
Public Perceptions and Preferences about Globalization

When asked about trade, immigration, or foreign direct investment (FDI) policies, what do Americans think? This chapter shows that Americans display a qualitatively accurate appreciation of both the benefits and the costs of liberalization, but that a consistent plurality or majority tend to weigh the costs more heavily than the benefits and thus oppose liberalization.

In recent years public opinion surveys have paid increasing attention to globalization, asking more questions and covering more related subjects. Our analysis in this chapter is based on a database we assembled from the Public Opinion Databank at the Roper Center for Public Opinion Research covering more than 500 questions and answers dating back to 1938. Our goal is to present data from a representative sampling of surveys to set out “the facts” about US policy preferences and about what trade-offs seem to underlie these preferences.

In presenting this information, we use mainly recent survey questions and answers, given our interest in the current globalization backlash. Historical evidence is noted throughout and will be returned to in chapter 5. We also pay attention to language. Different surveys ask questions with different wording, and we try to examine these differences to better understand public opinion about globalization. As the reader will note, the majority of polling on globalization addresses trade only. Accordingly, we address trade questions first and in greater detail before turning to immigration and FDI.

The Facts about US Policy Preferences

Fact 1: Large majorities of Americans think that trade generates the benefits predicted by economics.

One way to gain insight on trade policy opinions is to examine whether Americans acknowledge the economic benefits and costs of freer trade. We start with the benefits. Economists argue that countries benefit from freer trade through consumption gains—in greater product variety and lower prices—and through production gains—by focusing resources on comparative-advantage industries and forcing firms to innovate and to set prices more competitively.

Do Americans think that trade actually generates these benefits? Overwhelmingly, yes. On the consumption side, nearly 90 percent of Americans think that trade increases product variety.

Question:	Because of imports from other countries, American consumers have a larger selection of goods and products to choose from.
Responses, 1999:	Strongly agree: 58% Somewhat agree: 26% Somewhat disagree: 8% Strongly disagree: 5% Undecided: 3%
Responses, 1998:	Strongly agree: 63% Somewhat agree: 26% Somewhat disagree: 6% Strongly disagree: 4% Undecided: 1%

Source: EPIC/MRA, April 1998 and May 1999

Over 60 percent of Americans think that they would face higher prices if forced to buy American-made goods only.

Question:	If you were to buy only American-made goods, do you think the cost of buying those goods would be more or less than you are currently paying now for those goods, or would you say it would be about the same price?
Responses:	Much more: 24% Somewhat more: 37% About the same: 27% Somewhat less: 9% Much less: 1% Undecided: 2%

Source: EPIC/MRA, April 1998

And about 70 percent of Americans think that trade lowers prices specifically for low-income families.

Question:	If it were not for less expensive products that are imported from other countries, many low-income American families would not be able to afford many of the products they are able to buy.
Responses, 1999:	Strongly agree: 46% Somewhat agree: 23% Somewhat disagree: 13% Strongly disagree: 13% Undecided: 5%
Responses, 1998:	Strongly agree: 47% Somewhat agree: 27% Somewhat disagree: 13% Strongly disagree: 10% Undecided: 3%

Source: EPIC/MRA, April 1998 and May 1999

As for trade's gains on the production side, about 75 percent of Americans think that trade induces greater innovation and price discipline from American manufacturers.

Question:	Imports from other countries keep American manufacturers on their toes and make them work harder to improve the quality and prices of their products to be more competitive.
Responses, 1999:	Strongly agree: 50% Somewhat agree: 23% Somewhat disagree: 15% Strongly disagree: 10% Undecided: 2%
Responses, 1998:	Strongly agree: 58% Somewhat agree: 25% Somewhat disagree: 7% Strongly disagree: 8% Undecided: 2%

Source: EPIC/MRA, April 1998 and May 1999

Beyond these traditional gains from trade, a majority of Americans also seem to grasp some other aspects of trade's role in the economy. For example, a majority of Americans agree that many jobs in largely non-traded industries depend on imports.

Question:	Some of the best high-paying jobs in transportation, banking, advertising, and design are jobs related to imports from other countries.
Responses:	Strongly agree: 26% Somewhat agree: 26% Somewhat disagree: 17% Strongly disagree: 13% Undecided: 18%

Source: EPIC/MRA, April 1998

Despite this evidence that people acknowledge the benefits of trade, it is less clear whether they think these gains arise for a country *unilaterally*—that is, regardless of whether other countries reduce their trade barriers. The following question suggests that a large majority of Americans think in a mercantilist fashion—generally assuming that running trade surpluses is beneficial and that trade protection is a good way to do so—believing that lower US trade barriers are a good idea only if other countries also lower their trade barriers.

Question:	Here are two statements. Tell me which one you most agree with. A: The US should lower its barriers even if other countries do not, because consumers can buy cheaper imports and foreign competition spurs American companies to be more efficient. B: The US should only lower its barriers if other countries do, because that is the only way to pressure them to open their markets.
Responses:	Statement A: 28.1% Statement B: 69.4% Don't know/refused: 2.5%

Source: Program on International Policy Attitudes, October 1999

Granted, this question could be interpreted in a less mercantilist, strategic manner. Those choosing statement B may believe that trade does generate unilateral gains, but may balance this against strategies for inducing foreign trade liberalization. In any event, subject to this mercantilist caveat, the large majority of Americans do acknowledge trade's benefits.¹

1. There is historical evidence of widespread mercantilist attitudes as far back as the 1940s. In 1946, only 35 percent of Americans responded "a good thing" to the question "Do you think it would be a good thing for the United States, or a bad thing, if we reduced our tariffs on the goods that we buy from other countries?" (Another 35 percent responded "a bad thing," and 30 percent answered "don't know.") But when the other 65 percent were asked, "Do you think the United States should reduce its tariffs on goods that other countries want to sell here, providing they reduce their tariffs on goods we want to sell to them?" 73 percent responded "yes" (Source: National Opinion Research Center). Similarly phrased question-pairs in the 1950s yielded very similar responses. In interpreting these question-pairs, it is worth noting that public opinion scholars have observed a norm of "fair play" or "reciprocity" in individual attitudes about a wide variety of subjects (see Schuman and Presser [1981] for a detailed discussion).

Fact 2: A majority of Americans think that trade generates labor-market costs in job destruction and wage pressures.

What about the costs of international trade? Despite the economic gains Americans perceive from international trade, they also perceive there to be economic costs as well: wage pressures and job destruction. As for wages, a large majority of Americans think that trade, at least with low-wage countries, pressures American wages.

Question:	Do you think that trade agreements with low-wage countries such as China and Mexico lead to higher or lower wages for Americans?
Responses:	Higher wages: 19% Lower wages: 68% Don't know: 11% Refused: 2%

Source: Harris for US News and World Report, April 2000

Surveys have asked many more questions about whether trade destroys American jobs. When the issue is presented with just two options—trade either creates or destroys jobs—Americans are equally divided in their assessments.

Question:	Do you think that expanded trade leads to an increase or decrease in the number of US jobs?
Responses:	Increase in jobs: 45% Decrease in jobs: 44% Don't know: 10% Refused: 1%

Source: Harris for US News and World Report, April 2000

Question:	Do you think expanded trade leads to an increase or a decrease in US jobs?
Responses:	Increase in jobs: 37% Decrease in jobs: 56% Don't know: 7%

Source: Business Week/Harris, September 1997

Question:	Do you think trade with other countries creates or loses more jobs for the US?
Responses:	Creates more jobs: 39% Loses more jobs: 40% No effect on jobs: 11% Don't know: 10%

Source: CBS, February 1996

The following question decomposes trade into imports, assumed to destroy jobs, and exports, assumed to create jobs. Despite the different wording, people remain about equally split.

Question: Do you think that more jobs are lost from imports or more jobs are gained from exports?

Responses: More jobs lost from imports: 44.8%
More jobs gained from exports: 45.8%
No jobs lost or gained: 1.3%
Don't know/refused: 8.1%

Source: Program on International Policy Attitudes, October 1999

When the issue is presented with the additional option of trade both creating and destroying jobs about equally, this additional option seems to be selected by the majority of those who would have responded that trade creates jobs. A plurality believes that trade destroys jobs.

Question: Do you think trade agreements have mostly lost jobs or gained jobs for this country?

Responses, 1997: Mostly lost jobs: 42%
Done both about equally: 41%
Mostly gained jobs: 7%
Don't know: 10%

Responses, 1993: Mostly lost jobs: 50%
Done both about equally: 40%
Mostly gained jobs: 4%
Don't know: 6%

Source: CNN/Time Magazine, April 1997 and April 1993

When the issue is presented just in terms of imports destroying jobs, nearly 90 percent of respondents claim that imports destroy US jobs.

Question: Do you think that importing foreign products means the loss of many jobs in this country, only a few jobs, or no jobs?

Responses: Many jobs lost: 38.2%
Only a few jobs lost: 49.7%
No jobs lost: 9.1%
Don't know: 2.8%

Source: Program on International Policy Attitudes, October 1999

If asked about the effect of trade on jobs in respondents' home communities, the same general split emerges: half claim little or no effect, but of the other half, three times as many cite more job destruction than job creation.

Question:	Have free-trade agreements done more to create or to cost jobs in your area?
Responses:	More to create jobs: 9%
	More to cost jobs: 30%
	Not much difference: 50%
	Don't know: 11%

Source: NBC News/Wall Street Journal, October 1998

Overall, this series of questions indicates widespread concerns about wage pressures or job destruction arising from trade. Do these concerns accord with economic theory? Yes and no.

As for wages, standard economic models predict that trade liberalization can hurt certain groups in society. The idea that freer trade benefits countries *on average* does not mean that freer trade benefits every *individual* within a country. We discuss this more in chapter 3.

As for job creation and destruction, in standard trade models trade is about the *kinds* of jobs in a country, not the *number* of jobs (see, e.g., Richardson and Rindal 1995; 1996). This is not to say that trade liberalization does not destroy jobs: it surely does. But in standard models, it is presumed that dislocated workers regain employment elsewhere in the economy. Thus, trade both destroys and creates jobs at the same time. Indeed, this reallocation of jobs according to patterns of comparative advantage is precisely how a country realizes aggregate gains from trade—without any net change in jobs. Clearly, one could argue that full-employment models assume away the possibility of unemployment. But in many other trade models that do not assume full employment, trade helps create jobs by providing a source of demand for a country's products beyond its own domestic demand.

How these issues of job destruction and creation are related to the above survey questions, unfortunately, is vague, because the questions do not distinguish gross and net flows. That said, the labor-market costs from trade—both the theory and empirical evidence on which groups may be hurt—will be a central part of the analysis in subsequent chapters. For now, we note that standard trade models do not characterize gross job destruction as a cost of trade, in the same way that gross job creation is not a benefit. But, undoubtedly, the general population's perceptions differ from those of economists. This is clear from the following question on jobs, which was asked of both the overall population and economists.²

2. Survey questions whose wording presumes trade-related job losses have been asked for decades. However, we found that this kind of wording became much more common in the early 1970s. This timing broadly coincides with adverse wage developments in the US labor market, which we will address in Chapter 4. Before the early 1970s, the majority of trade questions addressed issues of reciprocity, both in general and specifically regarding GATT agreements.

Question: Do you think that trade agreements between the United States and other countries have helped create more jobs in the US, or have they cost the US jobs, or haven't they made much of a difference?

Responses from general public:
Cost jobs: 54%
Helped create jobs: 17%
Haven't made a difference: 27%
No opinion: 2%

Responses from economists:
Cost jobs: 5%
Helped create jobs: 50%
Haven't made a difference: 42%
No opinion: 3%

Source: Kaiser/Washington Post/Harvard Poll, July 1996

Fact 3: When asked a question that mentions both benefits and costs of trade, a plurality or majority of respondents choose the answer emphasizing the costs, not the benefits.

Having documented that most Americans perceive trade as having both benefits and costs, the obvious question is, what do Americans think about trade on balance? Do they think the benefits outweigh the costs, or vice versa? Do they want more or less trade liberalization? A large number of survey questions present both the pros and cons of trade and then ask respondents to state whether pros or cons matter more. Again, almost all economists think that trade generates net benefits. Most Americans seem to think otherwise. A large number of surveys show that, when asked a question mentioning both benefits and costs to trade, a plurality or majority of respondents choose the answer emphasizing the costs, not the benefits.

Here are five questions of the "trade is good or trade is bad" variety. Each makes a statement that trade is good for various reasons, follows with a statement that trade is bad for other reasons, and then asks which statement better accords with the respondent's opinions. In four cases more respondents pick bad over good; in the fifth, more pick good by only a small margin.

Question: Now, I am going to read you two statements about foreign trade, and I would like you to tell me which statement best reflects your views on the issue.
Statement A: Foreign trade is good for the US economy, resulting in economic growth and jobs for Americans.

Or, Statement B: Foreign trade is bad for the US economy, as cheap imports hurt wages and cost jobs.

Responses: Good for the US economy: 34%
Bad for the US economy: 48%
Don't know: 18%

Source: NBC News/Wall Street Journal, April-May 2000

Question: Please tell me which of the following two statements comes closer to your point of view. Free trade is a good idea, because it can lead to lower prices and the long-term growth of the economy. Or, Free trade is a bad idea, because it can lead to lower wages and people losing their jobs.

Responses: Good idea: 50.9%
Bad idea: 44.2%
Don't know/refused: 4.9%

Source: Program on International Policy Attitudes, October 1999

Question: Now, I am going to read you two statements about foreign trade, and I would like you to tell me which statement best reflects your views on the issue.

Statement A: Foreign trade has been good for the US economy, because demand for US products abroad has resulted in economic growth and jobs for Americans here at home.

Or, Statement B: Foreign trade has been bad for the US economy, because cheap imports from abroad have hurt wages and cost jobs here at home.

Responses: Good for the US economy: 32%
Bad for the US economy: 58%
Some of both: 6%
Not sure: 4%

Source: NBC News/Wall Street Journal, December 1998

Question: Now, I am going to read you two statements about foreign trade, and I would like you to tell me which statement best reflects your views on the issue. Statement A: Imports from abroad are, on the whole, good for the US because they make available more and cheaper goods for American consumers. Or, Statement B: Imports from abroad are, on the whole, bad for the US because they take away jobs and hurt wages of American workers.

Responses: Good for the US: 33%
Bad for the US: 55%
Some of both/not sure: 12%

Source: NBC News/Wall Street Journal, September 1997

Question: Do you think that trade with other countries is bad because it has subjected American companies and employees to unfair competition and cheap labor, or good because it has opened up new markets for American products and resulted in more jobs?

Responses: Bad: 48%
Good: 42%
Not sure: 10%

Source: NBC News/Wall Street Journal, June 1997

The following question uses the phrase “the global economy” rather than trade, but it raises the same issues of many trade questions and again elicits a majority of negative responses.

Question: I’m going to read you some pairs of statements and ask you to choose which one comes closest to your point of view, even if neither is exactly right. The global economy will help average Americans because it will strengthen our economy and keep prices affordable for consumers, or the global economy will hurt average Americans because businesses will rely more on cheap labor from other countries and US jobs will be lost. Which comes closest to your point of view?

Responses: Global economy will help: 43%
Global economy will hurt: 52%
Don’t know: 5%

Source: Pew, May 1999

The following question asks how people would vote in light of the pros and cons of trade. Among those answering, respondents are split in choosing between a trade-destroys-jobs candidate and a trade-creates-jobs candidate.

Question: Would you be more likely to vote for Candidate A, who says free trade would create high-paying jobs, or Candidate B, who says it would cause the loss of US jobs?

Responses: Candidate A: 44%
Candidate B: 45%
Not sure/no answer: 11%

Source: Hart and Teeter, September 1998

Other questions ask people about trade barriers: should they be implemented to ameliorate the negative aspects of trade, or not be implemented to allow the benefits from trade? In this first question, two-thirds of all

respondents prefer tariffs to protect jobs and wages despite the cost of higher consumer prices.

- Question: Now, I am going to read you two statements about foreign trade, and I would like you to tell me which statement best reflects your views on the issue.
Statement A: The United States should tax foreign goods imported into this country in order to protect American jobs and wages.
Or, Statement B: The United States should not tax foreign goods . . . because this will raise the prices American consumers will have to pay for these goods.
- Responses: Should tax foreign goods: 66%
Should not tax foreign goods: 27%
Don't know: 7%

Source: CNN/*Time Magazine*, February 1996

Even more compelling time-series evidence comes from a *Los Angeles Times* survey conducted annually since 1982. Every year, approximately two-thirds of respondents have opted for a policy of trade barriers to protect jobs over a policy of free trade to allow broader consumer variety and lower consumer prices.

- Question: Do you think it should be the policy of the United States to restrict foreign imports into this country to protect American industry and American jobs, or do you think there should be no restrictions on the sale of foreign products in the United States in order to permit the widest choice and lowest prices for the American consumer?
- Responses, range from 1982 to 1997:
Restrictions: 63%-72%
No restrictions: 22%-28%
Don't know: 6%-10%

Source: *Los Angeles Times*, annually since 1982

The following question about freer trade is particularly revealing, as it focuses specifically on the issue of temporary (i.e., partial-equilibrium) job destruction induced by trade liberalization. It lays out a scenario that explicitly assumes both no net job destruction and no wage pressures—here new jobs pay more than old jobs. But a majority of respondents still oppose freer trade. This suggests that people are especially concerned about trade's job churning, even if it results in higher wages with no net employment losses.

- Question: As you may know, with freer trade, jobs are often lost due to imports from other countries, while new jobs are created when the US exports more products to other countries. I'd like you to imagine in one industry some jobs are lost because of foreign competition, while in a different industry an equal number are created, but these new jobs pay higher wages. Which of the following statements do you agree with the most?
 A: Even if the new jobs that come from freer trade pay higher wages, overall it is not worth all the disruption of people losing their jobs.
 B: It is better to have the higher-paying jobs, and the people who lost their jobs can eventually find new ones.
- Responses: Statement A: 55.5%
 Statement B: 40.3%
 Don't know/refused: 4.2%

Source: Program on International Policy Attitudes, October 1999

This persistent pattern of opting for trade barriers to protect jobs or wages also holds when Americans are asked about specific industries rather than about the overall economy. Here is a question about protecting the US steel industry, which lobbied Congress in 1999 for trade barriers in the face of sharply lower import prices from many Southeast Asian countries. Among those stating an opinion, the majority opted for protection.

- Question: In the wake of surging steel imports, Congress is considering legislation to protect the US steel industry and their workers from foreign competition. Opponents of the legislation say such action would make American steel companies less competitive, would encourage other countries to close their markets to our steel imports, and would violate internationally accepted trade rules. Do you think Congress should pass laws to protect US industry, or should US companies be exposed to global market competition?
- Responses: Congress should pass laws: 47%
 Companies should be exposed: 39%
 Not sure: 14%

Source: EPIC/MRA, May 1999

An even larger majority of Americans opt for trade protection for the clothing industry, with protecting jobs apparently more important than lowering prices.

Question: Currently the US has numerous barriers, such as import taxes and quotas, that limit the amount of clothing imported into the US. There is some discussion about whether these barriers should be lowered. On the one hand, if the US lowered these barriers this would allow Americans to buy clothing at a much lower cost. On the other hand, lowering barriers would create competition for American clothing manufacturers and some American jobs would likely be lost. What is your opinion? Do you lean in favor of lowering or not lowering barriers that limit clothing imports?

Responses: Lean toward lowering barriers: 35.7%
Lean toward not lowering barriers: 62.0%
Don't know/refused: 2.3%

Source: Program on International Policy Attitudes, October 1999

This clothing question was followed by an additional question with data on just how costly US trade barriers in clothing actually are: more than \$50,000 per saved clothing industry job. This amount is nearly three times higher than the 1997 average wage in US apparel of about \$18,400. Knowing the actual dollar cost of protection, nearly two-thirds of respondents still stated that this cost was worth it.

Question: Some economic experts have calculated that having these barriers costs the American economy a substantial amount of money, mostly due to the higher prices consumers must pay. While the barriers may save jobs, these economists calculate that it costs the American economy more than \$50,000 for EACH job saved. Assuming this is true, do you feel this cost to the American economy is worth it if it will save jobs, or is that too high a cost to save jobs? (*Asked only to those who responded "Lean toward not lowering barriers" in previous question*)

Responses: Worth it: 65.1%
Too high a cost: 28.2%
Don't know/refused: 6.6%

Source: Program on International Policy Attitudes, October 1999

Here is another industry-specific question, for footwear, which quantifies the benefits of lower prices against the costs of lower wages (albeit with imaginary quantities). The same general message obtains: nearly two-thirds of respondents think that trade liberalization would be a mistake if it traded lower footwear wages for less expensive shoes.

- Question: Let's say there is an American factory making shoes that sell for about \$70, and the workers there make about \$28,000 a year. Then the US makes a trade agreement with a poorer country, so that their shoes can be imported into the US. These shoes sell for \$50, saving American consumers \$20. As a result of this competition the American shoe factory closes so the workers have to get new jobs. These jobs pay on average \$23,000 a year—\$5,000 less. Overall, would you think the US did the right thing or made a mistake by making the trade agreement?
- Responses: Did the right thing: 31.4%
 Made a mistake: 63.1%
 Don't know/refused: 5.5%

Source: Program on International Policy Attitudes, October 1999

Indeed, when directly asked if they would be willing to buy only American products and pay higher prices to protect American jobs from trade competition, at least a third of respondents support this idea—and in 1999, supporters were a larger share of respondents than objectors. Of those willing to pay more, the mean amount ranged between \$40 and \$50 per month. The 1998 mean amount works out to 1.5 percent of the average household real income that year (\$38,885).³

- Question: Some people say they are willing to spend more to buy only American products because doing so protects American jobs. . . . How much more per month are you willing to include in your family budget to buy only American-made products and goods?
- Responses, 1999: Not willing to pay more: 31%
 Willing to pay more: 39%
 Mean amount: \$40.71
 Undecided: 30%
- Responses, 1998: Not willing to pay more: 41%
 Willing to pay more: 34%
 Mean amount: \$48.34
 Undecided: 25%

Source: EPIC/MRA, April 1998 and May 1999

To summarize Fact 3, a majority of the US public choose answers emphasizing costs of trade rather than benefits when asked questions explicitly referring to both.⁴

3. Of course, there may be a substantial difference between claiming willingness to pay more and actually paying more.

4. As mentioned earlier in note 2, survey questions whose wording presumes trade-related job losses became much more common in the early 1970s, around the time when important

Fact 4: When asked a trade policy question that does not mention trade's benefits and costs, a plurality or majority of respondents still oppose policies aimed at freer trade.

The previous section showed that across a wide range of questions that mention both benefits and costs of trade, a plurality or majority of respondents choose the answer emphasizing the costs, not the benefits. One might worry that the framing of these questions might somehow bias responses against trade. If simply asked about US trade policy without reference to any pros and cons, are Americans more inclined to support freer trade?

The answer is largely no. A number of surveys that do not address trade's benefits and costs find either that a plurality or majority of Americans oppose US policies aimed at freer trade or that opinion is equally divided. To start, here are some questions about US trade policy in general—questions not aimed at any particular piece of US legislation.

Questions about Overall US Trade Policy

The following broad question recently asked if Americans prefer free trade, fair trade, or trade protection.

Question: Which of the following best describes your views about foreign trade? Do you consider yourself to be someone who believes in free trade or trade without any restrictions, someone who believes in fair trade or trade with some standards for labor and the environment, or someone who is protectionist, meaning that there should be rules to protect US markets and workers from imports?

Responses: Free trader: 10%
Fair trader: 51%
Protectionist: 37%
Don't know: 3%

Source: Harris for *US News and World Report*, April 2000

adverse wage patterns appeared in the US labor market. The phenomenon of plurality-to-majority protectionist responses goes back decades. We offer two comments on this time-series evidence. First, our reading of this evidence is that more-protectionist responses tend to be elicited by questions that presume that labor-market pressures are the downside of trade rather than some other economic issue, such as protecting industries. Second, our reading is that public opinion turned more protectionist after the early 1970s. In 1957, for example, high-tariff and low-tariff responses were split equally (at 34 percent) in response to the question “Do you think tariffs should be fairly high to protect people’s jobs and our own industry from foreign competition, or should they be fairly low to keep prices down and encourage international trade?” (Source: Roper). From the early 1970s forward, questions like this usually elicited more protectionist responses than liberalizing responses. Other question frames before 1970 typically elicited even more pro-free trade responses (e.g., see notes 1 and 5).

For every American who self-identifies with free trade, nearly nine others support interventionist trade policies—with protectionists outnumbering free traders almost four to one. When the question about trade is phrased more starkly as a yes-or-no proposition, responses are split evenly.

Question: Please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with [the following statement]: ‘Oppose free trade agreements.’

Responses: Strongly/somewhat agree: 44%
Strongly/somewhat disagree: 45%
Not sure: 11%

Source: Zogby for Reuters, April 1999

Other questions about support of free trade have been put in the context of the ongoing process of trade liberalization. This question asks what people think about the *pace* of this process.

Question: I would like to know how you feel about the process of increasing trade between countries through lowering trade barriers, such as taxes on imports. Do you feel this process has been going too fast, too slowly, or at about the right pace?

Responses: Much too fast: 12.6%
A bit too fast: 17.3%
At about the right pace: 38.9%
A bit too slowly: 14.2%
Much too slowly: 9.1%
Don’t know/refused: 7.9%

Source: Program on International Policy Attitudes, October 1999

Slightly more respondents think the pace has been too fast than too slow. This suggests that, looking forward, more people want liberalization to slow down rather than to speed up. This is indeed the case: in the following question, a plurality of respondents want US trade policy to slow or stop trade rather than allow it to continue or promote it.

Question: Overall, with regard to international trade, do you think that it should be the goal of the US to:

Responses: Try to actively promote it: 31.6%
Simply allow it to continue: 25.9%
Try to slow it down: 31.2%
Try to stop or reverse it: 7.9%
Don’t know: 3.3%

Source: Program on International Policy Attitudes, October 1999

The previous questions were normative: Would people like the government to impede trade via protectionist policies? Surveys also contain a related descriptive question: Do people think the government actually can impede trade via protectionist policies? People might think that communication and transportation innovations make greater trade inevitable regardless of policy. But in fact, over 60 percent of Americans do think that protectionist policies can impede trade.⁵

Question: Do you think that it is possible for the government to stop or reverse the increase of international trade?

Responses: Yes: 61.4%
No: 31.9%
Depends: 4.8%
Don't know: 1.9%

Source: Program on International Policy Attitudes, October 1999

Questions about US Trade Policy: China

As stated in chapter 1, in early 2000 the central US trade policy issue was whether to grant China permanent normal trading relations (PNTR). The China PNTR bill did pass Congress, but throughout the 1990s a widening majority of US citizens opposed granting China PNTR (PIPA 2000). Here are two examples of survey questions on China.⁶

Question: As you may know, the United States grants a trade status to most nations it trades with known as normal trade relations treatment. In your opinion, should the US grant this same status to China, or not?

Responses: Yes: 32%
No: 54%
Don't know/refused: 14%

Source: Pew Research Center, June 1999

5. For these broad trade-policy questions, like the pro-con trade questions discussed in note 4, our reading of the historical evidence is that public opinion turned more protectionist after the early 1970s. In 1961, 40 percent of respondents reported favoring lower US tariffs, versus only 31 percent favoring higher tariffs (Source: Gallup). But by 1978, high tariffs on US imports were favored by 47 percent of respondents but opposed by only 31 percent of respondents; the split grew to 50 percent versus 28 percent by 1981 (Source: Roper).

6. PIPA (2000, 48) also points out that opposition to Chinese PNTR rose even more when questions stated—inaccurately—that this policy would require lower US tariffs on Chinese imports. This finding is consistent with other mercantilist evidence.

Question: Do you think the United States should have free trade with China on the same terms the US gives its main trading partners, or not?

Responses: Yes: 44%
No: 46%
Don't know/refused: 10%

Source: ABC News, June 1998

Questions about US Trade Policy: NAFTA

Throughout the 1990s, a central US trade issue was the implementation of the North American Free Trade Agreement (NAFTA). US citizens were basically split over whether this trade agreement was good or bad for the country (with a nontrivial minority unsure). Here are several examples of this.

Question: Do you think the North American Free Trade Agreement (NAFTA) has been good or bad for the United States?

Responses: Good: 39%
Bad: 35%
Don't know/neither: 25%

Source: Harris, April 1999

Question: Has the North American Free Trade Agreement (NAFTA) been good for the US?

Responses: Good: 37%
Bad: 47%
Don't know: 16%

Source: CNN/Gallup/*USA Today*, October 1998

Question: Has the North American Free Trade Agreement (NAFTA) been a good or bad thing for the US?

Responses: Good thing: 39%
Bad thing: 39%
Don't know: 22%

Source: *Los Angeles Times*, September 1998

Question: What impact has the North American Free Trade Agreement (NAFTA) had?

Responses: Negative: 29%
Positive: 23%
Not much: 32%
Don't know: 16%

Source: Hart and Teeter, September 1998

Question: Do you favor or oppose the North American Free Trade Agreement (NAFTA)?

Responses: Favor: 42%
Oppose: 36%
Don't know/neither: 22%

Source: *Business Week*/Harris, September 1997

This ambivalence about NAFTA seems to translate into most Americans' opposing policies aimed at building on the NAFTA somehow. When a NAFTA question is rephrased from an evaluative question like those above to a forward-looking normative question, the majority of Americans do not want to continue with NAFTA as is. For the following question, in all three years, a plurality of respondents said they want to change NAFTA (in unspecified ways).

Question: After observing how NAFTA has worked between the United States, Mexico, and Canada over the past few years, do you think America should continue the NAFTA agreement, should America pull out of NAFTA, or should it be continued with changes?

Responses, 1999: Pull out of NAFTA: 18%
Continue NAFTA with changes: 40%
Continue NAFTA: 24%
Don't know: 18%

Responses, 1998: Pull out of NAFTA: 16%
Continue NAFTA with changes: 47%
Continue NAFTA: 23%
Don't know: 14%

Responses, 1997: Pull out of NAFTA: 17%
Continue NAFTA with changes: 30%
Continue NAFTA: 30%
Don't know: 23%

Source: EPIC-MRA, 1997-99

A majority of Americans oppose extending NAFTA to other countries in Latin America.

Question: Should the North American Free Trade Agreement (NAFTA) be extended to Latin America?

Responses: Yes: 34%
No: 54%
Don't know/neither: 12%

Source: *Business Week*/Harris, September 1997

And a majority of Americans oppose granting additional presidential authority to negotiate agreements like NAFTA.

Question: Should Congress make it easier for the President to make pacts like NAFTA?

Responses: Favor: 44%
Oppose: 52%
Don't know: 4%

Source: CNN/Gallup/USA Today, October 1998

Questions about US Trade Policy: Fast Track

In the latter 1990s, President Clinton was unable to secure renewal for fast-track negotiating authority. The majority of Americans have consistently opposed renewal. Here are three examples.

Question: As you may know, President Clinton has asked Congress to give him 'fast-track' authority to negotiate free-trade agreements. The fast-track authority would mean that once negotiations are completed, Congress would take an up-or-down vote on an agreement as a whole, but could not vote to make any amendments or changes in the agreement. Do you strongly favor, somewhat favor, somewhat oppose, or strongly oppose having Congress grant the President fast-track authority to negotiate new free-trade agreements?

Responses: Strongly favor: 21%
Somewhat favor: 20%
Somewhat oppose: 18%
Strongly oppose: 31%
Don't know: 10%

Source: CNN/Gallup/USA Today, October 1998

Question: Should Congress renew 'fast track' authority?

Responses: Yes: 36%
No: 54%
Don't know/neither: 10%

Source: Business Week/Harris, September 1997

Question: As you may know, President Clinton has asked Congress to give him 'fast track' authority to negotiate more free trade agreements. The 'fast track' authority would mean that once the negotiations are completed, Congress would take an up-or-down vote on an agreement as a whole, but could not vote to make any amendments or changes in the agreement. Do you strongly favor, somewhat favor, somewhat oppose, or strongly

oppose having Congress grant the President 'fast track' authority to negotiate new free trade agreements?

Responses: Strongly favor: 10.0%
Somewhat favor: 21.9%
Somewhat oppose: 29.5%
Strongly oppose: 35.7%
Don't know/refused: 3.0%

Source: Program on International Policy Attitudes, October 1999

On fast track, many commentators pointed out that Americans are more likely to support policies (trade or otherwise) that maintain the status quo rather than initiate change. Indeed, for a time fast-track supporters were consciously using the phrase "normal negotiating authority" rather than "fast track." To examine this framing issue, PIPA re-asked a fast-track question with alternative language emphasizing fast track's historical precedent.

Question: Presidents since 1974 have had trade negotiating authority known as 'fast track,' which means the trade agreements the President negotiated are considered in Congress within 90 days and put to a simple yes or no vote, without any additions that could upset the agreement. The authority to do this expired in 1994, and President Clinton no longer has such authority. Do you strongly support renewing President Clinton's fast track trade authority, somewhat support, somewhat oppose, or strongly oppose it?

Responses: Strongly support: 14.0%
Somewhat support: 28.9%
Somewhat oppose: 24.1%
Strongly oppose: 31.3%
Don't know/refused: 1.8%

Source: Program on International Policy Attitudes, October 1999

Although the margin of opposition narrowed with this alternative wording, a majority of respondents still opposed renewing fast-track authority.

Fact 5: Respondents are more likely to support international trade when it is described broadly either without direct reference to US trade policy or without any reference to policy at all.

When trade is described in broader terms without direct reference to US policy, support is much stronger. Here is a question characterizing trade simply as market transactions.

Question: On balance, do you think trade with other countries—both buying and selling products—is good for the US economy, or is it bad for the US economy, or does it have no effect?

Responses: Good: 69%
Bad: 17%
No effect: 7%
Don't know: 7%

Source: CBS News, October 1996

Here is another example that refers to trade only without mentioning policy. A plurality of respondents report trade to be positive, on balance.

Question: As you may know, international trade has increased substantially in recent years. I would like to know how positive or negative you think the growth of international trade is, overall. Please answer on a scale from 0 to 10, with 0 being completely negative, 10 being completely positive, and 5 being equally positive and negative.

Responses: Above 5: 41%
5: 35%
Below 5: 20%
Don't know/refused: 4%
Mean: 5.51
Median: 5.50

Source: Program on International Policy Attitudes, October 1999

Even if trade is discussed in the context of policy, support also seems higher when the question is phrased without direct reference to just the United States but more vaguely to agreements in general.

Question: Overall, do you approve or disapprove of free trade agreements with other countries?

Responses, 1999: Approve: 60%
Disapprove: 26%
Undecided: 14%

Responses, 1998: Approve: 59%
Disapprove: 26%
Undecided: 15%

Responses, 1997: Approve: 61%
Disapprove: 24%
Undecided: 15%

Source: EPIC/MRA, 1997-99

This switch in opinions between questions about US trade agreements

and questions about trade agreements more generally might reflect mercantilist attitudes. What might be going on is that Americans lend more support to trade agreements that require other countries to lower their trade barriers. Here is evidence to support this interpretation.

- Question: The United States and China are negotiating a trade agreement that would lower Chinese tariffs on imports of US goods and remove other trade barriers. US companies are optimistic about the buying potential of China's huge market, as well as China's pledge to follow international trade rules. Do you think a trade agreement between China and the United States is in the best interests of the United States, or not?
- Responses: Trade agreement is in US's best interests: 51%
Trade agreement is not in US's best interests: 34%
Undecided/don't know: 15%

Source: EPIC/MRA, May 1999

Unlike the questions about Chinese PNTR, this question finds a majority of respondents in support of a US trade agreement with China. What is different is that this question makes no reference to US trade liberalization. Instead it describes how the Chinese will lower their barriers to US goods; how US firms will gain greater access to the Chinese market; and how China will be compelled to follow rules—all classic mercantilist arguments.

Fact 6: A plurality or majority of Americans want fewer immigrants coming into the country, as Americans acknowledge some economic benefits of immigration but seem to worry more about perceived labor-market costs.

Public opinion about immigration broadly parallels that of trade. On the one hand, Americans acknowledge that immigrants generate economic benefits, such as more tax revenue thanks to their labor income (along with noneconomic benefits, such as cultural diversity).

- Question: Do immigrants help improve our country with their different cultures and talents?
- Responses: Yes: 69%
No: 28%
Don't know: 3%

Source: Gallup/Newsweek, August 1990

On the other hand, there is widespread concern about the effects immigration has on the labor market, in particular the perceived threat of

immigrants taking jobs from American-born workers. The following question asks respondents whether immigrants “take jobs away” from people already in the United States. Again, the question does not specify whether respondents should consider the short term or the long term, but the large majority think that immigrants do take jobs—with a plurality responding that this outcome is extremely likely or very likely.

Question: The growing number of Hispanic immigrants [in the US economy]: How likely is it to take jobs away from people already here?

Responses: Extremely likely: 17.7%
Very likely: 25.6%
Somewhat likely: 33.2%
Not at all likely: 11.9%
Don't know/no answer: 11.6%

Source: National Election Studies Survey, 1992

Question: The growing number of Asian immigrants [in the US economy]: How likely is it to take jobs away from people already here?

Responses: Extremely likely: 16.7%
Very likely: 26.8%
Somewhat likely: 32.8%
Not at all likely: 11.9%
Don't know/no answer: 11.8%

Source: National Election Studies Survey, 1992

In light of these labor-market concerns, one might expect Americans not to support immigration liberalization when asked questions that highlight these concerns. This is indeed the case: a consistent plurality or majority feel that immigration should decrease. In response to the following question, which raises possible benefits and costs to immigration, over 70 percent of respondents opt for fewer immigrants, not more.

Question: Now, I am going to read you two statements about immigration, and I would like you to tell me which statement best reflects your views on the issue.
Statement A: Immigration should increase, to fill jobs companies have trouble filling.
Or, Statement B: Immigration should not increase, because it would cost US jobs and increase unemployment.

Responses: Immigration should increase: 20%
Immigration should decrease: 72%
Not sure: 8%

Source: NBC News/Wall Street Journal, December 1998

The same large coalition for less immigration also arises from broader questions that do not state costs and benefits, even when respondents are presented with the choice of keeping immigration at its current level. The following questions indicate that throughout the 1990s, fewer than 10 percent of Americans preferred any kind of increase in immigration.

Question:	Do you think the number of immigrants from foreign countries who are permitted to come to the United States to live should be increased a little, increased a lot, decreased a little, decreased a lot, or left the same as it is now?
Responses, 1996:	Increased a lot: 1.6% Increased a little: 3.1% Left the same: 32.9% Decreased a little: 26.5% Decreased a lot: 24.5% Don't know/no answer: 11.5%
Responses, 1994:	Increased a lot: 1.7% Increased a little: 3.5% Left the same: 28.2% Decreased a little: 21.9% Decreased a lot: 41.0% Don't know/no answer: 3.7%
Responses, 1992:	Increased a lot: 2.6% Increased a little: 5.1% Left the same: 41.6% Decreased a little: 24.5% Decreased a lot: 22.4% Don't know/no answer: 3.9%

Source: National Election Studies Survey, 1992, 1994, 1996

Fact 7: A majority of Americans want restrictions on both inward and outward foreign direct investment, as Americans acknowledge some economic benefits but seem to worry more about perceived labor-market costs.

Public opinion about FDI, both inward and outward, broadly parallels opinion about trade and immigration. There may be benefits to FDI, but people worry about its effects on the labor market and thus lean toward restrictive FDI policies. Let us start with inward FDI—foreign investment in the United States.

On the one hand, a plurality of Americans acknowledge that inward FDI generates economic benefits as foreign firms help invigorate US industry.

- Question: Do you agree or disagree: Foreign investment in the United States will help revitalize the US economy because it brings in new manufacturing processes, technology, and management techniques that can be learned by American employees?
- Responses: Agree: 49%
Disagree: 43%
Don't know: 8%

Source: Cambridge Reports/Research International, December 1990

On the other hand, there is significant concern about the effects inward FDI has on the labor market, especially whether it reduces the number of jobs. The following question does not specify whether respondents should consider the short term or the long term, but a plurality of respondents do think that FDI eliminates jobs.

- Question: On the whole, do you think foreign investment in the United States increases or decreases the number of jobs available to American workers?
- Responses: Increases: 36%
Decreases: 47%
Neither: 9%
Don't know: 8%

Source: Cambridge Reports/Research International, January 1991

There also appears to be concern that inward FDI somehow grants foreigners excessive control over the US economy. Here is an example of this concern, revealed in a question weighing pros and cons of inward FDI. A majority of respondents think, on balance, that inward FDI is dangerous because it cedes too much control to foreigners.

- Question: There are different opinions about foreign investment in the US. Some people think that foreign investment is necessary and has a positive influence on our economy. Others say that foreign investment is dangerous because it allows outsiders too much control over our affairs. Which view is closer to your own?
- Responses: Necessary and positive: 42.7%
Dangerous: 51.5%
Don't know/refused: 5.8%

Source: Program on International Policy Attitudes, October 1999

In light of these labor-market and security concerns, one might expect Americans not to support FDI liberalization. This is indeed the case: the majority favor restrictions on inward FDI.

Question: Do you favor restricting foreign investments in this country, or not?

Responses: Yes, favor: 59%
No, do not: 33%
Don't know/no answer: 8%

Source: Associated Press, November 1988

And, in keeping with the evidence that Americans are concerned about the ownership implications as well as about the labor-market implications of FDI, of the 59 percent who responded affirmatively to the above question, the large majority would restrict inward FDI even if such investment created jobs.

Question: Would you feel that way (in favor of restricting foreign direct investment in this country) even if that foreign investment creates jobs for US workers?

Responses: Yes, favor: 72%
No, do not: 22%
Don't know/no answer: 6%

Source: Associated Press, November 1988

With respect to outward FDI—US investment abroad—there is long-standing and widespread concern among Americans that US companies “export jobs” from the United States to foreign countries. In the following question, almost 70 percent of respondents report being “really upset” about this issue at least sometimes.

Question: I am going to read you a list of issues facing the country. For each one, tell me how often you personally really get upset about it—almost all the time, a lot, sometimes, or almost never: . . . ‘American companies building plants and creating jobs overseas.’

Responses: Almost all the time: 26%
A lot: 20%
Sometimes: 23%
Almost never: 30%

Source: Democrats for the 90s, February 1990

This degree of concern seems to imply that Americans believe that US companies do export jobs and that doing so hurts the US economy. Over 90 percent of respondents cite job exports as a cause of US economic difficulties.

Question: I am going to read you another list of reasons, having to do with US businesses, that some people have given for why the economy is not doing better than it is. For each one, please tell me if you think it is a major reason the economy is not doing better than it is, a minor reason, or not a reason at all. How about: 'companies are sending jobs overseas?'

Responses: Major reason: 68%
 Minor reason: 25%
 Not a reason: 6%
 Don't know/no opinion: 1%

Source: *Washington Post*, July 1996

This concern seems important enough that regardless of what gains globalization might bring to American companies, a plurality or majority of Americans think that companies moving operations overseas is a predominant feature of globalization.

Question: Which is closer to your view: America's integration in global markets spurs US companies to develop new technologies and products, hone their competitive edge, and create high-wage jobs at home, or it encourages US companies to move overseas to take advantage of low-wage labor in developing countries?

Responses: Spurs companies: 40%
 Encourages companies to move overseas: 50%
 Don't know: 10%

Source: Democratic Leadership Council, July 1997

And when presented with policy options to limit overseas expansion by US firms, a majority of Americans think that such policies would help US workers.

Question: Let me read you some specific proposals about things the government could do that might help working families. . . . How much of a difference would it make for working families if government eliminated tax breaks for companies that move US jobs overseas?

Responses: A great deal: 59%
 Quite a bit: 11%
 Just some: 12%
 Very little: 13%
 Not sure: 5%

Source: AFL-CIO, February 1997

Overall, this series of questions indicates widespread concern among Americans about inward and outward FDI destroying US jobs. However, standard economic models do not predict that FDI must destroy jobs in affected firms. Foreign firms obtaining US firms may alter initial employment levels—but the same is true of US firms obtaining other US firms, and in either case employment can rise, not just fall (such as in “green-field” inward FDI, in which new business enterprises are constructed). Outward FDI can boost domestic employment (such as in “horizontal” outward FDI, which stimulates US parent company employment of parts suppliers, R&D scientists, and so on).

Beyond these ambiguous firm-level employment effects of FDI, in standard economic models the economywide number of jobs is unaffected by FDI. As with trade, FDI affects the kinds of jobs in a country, not the number of jobs, and realizing economywide gains from inward or outward FDI may require simultaneous job creation and destruction.

What about wages? As with trade, FDI may have effects on wages for certain labor groups. Rodrik (1997) contends that international capital mobility weakens the bargaining power of workers. When firms can threaten to relocate worldwide, workers feel greater wage pressure and also experience greater wage or employment volatility. That said, FDI can also boost wages (such as with inward FDI that brings better production technology for US workers).

How these issues of job destruction and creation are related to the FDI survey questions, unfortunately, is vague, because the questions do not distinguish gross and net flows of investment funds, nor do they mention effects of FDI on wages. We think it is important to interpret the survey evidence about FDI in light of these ambiguities.

Fact 8: American opinions about globalization are characterized by low amounts of information and by uncertainty, which is consistent with American opinions about most US policy issues.

Of course, individuals vary in how much they know about globalization issues and in how firmly they hold opinions on the subject. Many Americans, however, lack detailed knowledge about international trade, foreign direct investment, and immigration policies. This low amount of information is evident when respondents are asked direct questions about specific policy agreements. For example, near the height of congressional debate about normalizing trade relations with China, less than half of Americans had heard about this trade agreement.

Question: The US and China reached an agreement that requires China to lower some of its trade barriers in return for membership in the World Trade Organization. Have you heard about this trade agreement or not?

Responses: Yes: 46%
No: 50%
Don't know/refused: 4%

Source: Pew Research Center, May 2000

Furthermore, when given the option of responding “don't know enough to say” or “haven't thought much about it” to questions about trade policy, a sizable proportion of respondents choose this option. In one survey, nearly 40 percent of Americans said that they did not know enough to evaluate whether the Uruguay Round of the GATT would benefit the United States.⁷

Question: As you may know, Congress recently approved a new world trade agreement called 'G.A.T.T.'—the General Agreement on Tariffs and Trade—which lowers world trade barriers and establishes an international organization that will have the power to rule on trade disputes between countries. Do you think G.A.T.T. will be good for the United States, bad for the United States, or don't you know enough about G.A.T.T. to say?

Responses: Good: 42%
Bad: 17%
Don't know enough to say: 39%
Not sure: 2%

Source: NBC News/Wall Street Journal, December 1994

Even when questions about trade, immigration, and foreign direct investment are framed more generally without reference to specific policies, the “don't know enough to say” or “haven't thought much about it” alternatives are sometimes chosen by nearly one-third of respondents. Many questions do not offer a “don't know” response option, but these questions still have as many as 10 percent of respondents declining to give an answer. This decrease in respondents declining to give an opinion when the option is not explicitly given suggests that even individuals who give an opinion in response to some questions are uncertain about it.

7. The lack of attention to the details of US trade policymaking seems to be true throughout the post-World War II era. For example, in 1947, a Gallup poll indicated that only 34 percent of respondents claimed to have heard or read about the international trade agreement establishing the GATT. Other polling evidence suggests that if anything awareness of international economic issues has increased as the US economy has become more integrated with the world.

Low information levels and uncertainty in public opinion are not, however, unique to the issue of globalization; they apply to US public opinion about most policy issues. To be sure, there is variation across policy issues. Even within the topic of globalization, individuals seem to have better-developed ideas about trade and immigration than they do about foreign direct investment. Nevertheless, there is consensus among public opinion scholars that levels of political and economic knowledge are low across most issues.⁸

Although globalization issues may not be remarkable on this information and uncertainty point, we acknowledge its importance in evaluating public opinion. In our view, this point does not imply that Americans lack meaningful, systematic opinions about globalization. On the contrary, we think that their opinions are coherent and reflect reasonable decisions rules.⁹ Most people do not have an encyclopedic knowledge of policy options and of the workings of complex economic models. But as they gather information via work experiences, group affiliations, and the media, they can construct summary evaluations—albeit with error—broadly consistent with their interests and values.¹⁰ Our empirical analysis in chapter 3 will test our contention that individuals have systematic, predictable opinions about globalization and will consider the implications of public information and uncertainty about these policies.

8. For examples of recent discussions about levels of political knowledge, see Zaller (1992), MacKuen, Erikson, and Stimson (1992), Delli Carpini and Keeter (1996), and Alvarez (1997).

9. The debate in the literature on the implications of low levels of information is very much an ongoing one. It begins with the minimalist perspective in which individuals are thought to have minimally consistent opinions based on limited information about and comprehension of political and economic issues (Converse 1964) and then proceeds with various revisions of this view (see, for example, Lane 1962; Key and Cummings 1966; Sullivan, Pierson, and Marcus 1978; Nie, Verba, and Petrocik 1979; Converse and Markus 1979; Conover and Feldman 1981; Zaller 1992; Delli Carpini and Keeter 1996). The most persuasive alternatives to minimalism can generally be described as low-information rationality models. A diverse set of analyses from this perspective (Downs 1957; Key and Cummings 1966; Kramer 1971; Alt 1979, 1991; Fiorina 1981; Chappell and Keech 1985; Conover, Feldman, and Knight 1987; Popkin 1991; Sniderman, Brody, and Tetlock 1991; MacKuen, Erikson, and Stimson 1992; Lupia 1992, 1994; Rahn, Aldrich, and Borgida 1994; Alvarez 1997; Lupia and McCubbins 1998; Sekhon 1999) emphasize—with many important distinctions—that despite the fact that individual citizens typically lack detailed information about politics, their opinions are coherent and reflect reasonable decisions rules.

10. Here is an example, which offers a preview of our analysis in chapter 3. The Stolper-Samuelson theorem predicts that trade liberalization alters a country's wages along factor lines, not industry lines, such that liberalization affects even workers in nontraded sectors. The adjustment process is quite complicated, hinging crucially on the idea of intersectoral factor mobility. To perceive wage pressures from trade liberalization, workers in construction need not know all the details of this theorem. It can be enough for them to see that a lot of the workers recently laid off from the town's apparel factory, closed as a result of import competition, are now applying for construction jobs.

Summary

We have presented a large amount of public opinion data here, but with a rather striking consensus. There is substantial skepticism about whether the net effects of economic globalization are positive, with pluralities or majorities of US citizens opposing policies to further liberalize trade, immigration, and foreign direct investment. Here are the key features of US public opinion about economic globalization that we have highlighted:

- A large majority of Americans think that international trade generates the benefits that economic theory predicts.
- However, a majority of Americans also worry that international trade generates labor-market costs in terms of job destruction and lower wages.
- When asked a survey question that mentions both benefits and costs of international trade, a plurality or majority of respondents choose the answer that emphasizes the costs, not the benefits.
- When asked a different kind of question that does not mention trade's benefits and costs, a plurality or majority of respondents still oppose policies aimed at freer trade.
- The strongest support for international trade appears in response to questions that describe trade in broad terms, either without direct reference to US trade policy or without any reference to trade policy at all.
- A plurality or majority of Americans want fewer immigrants coming into the country, as Americans acknowledge some economic benefits but seem to worry more about perceived labor-market costs.
- A majority of Americans want restrictions on both inward and outward foreign direct investment, as Americans recognize some economic benefits but seem to worry more about perceived labor-market costs.
- American opinions about globalization are characterized by low levels of information and by uncertainty, which is consistent with American opinions about most US policy issues.

This list is certainly not an exhaustive description of US public opinion about globalization. For example, we did not address public opinion linkages between the economic dimension of globalization and other dimensions, such as human rights and the environment. These additional elements of public opinion are interesting, and we will address some of them in the remainder of the book. We also did not examine in this chapter

the idea that public support for liberalization may be sensitive to the degree to which liberalization is linked to adjustment policies addressing the costs borne by individual workers. This aspect of public opinion is important and we present some evidence consistent with this argument in the book's conclusion.

In this chapter, rather, we sought to present an accurate and comprehensive portrait of US preferences about the main economic issues at stake in the globalization debate. The next two chapters will analyze these preferences in two complementary ways: first, by examining what opinion cleavages (if any) underlie them, and second, by putting them in the context of recent US labor-market performance.