



Has the Public Lost Faith in Globalization?

I. M. Destler says a new compendium of public opinion surveys shows that people around the world continue to support free trade and globalization in spite of the worldwide economic downturn.

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Steve Weisman: This is Steve Weisman at the Peterson Institute for International Economics. I. M. (Mac) Destler, visiting fellow at the Institute, is here to talk about some fascinating new findings on public opinion and public attitude toward globalization and other international issues and economic issues. Mac, thanks for joining us.

Mac Destler: Very happy to be with you, Steve.

Steve Weisman: Mac, in addition to his other titles, which include professor of public policy at the University of Maryland, is also a founding member of the board of the Program on International Policy Attitudes, which cosponsored a digest of public opinion on international issues along with the Council on Foreign Relations. This has been a very tumultuous time—the last couple of years since the crisis began, Mac. What is the evidence that public attitudes have shifted in their support or lack of support for globalization and global economic integration?

Mac Destler: What is striking, Steve, I think is how little they have shifted. There is some evidence that people are a bit more skeptical about trade. And if you ask them questions about whether in the deep recession people should provide special support to companies within their own country, there's a certain level of support for that; they're not overwhelming. But what you find is, remarkably, people seem to continue to be surprisingly internationalist and surprisingly positive about globalization. Now, I should add that this is a survey of findings across a number of years. So only a few of the surveys reported actually took place after the great recession began to take haul.

Steve Weisman: Let's stop there. Tell me what we're talking about. What surveys? How many are there? And what countries were involved in the survey?

Mac Destler: It's hard to answer what countries except I would say many; maybe at least 50 if you took all of the polls. What distinguishes this compendium—which is really what it is: a compendium, a collection of poll findings—is that it doesn't just do the polls. The organization called the Program on International Policy Attitudes and its international offshoot called worldpublicopinion.org doesn't include just their polls. It includes essentially everything they could find that was most relevant to these particular policy issues. And so, if you want to find out whether people think that there should be labor and environmental standards on free trade agreements across a range of countries, you can find that out. If you want to find out whether people think their countries should abide by WTO (World Trade Organization) rulings that are adverse to their countries' law, you can find that. If you want to find out whether

people think globalization is a good thing, you can find that interestingly. And you may not [find it] terribly surprising: India and China head the list of countries in terms of positive attitudes toward globalization.

Steve Weisman: Not terribly surprising. But on the other hand, a lot of countries that depended on exports and foreign investments and that have grown wealthy in the last 10 or 20 years were among the hardest hit by the crisis. Some evidence suggests that they will recover more quickly. But what do you see as any differentiation between those countries' attitudes and, let's say, attitudes in Europe and the United States where there've been a lot of losers as well as winners in the rush toward globalization.

Mac Destler: In general, attitudes in Europe and the United States have been and remain positive about globalization but not so much so as in, say, India, Korea, China, and Peru interestingly—very positive about Peru trade. And there is more sensitivity to losses. There are sensitivities because there's more sentiment that—well the question they ask is, "Okay, maybe globalization is a good thing, but is it going too fast?" And more Americans are inclined to say, "Globalization is going too fast."

Steve Weisman: Do we see any evidence, though, that in the United States—let's start there—that this crisis has made people more wary of global factors or are they reconciled to them?

Mac Destler: Again, they do a little bit of control comparison on trade polls, and they find some evidence of more skeptical attitudes in 2009 than in, say, 2006 or 2005. Interestingly, there were a few polls that found the opposite, that found jumping support for globalization between 2008 and 2009 in the United States. And nobody had a perfect explanation for that, except maybe that there was a lot of protectionist rhetoric during the 2008 campaign and that might have influenced people. And that was not around in 2009.

Steve Weisman: You know, that sounds plausible. And Pew is one of the best polling organizations, so I'm sure they are—

Mac Destler: Right. Pew is also—like Steven Kull's organization, World Public Opinion—Pew is also going global in a major way. So they've done a lot of global comparative polls, and they're also interested in international economic issues. And so a lot of the data does come from those organizations.

Steve Weisman: And coming back to support for those whose jobs are lost or those whose wages perhaps have remained stagnant because of these global factors. How much support is there across the board? And is there any, again, differentiation between categories of countries for programs to train people, help them reestablish themselves if they've been hit by these globalization forces?

Mac Destler: I didn't catch an international comparison on this issue in my reading of this survey. In the United States, I know that there has been consistent, very large support for programs to help people. And particularly among the trade skeptics, there's support for programs to help people who lose their jobs because of trade, and some evidence that these people say that they will support free trade if these programs are comprehensive. And so people who are thrown out of work do get an alternative.

The other thing that is clear across countries is that when you ask the question about trade hurting workers, you get a sympathetic response toward the workers, and you may get more sympathy toward some form of protection than if you talk about trade's effect on the economy as a whole or even trade's effect on your family and my family because you get more positive responses—

Steve Weisman: That's a classic case of how you ask a question, isn't it?

Mac Destler: Right. Oh yeah. But it's also different—and yes, it's a different question. If you say “Does trade hurt American workers?” you're going to get a more negative answer than if you say, “Has trade hurt American businesses?” or “Has trade hurt the American economy?”

Steve Weisman: Is there anything in these findings that tells us something new about America's leadership in the global economy? Because another issue that has come to the fore is the US form of capitalism as a model for the developing world or any other country in the world.

Mac Destler: Yes, a couple things come to mind, Steve. One is that Americans are relatively more positive about private enterprise than other countries.

Steve Weisman: Generally.

Mac Destler: Generally. One of the authors of the study said they were surprised at how much American opinion was actually a like opinion in other countries. There was not this great divergence that a lot of people speculated about Americans being more isolationist, more nationalist in this area. But one of the areas where there is a significant difference is Americans tend to be more probusiness than other countries. This may affect the fact that the United States alone among countries got a negative response when the question was whether some new international institution should be set up to monitor and regulate large financial institutions in order to prevent another crisis like the one we've had over that last year. So in that sense you have a divergence.

Steve Weisman: Expand that point a little bit. In other words, the idea of more regulation of financial institutions.

Mac Destler: The question specifically was—there was one statement: “There should be a global regulating body that monitors big financial institutions.” And another saying—it was a contrary statement saying it was a bad idea.

Steve Weisman: Okay.

Mac Destler: And 52 percent of Americans said it was a bad idea, whereas an average of 57 percent across the rest of the world—at least averaging the countries—said that yes, there should be such a global regulating body. So this was an area of sharp distinction.

Steve Weisman: Sharp but not as sharp as you might have expected, right?

Mac Destler: Not overwhelming. If you want to look at another direction, though, which is people have thought there's a lot of skepticism about the World Trade Organization and Americans are very nationalist. If you ask the question—at least, it was done among only six countries in this case—"Should your country comply with WTO decisions that go against your law, that go against your policy?" The highest percentage of compliance was the United States—73 percent. The second highest, interestingly, was China. I think the lowest was Korea, which was interesting because on some globalization measures, Korea rates very high in terms of support of globalization. But I guess nationalism is particularly strong there.

Steve Weisman: I wonder if Americans reading that question think more of other countries having to comply with WTO regulations, than they do of their own country.

Mac Destler: Well if they did they didn't hear the question because the question specifically says, "Go against your country's [law]." Now should the United States comply? Now maybe they're thinking—which would be fine—if we don't comply, how can we get others to comply, and we think we're really the good guys and those are the other guys who will be found responsible. It doesn't happen to be entirely true, but they might think that. But the question is clear that it's about decisions against the United States or decisions against Korea or China, depending on where the question is asked.

Steve Weisman: Is there any differentiation between—in support of capitalism or business in other countries—like richer countries, less supportive, struggling countries, more supportive?

Mac Destler: It's interesting. Yes, there is that tendency. I mean, because globalization is, to some degree in these polls, a surrogate for cross-national business activity and business activism. And you do find countries like Nigeria; you'll find very high levels of support, and China and India I mentioned before. And you have more skepticism among the advanced countries, often.

Steve Weisman: What are some other striking findings that you found interesting?

Mac Destler: One thing that's interesting for followers of trade policies is one of the big issues of controversy domestically and internationally: whether there should be labor and environmental standards built into trade agreements. The politicians and leaders may be divided or in the case of developing countries, strongly opposed to these things. But the public has no doubt—81 percent in favor of labor standards—in favor of requiring countries to maintain minimum labor standards; 84 percent in favor of requiring countries to maintain minimal environmental standards. And the findings are in both developing as well as developed countries.

Steve Weisman: That is very striking.

Mac Destler: The developing countries' leaders say these are simply excuses for protectionism, that they're clever ways the developed countries have figured out that they are going to block out our products.

Steve Weisman: Do you think that's the case, or do you think people genuinely support these standards?

Mac Destler: I think clearly, people genuinely support the standards. And it's true that I think the motivation of some who advocate them are mixed, and they see them as a way of perhaps blocking out or constraining foreign trade. Some of them might even see them as a way of raising the cost of production in competing countries. But I think they're genuinely supported as a good thing. I think that probably the labor and environmental standards dominate the questions. Sometimes you ask in a poll, "What is the concept, you know, that dominates the response?" And I think in this case it's probably labor standards or environmental standards. People believe in better labor conditions, they believe in a better environment, and that probably dominates the question. Not very many people think about them in terms of, do they belong in trade negotiations, might they be misused, etc., etc.

Steve Weisman: Mac, finally, what does this tell us about the prospects—and this is speculative—for survival of existing trade agreements or negotiation of new trade agreements, particularly WTO-level agreements under the Doha Round?

Mac Destler: So far as the poll is concerned, it seems to me the message is positive and that people are genuinely supportive of globalization; they're genuinely supportive of trade agreements. And of course as far as I could tell, they don't get into much detail about who should concede the most. There's certainly a tendency in developing countries to think that the advanced countries don't trade fairly or that the system is balanced against them and therefore, this presumably feeds the notion in the developing countries that the bulk of the concessions should be made by the rich countries. And that's been one of the sticking points in Doha. So you could say behind the general support of globalization, there's some evidence of attitudes that could cause or maybe have caused problems for Doha. But I would say overall, the world public is remarkably internationalist, remarkably in favor of expanding trade and in favor of agreements that serve that purpose.

Steve Weisman: Mac Destler, thank you very much for joining us and elucidating the survey.

Mac Destler: Thank you. It's a pleasure.

