

CAPITALISM SATISFACTION BAROMETER

*Gauging America's views on
capitalism to forecast its future.*

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At -20 the July 2023 reading reflects a more favorable view of capitalism than the previous -29 reading in November 2022. Increased satisfaction with capitalism is mirrored by some increased dissatisfaction with the direction of the economy.

The Capitalism Satisfaction Barometer is modeled on the Net Promoter Score (NPS). It is an indication of the strength of experience with capitalism, positive or negative, with an eye on identifying Promoters. In the scoring methodology, Promoters are having a positive experience and are likely to be advocates while Passives and Detractors are having a negative experience and may be looking to make a change. We contextualize the barometer reading by asking if capitalism is the best economic system for America and how well the current system is working. We ask about the economy's overall mix of free enterprise and government and the mix in specific industries. The July 2023 data shows older Americans increasing their support for a free market direction.

- **Capitalism is still preferred.** All generations say they support capitalism as the best economic system for America. Support ranges from 72% of Baby Boomers and older generations to 62% of Gen Zs. Millennial support increased from 58% to 67%. Most Millennials and Gen Zs who are not likely to support capitalism also believe the economic system is not working well.
- **Detractors are less confident in explaining capitalism's drawbacks.** We ask Promoters how confident they feel in explaining capitalism's benefits and Detractors how confident they feel in explaining capitalism's drawbacks. 88% of Promoters feel confident explaining its benefits. 20% of Detractors feel confident explaining its drawbacks. This is a significant drop from November when 56% of Detractors felt confident explaining its drawbacks.
- **Most older Americans still feel the current system is not working well, but Millennials are slightly less negative.** Among Gen X and older generations, 18% said the system is working well; 32% said OK and 51% said not well. Among Millennials, the percentage choosing not well dropped from 47% to 41% and the percentage choosing OK increased from 34% to 44%
- **Older generations increased their support for a more free market direction to the economy.** 57% of Gen X and older generations say the economy should shift more free market as opposed to more state-directed or stay the same or don't know. This is a significant 6-point increase from November 2022. There is no significant change among younger generations: about 42% of Millennials and Gen Zs support a free market shift; 28% support a state-directed shift; and the rest support keeping the same mix or don't know.
- **Americans are more likely to say more government involvement is needed in healthcare and least likely to say it is needed in technology development.** Gen X and older generations show significant shifts toward a preference for more private enterprise in Education, Housing, Banking and Finance, Energy Production, and Technological development; Millennials in Housing and Technological development; and Gen Zs in Education and Technological Development.

Select Survey Outcomes

Figure 1 shows generational differences in the likelihood of supporting a form of capitalism as the best system for America. It compares responses for July 2023 and November 2022. Overall support for a form of capitalism as the best economic system ranges from 62% among Gen Zs to 73% among Boomers and older generations. In July 2023, Millennials were significantly more likely to support capitalism than in November 2022, with support increasing from 58% to 67%.

Figure 1. Generational differences in the likelihood of supporting a form of capitalism as the best economic system for America.

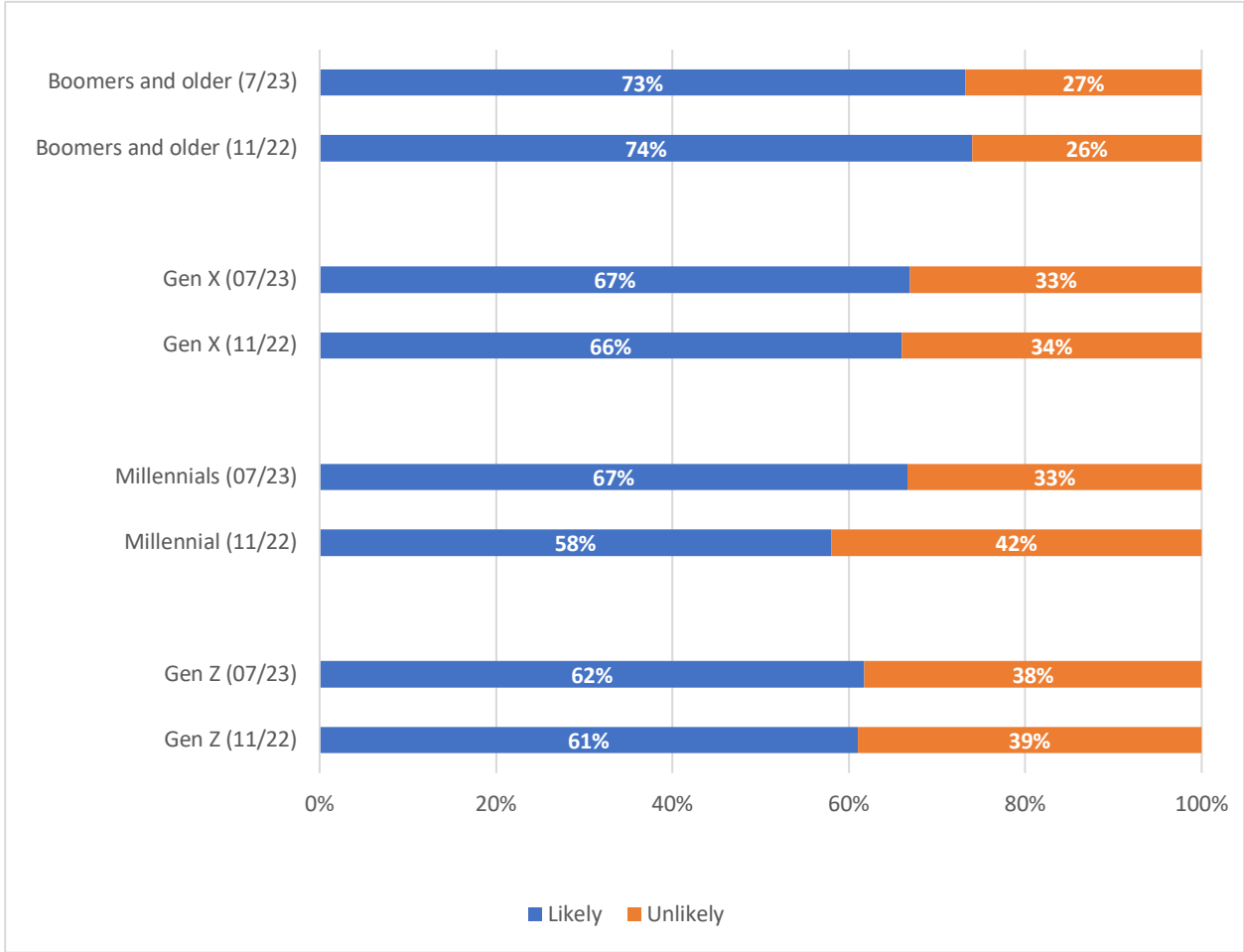


Figure 2 shows ideas about how well the current economic system is working. It compares responses for July 2023 and November 2022 by generation. In July 2023, Millennials are significantly more likely to say the current economic system is working OK than in November 2022.

Figure 2. Is the current economic system working well?

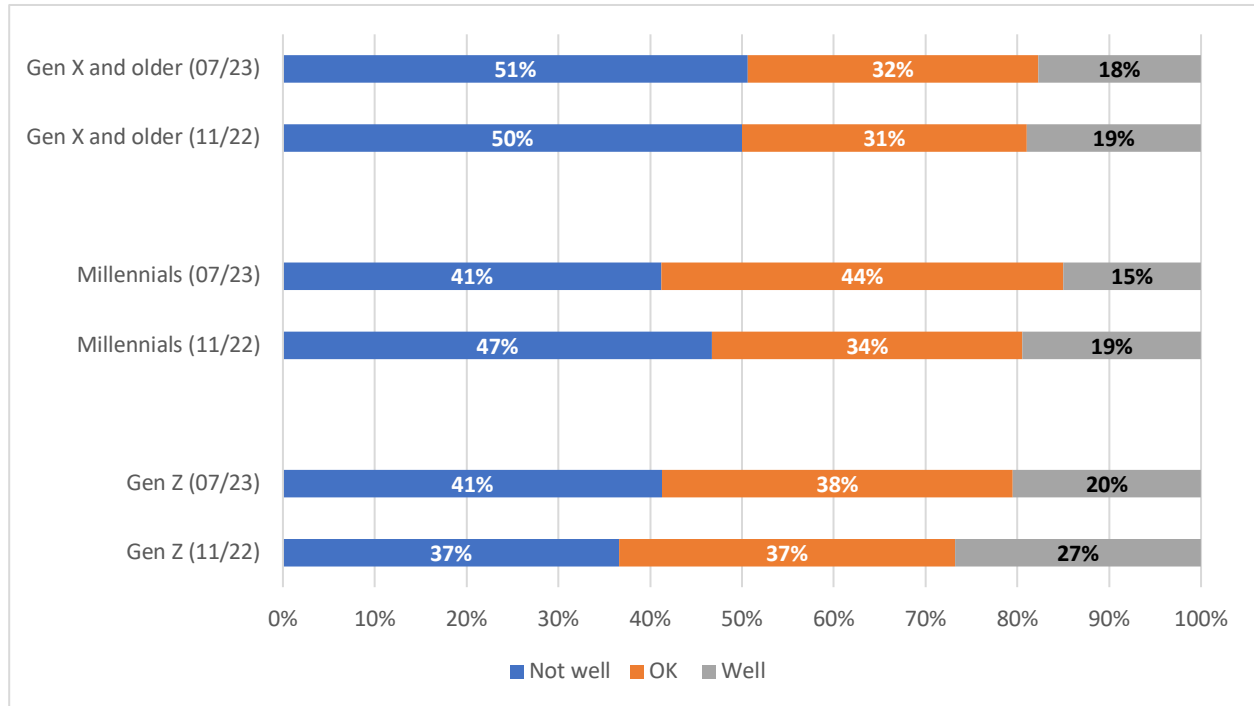


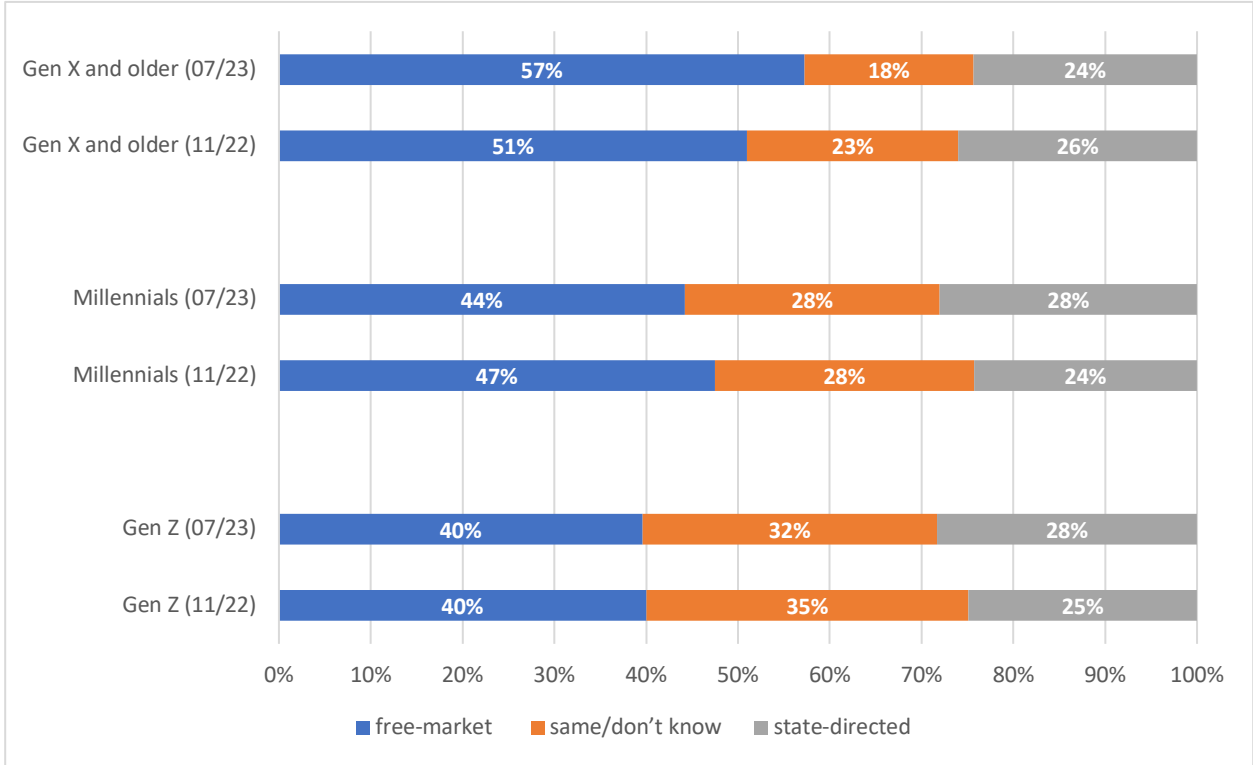
Figure 3 shows the percentage of Millennials and Gen Zs who are likely or unlikely to support capitalism as the best economic system for America by how well they think the economic system is working. 85% of those who say they are likely to support capitalism also say the system is working OK or well. 35% who are *not* likely to support capitalism also believe the economic system is *not* working well. Note that 15% say the system is working well or OK but are still unlikely to support capitalism as the best economic system for America.

Figure 3. Percentage of Millennials and Gen Zs who are likely or unlikely to support capitalism as the best economic system for America by how well they think the economic system is working.

Is the economic system working well?	Likelihood of supporting capitalism as..	
	Not best system	Best system
Not working well	35%	65%
Working OK or well	15%	85%

Figure 4 shows the percentage of respondents by generation who say the economy should stay the same/don't know, shift more free market, or shift more state-directed. Among Gen X and older, there is a significant shift in 2023 for a more free-market orientation.

Figure 4. Which direction should the economy go? More free market, more state-directed, stay the same/don't know.



We analyzed the data for this item sorted by Male, Female, White, Black, and Hispanic and found a few significant differences from the averages documented in Figure 4:

- Millennial men are more likely to support a free market shift (52%) and significantly less likely to choose same/don't know (21%).
- Millennial women are less likely to support a free market shift (37%) and significantly more likely to choose same/don't know (35%)
- Blacks belonging to Gen X and older generations are less likely to support a free market shift (49%) and significantly more likely to choose same/don't know (33%).
- Black Millennials are less likely to support a free market shift (36%) and significantly more likely to choose same/don't know (37%).
- Black Gen Zs are less likely to support a state-drifted shift (19%) and significantly more likely to choose same/don't know (43%).

Figure 5 asks if the mix of private enterprise and government in specific industries should stay the same, shift more free market, or shift more state-directed. In Figure 5, cells with orange fill and white type show significant shifts from 2022 to 2023.

Figure 5. Do we currently need more private enterprise, more government, or the same mix of markets and government in these areas?

	2023	2022	2023	2022	2023	2022
	Gen X +	Gen X +	Millennials	Millennials	Gen Z	Gen Z
Education						
Private Enterprise	42%	37%	28%	24%	24%	19%
Government		37%	45%	44%	49%	54%
Same/Don't know	23%	31%	27%	32%	27%	27%
Healthcare						
Private Enterprise	36%	35%	23%	24%	23%	20%
Government	44%	46%	53%	49%	54%	55%
Same/Don't know	20%	19%	23%	27%	24%	24%
Housing						
Private Enterprise	45%	39%	33%	27%	29%	30%
Government	29%	30%	38%	58%	39%	54%
Same/Don't know	27%	31%	28%	15%	32%	16%
Social Service						
Private Enterprise	31%	28%	26%	24%	28%	26%
Government	43%	44%	43%	48%	44%	59%
Same/Don't know	27%	28%	31%	28%	29%	15%
Banking and finance						
Private Enterprise	43%	38%	34%	31%	29%	28%
Government	24%	23%	32%	36%	35%	37%
Same/Don't know	33%	39%	34%	33%	35%	35%
Energy production						
Private Enterprise	45%	39%	27%	26%	24%	23%
Government	32%	38%	39%	38%	58%	49%
Same/Don't know	23%	23%	34%	36%	18%	28%
International trade						
Private Enterprise	34%	32%	26%	27%	22%	22%
Government	25%	27%	32%	34%	41%	39%
Same/Don't know	41%	41%	42%	39%	38%	39%
Technological development						
Private Enterprise	56%	48%	42%	35%	36%	30%
Government	15%	16%	23%	27%	26%	31%
Same/Don't know	30%	36%	35%	38%	38%	39%

Figure 6 uses the information in Figure 5 to highlight differences between generations in overall preferences. Gen X and older generations have different preferences than Millennials and Gen Zs. Older generations tend to think more industries need private enterprise, and younger ones tend to think more industries need more government. They agree on a few areas. Healthcare and social services need more government and technological development needs more private industry.

Figure 6. This table summarizes information from Figure 5 and shows which area—private enterprise, more government, or the same mix—has the most support for adding more of it to the current economic mix for each industry. For example, 53% of Millennials say we currently need more government in the mix of markets and government in healthcare.

	Private Industry	Government	Same / Don't know
Gen X and older	Education Housing Banking and Finance Energy production Technological Dev.	Healthcare Social Services	International Trade
Millennial	Technological Dev.	Education Housing Healthcare Social Services Energy production	International Trade
<i>No clear winner in Banking and Finance</i>			
Gen Z	Technological Dev.	Education Housing Healthcare Social Services Energy Trade	
<i>No clear winner in Banking and Finance</i>			

Figure 7 uses the information in Figure 5 to show significant changes in each generation’s preferences since November 2022. The shifts can be *towards* private enterprise, government, or leaving things the same. All generations showed a preference for more private enterprise in technology development. Gen Zs showed a shift towards the government in energy. Younger generations were more unsure about housing and social services.

Figure 7. This table summarizes information from Figure 5 and shows the industries where there is a significant shift toward a preference for more private enterprise, government, or same/don’t know. For example, Millennials show significantly less support for the government in housing because their support shifted both to private enterprise and same/don’t know.

	Private Enterprise	Government	Same/ Don’t Know
Gen X and older	Education Housing Banking and Finance Energy Production Technological Dev.		
Millennials	Housing Technological Dev.		Housing Social Services
Gen Z	Education Technological Dev.	Energy	Housing Social Services

About the Capitalism Satisfaction Barometer

The Capitalism Satisfaction Barometer is directed by Dr. Christina Elson and Dr. Kylie King and supported by the Billy D. and Deborah Prim Research Fund. The data is collected by YouGov, a global public opinion and data company. For more information contact Dr. Christina Elson at elsonc@wfu.edu.

Scoring, Survey Methodology, and Data

The Capitalism Satisfaction Barometer is modeled on the Net Promoter Score (NPS). Based on their support for capitalism as the best economic system for America, each respondent is categorized as a Promoter (scores of 9 and 10), Passive (scores of 7 and 8), or Detractor (scores of 1-6). This scoring methodology produces an overall score of between -100 and 100 which is generally interpreted as:

- -100-0: Most people are having a negative experience and are Passives or Detractors.
- 1-30: Slightly more people are having a positive experience than a negative one.
- 31-50: Most people are having a positive experience and there is a solid group of Promoters.
- 50-70: Most people are having a positive experience and there is a larger-than-average group of Promoters.
- 71-100: Most people are having a positive experience and are active Promoters.

Like any company, product, or service, capitalism has an overall brand appeal and possesses certain distinguishing features that can be evaluated. Promoters are happy with current features and are likely to recommend the brand to others while Passives and Detractors may be looking to make a change. The Capitalism Satisfaction Barometer is an indication of the strength of experience. How many Americans experience capitalism as appealing and well-functioning and can explain why? The score is best understood with contextual information. What features does the brand possess? Do customers want more or less of these features or something else entirely?

Our data sets are collected by YouGov.

- Data Set 1. Between November 22, 2022 - December 3, 2022, YouGov interviewed 807 18–41-year-old respondents, who were then matched down to a sample of 800 respondents equally split into 3 age groups (18 to 25, 26 to 32, and 33 to 41) to produce the final dataset. The margin of error for this data set is +/-4.2 %.
- Data Set 2. Between November 22, 2022 - December 3, 2022, YouGov interviewed 939 respondents that were at least 42 years old, who were then matched down to a sample of 800 respondents equally split into 3 age groups (42 to 53, 54 to 64, and 65+) to produce the final dataset. The margin of error for this data set is +/-3.99 %
- Data Set 3. Between July 7, 2023 - July 14, 2023, YouGov interviewed 847 18–41-year-old respondents, who were then matched down to a sample of 800 respondents equally split into

3 age groups (18 to 25, 26 to 32, and 33 to 41) to produce the final dataset. The margin of error for this data is +/-3.8 %.

- Data Set 4. Between July 7, 2023 - July 14, 2023, YouGov interviewed 977 respondents that were at least 42 years old, who were then matched down to a sample of 800 respondents equally split into 3 age groups (42 to 53, 54 to 64, and 65+) to produce the final dataset. The margin of error for this data is +/-3.9 %.

The respondents of each age group were matched to their own sampling frame on gender, age, race, and education. All frames used were constructed by stratified sampling from the 2019 American Community Survey (ACS) 1-year sample, with selection within strata by weighted sampling with replacements (using the person weights on the public use file).

The matched cases were combined and then weighted to another sampling frame using propensity scores. The matched cases and the frame were combined, and a logistic regression was estimated for inclusion in the frame. The propensity score function included age, gender, race/ethnicity, years of education, and region. The propensity scores were grouped into deciles of the estimated propensity score in the frame, and post-stratified according to these deciles.

The weights were then post-stratified on a four-way stratification of gender, age (3-categories), race (4-categories), and education (4-categories) to produce the final weight.