

## Mitchell's Musings 12-26-11: The Nature of the Threat

Daniel J.B. Mitchell

The Gallup Poll asks the following question every few years: *In your opinion, which of the following will be the biggest threat to the country in the future -- big business, big labor, or big government?*

The table below summarizes the answers.<sup>1</sup> But let's note some obvious problems with the question's wording. First, the question assumes there is a big threat and the respondent merely should choose which of the three indicated ones is greater. If the respondent doesn't think there is a big threat, there is no direct way of so indicating. Second, and related, the pollster is telling you there is a threat – but only mentions three likely sources. Yet one might have imagined that during the Cold War, some people might have answered that the Soviet Union was a big threat if given that choice. Or, in more recent times, some might have thought global warming was a big threat.

Third, the nature of the threat is not defined. Since the pollster mentions two economic institutions first – business and unions – the question seems to focus on the economy. (If the threat is to civil liberties, it is hard to find a very direct link with business and unions.) There are two clues suggesting an economic interpretation. There is an upward blip in the big business option around the time of the Enron and other corporate scandals in 2002 and another in 2008-2009 after the Wall Street/financial crisis. Perhaps more significantly, the downward trend in the national unionization rate is reflected in the secular decline in the big labor response. It's hard to make “big labor” into the greatest threat to the U.S. when labor isn't very big anymore. In 2010, about 13% of employees were union represented; about 8% in the private sector. (The proportions that were union *members* – as opposed to being represented by unions – are still lower.)

			<b>Big business</b>	<b>Big labor</b>	<b>Big Govt.</b>	<b>No opinion</b>
2011	Nov 28-Dec 1		26	8	64	2
2009	Mar 27-29		32	10	55	3
2008	Dec 4-7		31	11	53	6
2006	Dec 11-14		25	9	61	5
2005	Dec 5-7		27	8	61	4
2004	Dec 5-8		27	11	57	5
2003	Nov 10-12		29	9	57	5
2002	Jul 5-8		38	10	47	5
2000	Oct 25-28		22	7	65	6
1999	Aug 24-26		24	8	65	3
1998	Dec 4-6		24	7	64	5
1995	Aug 11-14		24	9	64	3
1985	Jun 7-10		22	19	50	9
1983	May 13-16		19	18	51	12
1981	Sep 18-21		22	22	46	10
1979	May 4-7		28	17	43	12
1978	Sep 15-18		19	19	47	15
1977	Jan 7-10		23	26	38	13
1969	Nov 12-17		19	28	33	20
1968	Jul 18-23		12	26	46	16
1966	Dec 8-13		14	21	48	17
1965	Feb		17	29	35	19

<sup>1</sup> Source: <http://www.gallup.com/poll/151490/Fear-Big-Government-Near-Record-Level.aspx>. The poll is taken among a little over a thousand adults through random-digit telephone dialing.

So, if the economic interpretation is correct, when 64% of folks name big government as a threat – as in the latest poll - do they mean that it's a threat for mismanaging the economy? And, if so, do they want it to manage the economy more? More regulation? Or less regulation? Or just better?<sup>2</sup> Or – as seems most probable - do we have a messy disparate combination of all those possible reasons behind the 64%?

About the only thing that is evident from the Gallup poll results is that it has gone out of fashion to have “no opinion” on what might reasonably be characterized as a complicated question. The U.S. clearly has a major macroeconomic challenge in the immediate future in pulling down the unemployment rate and producing a robust recovery from the Great Recession. And there are longer-term economic challenges as well. A society in which everyone has a definite, but disparate, opinion on what should be done with regard to economic policy is also one that is likely to produce a state of polarization and gridlock that ensures that the challenges are not met. Not a bright prospect for 2012.

Nevertheless, Happy New Years to our EPRN readers. Let's hope my interpretation turns out to be incorrect.

---

<sup>2</sup> The bump up in the big government response in the most recent poll – as Gallup notes – was largely among Democrats – who don't typically favor *laissez-faire* approaches to the economy. See the reference in footnote 1. Hence, it is not at all obvious – as some might want to assume – that respondents naming big government as a threat therefore want less of it.