Fewer Americans Favor Free Trade, Study Finds

By Marc Champion Wall Street Journal December 5, 2007

BRUSSELS -- Americans are becoming less likely than Europeans to favor free trade, foreign investment or immigration, according to a survey of opinion on both sides of the Atlantic, a break with stereotype that reflects growing unease and isolationism in the U.S. as the economy falters.

The survey, commissioned by the German Marshall Fund of the U.S., a think tank, and released today found that a growing number of people in the U.S. -- 57%, up from 51% in 2005 -- believe free trade costs more jobs than it creates. Europeans, meanwhile, have become less suspicious of trade's effects. Forty-six percent of Europeans surveyed said trade costs jobs, down from 50% in 2005, the survey said.

Similarly, fewer Americans said they favored freer trade. While 60% of Americans said they thought trade should be more free, that compared with 69% in Europe. Americans also showed the strongest aversion to foreign companies investing in their economy, with 40% saying they opposed it, compared with 30% for Europe as a whole. U.S. support for the North American Free Trade Agreement, or NAFTA, has also declined somewhat, to 60% from 64% last year.

Overall, a majority of Americans still support the principles of free trade and globalization, but that support is waning, according to the survey. Candidates for the Democratic Party's presidential election nomination have picked that theme up as they campaign ahead of the primaries. At the same time the survey found that Europe, often derided for its protectionist instincts and resistance to immigration, has become slightly more open. Those diverging trends may reflect simple economic circumstances. Europe's economy has been recovering lately from a long period of stagnation, while economic growth in the U.S. has been declining.

Peter Mandelson, the European Union's top trade negotiator commented on the U.S. trend in a speech today, at a seminar on globalization in Brussels. He described as "a disappointing sign of the times" New York Sen. Hillary Clinton's comments in a Financial Times interview this week, where she said that if elected president she would have to rethink the value of pursuing the so-called DOHA round of global free trade talks. She also talked up the need to protect U.S. businesses and jobs from free, but unfair trade.

Europe's relatively strong scores on openness to trade were more remarkable given that they were dragged down by severe skepticism in France. For example, only 37% of French people surveyed said they favored making trade more free, compared with 84% in the United Kingdom, 74% in Germany and 60% in the U.S.

On immigration too, the traditionally immigrant-friendly U.S. was less enthusiastic than the old world about the contribution immigrants make. Whereas 52% of Americans said they agreed immigrant workers contribute to high tech industries, the European average was 57%, and highest in Germany and the U.K., 74% and 68%, respectively.

Despite those results, Americans said they felt less threatened by China economically than Europeans, with the exception of the British. On both sides of the Atlantic, 64% in the U.S. and 69% in Europe, solid majorities said they favored making trade between the U.S. and Europe easier.

"After more than five decades of robust trade and investment integration since World War II, Americans and Europeans see even further gains to be made by deepening the transatlantic marketplace," said Craig Kennedy, president of the German Marshall Fund in a statement.

Releasing the survey, the German Marshall Fund also drew a link between fears of competition from China, immigration and trade-related job-losses on one side, and support for closer economic integration and trade between the U.S. and Europe on the other.

TNS Opinion polled 1,000 people in each of seven countries for the survey, namely the U.S., France, Germany, Italy, Polamd, Slovakia and the United Kingdom. The poll was conducted from Sept. 10 to 24. The maximum margin of error was plus or minus three percentage points.

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