



WHO SUPPORTS WORKER-CENTRIC REFORM?

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Foreword

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The United States' major trading partners once understood the spectrum of American attitudes toward trade. For several decades, U.S. administrations used multilateral and bilateral trade negotiations to press for market access for its exports and its investors while Congress created various policy tools to protect its domestic market and workers from unfair competition. The Americans drove a hard bargain on trade but it was usually worth it for countries to engage.

U.S. President Donald Trump was perceived internationally as a break with that tradition. He criticized the World Trade Organization's appeals body, placed "national security" tariffs on steel and aluminum from ally Canada, and threatened to withdraw the United States from NAFTA if Canada and Mexico did not agree to new concessions.

On closer examination, the Trump administration reflected a shift in the United States attitude on trade that had been underway for several years. From 1992 through 2020, there was at least one presidential candidate who criticized free trade agreements. At first, the criticism came from third party candidates like Ross Perot and Ralph Nader but by 2016 both the Democratic and Republican party's candidates were NAFTA critics. Following the 2008 financial crisis, U.S. President Barack Obama, who had also criticized NAFTA on the campaign trail asked Congress for the authority to negotiate new trade agreements and the resulting Bipartisan Trade Priorities and Accountability Act of 2015 was the most restrictive and conditional trade authorization since the Trade Act of 1974 approved during the Gerald Ford administration.

With this background, it should not have been a surprise when President Joseph Biden and U.S. Trade Representative Katherine Tai allowed trade promotion authority to expire and emphasized enforcing U.S. market access under existing agreements on behalf of dairy farmers and auto workers. Nonetheless, Canadians and many other U.S. trade partners reacted with dismay: had the Americans turned away from free trade and embraced protectionism on an apparently bipartisan basis?

This paper by Jeffery Kucik, a political scientist at the University of Arizona who is a Wilson Fellow in residence this year, uses newly available survey research data to explain the mood of U.S. voters on trade. Kucik places the shift in U.S. trade policy into the context of a competition for the support of middle class voters by both major political parties. At a time when international concern about U.S. democracy is high, the notion that U.S. trade policy shifts reflect voter sentiments is reassuring. However, it makes the understanding of the nuances of voter attitudes becomes even more important for political and business leaders in Canada and other countries that like Canada have a significant reliance on the U.S. market.

Executive Summary

Decades of “hyper-globalization” deepened income inequality and generated political backlash against free trade in America. In response, Presidents Trump and Biden argued for worker-centric reforms. These policies, which included a moratorium on new trade deals, are designed to protect jobs from globalization’s sometimes harsh impact. However, the push for reform also created uncertainty for America’s traditional business partners, including Mexico and Canada, both of whom rely heavily on the U.S. as their leading export market.

Widespread calls for reform raise important questions, including: What is worker-centric trade policy? And which reforms do average Americans actually support?

Worker-centric trade, or what legal scholars refer to as “socially inclusive” trade, is a broad label for international and domestic policies designed to promote equitable growth and the fair treatment of workers. In terms of foreign policy, reformers call for more flexible trade rules so governments can better protect workers from global market uncertainty. In terms of domestic policy, proposals include strengthening unions, more robust worker retraining programs, and better wage guarantees. These diverse proposals are united by the idea that policy must address widespread feelings of economic disillusionment.

*Shared frustrations do
not equate to shared
policy preferences*

While inclusive reform sounds laudable, public support for these initiatives remains unclear. A new survey measured public support for worker-centric economic policies. It asked a representative sample of 2,500 Americans to share their feelings on free trade as well as domestic policies like raising the minimum wage and strengthening unions.

The results show that a majority of Americans think free trade is good for their economic well-being. They also support policies that fit under the broad umbrella of social inclusion. However, the public is divided starkly along party lines. Support for inclusive reforms is far more robust among Democrats than Republicans, reflecting enduring differences between the two parties’ attitudes toward the role of government in the marketplace.

The findings suggest that Americans have a strong appetite for reform, but that the bipartisan backlash against neoliberalism may have been overstated. Shared grievances do not translate into shared policy preferences. Instead, the country is polarized on how to address globalization’s sometimes harsh domestic impact.

Key Findings

- 66 percent of Americans think that free trade is good for themselves (as consumers) or for their families
- Only 40 percent think that free trade creates jobs in the U.S. economy, while 29 percent think it costs jobs
- More than 60 percent of respondents support socially inclusive domestic policies, such as raising the minimum wage and strengthening unions
- A 30-point gap separates Democrats from Republicans on domestic policies, with Democrats reporting much stronger support for inclusive reforms
- In terms of other priorities, 80 percent of Americans think protecting public health is the most important foreign policy goal, followed closely by promoting human rights
- Promoting labor rights abroad scores relatively low compared to respondents' other interests.

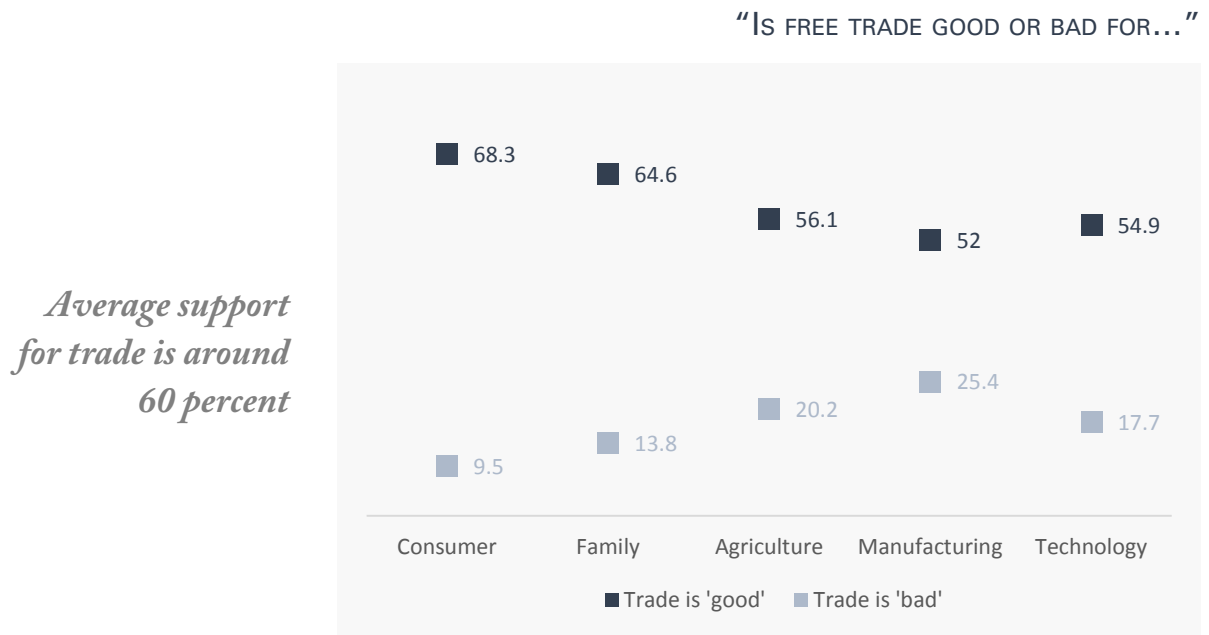
The findings highlight the obstacles created by America's deep polarization. Enacting inclusive reforms is not inevitable despite the voters' apparent frustration with neoliberalism. Instead, reform will require clearer, non-partisan communication about trade's costs and benefits for local communities. It will also require framing inclusive reforms in the broader context of U.S. security interests and jobs—two things the average respondent prioritized the most in this survey.

Finding 1: Majority of Americans support free trade

Despite the populist rhetoric in recent elections, Gallup polls show that the general public’s support for trade actually increased from 2015-2020.¹ Those high approval levels run counter to the common assumption that trade attitudes worsened in recent years.

Support remains high today. In August of 2022, two-thirds of Americans said that free trade was good for themselves (68.3%) or for their families (64.6%). While those numbers are lower than what polls found in 2020, they are still impressive. Support for trade remains high in spite of frequent headlines about supply chain disruptions and soaring prices. One could be forgiven for thinking that dependence on foreign markets was hurting consumers. Yet, average Americans still seem to think that trade is generally beneficial.

A majority of respondents also said that trade was good for specific sectors of the economy, including agriculture, manufacturing, and technology. Manufacturing scored the lowest (52%), which is likely because respondents have heard common arguments about how globalization accelerated the decline of America’s Rust Belt.



Note: N = 2,538. Responses do not add to 100 percent because “do not know” answers are not shown. The average distance between responses is 41 points across all five categories. Source: Kucik, J. (2022). Partisan Views on Socially Inclusive Economic Policy. Tucson: University of Arizona.

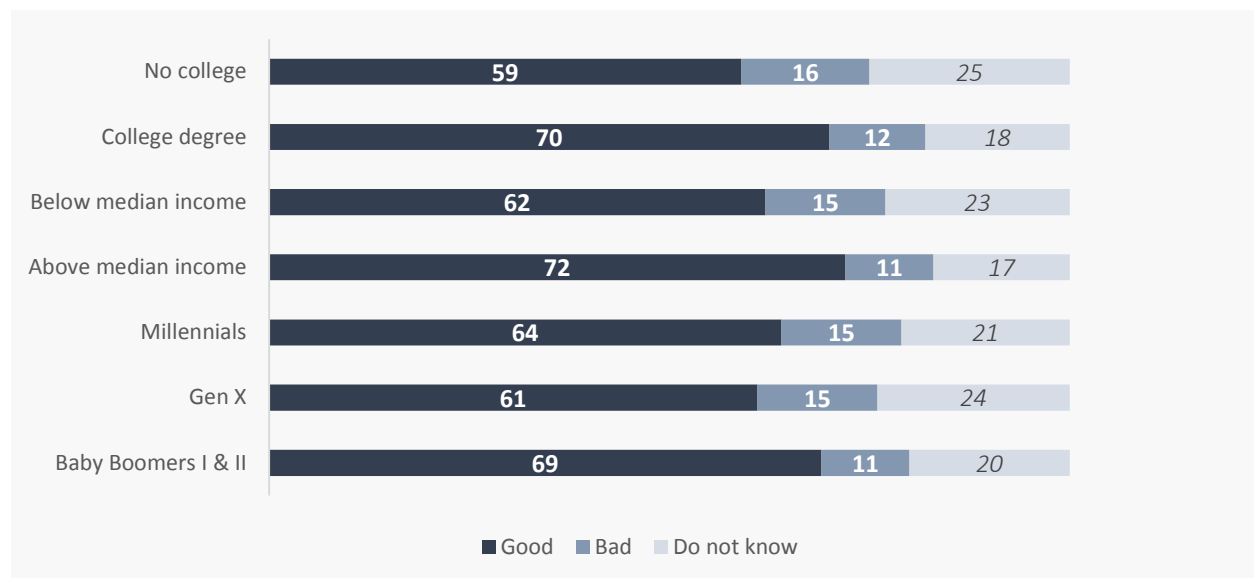
Consistent with other studies, support for trade varies by several demographic traits. For example, support increases in education attainment. College graduates, including those

with advanced degrees, are 15 points more likely to think trade is good for their families. Prior research speculates that better-educated respondents may have been taught the orthodoxy that free trade increases economic welfare.² Conversely, those without college are more likely to work in lower-skilled jobs vulnerable to outsourcing and automation.

Opinions on trade also correlate with incomes. Respondents earning above the median household income are 10 points more likely to support trade than those below the median. This may be due to the simple fact that wealthier respondents are probably more satisfied with the pro-trade status quo.

The relationship between trade preferences and age is less linear. Younger (under 40) and older (over 60) support trade more than folks in the middle. The timing of America’s recessions probably matters here. The Great Recession hit Gen Xers especially hard a decade ago.³ Workers within that age range were still early in their careers during the sharpest decline in manufacturing jobs and amid uncertainty in housing and financial markets. The experience of that recession may have lasting effects for attitudes a decade later.

“IS FREE TRADE GOOD OR BAD FOR YOU AS A CONSUMER?”



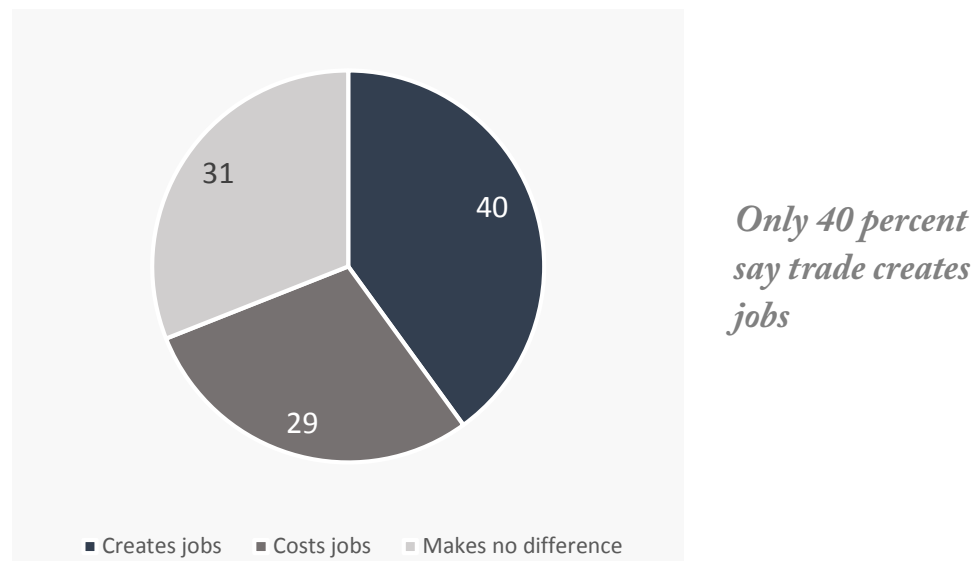
Note: N = 2,538. The high rate of “do not know” responses is common in public opinion research on trade attitudes. Note that college educated and wealthier respondents are more likely to hold favorable views of trade and are more likely to express an opinion. | Source: Kucik, J. (2022). Partisan Views on Socially Inclusive Economic Policy. Tucson: University of Arizona.

Finding 2: Americans are more skeptical about trade creating jobs

Like many policy areas, public opinion on trade depends on how the issue is framed. Conversations about trade in the United States typically revolve around jobs. Specifically, the political rhetoric often criticizes trade liberalization for exposing U.S. workers to outsourcing. Moreover, import consumption is often blamed for crowding out domestic employment.

Consistent with those claims, respondents are ambivalent about trade’s impact on workers.⁴ Only 40 percent of Americans reported that free trade creates jobs in the U.S. economy while 29 percent said it costs jobs.

“DOES FREE TRADE CREATE OR COST JOBS?”



Note: N = 2,538 | Source: Kucik, J. (2022). *Partisan Views on Socially Inclusive Economic Policy*. Tucson: University of Arizona.

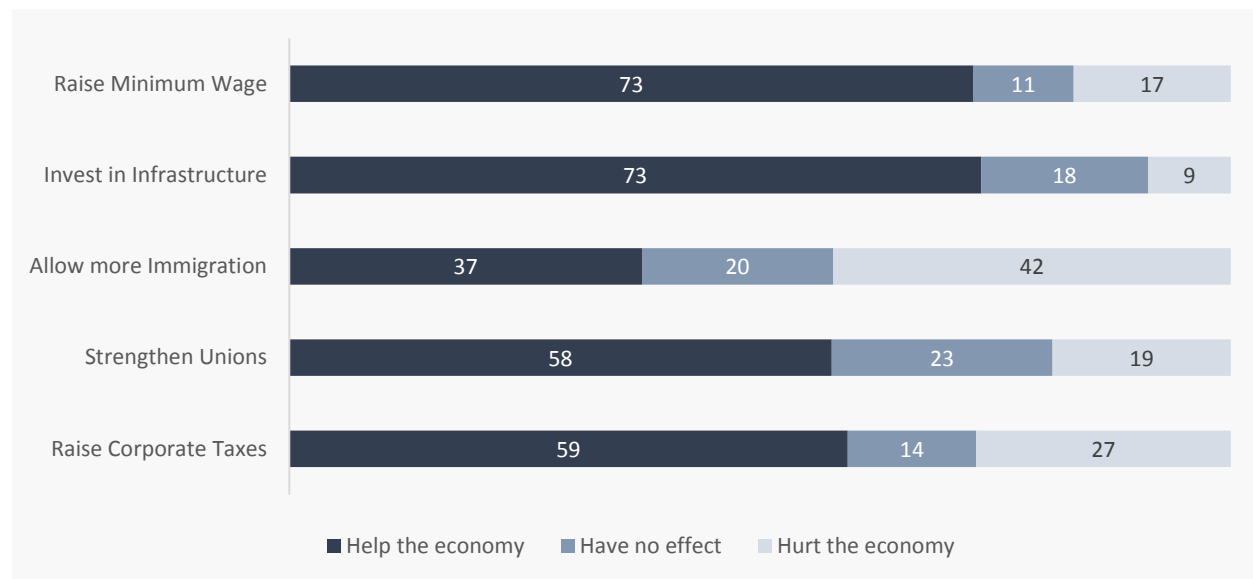
The gap between support for trade generally (FINDING 1) and concerns over job loss (FINDING 2) has two likely explanations. First, respondents may perceive that free trade has lowered prices for many of their everyday goods, but they may have also heard the common critiques that trade accelerated the loss of U.S. manufacturing. Hence, they have competing views.

Second, trade is a terribly complex policy issue. Understanding trade’s impact on employment is difficult (as evidenced by enduring debate over globalization’s pros and cons). Given this complexity—and the mixed messages coming from politicians as well as from researchers—it is unsurprising that a full 30 percent of respondents said trade “makes no difference” to jobs.

Finding 3: Broad support for socially inclusive domestic policies

Advocates of inclusive reform understand that domestic reforms must complement revisions to the rules. With that in mind, socially inclusive policy involves a wide set of worker-centric reforms that promote fair pay, labor rights, and equitable growth. This survey included five domestic issues: raising the minimum wage, strengthening unions, investing in infrastructure, allowing for more immigration, and raising corporate taxes. Respondents were asked whether they thought these ideas would “help” or “harm” the U.S. economy.

“WOULD THE FOLLOWING THINGS HELP OR HURT THE U.S. ECONOMY?”



Note: N = 2,538. Percentages may not add to 100 due to rounding. Respondents were given a 5-point scale. Here, “help” and “hurt” conflate whether they thought the idea would “greatly [help/harm]” or “moderately [help/harm].” | Source: Kucik, J. (2022). Partisan Views on Socially Inclusive Economic Policy. Tucson: University of Arizona.

Support for these ideas was strong overall, with a majority of Americans supporting four of the five options. The only exception was allowing more immigration, which is notoriously controversial in the United States, and which some may view as a bad idea for local workers.⁵

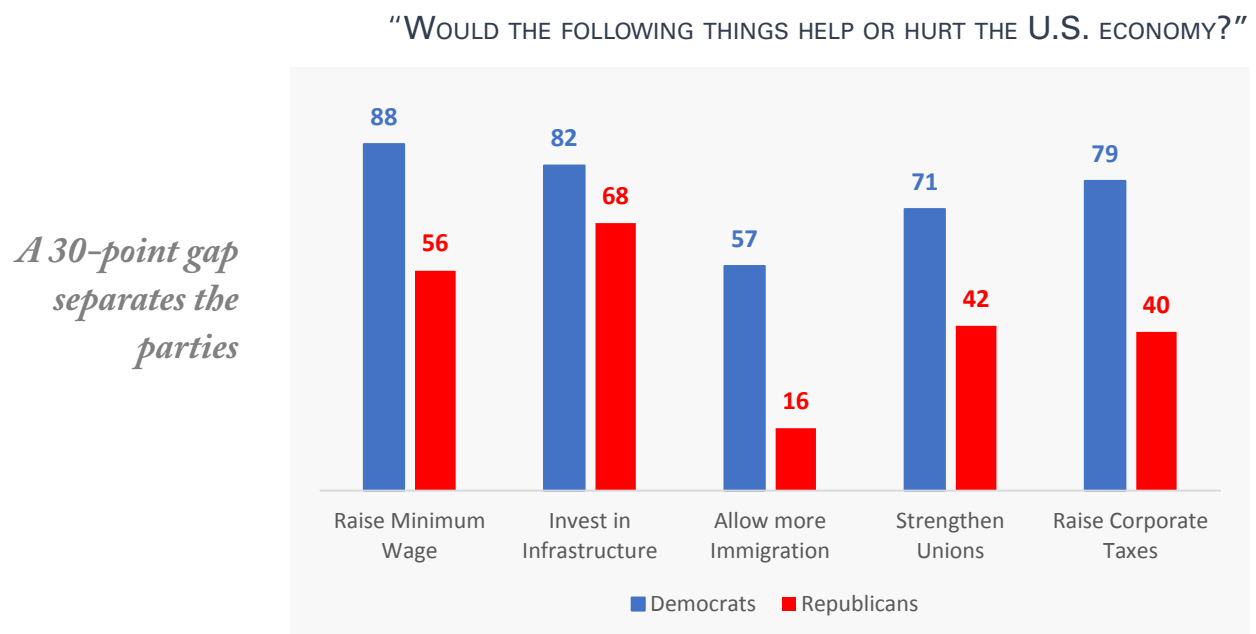
Even when including immigration attitudes, however, positive attitudes across the five proposals average 60 percent. Most notably, support for investing in infrastructure and for raising the minimum wage exceeded 70 percent.

The results imply that average Americans think domestic reforms that fit within the broad category of worker-centric, inclusive policy are a good idea.⁶

Finding 4: Views on worker-centric policy are highly partisan

Broad support for worker-centric policies implies that Americans share views on how to improve economic conditions for labor. However, U.S. politics remain highly polarized—where large gaps separate Democrats from Republicans on most issues—and attitudes about worker-centric reforms are no exception. Across all five issues, that gap averages 31 percentage points.

The closest agreement is on infrastructure investments, where Democrats and Republicans are separated by only 14 points. On everything else, at least 30 points divide respondents.



Note: N = 2,538. Graph reports percentage of respondents, by party, who said that a given policy would help the economy.

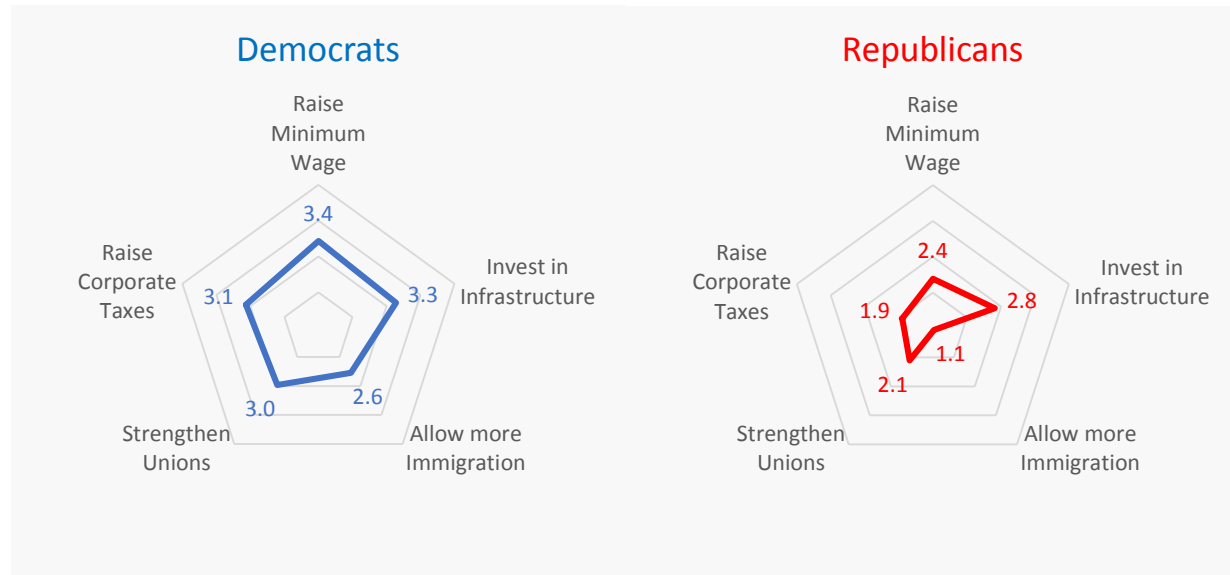
Source: Kucik, J. (2022). Partisan Views on Socially Inclusive Economic Policy. Tucson: University of Arizona.

The disagreement over strengthening unions may seem surprising. The Republican Party has soaked up large numbers of white, working-class voters in recent decades. However, commentators may have overstated the effect that changing party bases have on overall attitudes. The 30-point gap matches the traditional assumption that Democrats represent working-class labor. At the same time, judging by campaign contributions and public statements, organized labor groups still tilt heavily toward Democratic candidates.⁷ As a result, the association between unions and the Democratic Party remains strong despite a shift in the voter base.

Other disagreements, such as the divergence over corporate taxes, also map cleanly onto traditional party divides.

Overall, Democratic respondents have a larger appetite for these domestic policies. Across all items, the average Democrat scored 3.1 on a 5-point scale ranging from “benefit greatly” to “harm greatly.” The average Republican scored 2.1.

AVERAGE SCORES FOR EACH POLICY PROPOSAL



Note: N = 2,538. The radar charts report the average score out of 5, by party, for each of the policy options included in the survey. | Source: Kucik, J. (2022). Partisan Views on Socially Inclusive Economic Policy. Tucson: University of Arizona.

Finding 5: Public health and human rights top among Americans' other priorities

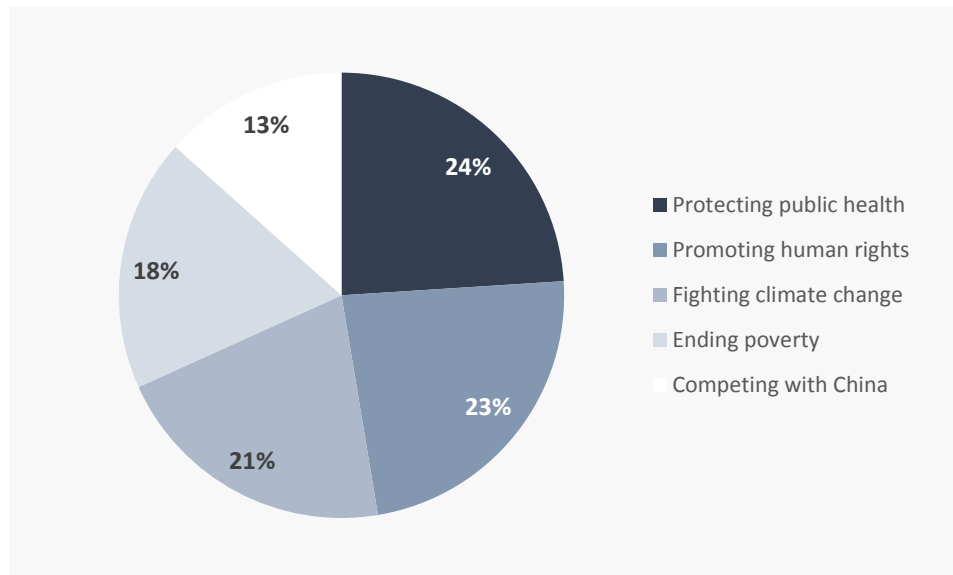
Most people probably think of more than trade when hearing the broad label “social inclusion.” The survey asked respondents to judge the importance of other foreign policy goals, including ending global poverty, fighting climate change, and competing with China.

Among the options, respondents identified protecting public health and promoting human rights as their core priorities. In both cases, 80 percent of Americans said these two goals were either “extremely important” or “very important.”

The emphasis on public health is most likely an artifact of the recent COVID-19 pandemic. The interest in human rights is consistent with concerns over the invasion of Ukraine, the treatment of Uyghurs, genocide in Burma, and other recent events that have drawn attention to human rights concerns around the world.

By contrast, competing with China, which received so much attention under the last two White Houses, scored the lowest among the options provided. Unsurprisingly, there is a partisan difference here. Competing with China was at the bottom of Democrats' priority list. It was 3rd place for Republicans.

“WHICH ARE THE MOST IMPORTANT FOREIGN POLICY GOALS?”



Note: N = 2,538. Numbers reflect priorities among all respondents. | Source: Kucik, J. (2022). Partisan Views on Socially Inclusive Economic Policy. Tucson: University of Arizona.

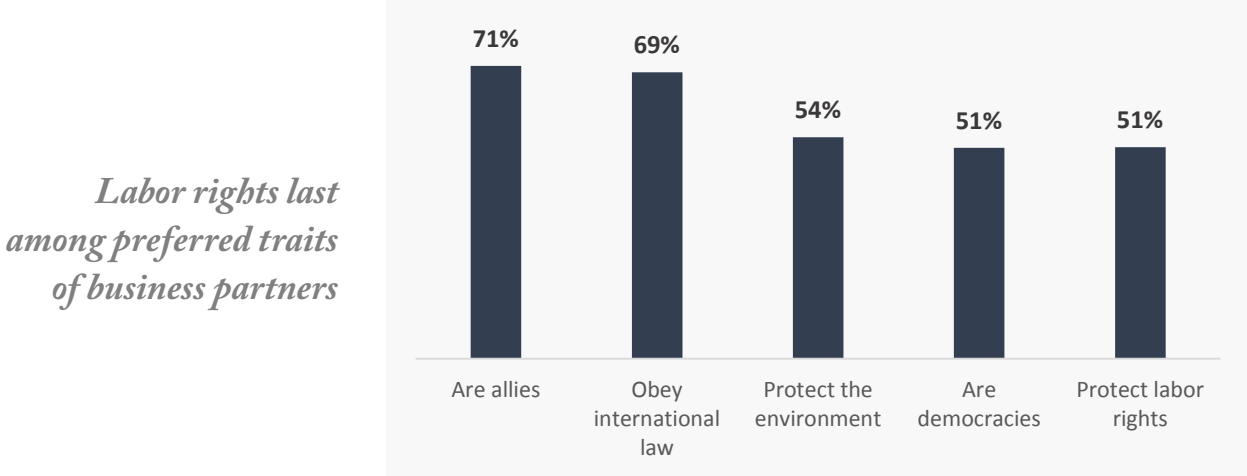
Finding 6: Low support for foreign labor rights

Social inclusion is not just about trade—and it is not just about American workers. Reforms at home are also supposed to generate positive effects for foreign labor. In fact, one of the main controversies over liberalization in the United States has centered on how free trade enables “social dumping”—that is, the exploitation of cheap labor abroad.

Yet, protecting labor rights abroad scores low relative to other priorities. The survey asked respondents to rank traits of America’s trade partners in terms of importance. Whether a foreign country protects labor rights ranked last alongside, surprisingly, whether the country is a democracy.

First place went to whether the country was an ally. Alliances may be especially important given renewed tensions with powers like China and Russia, which likely increase feelings that America ought to direct trade and investment more toward traditional friends.⁸

“HOW IMPORTANT IS IT THAT AMERICA’S TRADE AND INVESTMENT PARTNERS...”



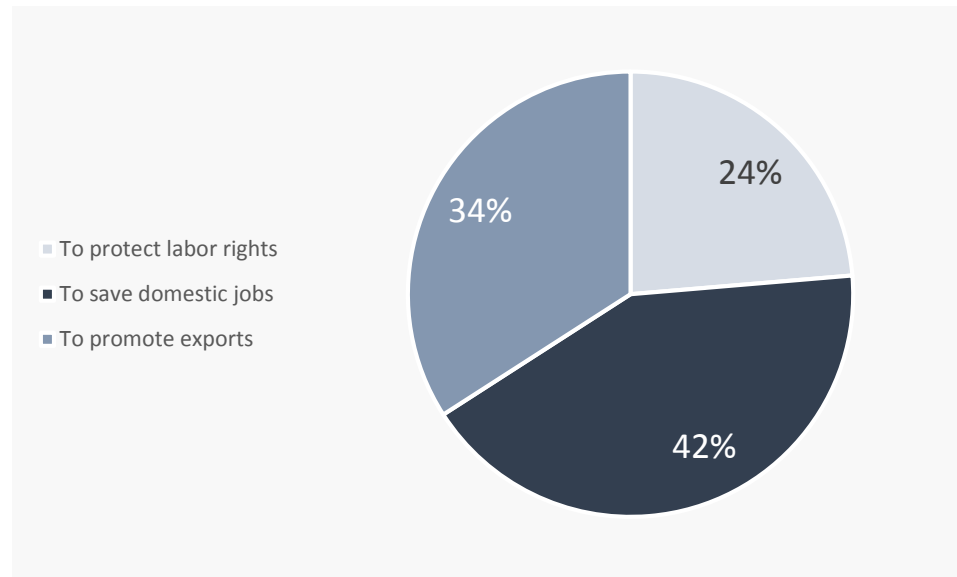
Note: N = 2,538. Respondents were asked to pick whichever traits they deemed important. They did not rank these traits directly relative to other items on the list.
Source: Kucik, J. (2022). Partisan Views on Socially Inclusive Economic Policy. Tucson: University of Arizona.

Respondents were also asked whether they support subsidizing U.S. companies under specific conditions. Here, too, labor rights were the lowest priority. They placed behind protecting U.S. jobs and promoting exports.

It is unsurprising that a foreign country’s record on labor rights enforcement takes a back seat to concerns about local jobs. However, these two things are closely related

in practice. Exploiting cheap labor abroad allows products to be sold at lower prices, which then puts pressure on domestic jobs in the importing country. Failing to see this connection points to one of this report's core recommendations: encouraging a more informed, data-driven, non-partisan conversation about trade's cost and benefits.

“WHEN SHOULD THE U.S. GOVERNMENT USE SUBSIDIES TO AID DOMESTIC FIRMS?”



Note: N = 2,538. Respondents were given only a brief description of subsidies in case they were unclear on the concept. They were not provided information describing when and where the U.S. government currently subsidizes domestic firms.

Source: Kucik, J. (2022). Partisan Views on Socially Inclusive Economic Policy. Tucson: University of Arizona.

Summary: Possibility of reform, but challenges ahead

Despite recent disruptions to global markets, Americans remain hopeful that free trade is a good thing. Roughly two-thirds of respondents say that trade benefits themselves or their families. However, the results also show that average Americans are skeptical about trade's impact on jobs.

Worker-centric, "socially inclusive" policy reforms are supposed to help improve conditions for labor. These diverse foreign and domestic policies are designed to "put people ahead of prices," reducing globalization's impact on labor in the United States and abroad.

These ideas are not entirely new. During the New Deal, U.S. trade officials said that free trade was supposed to serve workers, not the other way around. That lesson was forgotten over the decades as market liberalization became the main priority. Recent events, including the rise of populist rhetoric in many parts of the world, show that traditional neoliberalism is not sustainable.

Luckily, it appears there is a healthy appetite for reform, with broad enthusiasm for socially inclusive policies at home. Survey responses show that nearly 75 percent of the country supports investments in infrastructure and increasing the minimum wage, which are just two of the policies that would improve economic opportunities for domestic workers.

At the same time, there are reasons for caution. Implementing reform will require bipartisan support. Yet, in a polarized America, opinions on these proposals included in this survey remain highly partisan. There are large gaps separating Democrats from Republicans on policy reform, reflecting enduring differences on how the two parties view the role of government in markets.

Partisanship is not the only challenge ahead. Respondents are concerned more with domestic issues than foreign ones. For example, promoting labor rights around the world appears to be a low priority among respondents (at least relative to other interests). And respondents seem to prioritize security when choosing America's business partners over whether that country is a democracy who respects labor rights.

This report provides a summary of public opinion findings. It does not advocate for any one policy solution in particular. However, there are several things researchers and policymakers may wish to do:

- Educate voters about international trade's local impact. The highly partisan responses to this survey reflect the polarized rhetoric around trade in America. Moving forward a more moderate, balanced, data-driven conversation is needed.

- Reframe the debate. Economic policy often takes a back seat to voters' concerns over security and political rights. Support for inclusive reform may increase if policymakers draw more direct links between worker-centric trade and traditional foreign policy concerns over national security.
- Prioritize stability. Recent events, including the COVID-19 pandemic and war in Ukraine, highlight the dangers of market volatility. Policy solutions should focus on reducing vulnerability to market disruptions, such as supply chain diversification and avoidance of new trade wars.
- Rebuild old alliances. Ongoing policy debates in the U.S. have implications for partners across North America and elsewhere. Any fundamental changes to U.S. trade policies should be done in conversation with America's foreign business partners. Failing to involve allied markets is a strategic mistake and runs the risk of burdensome litigation down the road.

One final observation: There are many policy ideas not included in this survey. The broad umbrella of "socially inclusive" policy also covers worker retraining programs, expanded unemployment insurances, and deeper investments in STEM education. In addition, there are numerous proposals for detailed, complicated changes to global trade and investment rules. In the interest of brevity and simplicity, the survey did not ask about these issues. More research is needed, particularly among interest groups with an interest in these policies.

In conclusion, implementing inclusive reforms will not be easy. But, given the high political and economic stakes, developing new policy solutions remains a worthwhile project.

Methodology

The analysis above is based on a survey of 3,000 respondents across the United States conducted in August 2022. Sampling was executed by Lucid Theorem, a popular respondent recruitment tool in Political Science survey experiments. The effective sample is just over 2,500 individuals after dropping incomplete responses and eliminating respondents who took the survey in under two minutes (implying that they did not read the questions fully).

Note that respondents were not provided lengthy descriptions of America's current trade policies. Nor were they told about the detailed reforms that have been proposed to international trade and investment law. Describing these complexities would be too burdensome and drive down responsiveness. Moreover, too much information about the current state of affairs may bias attitudes. Instead, the survey is designed to get intuitive reactions to what respondents think are good ideas for the U.S. economy.

All reported responses confirmed their willingness to participate in the survey and were all told that they may opt out at any time.

All 50 states are represented, as well as respondents across various age groups, education levels, and genders. Responses skewed overwhelmingly white, and slightly toward the lower end of the income spectrum. In terms of the income, there are two observations worth making. People may understate their self-reported incomes for social desirability reasons. At the same time, worker-centric trade policy typically has precisely these middle- and lower-income respondents in mind. Therefore, the survey may over-represent precisely the socioeconomic status that policies are aimed toward.

The complete questionnaire is available upon request. Individual responses are not publically available. Raw data is subject to Institutional Review Board protocols regarding confidentiality and privacy. For any questions, please contact Dr. Jeffrey Kucik at jeffrey.kucik@wilsoncenter.org.

Notes

1 Attitudes fell again during the COVID-19 pandemic, likely due to frequent headlines about supply shortages driving up prices. See: Jones, Jeffrey M. "U.S. Views of Foreign Trade Nearly to Pre-Trump Levels." Gallup Politics, March 10, 2022. Available online at: <https://news.gallup.com/poll/390614/views-foreign-trade-nearly-back-pre-trump-levels.aspx> (accessed October 1, 2022).

2 E.g. Hainmueller, Jens, and Michael J. Hiscox. "Learning to love globalization: Education and individual attitudes toward international trade." *International Organization* 60.2 (2006): 469-498.

3 Rinz, Kevin. "Did timing matter? life cycle differences in effects of exposure to the great recession." *Journal of Labor Economics* 40.3 (2022): 703-735.

4 Other polls find a similar tension wherein respondents report strong support for trade but are skeptical about the impact on employment. See: Doherty, Carroll, Jocelyn Kiley, and Rachel Weisel. "Free Trade Agreements Seen as Good for U.S., But Concerns Persist." Pew Research Center Report (2015). Available online at: <https://www.pewresearch.org/politics/2015/05/27/free-trade-agreements-seen-as-good-for-u-s-but-concerns-persist/> (accessed October 1, 2022).

5 Immigration is included in the survey because social inclusion is not just about domestic workers. A big reason why there is mounting support for reform is precisely because trade policies also hurt workers abroad. Specifically, there are growing concerns about "social dumping," which is the exploitation of cheap, foreign labor. Permitting more immigration may be a way in which labor can seek better economic opportunities.

6 Of course, there are many other policy ideas we could have included. Some of these are more robust worker retraining programs, more progressive income tax schemes, and extended unemployment insurance.

7 In 2016, 88 percent of organized labor campaign contributions went to Democratic candidates—despite the idea that the Republican base included a growing number working-class voters.

8 At the same time, a common argument is that economic engagement with China helped it "catch up to the United States" and grow into the threat some perceive it to be.



Dr. Jeffrey Kucik (Emory '10) researches the politics of international trade and investment. He is interested in developing more sustainable, more robust trade rules. To that end, his work explores the conditions under which countries comply with international economic law. He also investigates how free trade helps or harms domestic workers. Both lines of research seek to better understand the local consequences of doing global business.





Dr. Kucik's research appears in peer-review journals such as the *Journal of Politics*, *British Journal of Political Science*, and *International Studies Quarterly*. He writes for general audiences in *Foreign Affairs*, *Foreign Policy*, *National Interest*, and is a regular contributor to the *Hill*.

Before joining the Wilson Center, Dr. Kucik was a fellow at the Udall Center at the University of Arizona and the Niehaus Center at Princeton University. He previously directed graduate programs at the City College of New York and University College London.





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