy (16% and 13% respectively), and community activists are trusted by slightly more than 10%, just 2% believe that business women and men exhibit the best examples of honesty and trust.

41. You work for a Fortune 500 company and discover that they are not complying with an industry regulation. You take this to your boss who takes the matter up with her superior. She is told that it will be dealt with, but you discover that it never is. Your boss tells you that, at the risk of her own job, she can't take it any higher. She says you can, but implies that you may face serious consequences as a result. Do you...?

Go over her head and risk her wrath as well as that of the company	25%
Decide that you've told your boss and now it's the company's problem and not yours	24
Turn the company in and risk being fired	21
*Other	12
Not sure	20

***Other:** Depends on severity (357); Anonymously report to authorities/media (161); Change jobs (135); Openly report to authorities/media (113); Document and take action (73); Make effort to resolve (42); Consult an attorney (24); Research regulations (11)

A quarter agrees that they will go over their boss's head and risk the consequences. Another quarter decide that it is now the company's problem. Twenty-one percent risk firing as a consequence and agree that they will turn the company in. Twenty percent are not sure and 12% have other ideas.

Men are twice as likely to tell the boss the truth than are women. African Americans are more likely to say nothing than are Whites or Hispanics, though majorities in all racial demographics are more likely to say nothing. Interestingly there are no significant differences for the various subgroups of income range.

42. Have you ever used, distributed or copied computer software beyond its intended use?

Yes	33%
No	67
Not sure	--

Two thirds say they have never used, distributed or copied computer software beyond its intended use. Another third admit that they have, no one was not sure.

The likelihood of using computer software in this fashion is much higher among younger respondents than among older ones. More than half of all 18-29 year olds agree that they have used or copied software beyond its intended use. Twenty-seven percent of 50-64 year-olds agree that they have, and just 18% of those 65 and over. Men are twice as likely as women to have used software beyond its intended use.

43. Under what circumstance are you most likely to lie?

Table 12. When Most Likely to Lie

	%
Spouse or friend asks you about their appearance or gift they have given to you	81
Co-worker asks about you their job performance	5
Boss or manager asks you about a job that you were supposed to complete	4
Spouse or friend asks you about a job that you were supposed to complete	2
*Other	9
Not sure	--

***Other:** Don't lie (240); Avoid hurt (128); Try not to (66); Avoid parties (14); Questions about personal life (12); Admitting infidelity (11); Aiding government (11); If someone is ill (10); Sex questions (9); To protect a child (9); Confidentiality (8); To avoid phone calls (7); Lie by omission (7); How I am feeling (6); Money 5; Humor (5); Age or weight (5); Santa Claus (5), Easter Bunny (5); If the truth will hurt (5); To justify poor judgment (4); Helps progress (4); To avoid work (3); Surveys (3); If it makes people feel better (3); When I'll be home (3); To avoid an argument (3); Disagree w/situation (2); For the boss (2); To keep a job (2); National Security (2); So people won't worry (2); Not to offend the host (2); All 2; To a child (2); If I don't like the person (2)

It is most likely that respondents will lie when a spouse or friend asks them about their appearance or gift they have been given. All other responses were less than 10%.

44. In business, it is common practice to reward individuals who meet or exceed sales or other goals. Do you believe that individuals within a company who come forward about an illegal or unethical act should be similarly rewarded for uncovering wrong-doing?

Yes	65%
No	18
Not sure	18

Sixty-five percent agree that individuals within a company who come forward about an illegal or unethical act should be rewarded similarly to those who meet or exceed sales goals.

Between 60% and 70% in every demographic subgroup agrees that individuals who come forward should be rewarded.

45. What 2 or 3 specific changes would have to take place in order to improve honesty and trust in America today?

Reward honesty	8%
Hold people accountable	8
People should set a good example for children	7
New government leadership	7
A fair and balanced media	6
Parents should teach values/ethics	5
Return to religious principles	5
Demonstration respect for self and others	4
More transparency	4
Schools should reinforce values/ethics	4
Consistent and tougher law enforcement	4
Change the culture	3
Put less value on wealth/materialism	3
Reward whistleblowers	2
Practice the Golden Rule	2
Eliminate lobbying	2
Improve education	2
Improve salaries/benefits for workers	2
Separation of church and state	1
They can't do anything to restore my trust	1
Have stronger work ethic	1
Campaign finance reform	1
Increase respect for authority/the law	1
Protect civil rights	1
Fix the tax system	1
Judicial reform	1
Increase community involvement	1
Improve government oversight	1
Media/entertainment should reinforce values/ethics	1
Reform voting system	1
Smaller government	0.5
Term limits	0.5
Workplace should reinforce values/ethics	0.4
Reduce greed	0.3
Not sure/no response	9

Other: Improve foreign policy (12); Reform/enforce immigration laws (10); Improve homeland security (7); Environmental stewardship (6); Reduce dependence on foreign oil (3)

ABOUT JIM LICHTMAN –

Jim Lichtman has been writing and speaking on ethics to corporations, associations and schools since 1995. Feature stories and appearances include *USA TODAY*, the *Washington Post*, the *Weekend Today Show in New York*, National Public Radio's *Weekend Edition, NY-1* and *CNN NewsNight with Aaron Brown*.

The Washington Post called Jim's first book, *THE LONE RANGER'S CODE OF THE WEST – An Action-Packed Adventure in Values and Ethics*, "...entertaining and informative." *New York Daily News* columnist Stanley Crouch called it, "An attempt to ring the bells of ethics and courage once more." His latest book, *WHAT DO YOU STAND FOR?* features stories "*about principles that matter*," from Mario Cuomo to the Dali Lama to ordinary citizens.



Jim's Op-ed pieces have appeared in the *Philadelphia Inquirer*, *Chicago Tribune*, *Houston Chronicle*, *Minneapolis Star-Tribune*, *New York Daily News*, and *New York Times*.

A graduate of the *Josephson Institute's Ethics Corps*, it is the strategies and techniques offered by this nationally recognized Institute which form the basis of what Lichtman believes and teaches.