

GED Study

A Safety Net to Foster Support for Trade and Globalisation

International Survey on Attitudes towards Trade
and Globalisation 2018

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Globalisation 2018

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Content

1	Executive Summary.....	4
2	Introduction.....	5
3	Survey Design.....	7
4	A Desire for a Safety Net.....	8
4.1	Sources of Discontent.....	8
4.2	Dissatisfaction not with Globalisation but Governments.....	12
4.3	Weak Economic Outlook.....	15
5	Overall Embrace of Globalisation and Free Trade.....	18
5.1	Opinions on Globalisation.....	18
5.2	Opinions on Trade & Investment.....	21
6	Winners and Losers of Globalisation.....	28
7	Liked and Disliked Trading Partners.....	30
8	Conclusion.....	32
9	References.....	33

1 Executive Summary

Given the rise of protectionist reflexes and a world on the brink of trade war, a survey by the Bertelsmann Stiftung of attitudes towards trade and globalisation gauges the temperature among people in twelve developed and emerging economies. It finds that attitudes are generally positive - much more so than various sources of discontent raised in the survey.

In the emerging countries 64 percent believe that globalisation is a force for good. Support in the developed economies is still large with a relative majority of 44 percent seeing globalisation as positive (25 viewing it as a force for bad). Support for increased international trade is even larger: In emerging economies 73 percent believe that trade is positive for their own country, almost matched by 69 percent in developed countries. The most enthusiastic pro-trade countries were Russia, India and Indonesia among the emerging economies and Canada and the UK among the developed ones. Turkey and France are the most sceptical about international trade. Respondents believe that globalisation and trade particularly benefit growth, companies, consumers, product prices and job creation.

However, the survey also uncovers several sources of discontent that ought to be taken seriously. Generally, people are sceptical about the effects of globalisation and trade on job security, wage increases and product quality. While generally sympathetic to foreign direct investment, they do not believe takeovers of domestic companies by foreign investors to be beneficial. A key finding of this survey is that many do not feel sufficiently well protected by their governments against any negative side-effects of globalisation: in developed economies, 49 percent do not feel adequately protected (against 27 percent) while in emerging economies opinion is tilted slightly towards the opposite direction: 50 percent feel sufficiently protected while 40 percent hold the opposite view.

The survey also asked participants to list the most/least preferred trading partners. Japan and Germany lead the list of countries with which people believe trade to be most beneficial. China leads the list of least preferred trading partners. Similarly, respondents were asked to rank who they believed to be the country/region most benefitting/suffering from globalisation. The USA emerge as the perceived winner of globalisation, closely followed by China. The list of losers is headed by Africa, followed – tellingly - by the USA.

2 Introduction

The consensus that trade is good can no longer be taken for granted. Neither in the national nor the international sphere of policymaking is mutual commitment to trade and to reaping the benefits of globalisation still palpable. On the contrary, trade policy and globalisation have become a political battleground nationally and internationally. On March 22nd, 2018 President Trump finally imposed punitive tariffs on steel and aluminium imports into the USA, bringing the world to the brink of a trade war. And it was his tough anti-trade and anti-globalisation rhetoric that gave Trump the edge over a more free trade-orientated Hillary Clinton in the presidential campaign. The scepticism about trade that propelled him into office is, however, not confined to the United States. Germany, the nation that gains most from trade, saw public consensus on trade collapse in the wake of its TTIP debate in 2016. The WTO Ministerial Conference in Buenos Aires in December 2017 ended without even a joint final declaration. All these elements convey the same message: if the view that trade is good is no longer common, protectionist ideas become more attractive.

The intention behind undertaking a survey in 12 countries – emerging and developed economies – of opinions on trade and globalisation was to take the temperature worldwide. How do people view trade and globalisation? What forces nourish protectionist ideas? And can we obtain an idea of what needs to be done to restore confidence in international trade?

The picture we got is nuanced. Generally, people are very positive about trade and globalisation. Both are viewed as being good for growth, good for jobs and good for consumers – and this feeling is stronger than we expected, (see Figure 1). But our survey also identified several sources of discontent. People are worried that globalisation and trade increase social inequalities, put pressure on wages and make jobs less secure. Most importantly, people are dissatisfied with the protection their governments afford them against the negative side-effects of globalisation. As governments fail to provide sufficient insurance, people turn to protectionist ideas. But they don't generally want to isolate their countries from the rest of the world. The consensus that trade allows reaping the benefits of globalisation is damaged but persists. People don't want isolation, they want protection behind borders. They want globalisation with a safety net, not to hide behind a ("big and beautiful") wall.

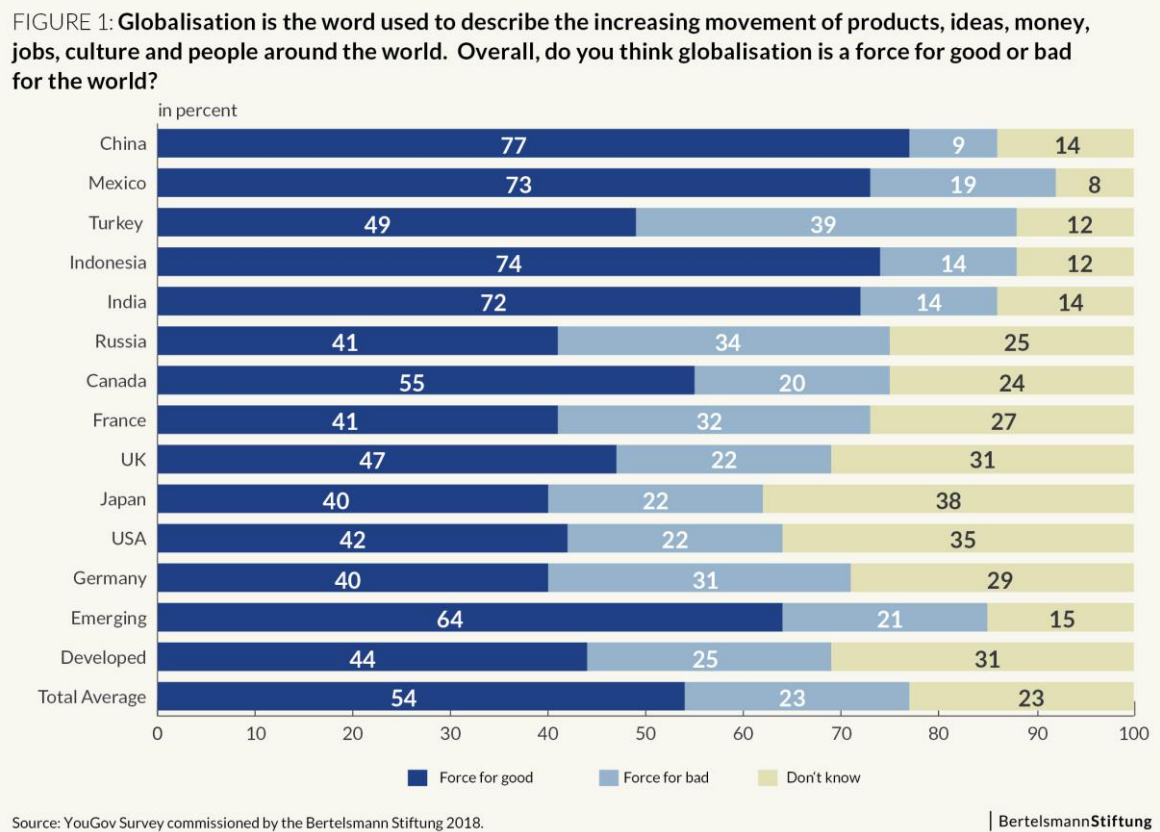


Figure 1: Opinions on globalisation in general.

3 Survey Design

On behalf of the Bertelsmann Stiftung, YouGov carried out a statistically representative online survey in twelve countries worldwide, interviewing a total of 14.381 people. The countries included in the survey were (sample size in parenthesis), as developed countries: Canada (1010), France (1038), Germany (2037), Japan (1003), the UK (2041) and the USA (1155) as well as China (1002)¹, India (1013), Indonesia (1004), Mexico (1025), Russia (1007) and Turkey (1046) as emerging economies. The survey was conducted between January 30th and February 14th, 2018. The questions were identical across countries, with the exception of a few country-specific questions. All questionnaires were submitted to respondents in the respective official national language. The averages shown in the figures for developed and emerging economies are unweighted.

The survey differentiated between respondents according to socio-economic criteria, making a detailed analysis of the results possible.

This study makes reference to two earlier studies, one dating from 2016 and the other from 2014. The 2016 study² was also carried out by YouGov using the same methodology but covering only Germany and the United States. The earlier study³, carried out by the Pew Research Centre, was based on a telephone survey rather than an online questionnaire. In the US, the questions were asked in English and in Spanish. In both the German and American parts of the Pew Study approximately 1000 respondents were involved.

In both studies, YouGov and Pew, results were weighted in accordance with known demographic discrepancies. The confidence interval for the YouGov surveys was approximately +/- 2.2 percentage points for populations close to 2,000, and +/- 3.1 percentage points for populations close to 1,000. These figures apply to the overall survey, but not to socio-economic subsamples.

¹ In China only a limited set of questions was submitted to the respondents.

² Bertelsmann Stiftung (2016)

³ Pew Research Centre (2014)

4 A Desire for a Safety Net

4.1 Sources of Discontent

While there is an overall positive feeling about globalisation and trade, this contrasts with several sources of discontent., the most important of which are fears of rising social inequality, job security, pressures on wages and foreign takeovers (see Figures 2-6).

The feeling that globalisation increases social inequality is shared across the sample, regardless of whether countries are developed or emerging (Figure 2). The replies to this question are consistent with the predictions of trade theory and empirical observations. International trade narrows the gap between production factor remuneration across countries.⁴ This implies that inequalities between country averages are reduced but that inequality within countries increases. The empirical observations support this.⁵

It is noteworthy that in the US and the UK - two countries with relatively high levels of inequality among developed economies – agreement with this statement is at its lowest. However, in these countries uncertainty about the effects of globalisation on social inequality is particularly pronounced. Interestingly, in the UK, it seems that participants on low incomes show the least support for the proposition that globalisation increases social inequalities.

As for wage developments induced by globalisation, the sample is split between developed and emerging countries. While in the latter a relative majority believes that globalisation does in fact contribute to wage increases, in developed economies the relative majority disputes this hypothesis. Empirical research has identified a clear link between trade and positive wage developments.⁶ Nevertheless, these different views on the welfare effects of globalisation reflect historic experience: while in emerging countries the role of globalisation in creating economic growth and lifting many out of poverty has been easy to observe, many in developed economies have seen their wages stagnate for the first decades of the millennium. Hence it is no surprise that respondents in India and Indonesia are particularly positive – while Germany is among the most negative countries, reflecting the long stagnation of real wages.

Opinion on job security is similar to that on wage developments: in emerging economies it is prevailing that globalisation contributes to job security and the complete opposite in the developed world. This view is held in almost all countries regardless of the salary bracket respondents fall into, i.e. neither richer nor poorer nationals differ in their belief on globalisation's effect on job security.

In most countries, takeovers of domestic companies by foreign investors (Figure 5) are viewed negatively – despite the fact that foreign direct investment (FDI) is in general perceived as positive. The only exception to this general pattern is India, where a majority believes that foreign companies acquiring local companies is seen as a positive thing for India. This might be explained by hopes that foreign investors bring managerial know-how and increase efficiency. The German respondents are among those who have the most negative perception of foreign purchases.

⁴ Stolper and Samuelson (1941)

⁵ E.g. Barro and Sala-i-Martin (1992)

⁶ Bertelsmann Stiftung (2014)

These sources of discontent are not without consequences. In particular, they result in a desire for more protection against foreign competitors. As can be seen in Figure 6, in all survey countries, a relative majority favours stronger protection against foreign competitors. Interestingly, this feeling is less pronounced in developed than in emerging economies.

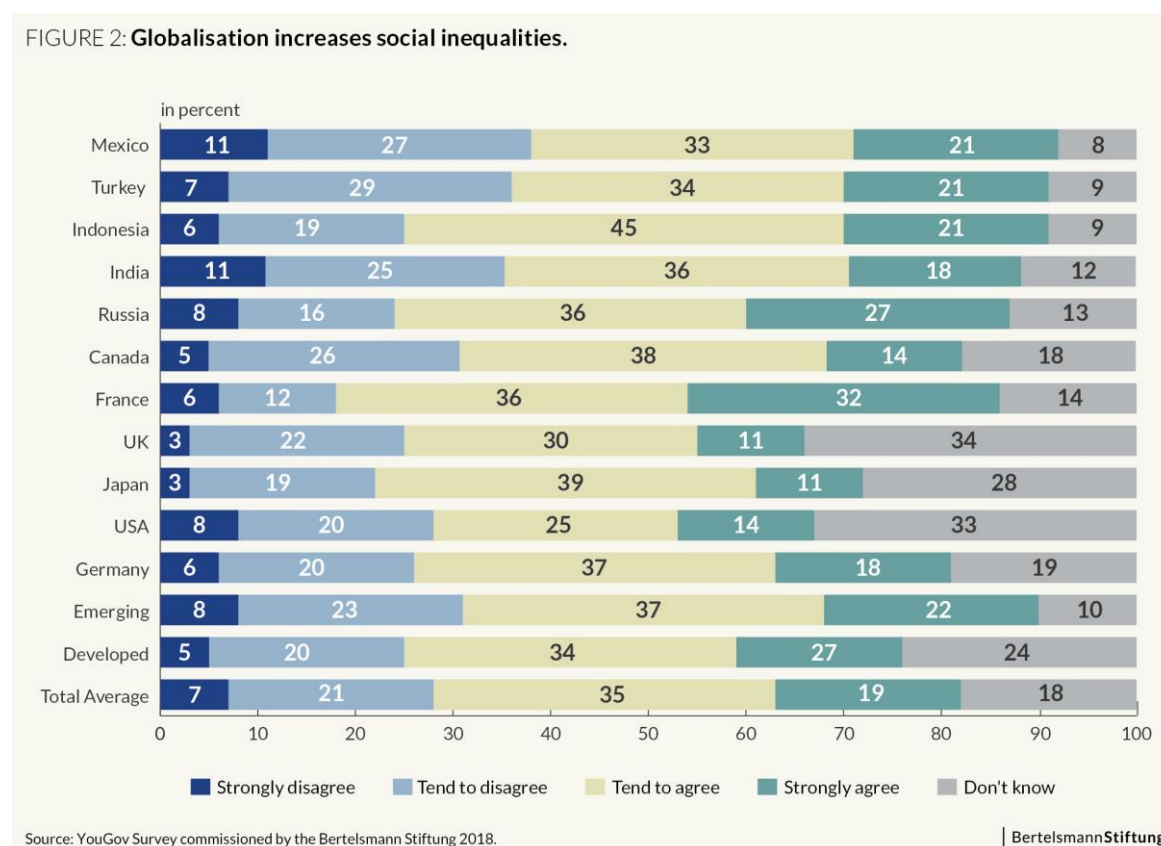


Figure 2: Globalisation perceived as increasing social inequalities.

FIGURE 3: Globalisation contributes to wages increase.

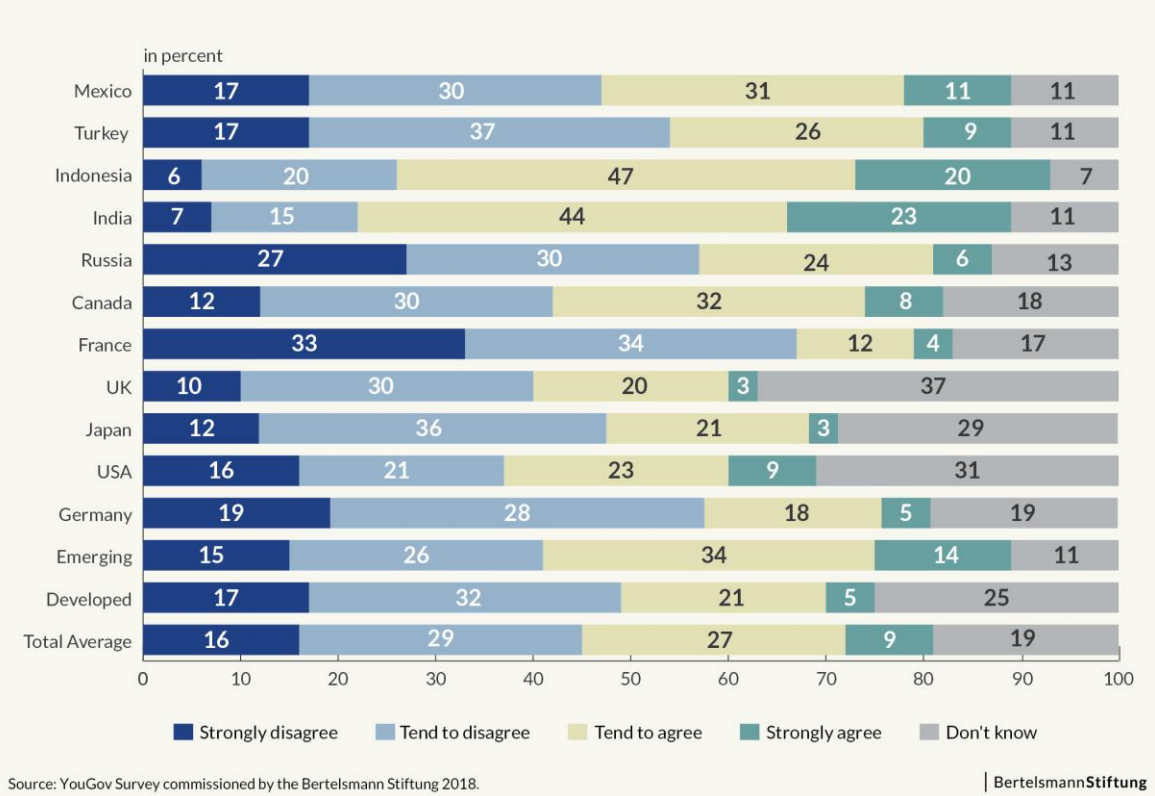


Figure 3: Globalisation is not perceived as having positive effects on wages.

FIGURE 4: Overall, do you think international trade is good or bad for job security in your country?

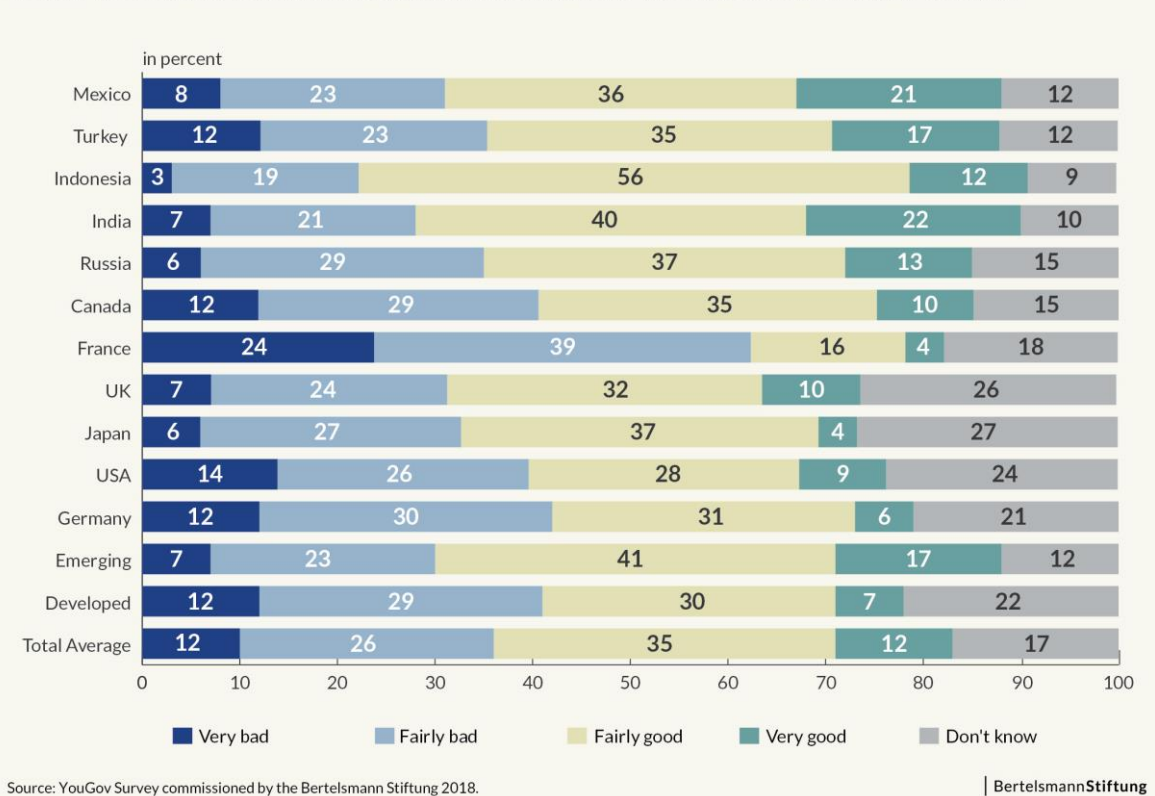


Figure 4: Globalisation is not perceived as having a positive effect on job security.

FIGURE 5: How beneficial, if at all, do you think foreign takeovers of domestic companies are for your country?

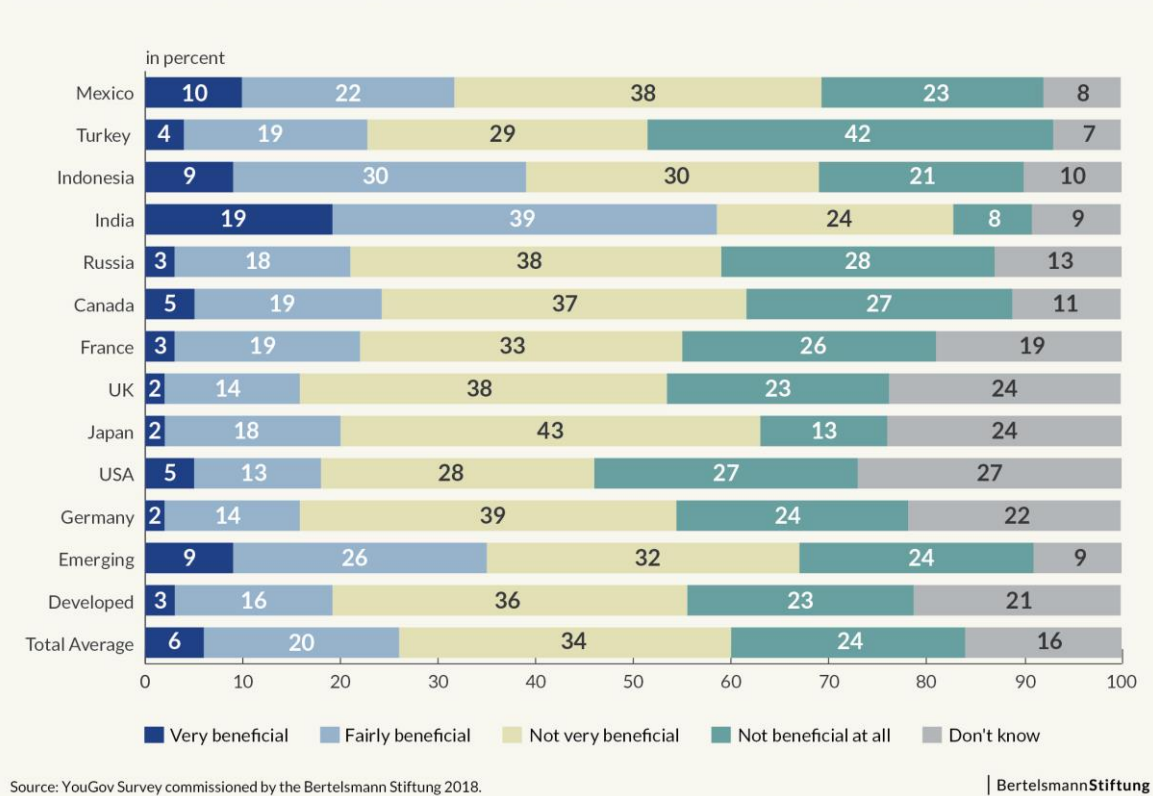


Figure 5: Foreign take-overs are not perceived positively.

FIGURE 6: Should your country protect its economy more strongly against foreign competitors?

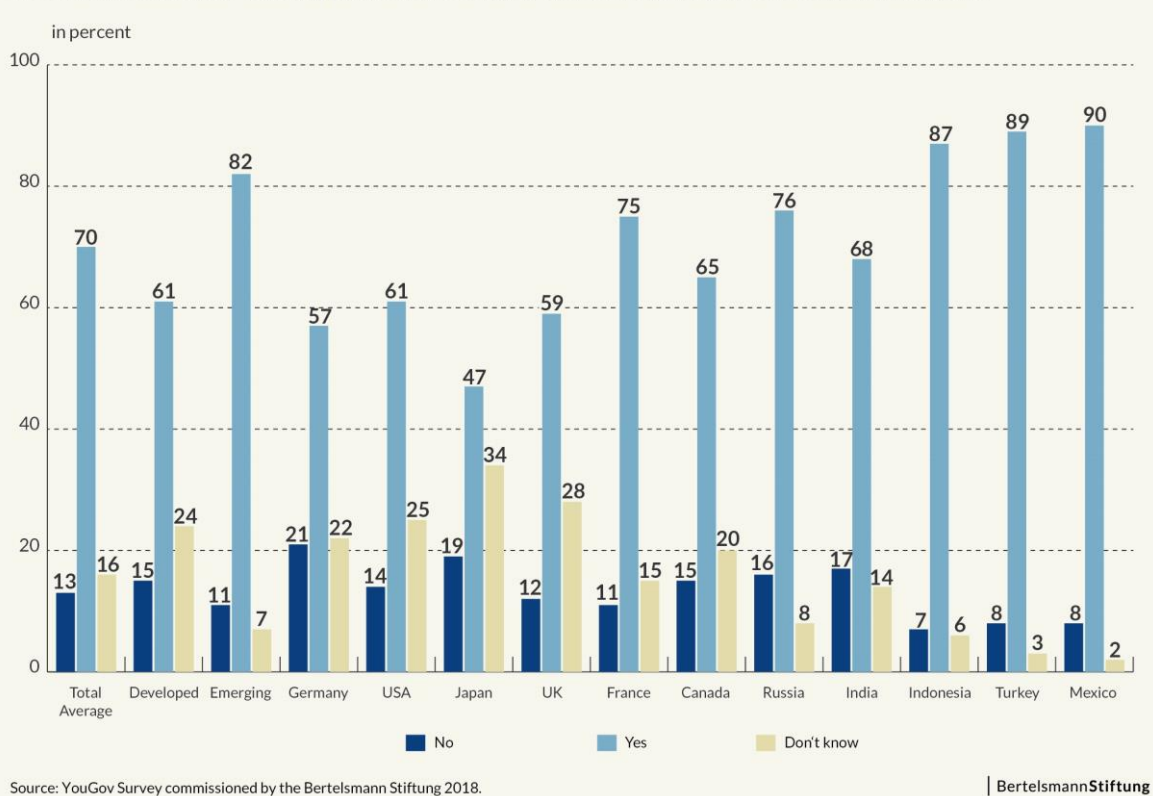


Figure 6: A stronger protection against foreign competitors is desired in all countries of the survey.

4.2 Dissatisfaction not with Globalisation but Governments

Two apparently contradictory insights emerge from this survey: A generally positive appraisal of trade and globalisation and yet a need for more protection and worries about some negative effects of globalisation. The key to reconcile these seemingly contradictory findings is presented in Figure 7. The question here is whether citizens feel that their respective governments are doing enough to protect them against negative effects of globalisation. In the developed world, an average of 49% of respondents feel that their government is not doing enough to protect them against the negative effects of globalisation – compared to just 27% percent who are happy with their government's measures. The picture in the emerging world is somewhat more positive: here, the 40% who are dissatisfied meet a majority of contented 50%. The generally high level of these figures, along with high uncertainty in the developed world, suggests that a large swath of the population feels insufficiently cared for by their government.

What explains this dissatisfaction with governments? To answer this question, I have correlated the number of those who feel insufficiently protected by their governments with the number who feel that globalisation has a negative effect through the above-mentioned channels (see Figs 8-10). In these correlations, the strongest effect on dissatisfaction with the government's protection against negative effects is found for job security (Figure 9 below). Moreover, the feeling that globalisation does not contribute to wage increases (Figure 8 below) has only a slightly smaller coefficient and regression fit and can therefore be considered another important explanatory factor, together with job security. It might be tempting to suspect a link between the high demands for stronger protectionism from foreign competitors and the level of dissatisfaction with actual government protection. However, it is important to state that no statistically significant correlation between the feeling of insufficient protection by the government and the belief that more protection against foreign competitors is needed can be identified (Figure 10 below). For those countries where sympathy for restricting foreign competition is highest Figure 10 shows very different disapproval rates with the protection afforded by their government; therefore, this does not have a strong explanatory potential. Conversely, there is no strong correlation between dissatisfaction with government protection against negative effects and insistence that globalisation is a force for bad. In the figures presented here, the correlation was between the level of people who were dissatisfied with the protection afforded by their governments and the percentage of people holding negative opinions on the effect of globalisation on wages and job security. If, on the other hand, one correlates the percentage of those satisfied with their governments' protection and those holding positive opinions on the effects of globalisation, one finds a different result. In countries where citizens feel better protected against negative effects by their governments, support for trade is higher.⁷ It is therefore safe to conclude that the source of dissatisfaction is not globalisation or trade but an insufficient role delivered by domestic governments.

In Bertelsmann (2017), I have argued that for most developed countries, the link between a country's trade openness and the size of its welfare state has weakened over time. This has led to an erosion of the social consensus backing trade for two reasons:

1. Trade increases overall welfare, because it enables countries to specialise in those sectors in which it enjoys a comparative advantage over competitors. This specialisation implies movements of workers from one sector to another – a movement that in reality often coincides with (temporary) unemployment.
2. A more open economy is more likely to be affected by external shocks – e.g. a drop in external demand as a consequence of a financial crisis in a major export market or a hike in energy prices. Growth rates in more open economies therefore tend to be more volatile.

⁷ Figures available on request.

Both factors imply the need for a strong social safety net that insures the citizens of a country against any negative side-effects of globalisation and trade. Once people feel properly insured, it is easier to reach and maintain a social consensus on reaping the benefits of trade.

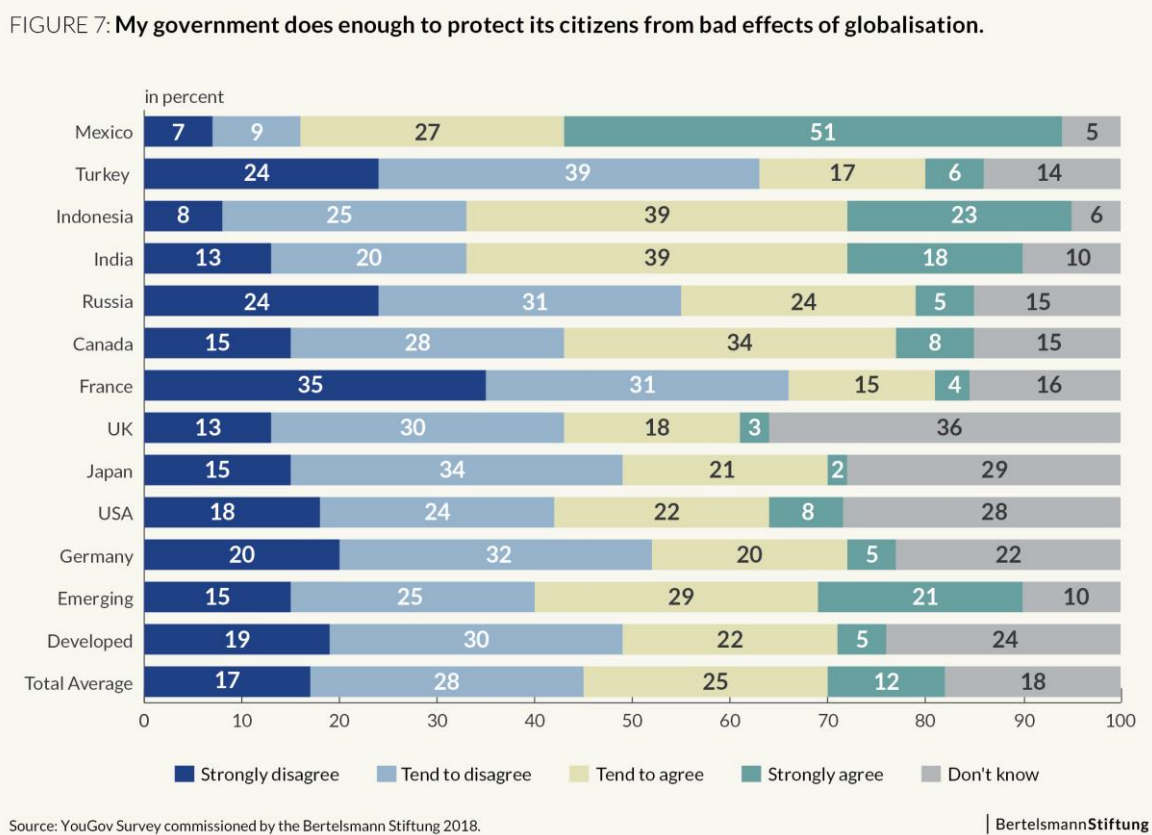


Figure 7: Discontent with protection afforded by respective governments.

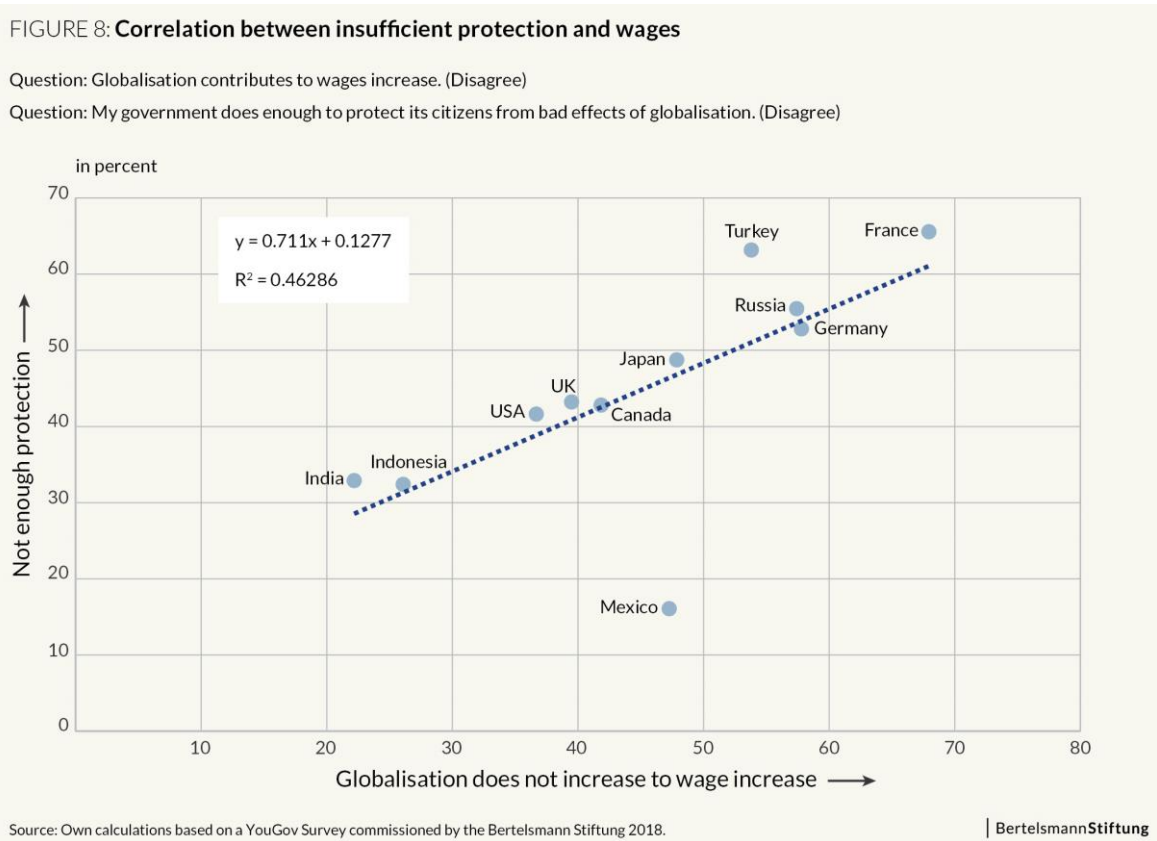


Figure 8: Correlation between respondents dissatisfied with protection against negative effects of globalisation by their governments and respondents not believing that globalisation contributes to wage increases.

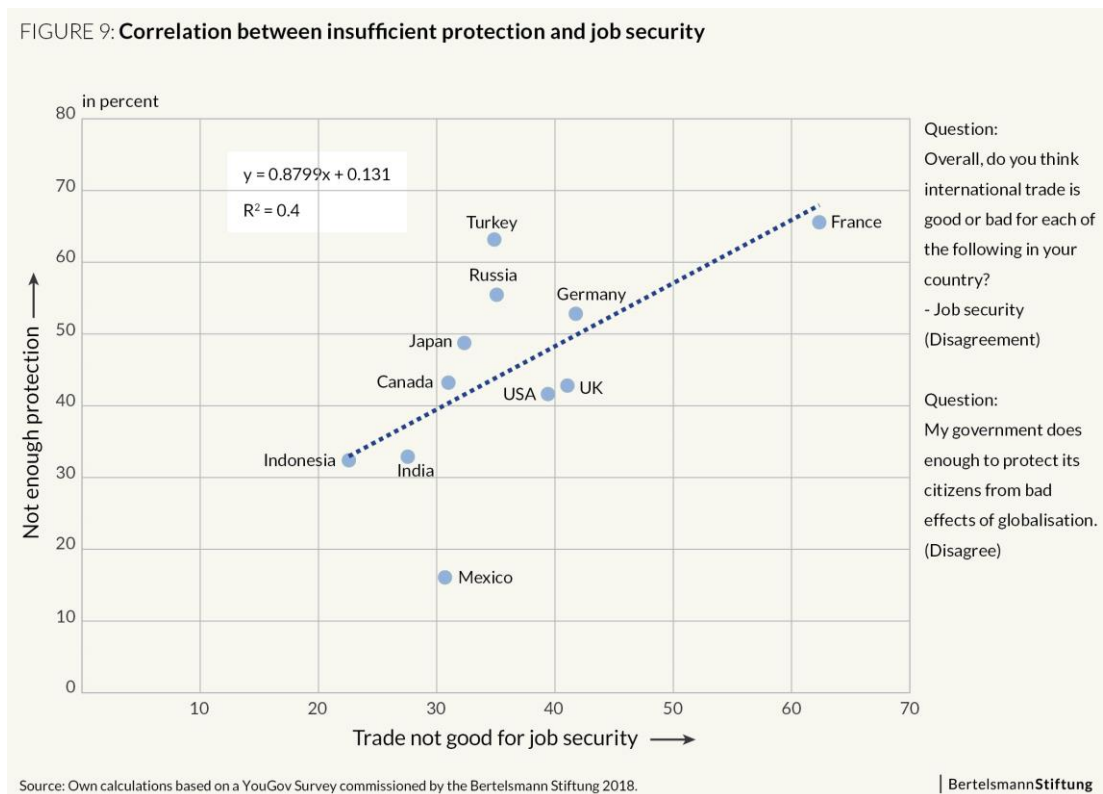


Figure 9. Correlation between respondents dissatisfied with protection against negative effects of globalisation by their governments and respondents believing that trade does not increase job security.

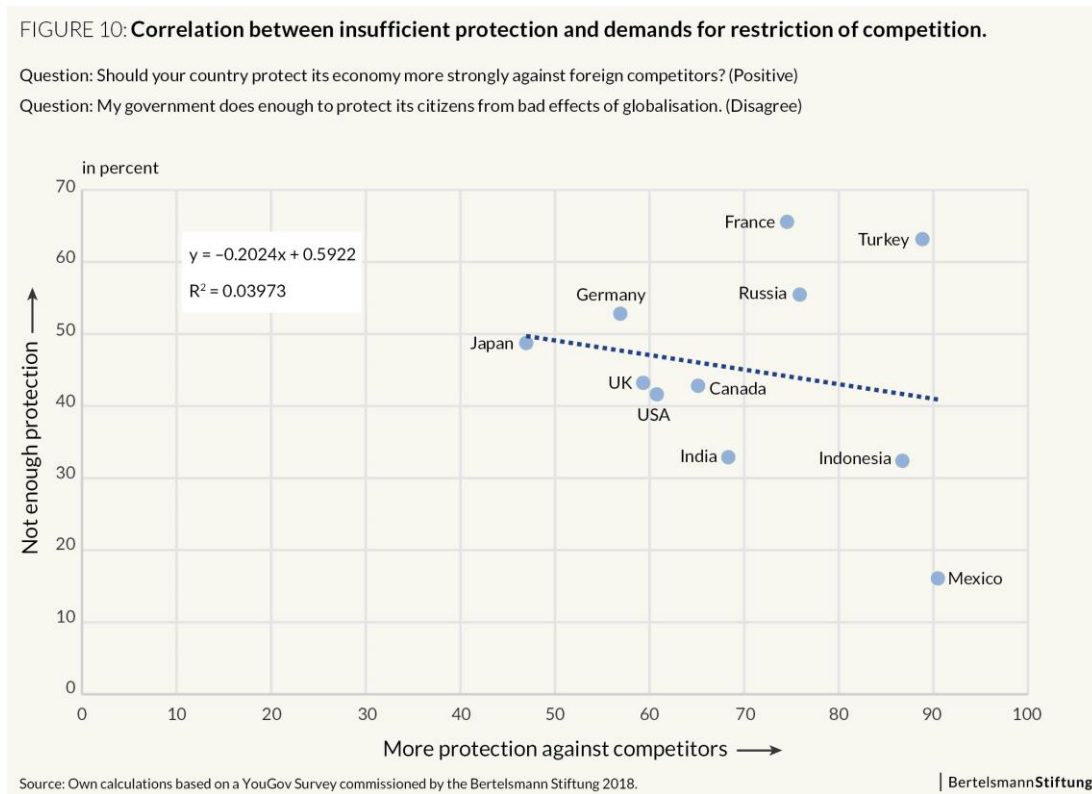


Figure 10: Correlation between respondents dissatisfied with protection against negative effects of globalisation by their governments and respondents believing more protection against foreign competition is needed.

4.3 Weak Economic Outlook

The financial crisis of 2008 weighed on economic prospects for a prolonged period – many countries, especially in Europe, struggled to return to their pre-crisis growth path. But for the countries in our survey, almost all have now returned to growth rates not dissimilar from those pre-crisis. The lowest growth rates are found in Russia, but even it managed to return to positive economic growth after a recession in 2015. India outperforms the rest of the sample and is now growing even faster than China. Indonesia also experiences strong growth. But, despite these strong fundamentals, the answers to our survey show that many do not view the current economic situation favourably. Generally, it is believed to be best in Germany, where a large majority of respondents describe the economy's state in positive terms. The US also exhibits a prevailing positive climate of opinion. France is the most negative among the developed nations. In the emerging world, Indians are particularly positive, while Mexicans and Turks view their economic situation negatively. In both countries, growth rates have been declining somewhat but from a high level. Such gloom about the economy is therefore somewhat surprising.

The economic outlook is divided. Some countries have unambiguously positive expectations about the future. India, Indonesia and Russia top the list here. US citizens are also quite optimistic. In many countries, however, a divided or even downright negative outlook is dominant. This is again found in Mexico and Turkey but also in Japan, France and the UK. Japan is especially surprising as growth seems to be picking up and the long stagnation seems to be coming finally to an end.

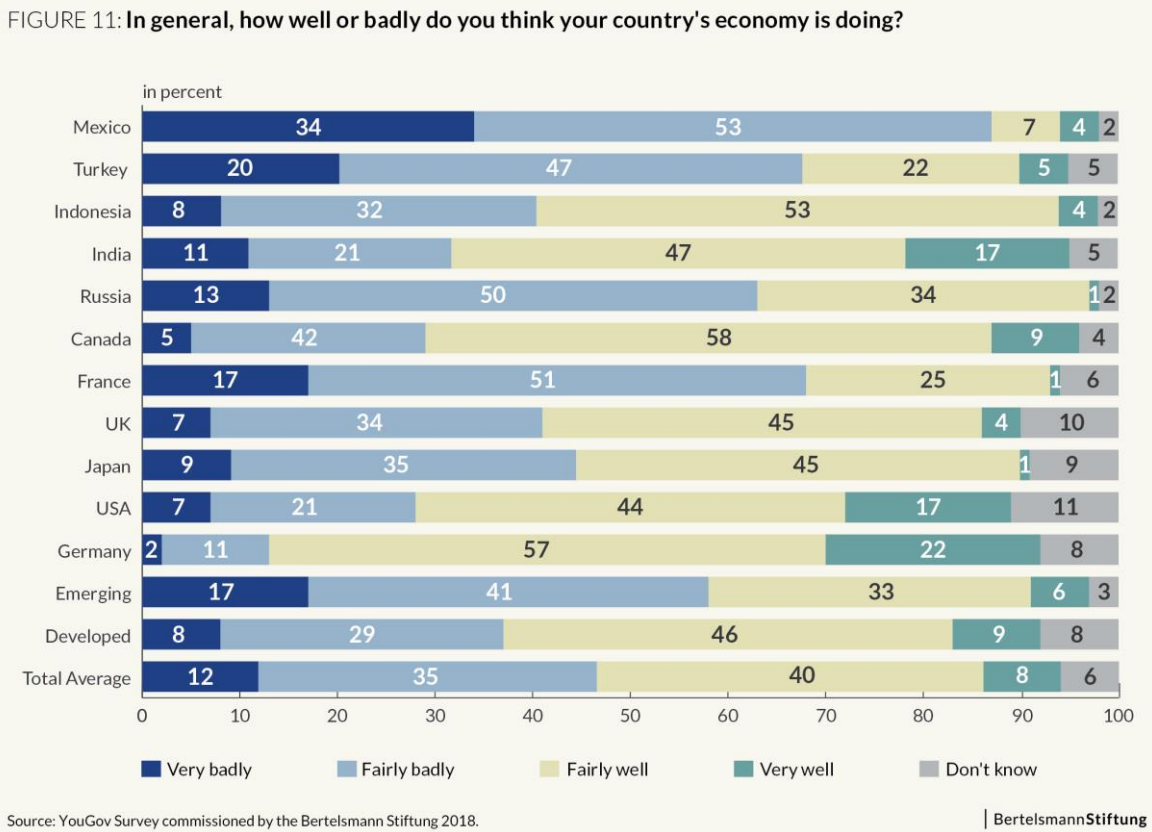


Figure 11: Answers on the current economic situation in the respective countries.

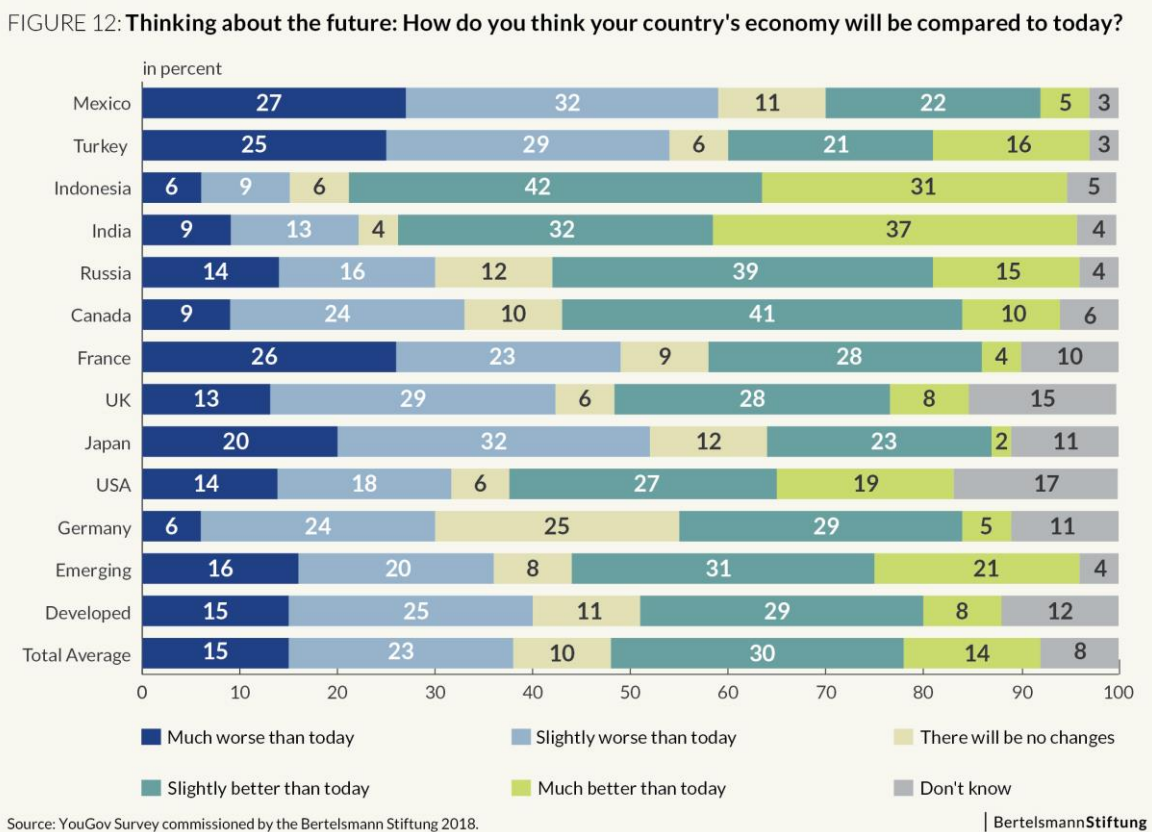


Figure 12: Answers on the economic outlook in the respective countries.

5 Overall Embrace of Globalisation and Free Trade

While often used synonymously, globalisation and trade are not identical. In the question underlying Figure 1, this survey defined globalisation in a broad sense: “Globalisation is the word used to describe the increasing movement of products, ideas, money, jobs, culture and people around the world.” Therefore, it makes sense to approach the opinions on globalisation and trade in two different subsequent subsections.

5.1 Opinions on Globalisation

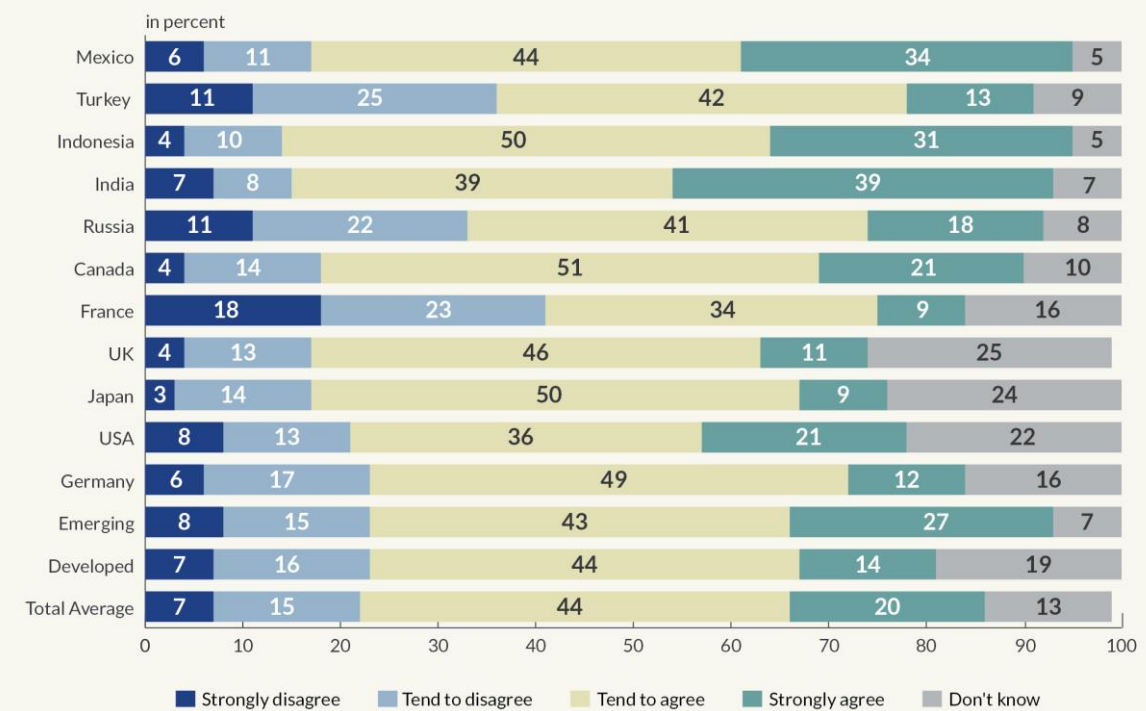
Some of the opinions on globalisation are presented in Figures 13-16 – among them, the perception that globalisation has a negative effect on social inequality, wage growth and job security. However, the view of respondents on globalisation is not generally negative: as shown in Figure 1, it is perceived as positive – a view that is reflected in many other categories.

Figure 13 shows clearly that globalisation is perceived as an opportunity for growth, a view that is found in almost all countries of our sample. France, Turkey and Russia are less optimistic on this point than others, but still feature a relative majority that views globalisation as an opportunity. Similarly, it is unsurprising that globalisation is viewed as good for job creation – this is the majority view in all countries apart from France (Figure 14). This does not necessarily contradict a partial view of globalisation as negative for job security: While the overall creation of jobs due to new business opportunities is obvious to many, increased specialisation and competition lead to an increased reallocation of jobs, thus creating a perception of lower job security.

It is frequently argued that the benefits of globalisation for consumers are often overlooked. The respondents to our survey prove this view wrong. As shown in Figure 15, the view that globalisation makes products cheaper is shared by a majority in all countries. More interesting, however, are the answers shown in Figure 16, where citizens are asked whether globalisation increases product quality. Here, the picture is more nuanced: while in most emerging countries a majority supports this statement, developed economies seem to be either divided or tend towards a more negative view. These findings are particularly surprising since they contradict the findings of the empirical trade literature that many consumer welfare improvements through free trade come in the form of better quality.⁸ This is probably best explained through varying product standards. International competition has forced emerging countries to improve their product standards in order to be competitive worldwide. However, there are repeatedly stories of products of poor quality being imported into developed countries and this leads to the perception that overall standards are being eroded.

⁸ E.g. Berlingieri, Breinlich and Dhingra (2016)

FIGURE 13: Globalisation is an opportunity for growth.

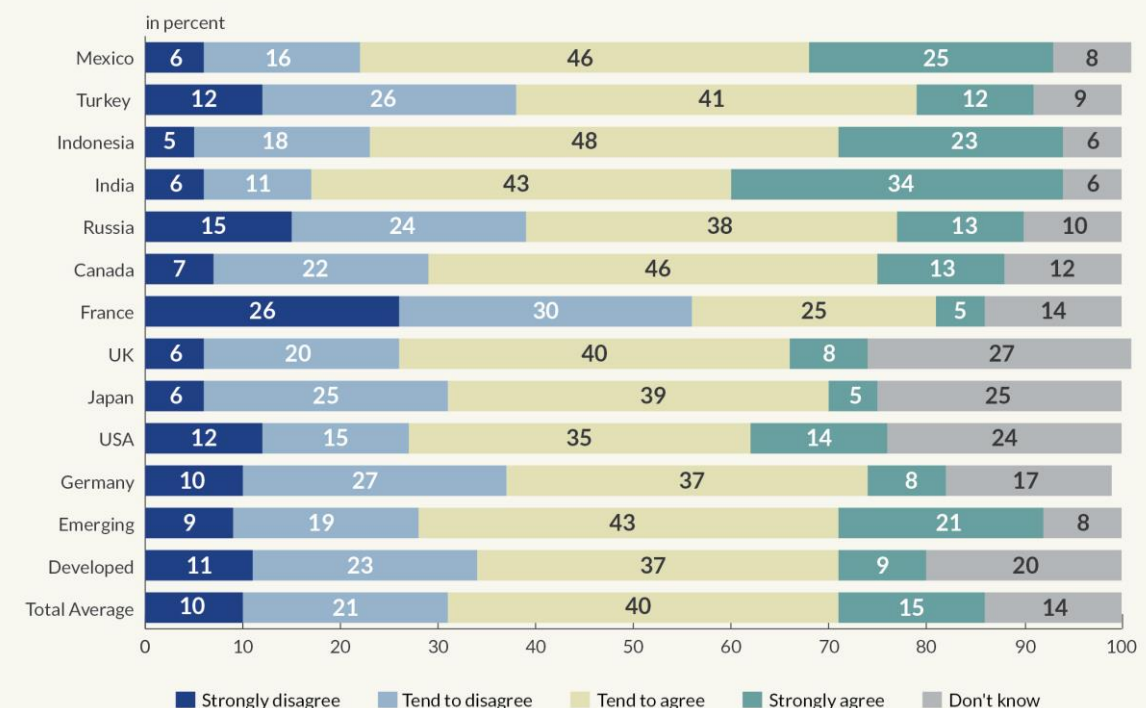


Source: YouGov Survey commissioned by the Bertelsmann Stiftung 2018.

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Figure 13: Globalisation is perceived as having a positive effect on economic growth.

FIGURE 14: Globalisation creates jobs.



Source: YouGov Survey commissioned by the Bertelsmann Stiftung 2018.

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Figure 14: Globalisation is perceived as having a positive effect on employment

FIGURE 15: Globalisation makes products cheaper.

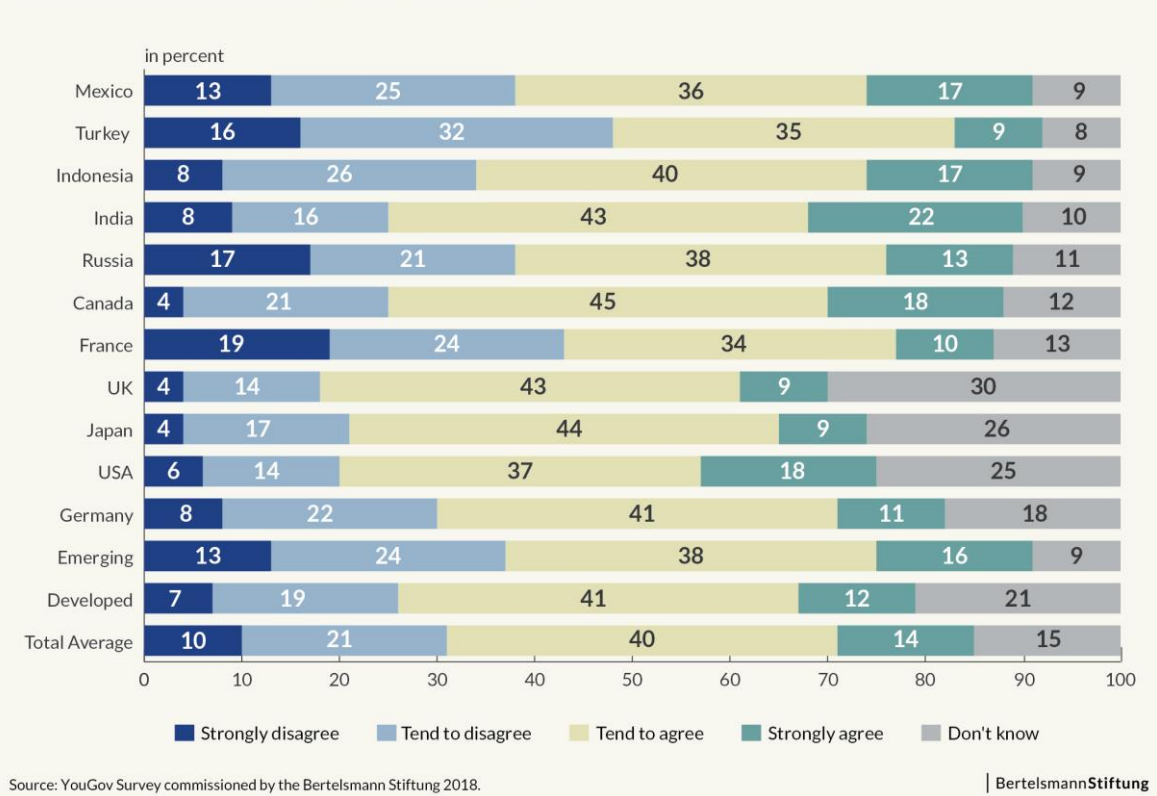


Figure 15: Globalisation is perceived as having a positive effect on product prices

FIGURE 16: Globalisation increases product quality.

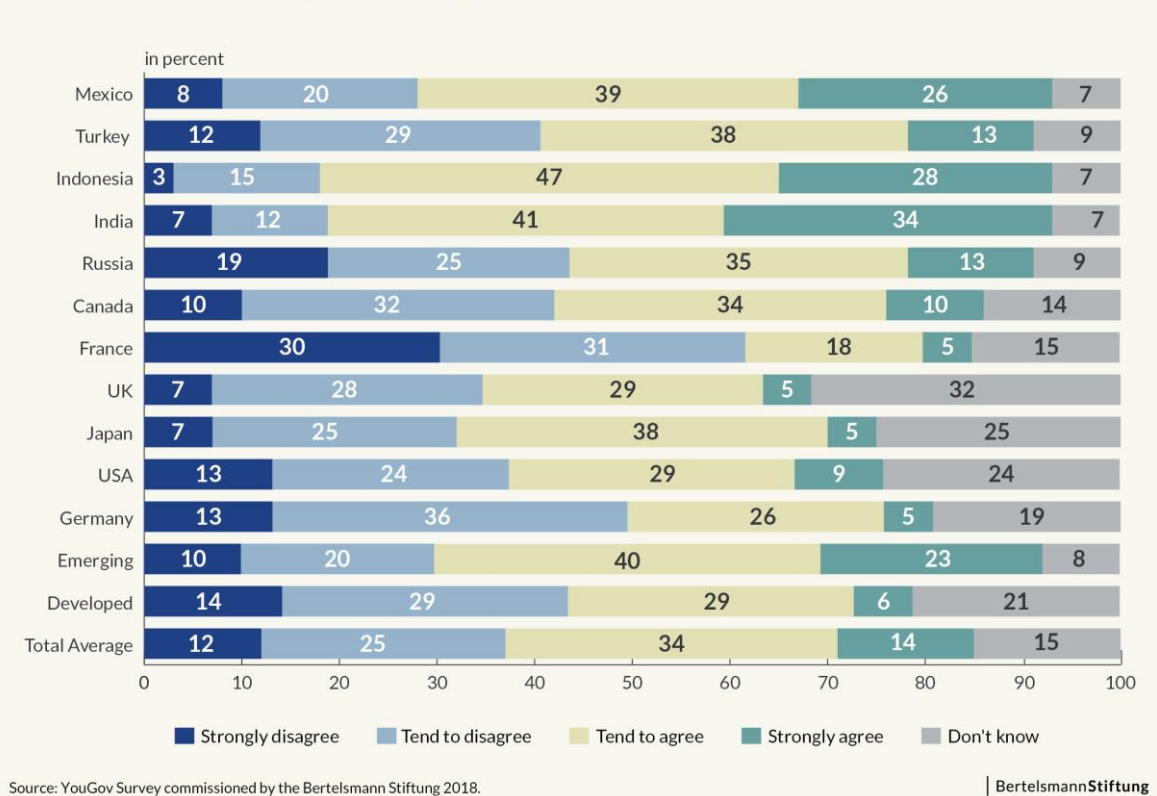


Figure 16. The effect of globalisation on product quality is perceived as mixed.

5.2 Opinions on Trade & Investment

Similar to our questions about the effect of globalisation, we asked about the effects of trade and investment. Again, we find generally positive opinions, as set out in Figures 17-27. Figures 17 and 18 deal with the general effect of trade and its particular impact on the economy respectively. Both are overwhelmingly positive. Turkey turns out to be the most sceptical nation with regards to trade in our sample - this is echoed in both Figures. However, the French are also unconvinced of the positive effects of trade on their economy. When asked about the effect of trade on companies, we find again a more homogeneous – and strongly positive – picture (Figure 19). It is also noteworthy that we have once more a very positive response when it comes to the effects of trade on general living standards – only in France does a majority believe that trade is bad here. We also see a very positive response (Figure 22) on job creation. It is therefore clear that despite the preoccupations expressed in other parts of the survey, participants do not harbour negative views about trade in general. People want to engage in trade and reap its benefits but wish to be better insured against negative side effects.

The general embrace of trade is particularly strong in the question presented in Figure 23, where a generally large or at least relative majority (except in France) approves of free trade agreements. This includes Germany and the US, where just recently public opinion on trade agreements – the TPP in the US case and the TTIP in the German one – had turned very negative. Therefore, Figure 24 takes a closer look at the evolution of public opinion on trade in both countries. The big drop in public support for trade in Germany in the wake of the TTIP debate in 2016 becomes clearly visible – and also that public approval has since recovered. The US seems to be on an opposed trajectory: approval for trade is now much lower after reaching particularly high levels in 2016. Interestingly, in the US negative views on trade have not grown, hence the public debate has mostly increased uncertainty. However, when we asked the citizens of the three NAFTA countries – Canada, Mexico and the US – whether they believe that their country would benefit from withdrawal, we find that this is strongly rejected both in Canada and Mexico but that US public opinion is divided – with a tiny majority in favour of leaving NAFTA.

The current account surplus has featured prominently in international debates on Germany's economic role since the Euro crisis. However, as Figure 27 shows, it is not controversial in Germany where 50 percent of respondents believe it is a good thing, while only 19 percent view it negatively.

We also asked British participants about their expectations of the effect of Brexit on the economy (Figure 28). Public opinion is divided – almost as many expect positive as expect negative effects. The slim majority for positive effects is still within the error margin of our survey.

When it comes to the role of foreign direct investment, we find an overwhelmingly positive picture. Japan, which turns out to be the most sceptical country on this question, has 50 percent of respondents who believe FDI to be very positive or at least somewhat positive. However, as we have seen in Figure 5 above, public opinion does not appreciate the takeover of domestic companies by foreign investors. Hence, it is safe to conclude that the positive view of FDI mostly covers greenfield investments.

FIGURE 17: What do you think about growing trade between your country and other countries - do you think it is a very good thing, fairly good, fairly bad or a very bad thing for your country?

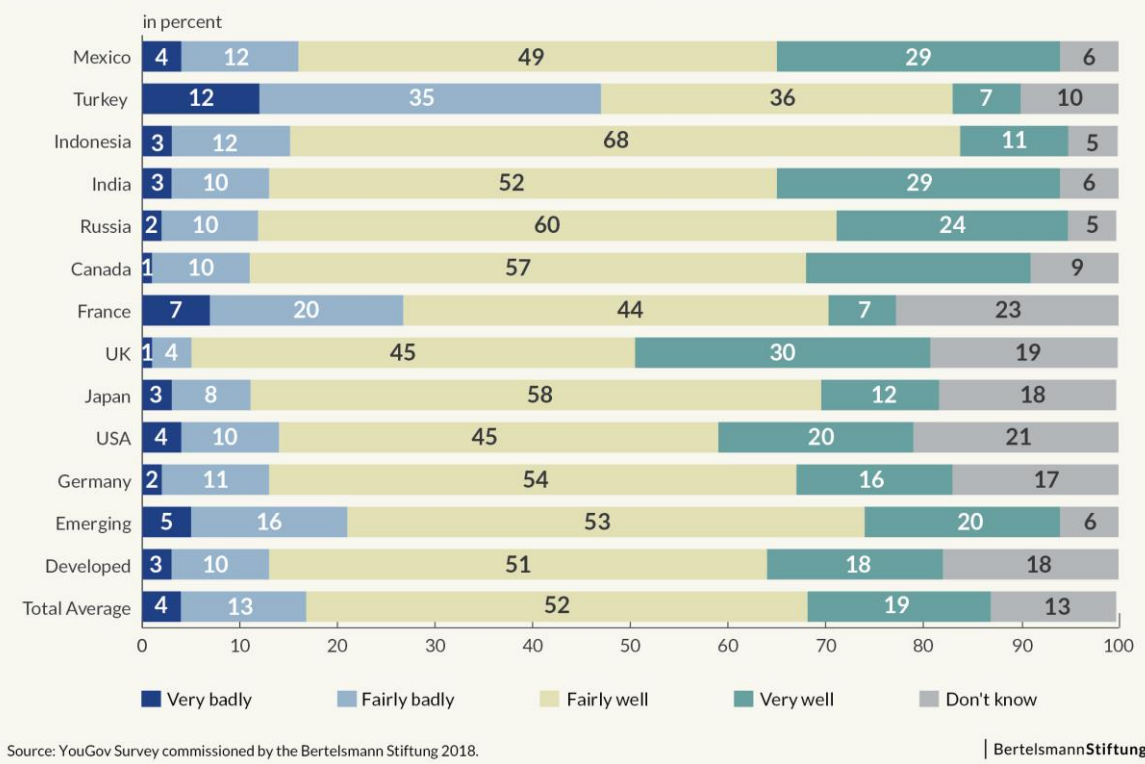


Figure 17: Opinions on international trade in general.

FIGURE 18: Overall, do you think international trade is good or bad for the economy in your country?

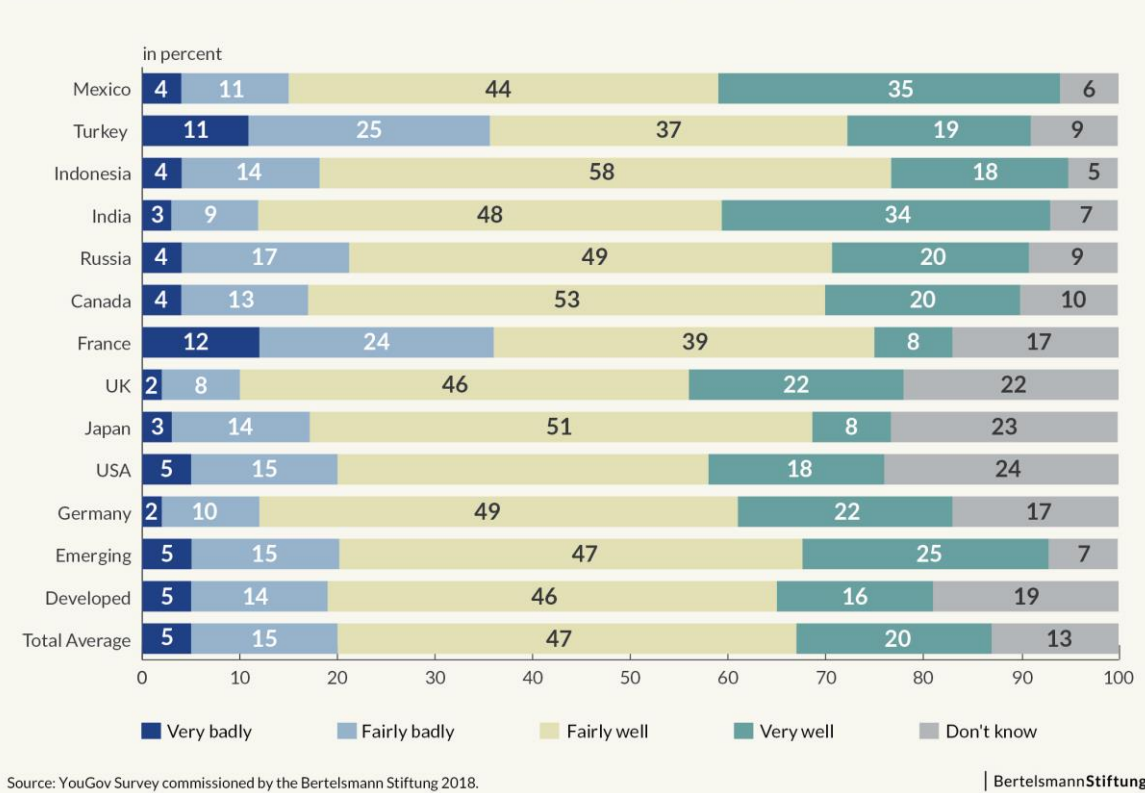
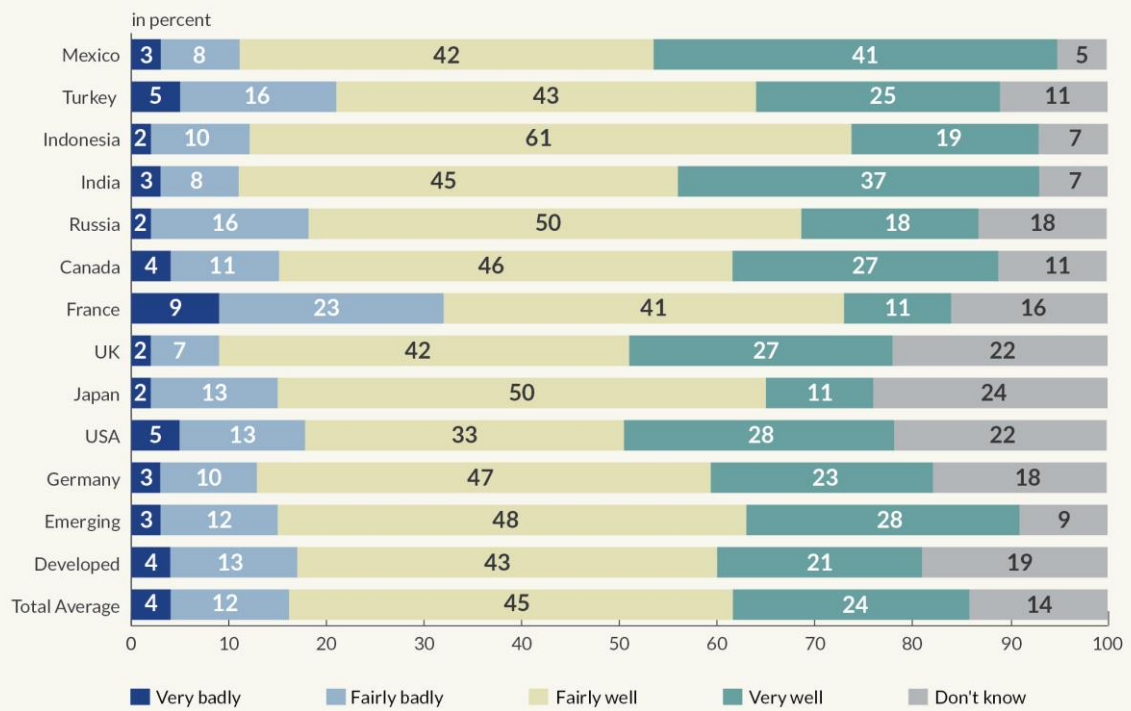


Figure 18: Opinions on the effect of trade on the economy.

FIGURE 19: Overall, do you think international trade is good or bad for the companies in your country?

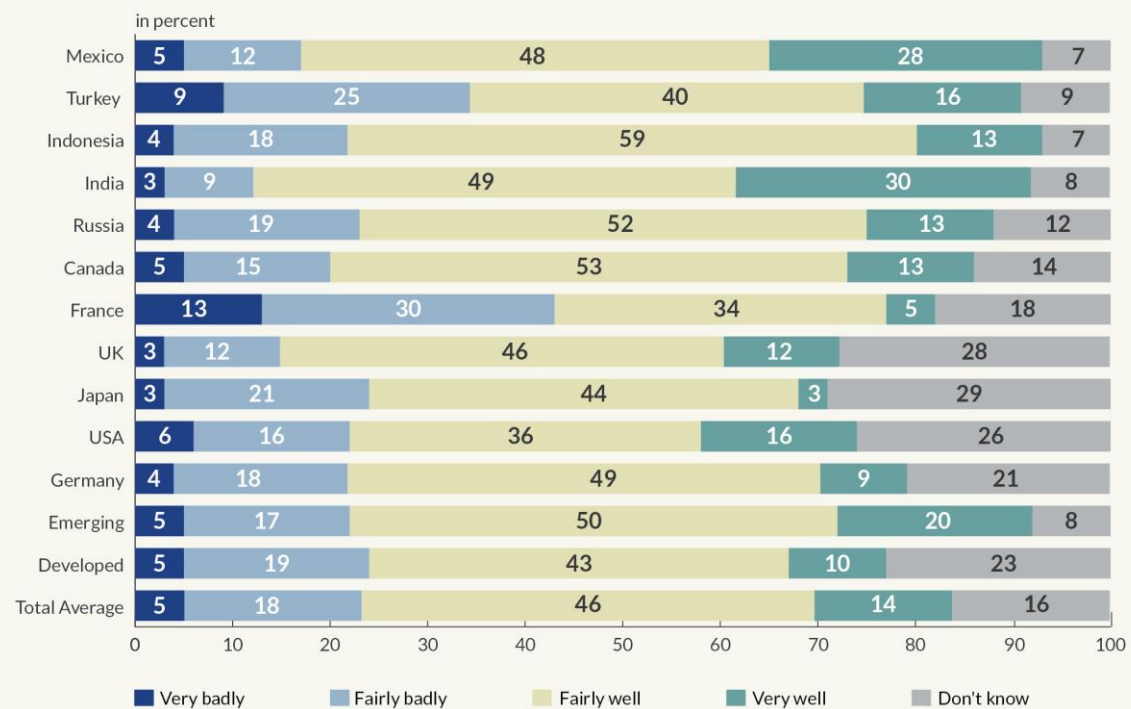


Source: YouGov Survey commissioned by the Bertelsmann Stiftung 2018.

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Figure 19: Opinions on the effect of trade on companies.

FIGURE 20: Overall, do you think international trade is good or bad for general living standards in your country?



Source: YouGov Survey commissioned by the Bertelsmann Stiftung 2018.

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Figure 20: Opinions on the effect of trade on living standards.

FIGURE 21: Overall, do you think international trade is good or bad for consumers in your country?

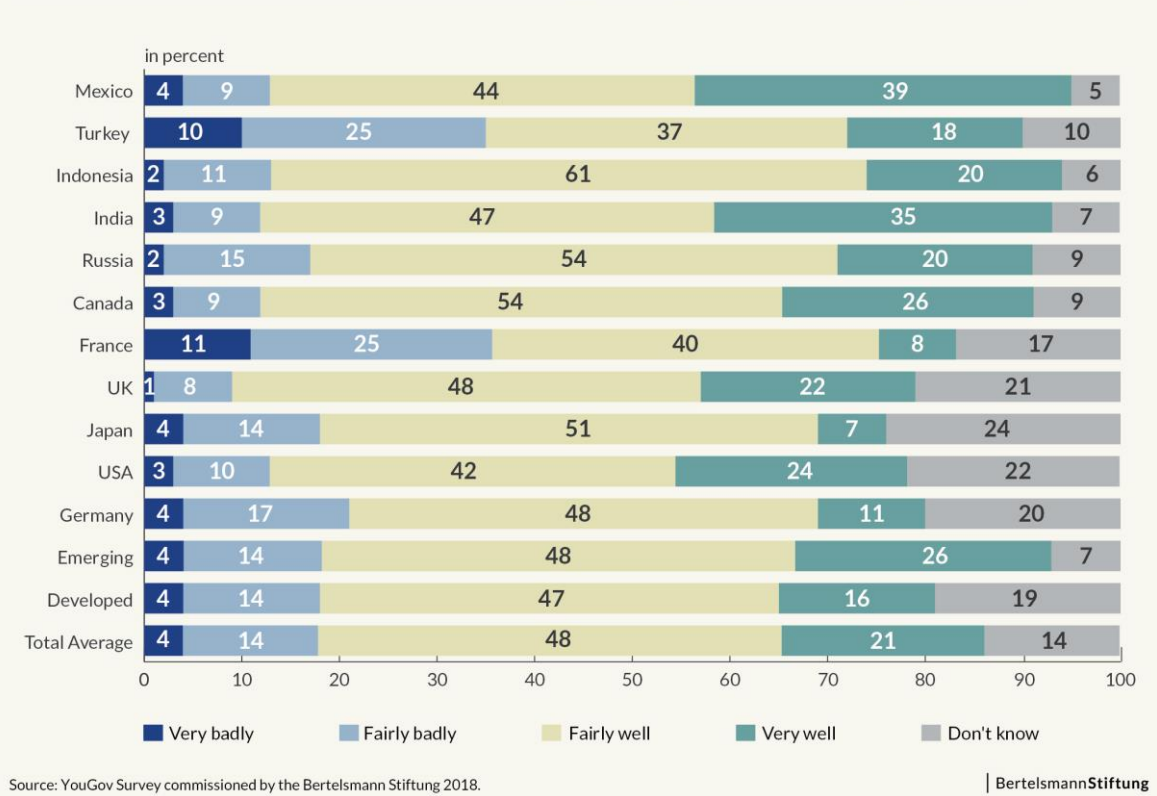


Figure 21: Opinions on the effect of trade on consumers.

FIGURE 22: Overall, do you think international trade is good or bad for job creation in your country?

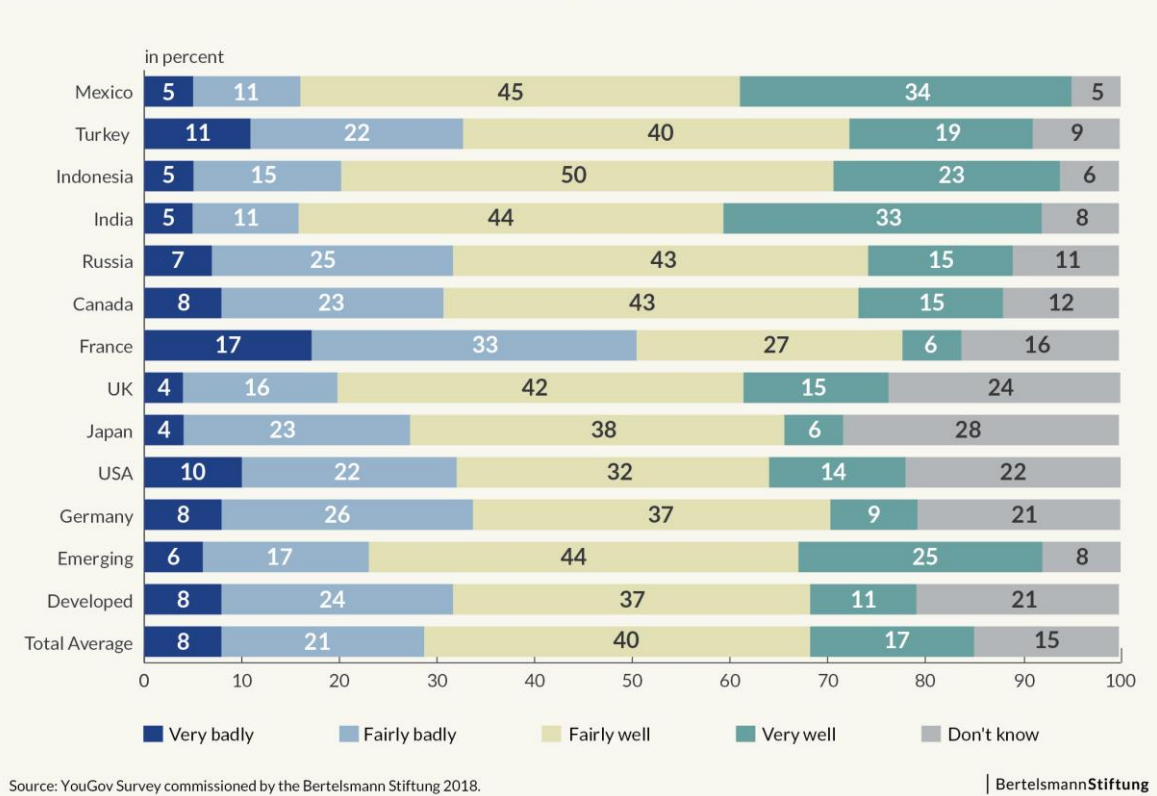


Figure 22: Opinions on the effect of trade on job creation.

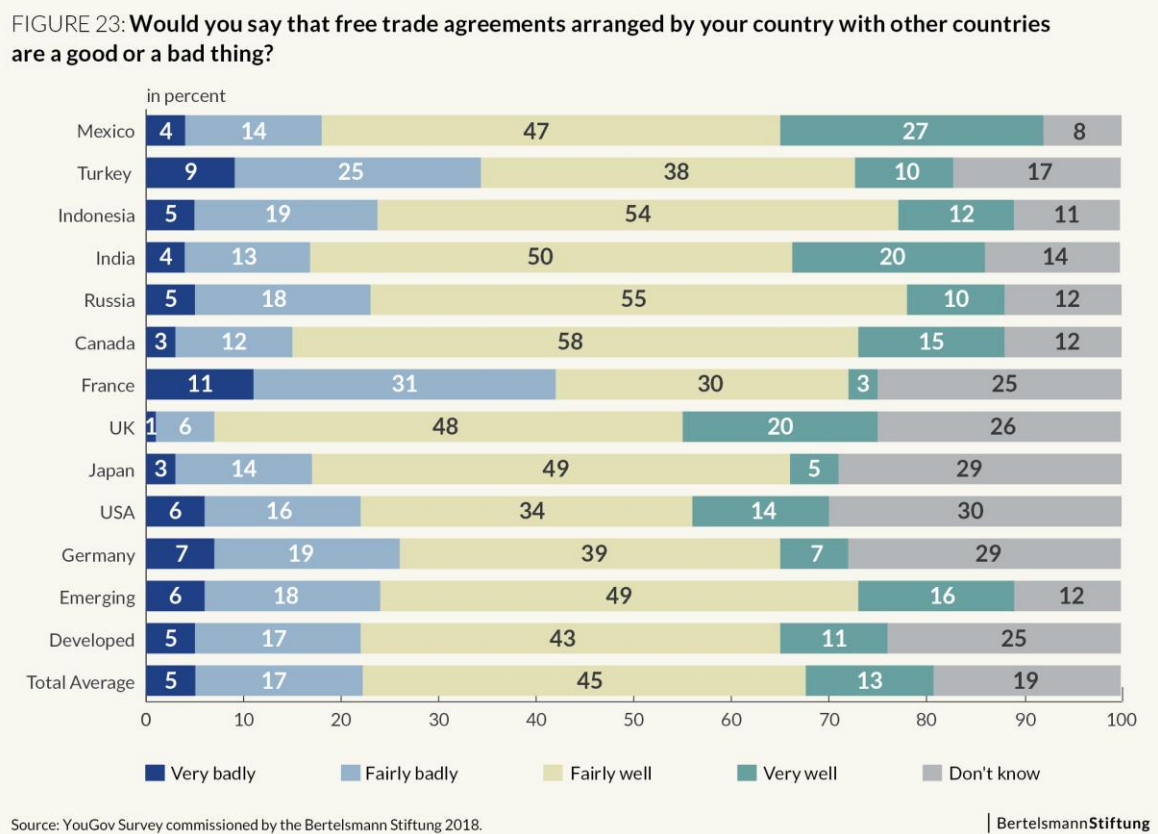


Figure 23: Opinions on Free Trade Agreements.

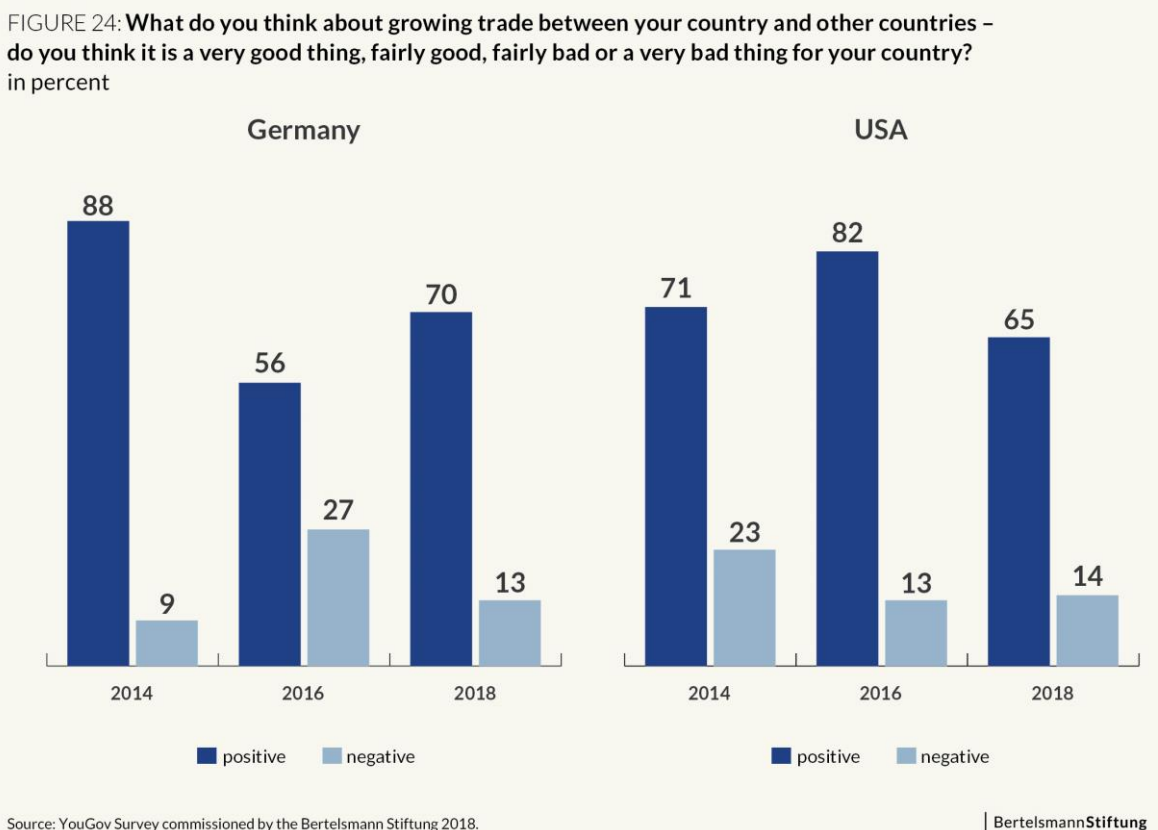


Figure 24: Evolutions of opinions on trade in Germany and the USA. Historic data is based on Bertelsmann (2016) and Pew (2014).

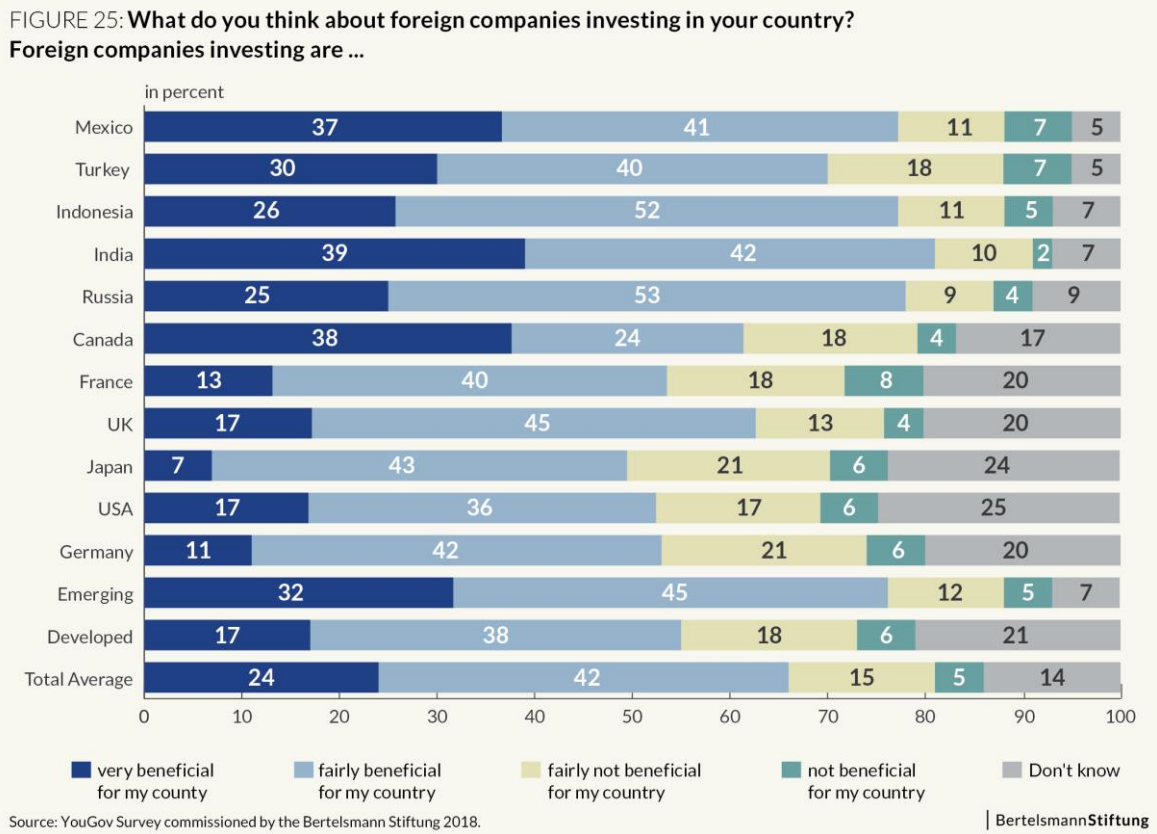


Figure 25: Opinions on Foreign Direct Investment.

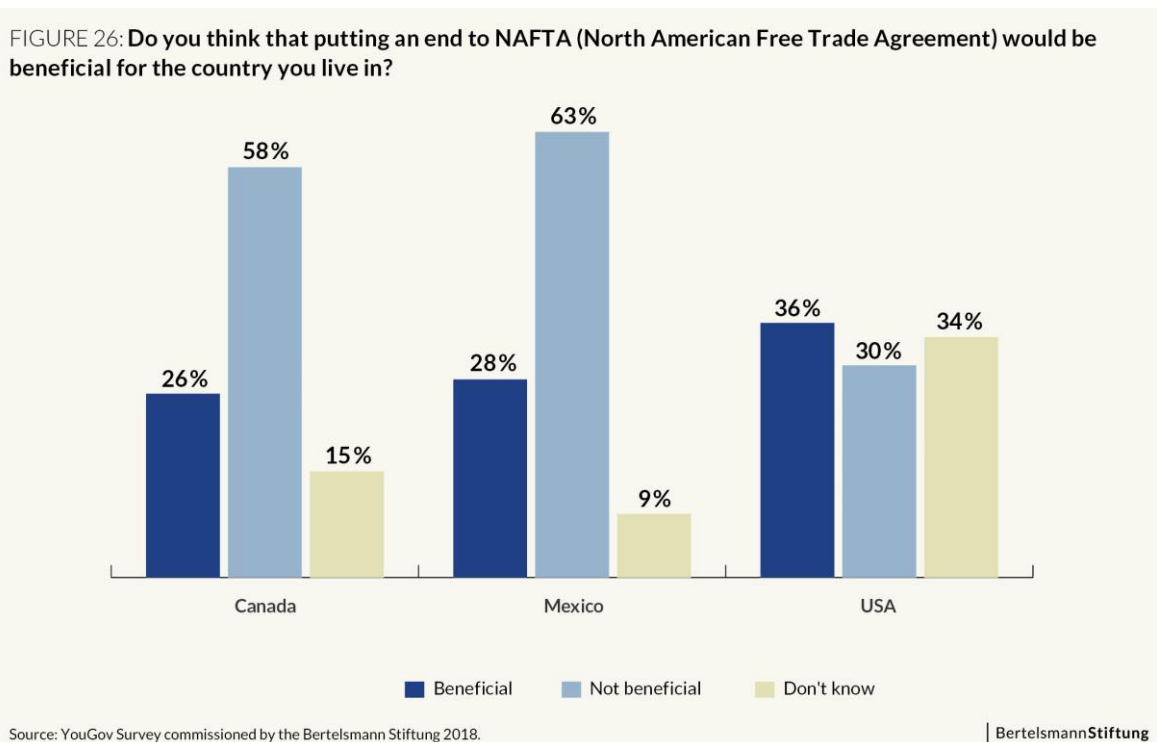
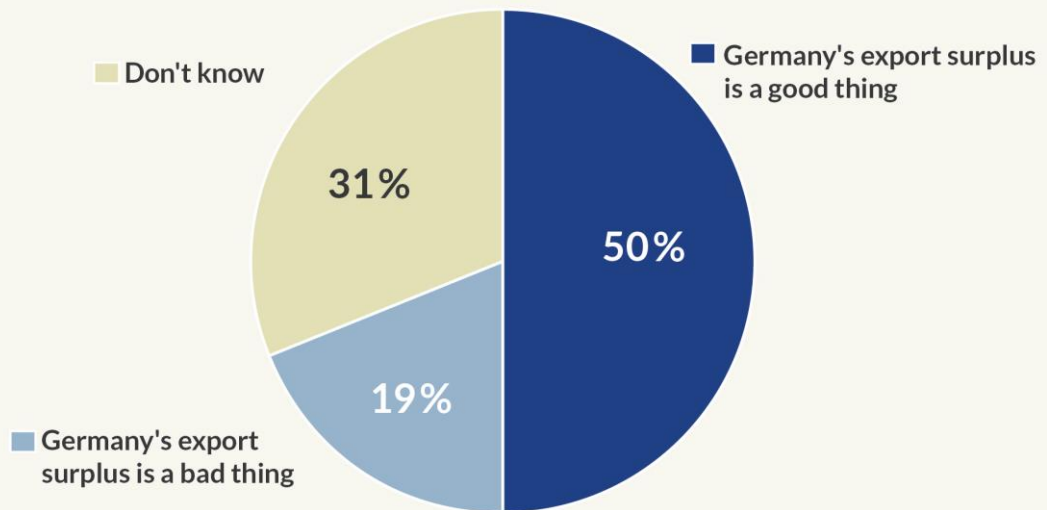


Figure 26: Opinions on NAFTA.

FIGURE 27: In general, what do you think about Germany's export surplus?

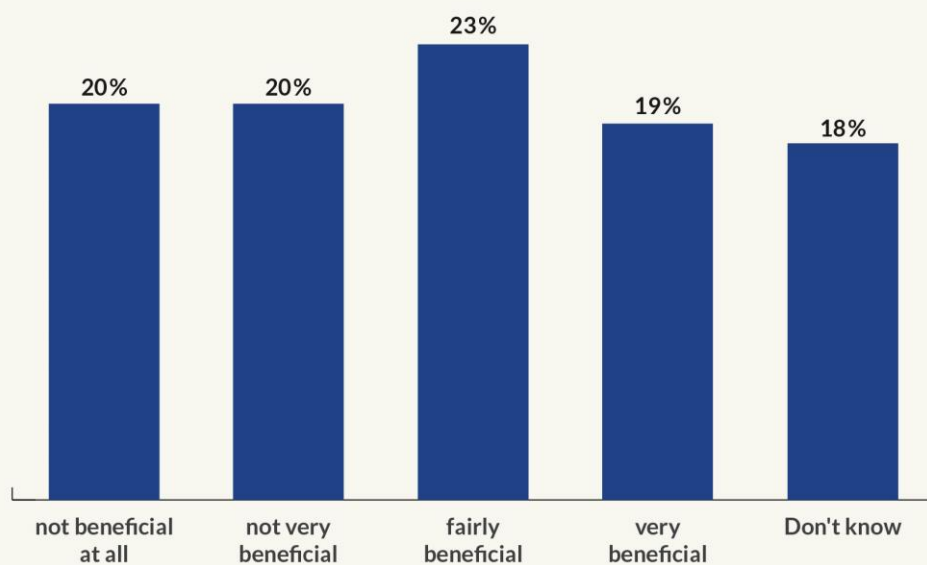


Source: YouGov Survey commissioned by the Bertelsmann Stiftung 2018.

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Figure 27: Opinions in Germany on the German current account surplus

FIGURE 28: For the British economy, do you think that Brexit will be ...?



Source: YouGov Survey commissioned by the Bertelsmann Stiftung 2018.

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Figure 28: Opinions in the UK on the economic effects of Brexit.

6 Winners and Losers of Globalisation

Globalisation and international integration of trade flows might be viewed as generally beneficial. But it is obvious that some countries are able to reap the benefits of globalisation more effectively than others. In the public discourse, countries are frequently described as winners and losers of globalisation. In order to understand which countries are viewed as winners or losers, we asked survey participants to undertake two rankings: First to name four countries (from a list) they believed have gained the most and then to repeat the exercise with four (from the same list) they believed have lost the most. The results are presented in Table 1 below.

The table ranks the winners and losers according to the international average of the ranking a specific country was given. E.g. China was frequently ranked first or second. On that basis, we would first compute the average ranking of China for any given country and then establish the international average. Since respondents could only rank four countries, they were each bound to leave out some entirely. The percentage of the countries that were or were not ranked is also presented in the table, as this can be interpreted as an indicator of the certainty of the ranking. (When the percentage for 'not ranked' is higher, this means that fewer people are certain that this country should be ranked as a winner or a loser).

The results are highly interesting. As an international average, the US is ranked as the country that gained the most. Among developed economies, and in America itself, the US is ranked as second – while the emerging economies see it as the largest winner of globalisation. Interestingly, the US also ranks high – in second place – among the losers, again including at home. However, here the percentage of people who do not mark the USA as a loser is much higher than for any other country in the top places among the losers. This indicates that only a few people view the US as a loser from globalisation but these must have ranked the US very high in this category.

China is also viewed as a big winner of globalisation, both in developed and emerging economies. India follows but already well behind. Africa as a region is viewed as the biggest loser. Most developed economies – such as Germany, Canada or the UK – rank somewhere in midfield. An interesting pattern is that when asked about the losers of globalisation in almost any country, people ranked their own country quite high – even when this does not match those in other countries.

TABLE 1:

Please rank up to four countries/regions that you think benefit the most from globalisation, starting with the country that gains the most.

	Total Average	Not Ranked	Developed	Emerging	Germany	USA	Japan	UK	France	Canada	Russia	India	Indonesia	Turkey	Mexico	China
1. USA	1,88	24%	2,00	1,77	2,30	2,10	1,60	2,00	2,00	2,00	1,70	1,90	1,80	1,70	1,60	1,90
2. China	1,95	24%	1,80	2,10	1,80	1,70	1,90	1,80	1,70	1,90	2,00	2,30	2,20	2,20	2,10	1,80
3. India	2,73	57%	2,63	2,82	2,70	2,60	2,70	2,60	2,60	2,60	2,90	2,40	3,00	2,80	3,00	2,80
4. Japan	2,76	50%	2,83	2,68	2,90	2,80	2,80	2,90	2,80	2,80	2,60	2,80	2,40	2,80	2,80	2,70
5. Canada	2,83	68%	2,85	2,82	3,00	2,70	3,00	3,00	2,90	2,50	2,80	2,80	2,80	2,70	2,90	2,90
6. Germany	2,84	54%	2,80	2,88	2,30	3,00	2,90	2,80	2,80	3,00	2,80	3,00	2,90	2,80	2,90	2,90
7. Africa	2,84	75%	2,68	3,00	2,50	2,70	2,70	2,70	2,70	2,80	2,70	3,00	3,00	3,10	3,40	2,80
8. UK	2,89	61%	2,92	2,87	3,10	2,80	2,90	2,80	3,10	2,80	2,90	2,70	2,90	2,80	3,00	2,90
9. Latin America	2,89	74%	3,00	2,78	2,90	3,00	2,90	3,00	3,00	3,20	2,80	2,50	2,50	2,90	3,10	2,90
10. Turkey	2,93	78%	3,03	2,83	2,80	3,00	3,10	3,00	3,00	3,30	2,80	2,80	2,60	2,70	3,30	2,80
11. Russia	3,01	68%	3,03	2,98	3,00	2,90	3,00	3,10	3,10	3,10	3,10	2,90	3,00	2,90	3,10	2,90
12. Mexico	3,04	73%	2,98	3,10	3,10	2,70	3,00	3,10	3,20	2,80	3,10	3,00	3,00	3,40	3,10	3,00
13. France	3,08	71%	3,02	3,13	2,80	3,00	3,00	2,90	3,10	3,30	3,20	3,10	3,30	3,10	3,20	2,90

Likewise please rank up to four countries/regions that you think suffer the most from globalisation, starting with the country that suffers the most.

	Total Average	Not Ranked	Developed	Emerging	Germany	USA	Japan	UK	France	Canada	Russia	India	Indonesia	Turkey	Mexico	China
1. Africa	1,88	28%	1,82	1,93	1,60	1,90	2,00	1,80	1,70	1,90	2,10	2,10	1,80	1,80	1,70	2,10
2. USA	2,12	72%	2,13	2,10	2,60	1,40	2,10	2,20	2,60	1,90	2,50	2,00	1,90	1,90	2,60	1,70
3. India	2,43	47%	2,50	2,37	2,50	2,50	2,60	2,40	2,50	2,50	2,60	2,10	2,00	2,60	2,60	2,30
4. China	2,48	76%	2,48	2,47	2,60	2,60	2,30	2,40	2,50	2,50	2,70	2,10	2,80	2,50	2,80	1,90
5. Latin America	2,53	38%	2,43	2,62	2,40	2,50	2,20	2,40	2,50	2,60	2,50	2,80	2,70	2,80	2,40	2,50
6. Japan	2,61	68%	2,62	2,60	2,80	2,60	1,90	2,90	2,80	2,70	2,60	2,50	2,30	3,00	3,00	2,20
7. UK	2,62	61%	2,57	2,67	2,70	2,60	2,60	2,00	2,70	2,80	2,60	2,40	2,60	2,90	2,90	2,60
8. Germany	2,63	65%	2,63	2,62	1,80	2,90	2,50	2,70	2,90	3,00	2,40	2,60	2,70	2,60	2,70	2,70
9. Russia	2,71	58%	2,80	2,62	2,90	2,90	2,60	2,80	2,90	2,70	2,20	2,40	2,80	2,70	3,10	2,50
10. France	2,75	60%	2,70	2,80	2,80	2,90	2,80	2,80	1,90	3,00	2,40	2,90	2,80	2,90	3,00	2,80
11. Mexico	2,79	42%	2,75	2,83	2,90	2,60	2,80	2,80	2,90	2,50	2,80	2,70	2,90	3,00	2,70	2,90
12. Turkey	2,79	48%	2,88	2,70	2,90	2,70	3,00	2,90	3,00	2,80	2,90	2,70	2,80	2,20	2,90	2,70
13. Canada	2,88	65%	2,82	2,93	2,80	2,80	3,10	3,10	3,20	1,90	3,00	2,60	3,10	2,90	3,20	2,80

Source: YouGov Survey commissioned by the Bertelsmann Stiftung 2018.

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7 Liked and Disliked Trading Partners

The US government has frequently accused China and Germany of boosting their trade with other countries through unfair practices, thus harming their trading partners. In our survey, we wanted to find out whether this view is widely shared. Thus, we asked participants to say whether they believe that increasing trade with a certain country or region would be beneficial or not to their own country. The findings are presented in Table 2.

The most preferred trading partner in the world is Japan – swiftly followed by Germany and Canada. Both in the developed and the emerging world, these countries are seen as partners with whom trade is beneficial. Even in the US, Germany is viewed as a beneficial partner, just below Canada and the UK. What is true, however, is that for any of these countries, approval rates in the US are lower than for many other countries in our sample.

China comes top of countries with whom trade is not viewed as beneficial. This applies both to developed and emerging economies. Interestingly, the US population has a larger aversion to trading with Russia than China – though both rank high.

TABLE 2:

Increased trade with this country/region would be a good thing for my country:

	Total Average	Developed	Emerging	Germany	USA	Japan	UK	France	Canada	Russia	India	Indonesia	Turkey	Mexico
1. Japan	74%	64%	83%	61%	61%		69%	56%	74%	87%	82%	88%	74%	85%
2. Germany	72%	67%	78%		62%	66%	69%	65%	74%	84%	77%	79%	65%	84%
3. Canada	71%	67%	74%	65%	69%	67%	73%	61%		71%	80%	70%	60%	90%
4. France	71%	67%	74%	68%	61%	63%	68%		74%	81%	75%	76%	57%	83%
5. UK	68%	63%	74%	54%	64%	65%		59%	72%	73%	80%	82%	55%	81%
6. USA	65%	61%	69%	51%		63%	66%	51%	74%	63%	83%	71%	54%	73%
7. Latin America	56%	50%	62%	44%	50%	51%	53%	45%	57%	67%	61%	56%	46%	82%
8. China	55%	48%	63%	48%	46%	31%	61%	38%	62%	76%	54%	55%	63%	68%
9. India	55%	50%	62%	44%	47%	58%	59%	39%	52%	74%		60%	52%	62%
10. Russia	54%	43%	72%	46%	33%	42%	44%	43%	48%		74%	68%	73%	72%
11. Mexico	51%	49%	55%	42%	51%	50%	49%	38%	65%	61%	60%	54%	45%	
12. Africa	50%	47%	53%	41%	47%	51%	52%	43%	49%	54%	62%	49%	51%	50%
13. Turkey	50%	39%	66%	28%	36%	53%	43%	28%	47%	75%	60%	74%		55%

Increased trade with this country/region would be a bad thing for my country:

	Total Average	Developed	Emerging	Germany	USA	Japan	UK	France	Canada	Russia	India	Indonesia	Turkey	Mexico
1. China	27%	30%	23%	27%	30%	47%	15%	39%	24%	16%	35%	15%	24%	24%
2. Africa	23%	22%	23%	27%	20%	16%	14%	30%	24%	23%	17%	27%	25%	24%
3. Turkey	22%	28%	14%	43%	25%	12%	21%	44%	23%	14%	16%	9%		17%
4. Russia	22%	29%	12%	26%	36%	29%	24%	30%	27%		10%	12%	15%	12%
5. India	21%	22%	19%	25%	22%	13%	13%	34%	26%	12%		23%	23%	17%
6. USA	20%	18%	21%	24%		16%	11%	27%	14%	24%	9%	21%	33%	21%
7. Mexico	20%	21%	19%	22%	24%	16%	14%	30%	19%	15%	16%	20%	23%	
8. Latin America	18%	19%	17%	22%	20%	16%	12%	26%	19%	14%	16%	20%	25%	10%
9. UK	13%	13%	12%	19%	8%	9%		19%	10%	12%	8%	8%	24%	7%
10. Japan	10%	13%	8%	12%	13%		5%	20%	12%	5%	8%	6%	13%	8%
11. Germany	10%	10%	10%		10%	8%	6%	15%	9%	7%	8%	6%	21%	7%
12. France	10%	9%	11%	8%	11%	9%	7%		8%	7%	9%	7%	26%	6%
13. Canada	9%	8%	10%	8%	7%	6%	3%	16%		11%	7%	9%	19%	5%

Source: YouGov Survey commissioned by the Bertelsmann Stiftung 2018.

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8 Conclusion

Trade remains a highly controversial topic – more so by the day, it seems. Our survey shows that people’s views are in fact more nuanced than some populist voices give them justice. For most, it is clear that trade and globalisation bring many opportunities for growth, employment and development. They are not naïve about possible negative effects – such as pressure on wages or job security – but this does not alter their overall support for the international exchange of goods and services.

What they do ask from politicians is not protectionism as such but better safeguards from these negative effects. Since many are dis-satisfied with the current level of insurance provided by their respective governments, some turn towards protectionist tendencies.

The policy implications are clear: The societal consensus backing greater integration of the world economy so as to reap the benefits but to compensate any potential losers is in danger. If too many people feel that increased trade could result in a deterioration of their personal situation from which it is hard to recover, sustaining the consensus in favour of free trade will become tougher. Therefore, it is vital to mitigate the negative impact of structural change more effectively. Protectionism does not protect. Rather, a strong safety net is the appropriate tool to foster support for trade and globalisation.

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