

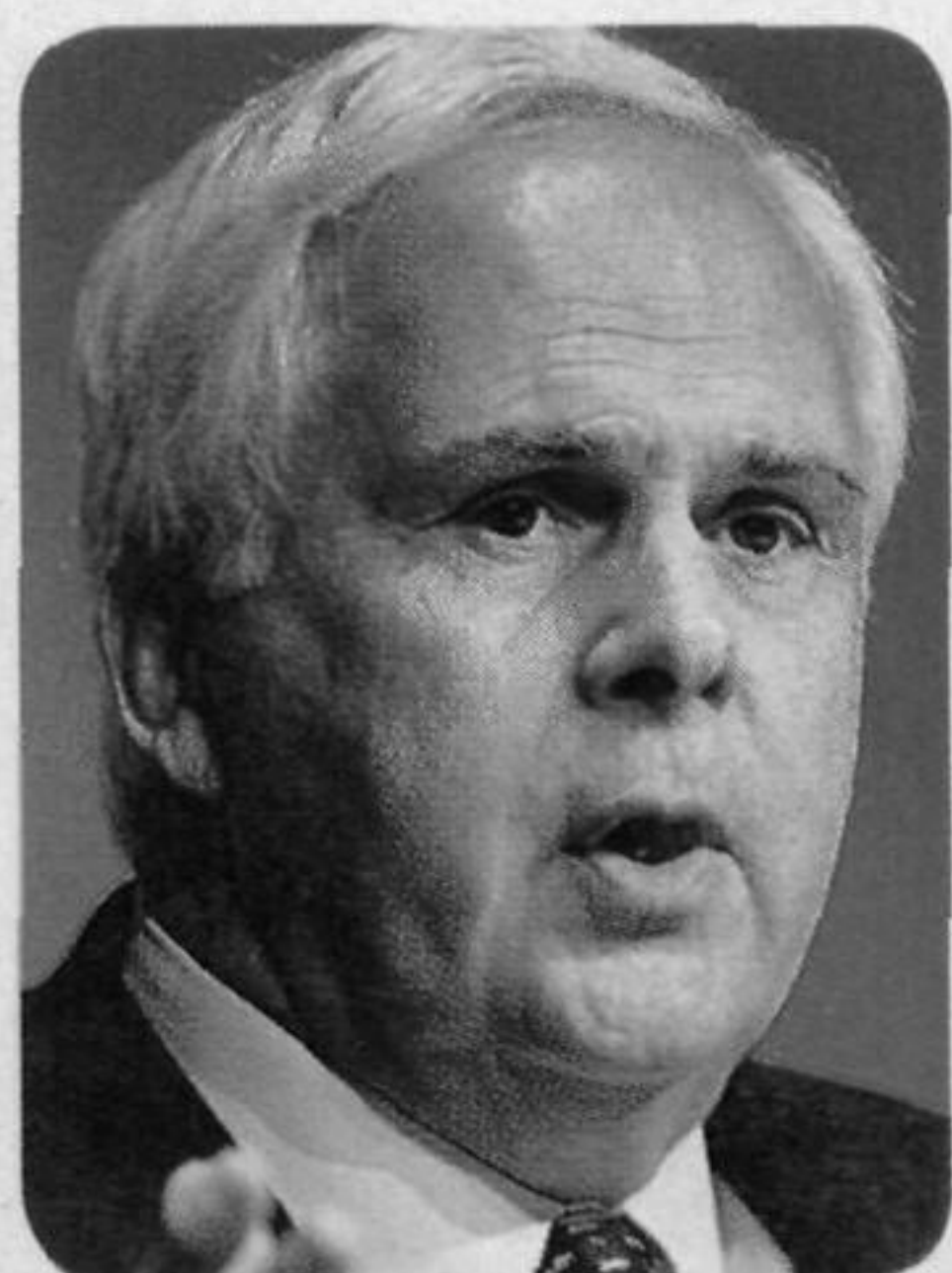
BUSINESS IS BACK

It's a historic shift that can't be seen in any single event. When you come back from as much disgrace as U.S. business brought upon itself in the past half decade, you don't do it with trumpets blaring and banners flying. You creep back. And even today executives don't want to say, at least not on the record, that they've done it. But they have.

They will gladly talk about any number of other issues, more volubly than at any time since the glory days. It's the most striking sign—after not just the scandals but also America's post-9/11 focus on Washington—that businesspeople at long last sense it's okay to become public figures again. Whether it's General Electric chief Jeff Immelt on the environment, Starbucks chairman Howard Schultz on employee benefits, FedEx CEO Fred Smith on energy security, or DuPont chief Chad Holliday on renewable resources, corporate bigwigs are again eager to step before the cameras—a stunning change from just a few years ago. Fred Smith observes, “The vast majority of CEOs sure as hell kept their heads down, and very deliberately.” No more. “Back then, CEOs were quiet as mice,” says Leslie Gaines-Ross, chief reputation strategist at the Weber Shandwick communications firm. “Now they're roaring like tigers.”

SKEPTICAL THAT BUSINESS is really back in America's good graces? It's easy to doubt, in light of Wall Street volatility, the stock-option backdating scandal at Apple and many other companies, and outrage over the megapay of Home Depot's Bob Nardelli and UnitedHealth's William McGuire. In the newly Democratic Congress, Representative Barney Frank of Massachusetts has already held hearings on CEO pay, just as new pay-disclosure rules yielded some incendiary numbers in this spring's crop of proxy statements. And certainly companies will have to be on their best behavior for a long time to come.

Yet the big picture showing a broad business return to a respectable role in American culture is undeniable. Americans today trust business far more than at any time in recent years, at least by some measures. A new poll from the New York City-based Edelman PR firm, the latest in a series conducted since 2001, shows the highest level of trust in business that the poll has yet recorded: 57% say they trust business to “do what is right.” That's even higher than in the palmy days before the Enron scandal broke.



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—FRED SMITH, *FedEx CEO*



HELPING HAND
In the aftermath of Katrina, guardsmen load donations from Wal-Mart.

Not every opinion poll is favorable to business, but much depends on whom you ask and how you ask them. That Edelman poll queried college-educated adults with above-average incomes, for example. A broader Gallup poll finds that confidence in “big business” among U.S. adults is very low: Only 18% report “quite a lot” or “a great deal” of confidence. But Gallup editor-in-chief Frank Newport notes, “In polling, ‘big’ is an inflammatory negative. Ask Americans about small business, and they perk right up.” And a different Gallup poll suggests that Americans are quite confident in business when asked in a different way. “Investor confidence today is the highest it's been in three years,” says Newport.

America's twentysomethings are getting excited about business again, judging by the interest in business school. Applications rocketed in the boom years but then plunged in 2002 and kept dropping for three more years—a fall so vertiginous that B-school administrators worried the degree had lost its relevance and might be in permanent decline. Apparently not. Last year applications finally rose again at nearly 70% of full-time, two-year MBA programs.

In the darkest days for business, people just didn't want to hear about it, in the same way that many didn't want to open their brokerage statements when the market tanked. Sales of business books dropped in 2003, and business conferences apparently dried up, though hard data are scarce. CNBC viewership peaked in the wonder year of 2000 and then shrank steadily through 2005.

But how times have changed. Today business-book sales are surging. CNBC viewership turned sharply up again just last year.

And businesspeople are convening and conferring from sea to shining sea as they haven't done in years. The HSM conference group is putting on two-day conferences this fall at New York's Radio City Music Hall (capacity: 6,000) with such rock stars as Jack Welch, Tom Peters, and Alan Greenspan—and selling out at some \$2,500 a ticket. “Lineups like they present have always been done for CEO audiences, but this is unique for the masses,” says Tony D'Amelio, executive vice president of the