

**The Relationship between Psychological Factors and Business
Students' Distrust of Corporations**

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The Great Recession of 2008-2012 and the ensuing corporate scandals (e.g. Lehman Brothers) had a negative effect on corporate ethical perception. This study examines the extent of business students' distrust of corporations during the Great Recession. To better understand the correlates of such distrust, psychological factors such as work ethic and empathy are examined. The results showed that business students had generally moderate distrust of corporations during this period. Students with high work ethic had lower distrust of corporations compared to students with low work ethic. However, students showing higher levels of empathy for others showed higher distrust of corporations compared to students with less empathy. Significant demographic factors also emerged that have implications for business education and employment.