

THE PIPA/KNOWLEDGE NETWORKS POLL

THE AMERICAN PUBLIC ON INTERNATIONAL ISSUES

AMERICANS ON GLOBALIZATION, TRADE, AND FARM SUBSIDIES

January 22, 2004

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**PROGRAM ON INTERNATIONAL
POLICY ATTITUDES (PIPA)**

A joint program of the Center on Policy Attitudes and the Center for International and Security Studies at the University of Maryland



**Knowledge
NETWORKS**

A polling, social science, and market research firm based in Menlo Park, California

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The Program on International Policy Attitudes (PIPA) is a joint program of the Center for International and Security Studies at Maryland and the Center on Policy Attitudes. PIPA undertakes research on American attitudes in both the public and in the policymaking community toward a variety of international and foreign policy issues. It seeks to disseminate its findings to members of government, the press, and the public as well as academia.

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The Center for International and Security Studies at Maryland (CISSM), at the University of Maryland's School for Public Affairs, pursues policy-oriented scholarship on major issues facing the United States in the global arena. Using its research, forums, and publications, CISSM links the University and the policy community to improve communication between scholars and practitioners.

The Center on Policy Attitudes (COPA) is an independent non-profit organization of social science researchers devoted to increasing understanding of public and elite attitudes shaping contemporary public policy. Using innovative research methods, COPA seeks not only to examine overt policy opinions or positions, but to reveal the underlying values, assumptions, and feelings that sustain opinions.

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The search of existing poll data was done with the aid of the Roper iPOLL database.

This study was made possible by grants from the Rockefeller Brothers Fund and the Ford Foundation.

INTRODUCTION

In October 1999, the Program on International Policy Attitudes conducted an in-depth study of American public attitudes on globalization and the growth of international trade. At that time the American economy was at a high point of an extended economic expansion. Many attributed this extraordinary growth to globalization and the growth of international trade. At the same time, forces critical of globalization were gathering force and were about to explode onto the national scene in November at the World Trade Organization summit in Seattle.

Since 1999 much has changed, raising key questions about how American public attitudes about globalization and trade may have changed as well. The riots in Seattle gave the anti-globalization forces a new voice in the public discourse. At that time the concerns over the negative effects of trade liberalization were getting their real debut on the media's world stage, and the idea that large numbers of ordinary people would care about such issues was a striking novelty. Today, by comparison, these concerns have become institutionalized.

Soon after 1999 the economy began to slow, went into recession and has been slow to recover. Currently there seems to be a surge in economic activity, leading to predictions of a strong economic recovery. At the same time, weak figures in job creation are reinforcing the concern over the loss of jobs since 2000—estimated at about 2.5 million.

Have all these changes suppressed the modest support for trade and globalization PIPA found in 1999?

Concerns about globalization's threat to American workers have taken on a new cast. While in 1999 the primary threat was competition from low skilled workers abroad, competition from more highly skilled workers has grown, particularly in high tech fields. Has this weakened the consensus found in 1999 that trade is a positive development if the government helps workers to adapt to the changes it entails? Has this lowered the

concerns for foreign workers that Americans have expressed in the past?

September 11th had an extraordinary impact on Americans, raising exponentially concerns about threat from the outside. Has this lowered Americans' readiness to be open to the changes that come with globalization? In 1999 PIPA found much evidence that Americans' values were to some extent globalized—that their sphere of concern extends well beyond national boundaries. How has this fared in the context of the war on terrorism?

A new issue that has become prominent in the debate about globalization is farm subsidies. At the most recent WTO meeting, held in September 2003 in Cancun, Mexico, negotiations on further lowering of trade barriers broke down when developing countries refused to proceed with further trade liberalization in protest against farm subsidies provided by the governments of developed countries (primarily the US, the EU, and Japan). The US was singled out for comment because of its 2002 farm legislation, which provided \$125 billion in farm subsidies over the next ten years and substantially raised subsidies to a minority of farmers for some commodities. No significant polling of the American public has ever been conducted asking Americans how they feel about farm subsidies.

To address these various issues, PIPA together with Knowledge Networks has undertaken another in-depth study of American public attitudes on globalization and international trade. Many the questions from 1999 were repeated, providing trendline data. New questions were also introduced, including an extensive series on farm subsidies.

The poll was conducted with a nationwide sample of 1,896 respondents from December 19 to January 5. The margin of error was plus or minus 2.3%-4%, depending on whether the question was administered to the whole sample, two thirds, half, or one

third of the sample. A full report and the questionnaire can be found at www.pipa.org.

The poll was fielded by Knowledge Networks using its nationwide panel, which is randomly selected from the entire adult population and subsequently provided internet access. For more information about this methodology, go to www.knowledgenetworks.com/ganp.

Funding for this research was provided by the Rockefeller Brothers Fund and the Ford Foundation.

Key findings were:

1 Globalization in General

On average, globalization is seen as modestly positive, with attitudes slightly trending downward. This is mirrored by similar attitudes about international trade (see below). A large majority views positively the stimulation of new ideas and cultural influences coming into the US, though there is little enthusiasm about the export of American culture3

1a- Globalization of Values

Americans continue to show strong indications that their values are oriented to a global context, not limited to a narrow concept of national interest, and that increasing involvement with other parts of the world creates new moral concerns for labor, environmental, and human rights standards in other countries. In response to some questions support for altruistic positions is down a bit, presumably in response to changing economic conditions. However, support for incorporating concerns about human rights in other countries into US foreign policy is up, perhaps in response to concerns related to September 115

1b- International Institutions

Support for working through international institutions and for increasing their powers of intervention into the internal affairs of countries is strong and appears to be rising. Majorities continue to support compliance with WTO decisions in principle and approve of the Bush

administration complying with the WTO decision on steel tariffs. A strong majority, though, favors making WTO and NAFTA decisionmaking transparent8

2- International Trade in General

A plurality to a majority of Americans is either neutral or positive about the growth of trade and continues to support the principle of lowering trade barriers on a reciprocal basis. Pluralities support NAFTA and CAFTA, and a modest majority supports FTAA. However, support for the growth of international trade has cooled. A growing minority says the process of lowering trade barriers is proceeding too quickly, and concerns about the impact of trade on jobs have grown. Many feel that the government overplayed the benefits of NAFTA and trade in general9

2a-Desire for Greater Government Efforts to Mitigate Effects of Trade

A majority disapproves of US government trade policy and wants the government to make greater efforts to mitigate the effects of trade on workers at home and abroad, and on the environment. If the government would make greater efforts to help workers, support for increasing trade could be substantially higher than it is. A majority thinks that government retraining efforts have been inadequate. At the same time, the consensus in favor of a policy of increased trade together with government programs to mitigate the effects on workers has eroded--apparently due to increasing partisan polarization and decreasing job security.... 15

2b-Evaluation of Bush Administration Trade Policy

The Bush administration’s handling of trade is a modest net negative for the president’s reelection prospects. Majorities feel that administration trade policymakers pay too little attention to Americans workers, “people like you,” the impact of trade on the environment, and the impact of trade on the overall American economy.....20

3-Farm Subsidies

Public attitudes on agricultural subsidies are very much at odds with the US policies that have led to conflicts in current trade negotiations. While a very strong majority favors subsidies for small farmers, a majority opposes subsidies for large farming businesses—the primary recipient of subsidies. The majority favors limiting subsidies to bad years over providing them on a regular annual basis. The public prefers subsidies so much narrower than present subsidies that, if majority preferences were followed, this would largely remove the current obstacle in trade negotiations. An oversample of respondents living in the states receiving the largest amounts of farm subsidies found that support for subsidies in farm states was no different from the country as a whole. When a separate sample was first presented prevalent arguments for and against farm subsidies, the general conclusions were also largely the same. Among those who were better informed on key facts about US farm subsidies, support for subsidies was significantly lower.....22

FINDINGS

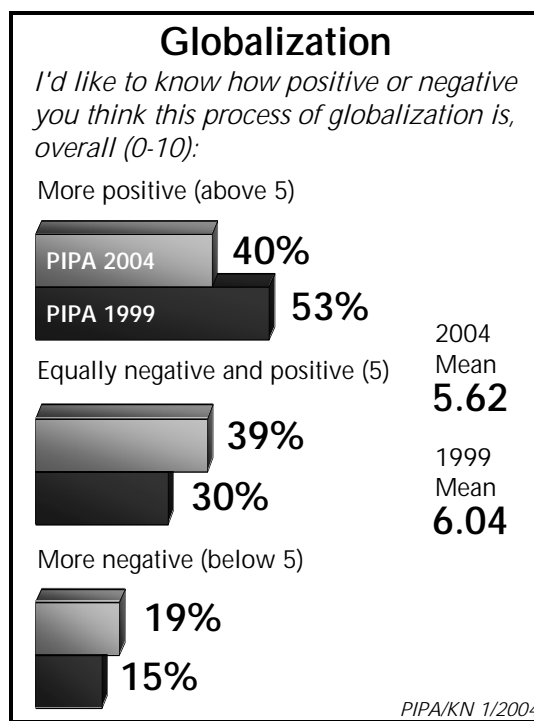
1 Globalization in General

On average, globalization is seen as modestly positive, with attitudes slightly trending downward. This is mirrored by similar attitudes about international trade (see below). A large majority views positively the stimulation of new ideas and cultural influences coming into the US, though there is little enthusiasm about the export of American culture.

Overall, it appears Americans view globalization as having a mixture of positive and negative elements, with the positive elements slightly outweighing the negative ones. Asked to rate globalization using a scale from 0 to 10, with zero being completely negative, ten being completely positive and five being equally positive and negative, the average response was 5.62. Forty percent rated it above 5, while only

19% rated it below 5. Thirty-nine percent rated it equally positive and negative.

Compared to the poll PIPA conducted in 1999, this indicates a slight downward trend. At that time the mean evaluation was 6.04. Most notably, the percentage giving globalization a positive rating has dropped from 53% to 40%. Those giving it a negative rating have risen from 15% to 19%, while those giving a rating of 5 have increased from 30 to 39%.

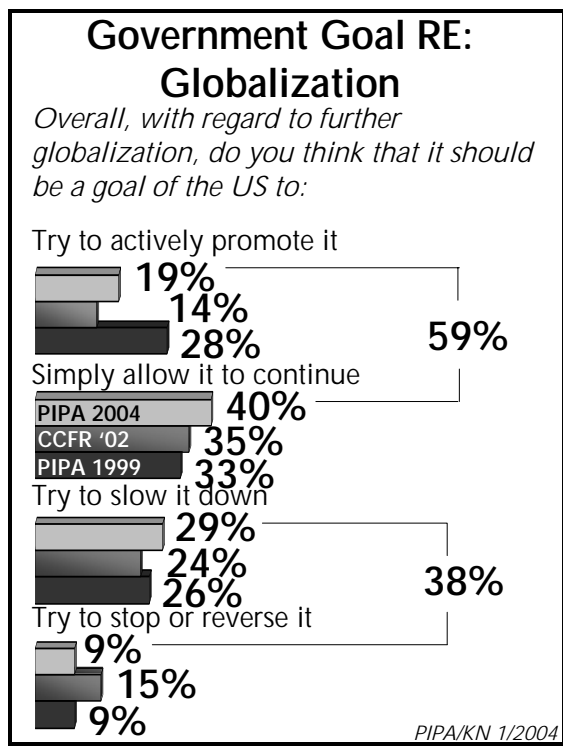


Curiously, respondents do not seem to be aware of such a negative trend in their attitudes. Asked to estimate how they would have answered this question four years ago, overall estimates were *less* positive than the present. The mean estimate was 5.26, with only 37% assuming they would have answered above 5.

When asked what the goal of the US should be in regard to globalization, just 19% said that it should be to “actively promote it,” down from 28% in 1999. However, only 38% said the US should “try to slow it

down” (29%) or “try to stop or reverse it” (9%)--barely different from the 35% that took these negative positions in 1999. The most common response was that the US should “simply allow it to continue” (40%), and together with those who favored actively promoting it (19%), these constitute a majority of 59%, similar to the 61% that held these positions in 1999.

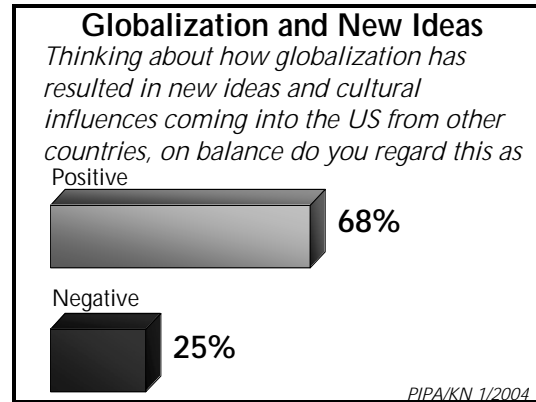
When CCFR asked this same question in June 2002 the response was a bit cooler, with 49% saying that the US should “actively promote” (14%) or “simply allow it to continue” (35%), while 39% thought it should “try to slow it down” (24%) or “try to stop or reverse it” (15%). However, in the same poll, when asked whether globalization was a good thing or a bad thing, 56% said that it was a good thing and just 27% said it was a bad thing.



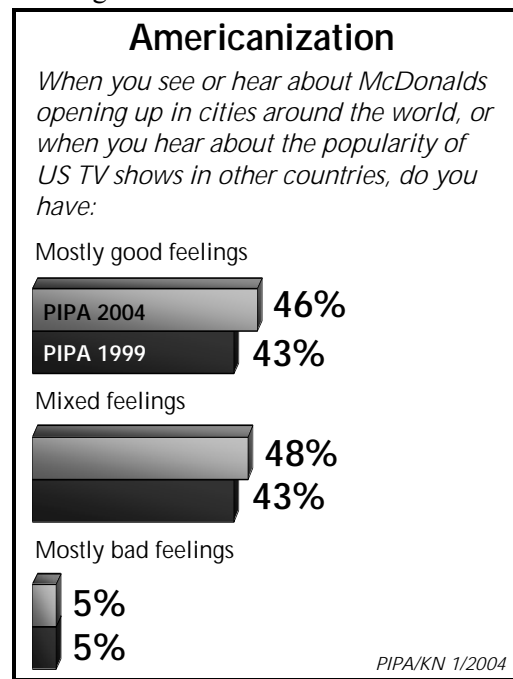
Globalization of Culture

Americans show substantial enthusiasm about the stimulation of new influences from abroad that globalization provides. Asked “Thinking about how globalization has resulted in new ideas and cultural influences coming into the US from other countries, on balance [how] do you

regard this,” a large majority of 68% said they regard it as very (16%) or somewhat (52%) positive. Just 25% said they regarded it as somewhat (18%) or very (7%) negative.



Interestingly, though, they show little enthusiasm for the export of American popular culture. Asked, “When you see or hear about McDonalds opening up in cities around the world, or when you hear about the popularity of US TV shows in other countries, do you have mostly good feelings, mostly bad feelings, or mixed feelings?” While 46% said they had good feelings, 48% said they had mixed feelings and 5% had bad feelings. These were statistically unchanged from 1999.



This is consistent with their lukewarm feelings about American popular culture. Asked, “In general, what is your opinion of American popular culture, such as music, television and films?” only 55% gave it a favorable rating (very 11%, somewhat 44%), down from 60% in 1999.

Americans’ estimation of other countries’ view of American popular culture is fairly accurate. Asked in a November 2003 PIPA/KN poll, “Do you think the majority of people in the world like American music, movies and television?” 59% assumed that they do. Pew conducted a poll in spring 2003 of 20 countries, including countries in Europe, Asia, and the Middle East as well as Brazil and Canada. When asked this question, majorities in 13 of the 20 countries polled said they liked American cultural products; majorities in five countries said they disliked them, and in two countries views were evenly balanced. Weighting the 20 countries for population, 54% said they liked American cultural products.

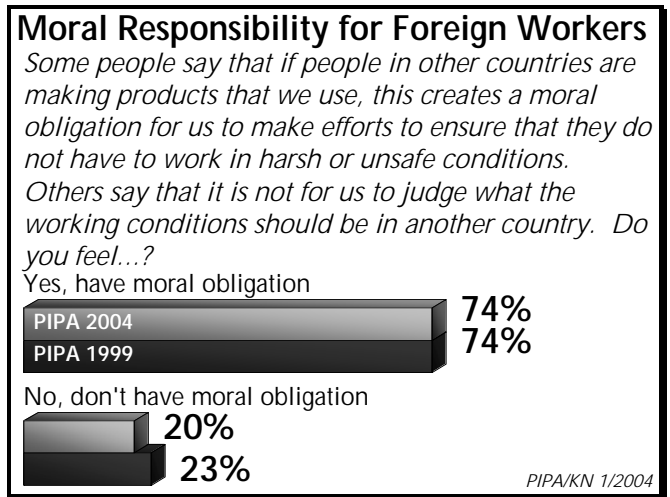
1a- Globalization of Values

Americans continue to show strong indications that their values are oriented to a global context, not limited to a narrow concept of national interest, and that increasing involvement with other parts of the world creates new moral concerns for labor, environmental, and human rights standards in other countries. In response to some questions support for altruistic positions is down a bit, presumably in response to changing economic conditions. However, support for incorporating concerns about human rights in other countries into US foreign policy is up, perhaps in response to concerns related to September 11.

There are strong indications that Americans’ values operate in a highly global context — that their sphere of concern extends well beyond national boundaries. Sixty-four percent agreed with the statement, “As one of the world's rich nations, the United States has a moral responsibility toward poor nations to help them

develop economically and improve their people's lives,” down only slightly from the 68% that answered this way in 1999.

Several poll questions showed that many Americans believe that the increasing economic involvement with other parts of the world creates new moral responsibilities. A very strong majority felt that if Americans are using products made by workers in other countries, this creates a moral imperative to ensure that they are not required to work in harsh or unsafe conditions—even after hearing the counterargument that “it is not for us to judge what the working conditions should be in another country.”



But would Americans be willing to pay more for products to ensure that they are made in proper working conditions? Respondents were told about the possibility of “an international organization that would check the conditions in a factory and, if acceptable, give them the right to label their products as not made in a sweatshop.” They were then asked, “If you had to choose between buying a piece of clothing that costs \$20 and you are not sure how it was made, and one that is certified as not made in a sweatshop, but costs \$25, which one would you buy?” Sixty-one percent said they would pay more for the product labeled as not made in a sweatshop. This is down significantly, though, from the 76% that

answered this way in 1999—presumably in response to changing economic conditions.

Another key sign of how Americans' values are becoming globalized is that strong majorities felt US companies should be expected to abide by US laws on working conditions when operating outside the US. Asked, "Overall, would you say that American companies that operate in other countries should be expected to abide by US health and safety standards for workers?" a resounding 89% said that they should.

In 1999 some respondents were first presented a series of pro and con arguments on this issue. A purely moral argument that to do otherwise would be wrong received overwhelming support of 79%. A pro argument based on concern for US jobs received 62% support. On the con side, only 29% affirmed that labor standards in other countries are not US companies' responsibility. However, a majority of 61% agreed that such a standard would likely raise prices. Nonetheless, an overwhelming 86% thought US companies should be expected to abide by US health and safety standards when operating outside the US.

In the current poll respondents were also asked, "Overall, would you say that American companies that operate in other countries should be expected to abide by US environmental standards?" and 87% said that they should. Here again, the response was no different than in 1999, when 88% said companies should be expected to do so, though in 1999 respondents were presented a series of pro and con arguments, including arguments (which were found convincing by majorities) that this would lead to higher prices and also make it harder for American companies to compete.

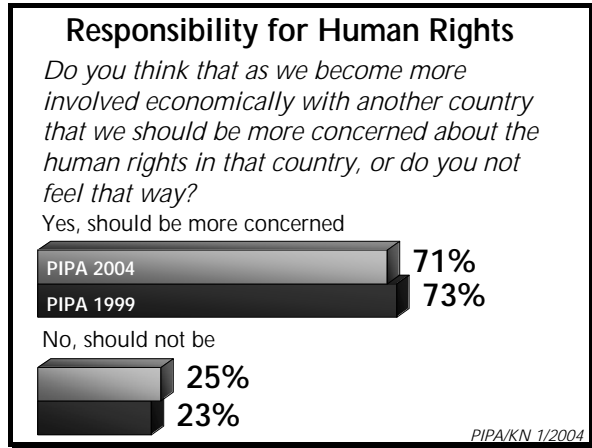
A difference between the current poll and 1999, though, was that on both of these 'golden rule' questions the percentage saying that they felt "strongly" that US companies should be expected to abide by US standards dropped. In the case of environmental standards the drop was the sharpest--from 67% to 50%--while for labor standards it dropped from 69% to 61%.



Another area in which evidence of a softening of the globalization of values has occurred is on questions about the relative level of concern for suffering inside and outside the US. In 1999 one sample was asked, "When you hear that children are hungry in some part of the US, how much does that trouble you?" Answering on a 0-to-10 scale, with zero meaning "not at all" and ten "very much," the mean answer was 8.73. When a different sample was asked the same question about "some part of the world outside of the US," the response was only slightly lower— 7.59. Separate samples also were asked how much it bothered them when they hear about "police brutality." In this case, the spread was even narrower—7.96 inside the US, 7.59 outside the US. In the current poll this spread, while still relatively small, has increased. Concern for hungry children inside the US was rated as 8.41, while concern for hungry children outside the US was rated at 6.78. Concern for police brutality inside the US was rated at 7.72 and outside the US 6.33.

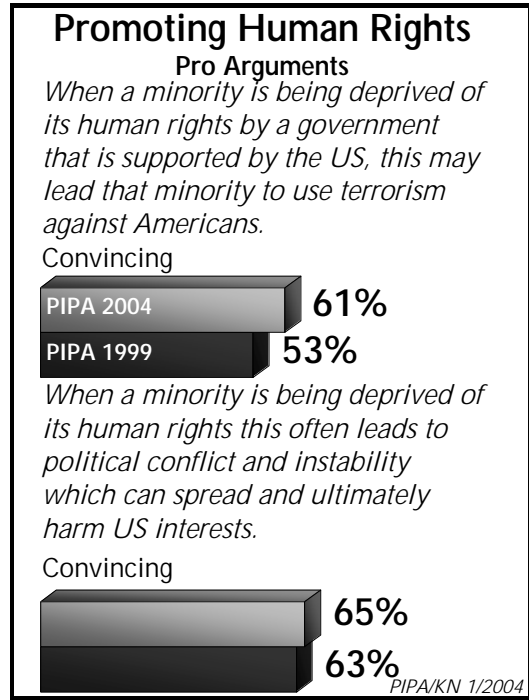
Human Rights in Other Countries

Another sign of globalization of values is the concern about human rights in other countries. Seventy-one percent said that, "as we become more involved economically with another country that we should be more concerned about the human rights in that country," statistically unchanged from 1999.



Support for human rights considerations were up in some questions that presented pro and con arguments on whether “it is important for America's self interest to do something about cases in which human rights are being violated.” Three of the four arguments showed a sharp movement, perhaps in response to concerns related to 9/11. Sixty-one percent (up from 53% in 1999) found convincing the argument, “When a minority is being deprived of its human rights by a government that is supported by the US, this may lead that minority to use terrorism against Americans.” Similarly, an overwhelming 88% rejected the argument that “The world is so big that we should not worry too much if human rights violations are being committed in distant parts of the world, because such things are unlikely to affect us”—up from 79% in 1999.

An even sharper movement came in response to the argument, “Some countries with poor human rights records are major trading partners for the US. If we get involved in trying to promote human rights in these countries we may irritate them and we may lose their trade.” In 1999 respondents were evenly divided (49%-49%), but in the current poll a clear majority of 64% found the argument not convincing, while just 34% found it convincing. This may be due to increased concerns about human rights conditions in such countries as Saudi Arabia.

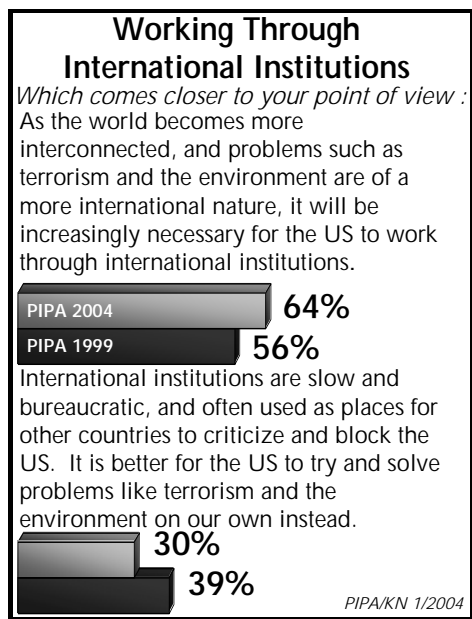


Responses to the fourth argument remained stable. Sixty-five percent found convincing the argument, “When a minority is being deprived of its human rights this often leads to political conflict and instability which can spread and ultimately harm US interests”—up only slightly from 63% in 1999.

1b- International Institutions

Support for working through international institutions and for increasing their powers of intervention into the internal affairs of countries is strong and appears to be rising. Majorities continue to support compliance with WTO decisions in principle and approve of the Bush administration complying with the WTO decision on steel tariffs. A strong majority, though, favors making WTO and NAFTA decisionmaking transparent.

A key aspect of globalization is the growing significance of international institutions designed to address global problems. Americans show strong and growing support for working through international institutions to solve international problems. As shown below, presented two statements, growing 64% (up from 56% in 1999) agreed with the statement that growing interconnections between countries make it increasingly necessary to work through international institutions. It is striking that international institutions are “often used as places for other countries to criticize and block the US” has actually lost traction, despite the difficult US experience with the UN Security Council over Iraq in March 2003. Presumably this was overridden by increased concern for addressing the problem of terrorism.



Americans are also showing a greater readiness to give international institutions more power to intervene in the internal affairs of countries to address global problems. Presented two statements, 68% endorsed the need for such intervention over the argument based on the primacy of national sovereignty.



Naturally, a critical element in the growth of international institutions is whether nations will abide by adverse decisions made by such institutions, such as the decisions of the World Trade Organization. In principle, a majority of respondents indicated a readiness to accept such decisions. Presented the following question:

The World Trade Organization was established to rule on disputes over trade treaties. If another country files a complaint with the World Trade Organization and it rules against the US, as a general rule, should the US comply with that decision?

67% said that the US should comply (up slightly from 65% in 1999), with just 26% saying it should not.

When it came to the recent WTO decision against the US in regard to steel tariffs, only one in four oppose the Bush administration decision to comply with the WTO and lower steel tariffs.

Steel Tariffs and the WTO

As you may know, in early 2002 President Bush raised tariffs on steel imports. In response to challenges by other countries, the World Trade Organization ruled that these increases were in violation of international trade rules. President Bush subsequently lowered the steel tariffs. What is your position on this decision?

He was right to raise them in the first place, and he was right to lower them in response to the WTO ruling.

30%

It was a mistake for him to raise them in the first place.

32%

He was right to raise them in the first place and he should not have lowered them.

24%

PIPA/KN 1/2004

A solid majority, though, favors making the WTO and NAFTA decisionmaking more transparent. Respondents were asked:

As you may know, when complaints are filed at the WTO or NAFTA, they are heard at proceedings that are not open to the public. Some say that this is a good idea, because they are more likely to be resolved through quiet diplomacy and without the interference of pressure groups. Others say that trade disputes can affect the public interest and thus the proceedings should be open. Do you think WTO and NAFTA proceedings should or should not be open to the public?

A strong 63% said that the proceedings should be open to the public, with just 27% saying they should not.

2- International Trade in General

A plurality to a majority of Americans is either neutral or positive about the growth of trade and continues to support the principle of lowering trade barriers on a reciprocal basis. Pluralities support NAFTA and CAFTA, and a modest majority supports FTAA. However, support for the growth of international trade has cooled. A growing minority says the process of lowering trade barriers is proceeding too quickly, and concerns about the impact of trade on jobs have grown. Many feel that the government overplayed the benefits of NAFTA and trade in general.

Asked about the pace of “of increasing trade between countries through lowering trade barriers,” a plurality of 49% said the pace was about right (31%) or too slow (18%), while 41% said it was going too fast. However, this is considerably cooler than in 1999 when 62% said the pace was “about right” (39%) or “too slow” (23%), and just 30% said it was going too fast.

Pace of Lowering Trade Barriers

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

PIPA 2004 41%

PIPA 1999 30%

About the right pace

31%

39%

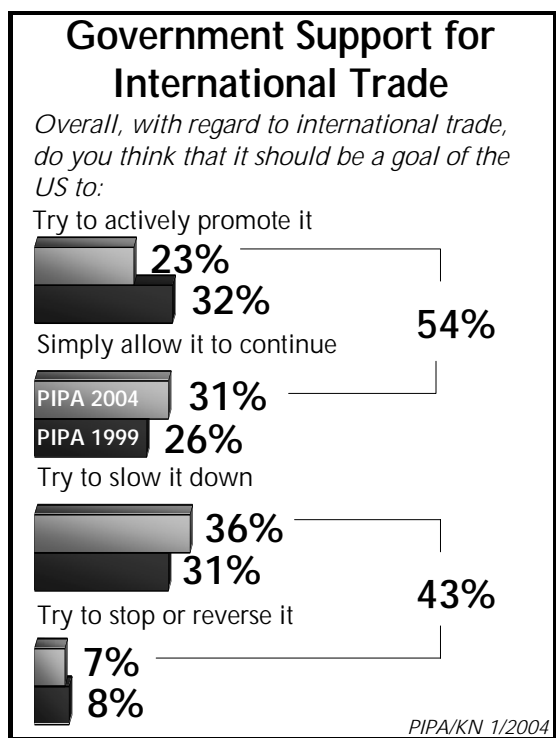
Too slowly

18%

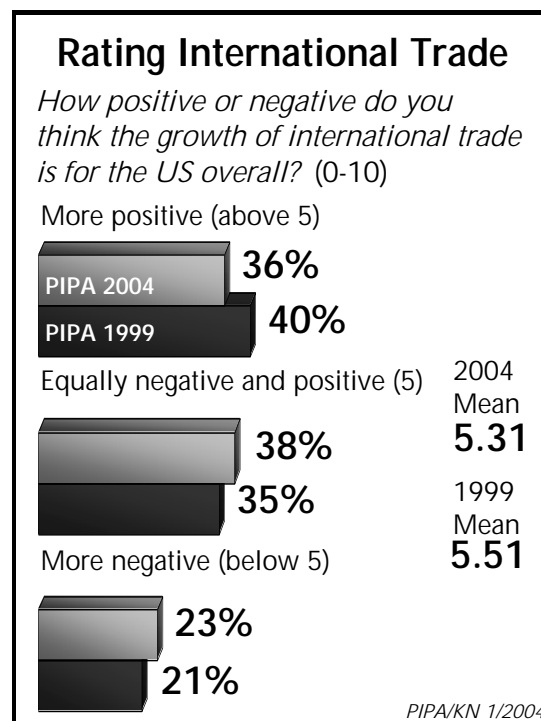
23%

PIPA/KN 1/2004

Asked what the US goal should be “with regard to international trade,” a majority of 54% expressed a positive or neutral position: 23% said the US should “try to actively promote it,” while 31% said the US should “simply allow it to continue.” Forty-three percent took a negative position, with 36% favoring “slowing it down” and 7% advocating trying “to stop or reverse it.” However, here too there were signs of cooling as compared to 1999. The percentage favoring actively promoting it was down 9 points from 32%.



Asked to say “how positive or negative you think the growth of international trade is, overall,” on a scale of 0 to 10—with 0 being completely negative, 10 being completely positive and 5 being equally positive and negative, 74% gave it a rating of 5 (38%) or higher (36%). The mean score was 5.31. Only 23% gave it a score below 5. However, this represents a slight cooling from October 1999, when the mean score was 5.51 and 41% gave a score above 5.



Respondents also perceived their own attitudes as having shifted. Asked, “How do you think you would have answered this question, say, four years ago?” Respondents’ memories, taken collectively, were almost exactly correct—they gave a mean score of 5.50, and 43% gave a score above 5.

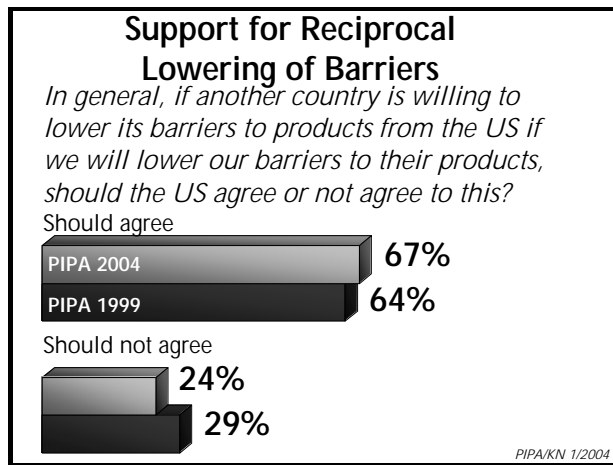
When asked about how trade affects them personally, nearly half give a neutral response, and of the rest, somewhat more give a positive than a negative rating. Asked to rate the impact of trade “on you personally” on a scale of 0 to 10, 42% gave a neutral rating of 5, 31% gave a positive rating (above 5), while just 23% gave a negative rating (below 5). The mean rating was 5.15. These numbers have not changed significantly from 1999.

When asked how “globalization and the growth of international trade have affected the security of the job or jobs of people in your household” on a scale from -5 to +5, the most common response was the neutral response of 0, which was offered by 49%.

In this case, though, more—32%-- gave a negative response (below 0), than gave a positive response—13% (above 0). The mean response was -0.71.

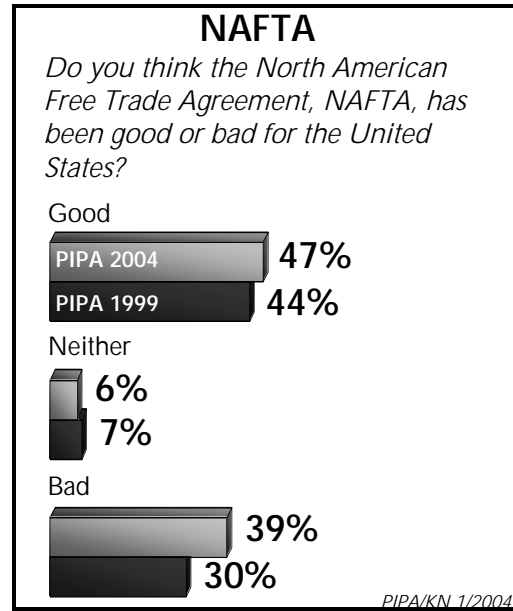
Support for Trade in Principle

Support for lowering trade barriers in principle can be quite high, when placed in the context of doing so reciprocally with other countries. The cooler attitudes expressed in other poll questions does not seem to have brought the public to back off from the principle. Asked whether “In general, if another country is willing to lower its barriers to products from the US if we will lower our barriers to their products, should the US agree or not agree to this,” a strong two-thirds (67%) said yes—up slightly from 64% in 1999. Only 24% said the US should not agree (1999: 29%).

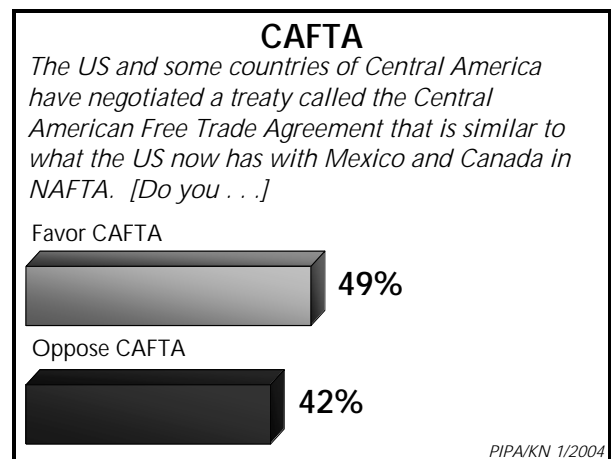


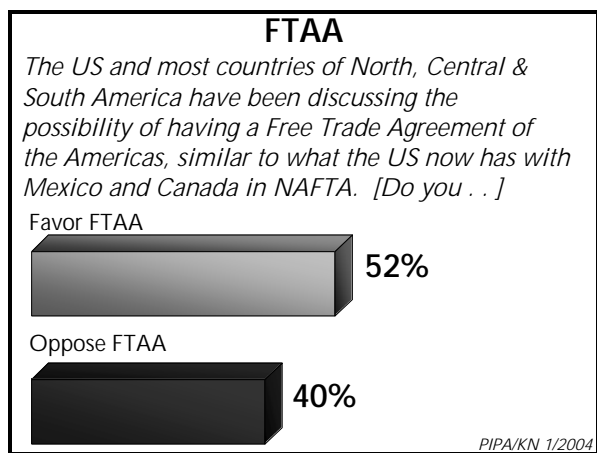
NAFTA, CAFTA and FTAA

One of the clearest indications of the support for trade in principle is the support for specific trade agreements. NAFTA itself got a positive rating as “good for the United States” from a plurality of 47%, with 39% calling it bad for the US—a result little different from that of 1999.



When told that “the US and some countries of Central America have negotiated a treaty called the Central American Free Trade Agreement (CAFTA) that is similar to what the US now has with Mexico and Canada in NAFTA,” a 49% plurality said they would favor it, with 42% opposed. A different sample heard a very similar question about the Free Trade Agreement of the Americas (FTAA), and found a modest majority in favor (52%; 40% opposed).





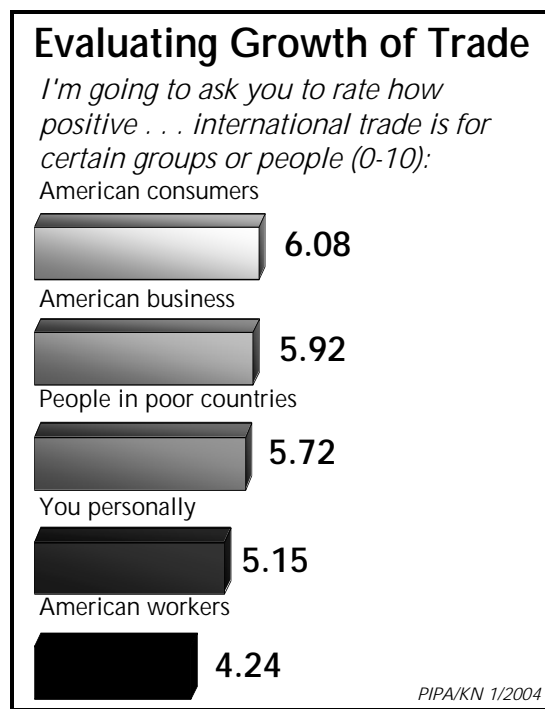
Support for the reciprocal lowering of trade barriers may not always fully translate into support for lowering barriers, because many Americans may not believe that the process is reciprocal. A modest majority now thinks that other countries benefit more than the US does from international trade: 52% (up from 45% in 1999), with most (41% of the whole sample) also saying that this bothers them. Another 17% say the US benefits more, while 28% say the US and other countries benefit about equally. Interestingly, there has also been an increase in those who feel that international trade is positive for “people in poor countries”: rated on a 0-10 scale, the mean score has risen to 5.72 from 4.74 in 1999.

Of course most economists would argue that lowering trade barriers is beneficial even if it is not reciprocal, but this argument does not fly with most Americans. The 67% who endorsed reciprocal lowering of trade barriers were then asked to choose between two statements. Most, 50% of the whole sample, agreed “the US should only lower its barriers if other countries do, because that is the only way to pressure them to open their markets.” Only 16% thought “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.”

Trade Seen as Benefiting Business, the Rich, and Consumers, But Not Workers

Americans lean toward believing that trade benefits American business. Asked how trade affects American business on a 0-to-10 scale, the mean response was 5.92, with 51% giving a response above 5, 25% giving a response below 5, and 22% giving a neutral response of 5. While on the positive side, this is down a bit from 1999, when the mean response was 6.08 and 60% gave it a positive rating.

A majority perceives that the international trading system favors business. A strong 69% agreed with the commonly made charge that “When the World Trade Organization makes decisions, it tends to think about what's best for business, but not about what's best for the world as a whole”—up from 65% in 1999.



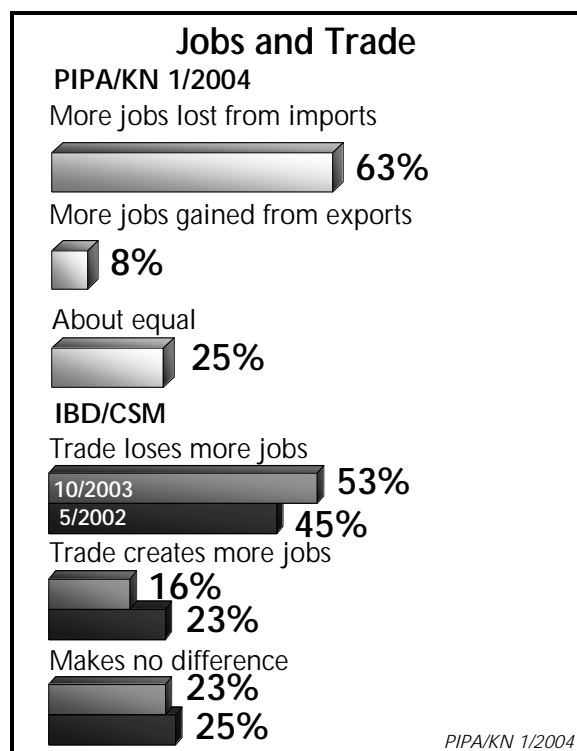
A modest majority continues to think “the growth of international trade has increased the gap between rich and poor in this country.” Fifty-three percent thought so in the current poll, (statistically the same as the 56% in 1999), while 42% thought trade had either “had no effect” (32%) or “decreased the gap” (10%).

Americans also lean toward assuming that trade is beneficial to American consumers. Asked to rate how trade affects American consumers on a 0-to-10 scale, the mean response was 6.04, with 52% giving a positive rating, 29% a neutral rating, and 16% a negative rating.

However, when asked about American workers, the tenor changes. Respondents rated the impact of trade on American workers on the negative side at 4.24 (on a 0-10 scale), down from 4.53 in 1999. The percentage giving a negative rating (below 5) increased to 48% from 45% in 1999. Twenty-four percent gave a neutral rating, and 25% a positive rating.

When asked to think about jobs, a majority is pessimistic about the effects of international trade. Given three options, 63% said that “more jobs are lost from imports than are gained from exports”; only 8% said more jobs were gained from exports; and 25% said “the number of jobs lost and gained are about equal.” This result suggests a negative trend when compared to the most recent similar questions on the subject (by the Investor’s Business Daily/Christian Science Monitor Poll in October 2003 and May 2002), which asked whether “free trade between the US and other countries creates more jobs in the US, loses more jobs in the US, or do you think it makes no difference one way or the other?”

Presented two statements on this issue, only 32%--down from 40% in 1999--chose the one that said “It is better to have the higher paying jobs, and the people who lost their jobs can eventually find new ones.” A 59% majority chose the other statement, “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” (56% in 1999).



A particularly telling finding is that when Americans look at their immediate environment, many more perceive job losses as a result of trade than perceive job gains. Economists have frequently pointed out that the costs of trade are more salient than the benefits. Respondents were asked “Do you know someone who you think has lost a job or seen their business suffer due to globalization and the growth of international trade?” and then asked if they knew someone whom they thought had gained a job or had their business improve. While 39% said they knew someone whom they thought had experienced negative effects from trade, only 17% said they knew someone whom they thought had experienced positive effects.



When placed in the context of the job issue, a substantial and growing minority express a protectionist position. Respondents were offered a choice among three positions about the pace of removing barriers to international trade. The argument that supported keeping barriers up, which went: “We should keep up barriers against international trade because importing cheap products from other countries threatens American jobs,” was endorsed by 40%—up from 31% in 1999. The classical argument for removing barriers relied on the concept of comparative advantage: “We should remove trade barriers now because this allows countries to produce what they do the best job of producing, and to buy products that other countries do the best job of producing, saving everybody money.” It received a modest 19% endorsement—down from 24% in 1999. The position that received the highest level of support in 1999 was the gradualist argument: “We should lower trade barriers, but only gradually, so American workers can have time to adjust to changes that come with international trade.” In 1999, this was the argument that won a 43% plurality—but in the current poll it was down to 35%, giving the protectionist position a narrow plurality.



When the potential for competition from low wage countries is highlighted, the support for lowering trade barriers on a reciprocal basis diminishes sharply. When the same question (asked above about all countries) was asked about “low-wage countries,” only 43% agreed the US should lower barriers and 47% disagreed. This is almost identical to when PIPA last asked the question in April 1998 (43% agree, 48% disagree).

Perception That Government Overplayed Benefits of Trade

A substantial minority believes that the government overplayed the benefits of trade—far more than believe the opposite. Respondents were asked to rate how they felt “the effects of the growth of international trade have been as compared to how US government officials said they would be” on a scale from -5 to +5, with 0 meaning that the effects have been about the same as officials said, +5 meaning the

effects have been much more positive, and -5 meaning they have been much less positive than officials said. Thirty-nine percent said the effects have been less positive than officials said, while 23% said they had been more positive and 28% said they had been about the same.

The same question was asked about NAFTA to a different part of the sample, and here the negative rating was a good deal more marked. Forty-four percent said the effects of NAFTA had been less positive than government officials said; only 12% said the effects had been more positive; and 30% said the effects had been about the same as officials said.

2a-Desire for Greater Government Efforts to Mitigate Effects of Trade

A majority disapproves of US government trade policy and wants the government to make greater efforts to mitigate the effects of trade on workers at home and abroad, and on the environment. If the government would make greater efforts to help workers, support for increasing trade could be substantially higher than it is. A majority thinks that government retraining efforts have been inadequate. At the same time, the consensus in favor of a policy of increased trade together with government programs to mitigate the effects on workers has eroded--apparently due to increasing partisan polarization and decreasing job security.

A majority is critical of US government trade policy and wants the government to make greater efforts to mitigate the effects of trade on workers at home and abroad, and on the environment. Given three choices, only 20% chose the position that endorsed current government policy: "I support the growth of international trade in principle and I approve of the way the US is going about expanding international trade." Seventy-one percent chose a position contrary to current policy: just 18% chose a position in opposition to the growth of trade, while 53% chose the position "I support the growth of international trade in principle, but

I am not satisfied with the way the US government is dealing with the effects of trade on American jobs, the poor in other countries and the environment."



Support for the principle of integrating labor standards into trade agreements remains near-unanimous, and clearly remains a key issue. Ninety-three percent said that "countries that are part of international trade agreements should be required to maintain minimum standards for working conditions."

While it may seem that this overwhelming response may be derived from a failure to think through the issue, in 1999 respondents were given a greater opportunity to deliberate on this issue and yet came to the same conclusion. They were offered two arguments for, and two against, the idea that "countries who are part of this [trade] agreement should be required to maintain certain standards for working conditions, such as minimum health and safety standards and the right to organize into unions." Interestingly, the pro argument based on moral concerns for the foreign workers was the most convincing, with 83%

endorsing it. Still strong though, at 74%, was the more self-interested argument that countries with lower standards have an unfair advantage. On the con side, the morally based argument that requiring higher labor standards would “eliminate the jobs of poor people who desperately need the work” was found convincing by just 37%. The con argument based on the principle that imposing labor standards is a violation of a country’s national sovereignty also fared poorly (41% convincing). After evaluating the pro and con arguments, respondents were finally asked their conclusion. A near-unanimous 93% said that countries should be so required.

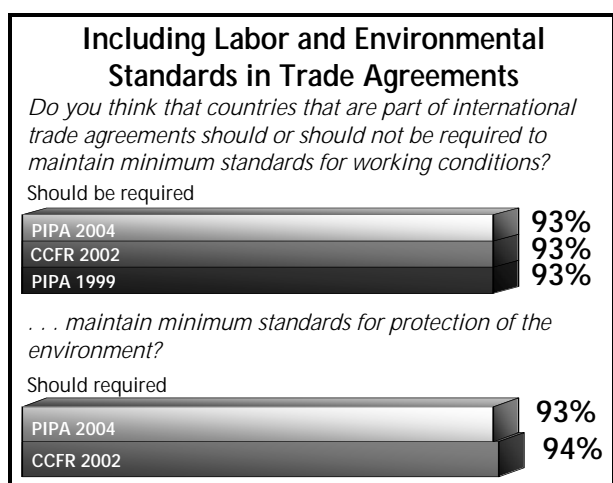
In a separate question, 81% also agreed (82% in 1999) that, “While we cannot expect workers in foreign countries to make the same wages as in the US, we should expect other countries to permit wages to rise by allowing workers to organize into unions and by putting a stop to child labor.”

An equally overwhelming majority—also 93%--supported the idea of requiring “minimum standards for the protection of the environment” to be part of trade agreements. This was statistically unchanged from the 94% that held this position in the June 2002 poll by the Chicago Council on Foreign Relations.

The idea of integrating environmental factors into trade is highly controversial, with many trade advocates opposing it on the basis that it will slow the growth of trade. Respondents were presented both sides of the debate about whether “countries should be able to restrict the import of products if they are produced in a way that damages the environment.” On one hand, the argument was presented that countries should be able to do so “because protecting the environment is at least as important as trade”; on the other hand, the argument was offered that “if countries can put up trade barriers against a product any time they can come up with something they do not like about how it is produced, pretty soon they will be putting barriers up right and left.” The argument in favor of restrictions was preferred by 71%, to 21% for the argument against restrictions. This is virtually the same as the 1999 result (74% and 22%, respectively).

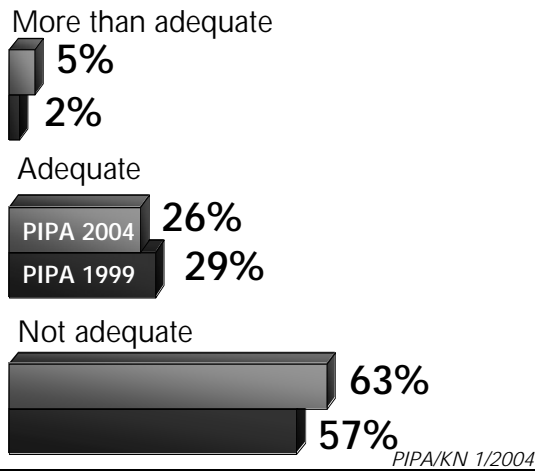
Helping Workers Adapt

Probably the most critical approach that Americans want to see the government use to mitigate the effect of the growth of trade is to help American workers adapt. Here is a key area in which the government is perceived as underperforming. A strong majority of 63% said that “government efforts to help retrain workers who have lost jobs due to international trade” have not been adequate (up from 57% in 1999), with 26% saying that they have been adequate and just 5% saying they have been more than adequate.



Evaluation of Worker Retraining

I would like to know your impression of government efforts to help retrain workers who have lost jobs due to international trade. Do you think those efforts have been:



Although in fact there has been an increase in government funding of some specific worker adjustment programs (especially the Trade Adjustment Assistance that was part of the bill granting the president Trade Promotion Authority), apparently this increase has not been significant enough to enter the public’s field of vision. Only 28% said it was their impression that “over the last few years the amount of money that the US government spends to retrain, and in other ways help, workers who have lost their jobs due to globalization and the growth of international trade” has increased. Forty percent thought it had remained the same, and 26% even thought it had decreased.

If the government would make substantial, visible efforts to mitigate the side effects of expanded trade, support for the growth of trade would be substantially higher than it is. When the possibility of helping workers adapt to changes associated with increased trade is considered, support for free trade becomes very strong. In a question that offered three statements, 60% chose: “I favor free trade and I believe that it is necessary for the government to have programs to help workers who lose their

jobs.” Combined with the 13% who favored free trade and felt such programs were unnecessary, total support for free trade reaches 73%. In this context the percentage taking the protectionist position “I do not favor free trade” was just 22%.

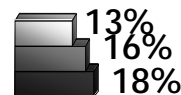
Trade and Worker Assistance

Which of the following three positions comes closest to your point of view?

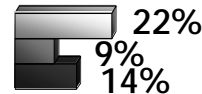
I favor free trade, and I believe that it is necessary for the government to have programs to help workers who lose their jobs.



I favor free trade, and I believe that it is not necessary for the government to have programs to help workers who lose their jobs.



I do not favor free trade.



PIPA/KN 1/2004

Those who see themselves as winners or as losers from globalization and international trade are found within this consensus. While those who said “globalization and the growth of trade has had a negative effect on the job security of people in [their] household” were somewhat less supportive of the growth of trade than those who said it had a positive effect, majorities of both groups said that they favored trade and believe that it is necessary to have programs for workers who lose their jobs (positive effect 69%, negative effect 58%), and that government efforts to retrain workers are not adequate (positive effect 56%, negative effect 77%).

Americans are not easily moved from the idea that the government has a responsibility to retrain workers. To see if they would be

attracted to the idea that this should be the responsibility of corporations instead, respondents were asked “who should have the responsibility to retrain workers who have lost their jobs due to globalization and increased international trade,” and offered the options of “corporations that benefit from international trade,” the government, or both. Just 27% chose only corporations, 8% the government, and 61% chose both. Thus 69% felt the government had some responsibility, even when offered an alternative.

Of course the key concern among advocates of trade is that efforts to help workers, as well as efforts to protect the environment and human rights, can encumber and slow down the effort to promote the growth of trade. But it does not appear that this is dissuasive to most Americans—after all, trade itself gets a rather lukewarm rating. Thus it is not surprising that an overwhelming 83% agreed with the statement: “Free trade is an important goal for the United States, but it should be balanced with other goals, such as protecting workers, the environment, and human rights—even if this may mean slowing the growth of trade and the economy.”

Erosion of Consensus for Mitigated Trade

While it is clear that there is a strong consensus in favor of trade that is mitigated by government efforts, especially to help American workers adapt, there are also some signs that this consensus has softened since 1999. The percentage saying that they support free trade and favor government programs to help workers is down from 66% in 1999 to 60% today, while those taking the protectionist position against trade are up from 14% to 22%.

Even more dramatic, respondents were asked to choose between the statement that “the government should invest more in worker retraining and education” and that “such efforts just create big government programs that do not work very well.” While the former statement still received a majority endorsement of 51%, this is down sharply from 66% in 1999, while

support for the second statement rose from 31% to 43%.

A closer analysis reveals that a key aspect of this erosion is greater partisan polarization. In 1999 Republicans and Democrats were strikingly similar in their general attitudes on trade and on efforts to mitigate. Now Republicans have become less supportive of mitigation efforts while Democrats have become more dissatisfied. Meanwhile, Republican support for trade in general has stayed steady while Democrats have become considerably less positive.

In 1999, when asked whether US government programs for retraining workers have been adequate, Republicans and Democrats were statistically the same. Fifty-seven percent of Republicans and 58% of Democrats said these programs were not adequate. Today the percentage of Republicans saying that such programs are not adequate has dropped to 50%, while the percentage of Democrats has jumped to 73%. This appears to have carried over into attitudes about trade overall. Evaluating trade overall in 1999, 45% of Republicans and 42% of Democrats rated it above 5 on a 0-10 scale. Today Republicans are holding steady at 46%, but Democrats have dropped to 30%. The percentage of Democrats who favor slowing or stopping the growth of trade has jumped from 38% to 48%, while Republicans have held steady. In a question that offered the options of opposing free trade or favoring it with or without government programs, the percentage of Democrats favoring free trade with government programs has dropped from 73% to 64%, while those rejecting free trade has nearly doubled from 13% to 24%.

Perhaps the most telling shift is in response to the question that asked respondents to choose between the statement that “the government should invest more in worker retraining and education” and that “such efforts just create big government programs that do not work very well.” Despite the conservative appeal of the latter statement,

in 1999 a bare majority of 51% of Republicans endorsed the former statement in favor of greater investment. Today that number has dropped to 36%, with 62% endorsing the latter statement. Interestingly, the percentage of Democrats endorsing the latter statement saying that such programs do not work very well also rose from 18% to 30%—presumably from dissatisfaction with their performance more than from rejection of them in principle.

Another sign of the problems in sustaining the consensus for mitigated trade is the response to a question about the possibility of wage insurance, which is hailed by some economists as an excellent complement to worker retraining programs. According to advocates, it would assist workers a great deal in the short run and could be administered at low cost to taxpayers.¹ Presented the question:

Some people say that the government should provide wage insurance for people who lose their jobs as a result of the growth of international trade. This means when the person finds a new job that pays less than their old job, the government will cover half the difference. Do you favor or oppose this idea?

59% opposed the idea while only 35% favored it, and there was no significant difference between Democrats and Republicans. Presumably Republicans did not like it because it is a new government program, while Democrats did not like it because covering only half the difference between the old and the new job was not satisfactory. Many respondents, of both parties, may also have been daunted by the presumed cost, as the question did not inform them that, according to economists who have studied it, the cost would be modest.

Another dynamic that may also contribute to the erosion of the consensus in favor of mitigated trade may be the decrease in job security. This may seem counterintuitive. With greater job

insecurity it would seem that Americans would be more enthusiastic about retraining efforts. However, for many, the prospect of retraining actually suggests being retrained into a position with a lower income level, thus making protectionism a more attractive proposition.

In fact, among those who said that globalization and the growth of trade had had a negative effect on their job security, support for worker retraining was less—only 50%, as compared to 67% among those who felt they had benefited from it. Those with a negative sense of job security may have been more responsive to the argument that such programs do not work. Also, when presented three positions on trade, those who felt trade had harmed their security were more likely to say they oppose free trade—30%, as compared to 17% among those who said it had a positive effect—and were less likely to say that they favored free trade with government programs to help workers: 58% as compared to 69%.

Among those with less than a high school education—people likely to gain the most from worker retraining—55% supported increased government investment in such programs. Similarly, 57% of those with a bachelor's degree or more also supported worker retraining programs. At the same time, those in the middle—with a high school education or some college—were less enthusiastic, at 47% and 46% respectively. Thus a U-shaped curve emerges: those with the least education would be likely to benefit from retraining, and are supportive; those with medium levels of education might well face retraining, but are less sure they would benefit; and those with high levels of education suppose that the question of retraining will not affect them.

This U-shaped curve across levels of education was also evident in the 1999 study. Among highly educated and uneducated people, support for increased investment was much higher, at 71 and 68%

¹ See, for instance, Lori G. Kletzer and Robert E. Litan, "A Prescription to Relieve Worker Anxiety," Institute for International Economics Policy Brief 01-2, at www.iie.com.

respectively. At medium levels of education (high school or some college), support for worker retraining was somewhat lower, at 64% and 59% respectively.

In 1999, though, support for increased investment on worker retraining was no different among those with positive or negative feelings of economic security. This is understandable during periods of relative economic prosperity. If one loses one's job, it is much easier to get reemployed at an equivalent salary when economic times are good. Under current conditions of economic uncertainty, the overall effect is a downward shift in the U-shaped education curve and decreased support among those with the most to lose.

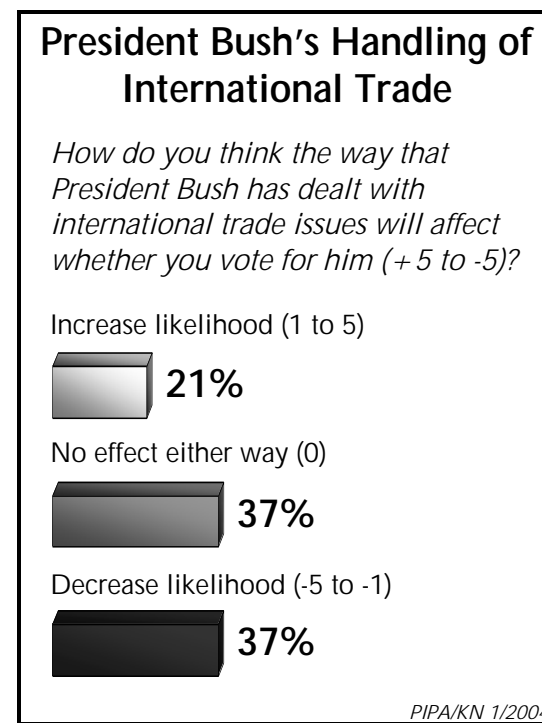
Actually losing one's job—or knowing someone who has—increases support for such programs slightly. Among those who have lost their job, been laid off, or had to shut down a business in the last four years, 57% said the government should invest more in worker retraining while only 36% were opposed. Support was divided (48 vs. 46%) among those who had not been affected to this degree. Among those who said they know someone who “has lost a job or seen their business suffer due to globalization and the growth of international trade,” a majority of 56% said the government should invest more in worker retraining. Among those who did not know someone affected, enthusiasm for worker retraining was down to 48%.

It is reasonable to assume that those who are less secure or relatively less educated are least enthusiastic about retraining for a job that may pay less than they currently earn. In fact most respondents, regardless of education level, were less enthusiastic about job retraining if they perceived their job security as threatened. This is demonstrated most effectively among workers who indicated they work in manufacturing. Since most worker retraining efforts have been directed to this segment of the workforce, it is significant that only 46% of them support increased investment in worker retraining. A slight 53% said retraining efforts are “just big government programs that don't work.”

2b-Evaluation of Bush Administration Trade Policy

The Bush administration's handling of trade is a modest net negative for the president's reelection prospects. Majorities feel that administration trade policymakers pay too little attention to Americans workers, “people like you,” the impact of trade on the environment, and the impact of trade on the overall American economy.

The Bush administration's handling of trade is a modest net negative for the president's reelection prospects. Respondents were asked, “How do you think the way that President Bush has dealt with international trade issues will affect whether you vote for him?” using a scale of +5 to -5. Only 21% indicated that the president's handling of international trade issues would increase the likelihood they would vote for him (above zero); 37% indicated that it decreased the likelihood (below zero); while 37% indicated it have no effect either way. These proportions did not differ significantly by region, or by educational level.



Asked to rate the level of attention of administration trade policymakers to a number of priorities, majorities said the administration gives too little attention to “working Americans (77%), “people like you” (76%), and the impact of trade on the environment (62%). This is consistent with the findings (discussed above) that only 20% chose the position that endorsed current government policy: “I support the growth of international trade in principle and I approve of the way the US is going about expanding international trade,” while a 53% majority chose the position that “I support the growth of international trade in principle, but I am not satisfied with the way the US government is dealing with the effects of trade on American jobs, the poor in other countries and the environment”—as well as with the 63% who said that government efforts to retrain workers are inadequate.

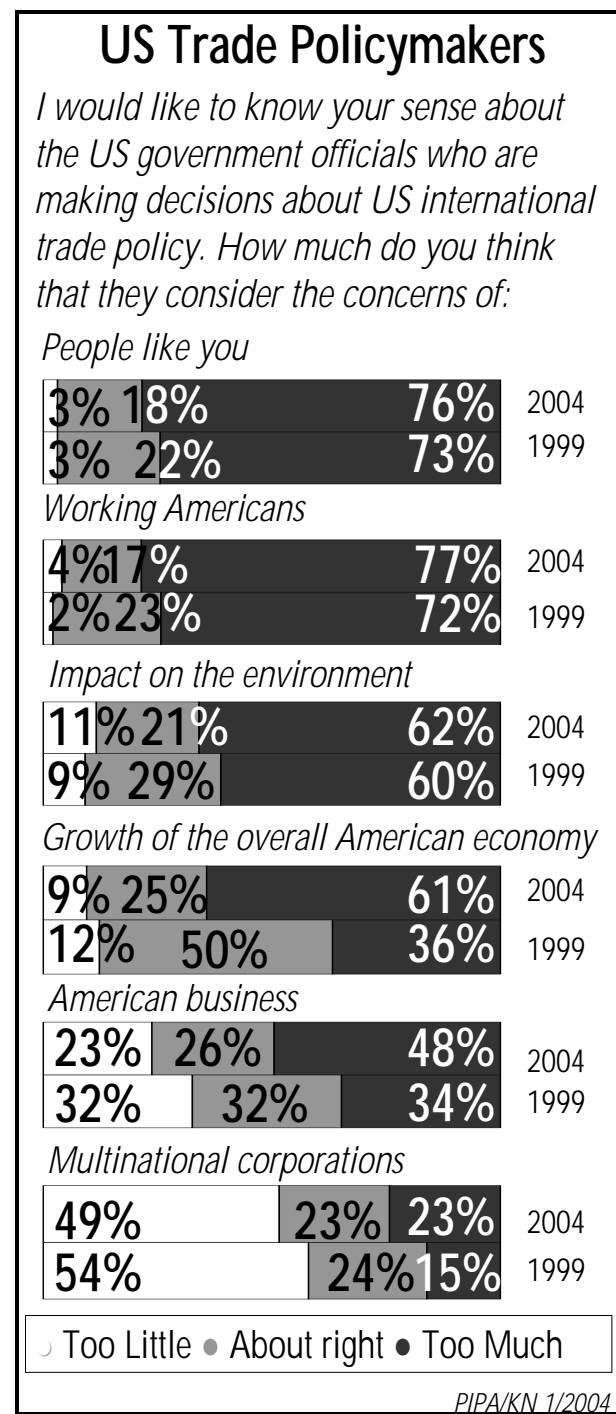
All these questions were presented in 1999 during the Clinton administration, and received approximately the same responses. For instance, a large plurality—49%—said US trade policymakers were giving too much attention to multinational corporations (54% said so in 1999).

However, on two fronts there were significant shifts. The percentage saying that US trade policymakers pay too little attention to “the growth of the overall American economy” was up sharply, from 36% in 1999 to 61% today. Also, the percentage saying that too little attention was being paid to “American business” jumped from 34% to 48%.

These findings are remarkable, given that few would deny the Bush administration is strongly pro-business—at least in its intentions. The best explanation seems to be that many Americans are quite unhappy with the state of the economy, and feel the administration gives too little attention to forming a strategy to improve it.

In the same vein, somewhat fewer Americans now rate international trade as positive for American business. On a 0-to-10 scale, a bare majority (51%) gave international trade’s effects on American business a score of 6 or more—

down from 60% in 1999. More now see it as equally positive and negative (22%, up from 15%), while those seeing it as negative are basically unchanged (25%, up from 22%).



3-Farm Subsidies

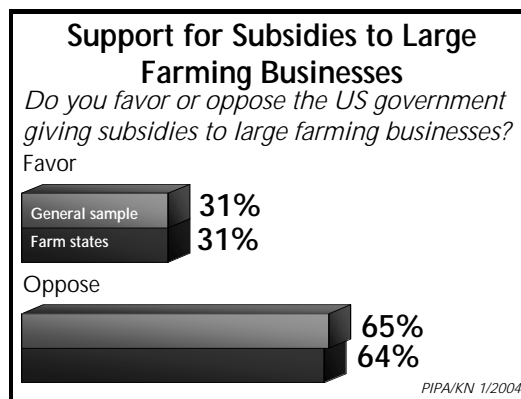
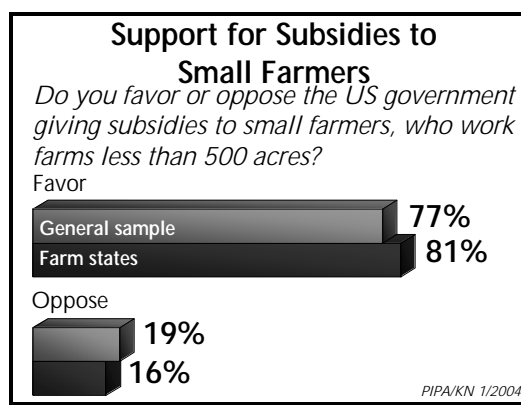
Public attitudes on agricultural subsidies are very much at odds with the US policies that have led to conflicts in current trade negotiations. While a very strong majority favors subsidies for small farmers, a majority opposes subsidies for large farming businesses—the primary recipient of subsidies. The majority favors limiting subsidies to bad years over providing them on a regular annual basis. The public prefers subsidies so much narrower than present subsidies that, if majority preferences were followed, this would largely remove the current obstacle in trade negotiations. An oversample of respondents living in the states receiving the largest amounts of farm subsidies found that support for subsidies in farm states was no different from the country as a whole. When a separate sample was first presented prevalent arguments for and against farm subsidies, the general conclusions were also largely the same. Among those who were better informed on key facts about US farm subsidies, support for subsidies was significantly lower.

At the most recent WTO meeting, held in September 2003 in Cancun, Mexico, negotiations on further lowering of trade barriers foundered as developing countries closed ranks in protest against farm subsidies provided by the governments of developed countries (primarily the US, the EU, and Japan). The US was singled out for comment because of its 2002 farm legislation, which provided \$125 billion in farm subsidies over the next ten years and substantially raised subsidies to a minority of farmers for some commodities.

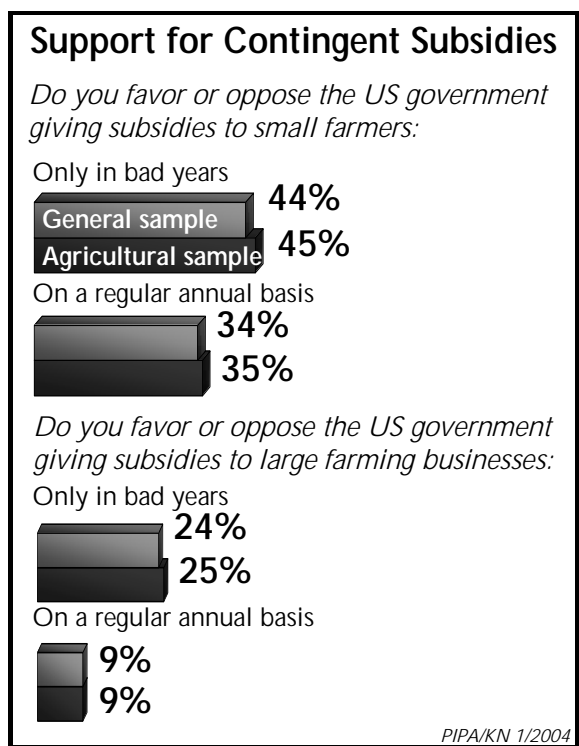
Within the US, as well, current US farm subsidy policies are controversial, as 80% of subsidies go to large farming businesses (farming more than 500 acres), and while most of them get subsidies, this is true of only a minority of small farmers. Large farming businesses overall receive a greater share of their income from subsidies than small farms (source: USDA). Another controversial point has been that subsidies overall have increased since the farm

program changed in 1996—from primarily helping farmers on a contingent basis in bad years through price supports, to making guaranteed payments on a regular annual basis (in addition to price supports).

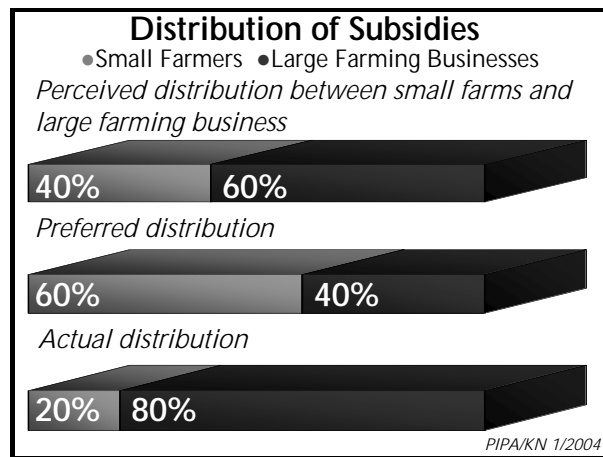
The current poll found that US public attitudes are quite at odds with current US policies. Asked about providing subsidies to small farms (under 500 acres) an overwhelming 77% favored doing so. However, only 31% supported providing subsidies to “large farming businesses.”



Most Americans do not support the current policy of providing subsidies on a regular annual basis, rather than only in bad years. Only 34% (of the whole sample) favored giving small farmers regular annual subsidies, while 44% favored giving them only in bad years. While 24% favored giving large farming businesses subsidies in bad years, just 9% favored the actual current policy of giving them regular subsidies on an annual basis.



While Americans are aware that more subsidies go to large farming businesses than small ones, the discrepancy is actually greater than they assume and far greater than they think it should be. The mean estimate was that 42% of subsidies go to small farmers, when in fact only 20% does. The average respondent said that 64% should go to small farmers. Here again, there was no significant difference in farm states.



Thus, while the public would strongly oppose eliminating all farm subsidies, the scope of subsidies the public supports is so much narrower than is currently provided that, if the public's preferences were followed, this would largely remove the current obstacle in trade negotiations.

A striking finding is that the public in the farm states were not significantly different in their attitudes about farm subsidies. The poll included an oversample of the 17 states that receive the largest amounts of farm subsidies (excluding the metropolitan areas of California, Illinois and Texas). Support for subsidies to small farmers was 81%, while just 31% favored subsidies to large farming businesses. Support for regular annual subsidies to small farmers was 35%, while support for regular annual subsidies to large farming businesses was just 9%.

Subsidies for tobacco farming were quite unpopular. Only 23% supported them (27% in farm states) and 73% were opposed (65% in farm states).

Even with this underestimation of the proportion of subsidies going to large farming businesses, an overwhelming majority (79%) said that the US government favors large farming businesses, with 12% saying that it treats them equally and 6% saying it favors small farmers.

Less than half of respondents knew that large farming businesses get a larger percentage of their income from subsidies. While 45% knew that large farming businesses get more, 48% thought that small farmers get a higher percentage (26%) or that they get about the same percentage (22%). Respondents in farm states were only slightly better informed, with 51% knowing that large farming businesses get more, and 42% believing that small farmers get a higher percentage (21%) or that they get about the same (21%).

When told that "the US government also provides subsidies to agricultural businesses

that do not farm, but provide farmers with equipment and services,” only 36% approved of this practice (57% were opposed) and only 31% of those in farm states approved (59% were opposed).

Most Americans appear to be unaware of the objections to farm subsidies based on their impact on developing countries. Only 27% concurred with the view generally held by experts that US farm subsidies “contribute to poverty in poor countries.” However, support for subsidies to small farmers is so robust that it is unlikely that an awareness of this factor would undermine support for all subsidies. When presented a pair of arguments on this issue, 56% endorsed the one that said, “It is not our responsibility to take care of farmers in other countries.” However, as noted, if US farm subsidies were limited to small farmers in bad years, as the majority prefers, US subsidies overall would be so small that they would have an insignificant effect on farmers in developing countries.

Response to Arguments

Naturally, from this data one cannot be sure how Americans would respond if they heard the prevalent arguments for and against farm subsidies. To determine this, two separate subsamples were presented a series of pairs of the most prevalent arguments on this issue. One sample was introduced to the subject by emphasizing that they would be asked to consider the question of subsidies to small farms, while the other sample was asked to think about subsidies to large farming businesses. The arguments themselves, though, were, in nearly every case, about farm subsidies generically. In every case the argument in favor of farm subsidies was found more persuasive than the one against it, showing the strong foundation of support for farm subsidies.

After hearing the arguments, each subsample was asked about the type of subsidy they had been previously asked to think about. Among those asked about subsidies for small farmers, the response was statistically no different than among those who had not heard the arguments—

74% favored them and 20% were opposed. Among those who were asked about subsidies to large farms, the response was significantly more positive than among those who had not heard the arguments—47% in favor and 47% opposed. However, it is unlikely that this difference was due to the effect of the arguments. Hearing the arguments had no effect on attitudes about subsidies to small farms. More probably, this difference was driven by the strong underlying support for subsidies to small farmers. Those who did not hear the arguments were first given the opportunity to express their support for small farmers, and were only then asked about support for large farming businesses. Those who were presented the arguments and asked about support for large farms were not given this opportunity to differentiate and express their support for subsidies to small farmers. Thus it appears that their support for subsidies to small farms spilled over into their expression of support for subsidies for large farms--perhaps even on the presumption that subsidies to large farms would imply that small ones would get them too. (It should be noted that this happens to reproduce the structure of the real-life political discourse, in which arguments for farm subsidies often conflate very large and very small agricultural enterprises in their rhetoric.)

Supporting this interpretation is the fact that support for subsidies to large farms was substantially lower among farm state respondents. In this case, only 37% supported subsidies for large farms, while 53% were opposed. Presumably those living in farm states were a little more familiar with the issue and thus more able to differentiate their support for different types of subsidies, as one would assume that farm state respondents would be more, not less, supportive of subsidies to large farms.

Those who heard the argument about farm subsidies and subsequently said that they favored subsidies (or did not answer) were also presented a pair of arguments on the question of whether subsidies should only be

for bad years, or be on a regular annual basis. In the case of small farmers, by a two-to-one ratio, more supported the argument in favor of providing subsidies only in bad years. And when respondents were finally asked on what basis subsidies should be provided to small farmers, the ratio was even higher. Only 22% of the sample favored regular annual subsidies, while 53% favored them only in bad years (as noted above, 20% were entirely opposed to subsidies for small farmers).

In the case of large farming businesses, by a four-to-one ratio more supported the argument in favor of only providing subsidies in bad years. And when finally asked on what basis subsidies should be provided to large farming businesses, the ratio was the same. Only 10% of the sample favored regular annual subsidies, while 40% favored them only in bad years (as noted above, 47% were entirely opposed to subsidies for large farming businesses).

Relation Between Correct Information and Attitudes

On a number of key issues a large number of Americans have incorrect assumptions related to farm subsidies. Only 40% were correctly aware that 10 to 30% of all farm subsidies go to small farmers with less than 500 acres. Also, 46% expressed the incorrect belief that farmers receive subsidies “only for bad years,” while 50% had the correct view that farmers receive subsidies “on a regular annual basis, whether or not it’s a bad year.” Respondents in farm states were no more accurate. The 24% that knew both that approximately 20% of subsidies go to small farmers, and that subsidies are given on a regular annual basis, were analyzed to determine if their attitudes were different from the sample as a whole.

Overall, those better informed were less supportive of farm subsidies. On the question of giving subsidies to small farmers, support was a bit lower at 69%, as compared to 77% for the sample as a whole. Opposition to subsidies to large farmers was higher, with 79% of the better informed opposing such subsidies as compared to 65% of the general sample.

Those who were knowledgeable were also a bit more opposed to providing subsidies on a regular annual basis. While 34% of the general sample supported giving regular annual subsidies to small farmers, only 25% of the knowledgeable sample did. While 9% of the general public favored giving them to large farming businesses, only 6% of the knowledgeable sample did.

When presented pairs of arguments, those who were well informed were considerably more likely to take an anti-subsidy position. Majorities of informed respondents favored anti-subsidy arguments that stressed the effects of subsidies on the poor abroad. Fifty-three percent endorsed the argument that that flooding the market with subsidized food destroys agriculture and creates poverty (general sample 37%) and 51% endorsed the argument that it was better for the US to let poor countries export their agricultural products rather than giving them foreign aid (general sample 38%).

The better informed thought that subsidies merely create an endless cycle and that we should pressure other countries to lower theirs, rather than raise ours (54% vs. 38% for the general sample). The better informed also said that such exports would create an illusory gain that the US would have to pay for with deficits and increased taxes (53% vs. 40%).

When the better informed favored the pro-subsidy position, in many cases this support was not as strong as among the general sample. For instance, while a majority of 70% said that family farms are an American way of life that should be preserved, only 58% of more knowledgeable agreed. Compared to 58% of the better informed people, a strong majority of 70% also favored the argument that subsidies ensure that local farmers will be able to produce locally grown food that tastes better and ensures fresh food in people’s diets. Those more informed were less sympathetic to arguments favoring subsidies to lessen the inherent risk of farming than those in the

general population (50% vs. 62%), were less likely to support the contention that subsidies ensure that US farmers continue producing safe food for Americans (53% vs. 61%), and less sympathetic to the position that subsidies protect consumers from volatile food prices determined by the whims of the market (50% vs. 58%).

Another item of information that might have an impact on attitudes about farm subsidies is the fact that European countries give more extensive subsidies to their farmers than the US does. Conceivably, this information might increase support for subsidies across the board. In the current poll, only 24% were aware that the EU provides more than the US provides (assumed about the same: 32%, less than the US provides: 26%). Interestingly, farm state respondents were no better informed (assumed EU provides more: 27%, about same: 30%, EU provides less: 27%).

Overall, there was little difference in the attitudes of those with this information about the EU. On the broader question of whether the US should provide subsidies to small farmers, there were no significant differences. On the question of providing subsidies to large farming businesses, those with correct information were more, not less, opposed, at 72% against. In responses to arguments, those with correct information on the EU varied only modestly from the rest, with no clear pattern.

Another item of information that most Americans do not have is that US farm subsidies contribute to poverty in the developing world. Only 27% of respondents were aware of this (23% in farm states). Those who had this information were not significantly different on the questions of whether the US should have farm subsidies. This is not surprising because, as noted, if the majority positions were followed, US subsidies would be so much smaller than they are at present that they would have a negligible effect on poverty in developing countries. On most arguments, those with this information did not respond significantly differently, with the exception of the argument based on the impact on poor farmers abroad. While only 37% of the general sample agreed

with the argument that “It is unfair for US farmers to get government subsidies so that they can sell their products below the price of production, making it impossible for poor farmers to compete,” 52% of those with correct information agreed with it. While 56% of the general sample agreed instead with the position, “It is not our responsibility to take care of farmers in other countries. We need to do what is best for America and let other countries take care of themselves,” just 42% of those with correct information took this position. Respondents with this information were also less likely to say that other countries benefit more from trade (40% vs. 52%), and more likely to agree that “As one of the world’s rich nations, the United States has a moral responsibility toward poor nations to help them develop economically and improve their people’s lives” (88% vs. 64%).

METHODOLOGY

The poll was fielded by Knowledge Networks, a polling, social science, and market research firm in Menlo Park, California, with a randomly selected sample of its large-scale nationwide research panel. This panel is itself randomly selected from the national population of households having telephones and subsequently provided internet access for the completion of surveys (and thus is not limited to those who already have internet access). The distribution of the sample in the web-enabled panel closely tracks the distribution of United States Census counts for the US population on age, race, Hispanic ethnicity, geographical region, employment status, income, education, etc.

The panel is recruited using stratified random-digit-dial (RDD) telephone sampling. RDD provides a non-zero probability of selection for every US household having a telephone. Households that agree to participate in the panel are provided with free Web access and an Internet appliance, which uses a telephone

line to connect to the Internet and uses the television as a monitor. In return, panel members participate in surveys three to four times a month. Survey responses are confidential, with identifying information never revealed without respondent approval. When a survey is fielded to a panel member, he or she receives an e-mail indicating that the survey is available for completion. Surveys are self-administered.

For more information about the methodology, please go to:
www.knowledgenetworks.com/ganp.