Americans on CAFTA and U.S. Trade Policy

July 11, 2005

Majority Ready to Support CAFTA, If More Trade Adjustment Assistance and Enforcement of Labor Standards

Full Report
Ouestionnaire

As the House of Representatives enters into intensive debate over ratification of the Central American Free Trade Agreement (CAFTA), a new PIPA-Knowledge Networks poll finds that a majority of Americans is ready to support CAFTA, but only if the United States also makes a commitment to greater trade adjustment assistance to help US workers and greater enforcement of labor standards in Central American countries.

When asked about the Central American Free Trade Agreement per se just half of respondents (50%) said they favor Congress approving it. In stark contrast to the partisan polarization in Congress, support did not differ by party affiliation--50 percent of Republicans were in favor, as were 51 percent of Democrats. The recent Senate vote on CAFTA, however, showed 78 percent of Republicans in favor and 73 percent of Democrats opposed.

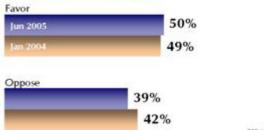
Most striking, when asked, "Suppose the U.S. government, as part of CAFTA, were to commit to substantially increase federal spending on programs to help American workers who lose their jobs, and to make sure that Central American countries enforce health and safety standards for their workers" then support for CAFTA jumped to 65 percent. Here too there is a remarkable amount of bipartisan consensus. With these provisions support for CAFTA jumped to 61 percent among Republicans and 73 percent among Democrats.

Steven Kull comments, "While in Congress there may be a polarized and partisan debate between those who extol the general economic benefits of trade and those who worry about the effect of trade on U.S. workers, the U.S. public favors a grand bargain: allowing the growth of trade provided there is more help for workers at home and more enforcement of labor standards abroad."

Consistent with attitudes about CAFTA, the poll also found broader dissatisfaction with U.S. trade policy. Presented three options only 16 percent endorsed current government policy saying, "I support the growth of international trade in principle and I approve of the way the US is going about expanding international trade." But only 23 percent chose a position in opposition to the growth of trade. Rather 56 percent chose the position "I support the growth of international trade in principle, but I am not satisfied with the way the U.S. government is dealing with the effects of trade on American jobs, the poor in other countries and the environment."

Support for CAFTA

As you may know, 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. Would you favor or oppose Congress approving such a new agreement?



PIPAIKN 7/2005 A clear majority of respondents said that

the US should do more to help workers who are suffering from the growth of trade-Trade Adjustment Assistance. Sixty-three percent said that "government efforts to help retrain workers who have lost jobs due to international trade" are not adequate (26% adequate, 5% more than adequate). However when respondents were also presented the argument that "such efforts just create big government programs that do not work very well" support was a bit lower--56 percent in favor with 38% opposed.

An overwhelming majority--90 percent--said that countries that are part of international trade agreements should be required to maintain minimum standards for working conditions. Similarly 83 percent agreed that, "While we cannot expect workers in foreign countries to make the same wages as in the U.S., 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."

Support for enforcing labor standards is not just derived from concerns that lack of enforcement abroad will make American workers less competitive. Seventy-four percent endorsed the view that, "if people in other countries are making products that we use, this creates a moral obligation for us to make efforts to ensure that they do not have to work in harsh or unsafe conditions" while just 24 percent endorsed the view that, "it is not for us to judge what the working conditions should be in another country."

It appears that the American public would be quite responsive to the Bush administration's talk about reducing farm subsidies, provided that small farmers were still protected. Seventy percent of respondents opposed providing subsidies to large farming businesses and only 9 percent favored providing subsidies to large farming businesses on a regular annual basis. In fact over 80 percent of US farm subsidies go to large farming businesses on a regular annual basis.

On the other hand, 74 percent favor providing subsidies to small farms (under 500 acres). However, only 28 percent (of the whole sample) favored giving small farmers regular annual subsidies, while 47 percent favored giving them only in bad years. In fact most such subsidies are given on a regular annual basis. Steven Kull comments, "The public would oppose eliminating all farm subsidies because they want to protect small farmers in bad years. But 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 dramatically reduce the actual amount of U.S. farm subsidies and their negative effects on farmers in developing countries."

The poll found a few signs of a modest warming trend toward trade relative to PIPA's January 2004 study. Asked about the pace of "the process of increasing trade between countries through lowering trade barriers, such as taxes on imports" only 32 percent said that it was going too fast--down from 41 percent in January 2004. In the current poll, 41 percent said the process was going at the right pace (up from 31 percent in January 2004), and 19 percent said it was going too slowly (unchanged).

The poll of 812 respondents (margin of error +/- 3.5-4% depending on sample size) was fielded June 22-26 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.