

The Harvard Globalization Survey

Economic and Political Responses to Global Markets

Michael J. Hiscox
Harvard University
October 2008

PROJECT SUMMARY

Globalization – the growth in world trade, investment, and immigration – has provoked strong and varied responses from firms, workers, labor unions, and activist groups. Some have supported trade liberalization and the removal of restrictions on cross-border flows of capital and labor. Others have lobbied for new government regulations that would limit trade, investment, and immigration. Some have supported private forms of governance aimed at addressing social and environmental issues raised by globalization without government intervention.

As the political debates about globalization intensify, it is unsettling to realize that we actually know very little about how different actors and groups are responding to globalization, why, and with what effect. Existing empirical studies are dedicated almost exclusively to gauging public attitudes towards globalization. There is almost no systematic, micro-level evidence on the preferences and behaviors of the main economic and political actors – evidence that would allow us to answer a range of critical questions. Such questions include:

- Which types of **firms** are lobbying governments for protection from foreign competition in the form of restrictions on trade and investment? Which firms are pushing for relaxing controls on immigration? What factors affect firms' choices of offshore operating locations and foreign suppliers? Which firms have adopted certified codes of conduct to meet labor and environmental standards?
- Which types of **workers** are most in favor of restrictions on trade, investment, and immigration? How do workers obtain information about these issues? What types of factors affect workers' choices about skill acquisition and relocation?
- Which **trade associations** and **labor unions** are lobbying most forcefully for more restrictions on imports, on foreign investment, and on immigration? How do they reconcile differences in views on these issues among their diverse memberships? How do they obtain information about these issues from their members, and how do they distribute information to members? Which groups are most supportive of private governance initiatives.
- Which **policymakers** support new regulations to restrict flows of goods, capital, or labor? How do policymakers assess the effects of globalization on firms and workers in their electoral districts? Which actors make the strongest demands of them? How do they evaluate attitudes among voters in their constituencies?

The HGS project will conduct a **coordinated set of surveys** to gather evidence to answer these types of questions. The project consists of surveys of a large sample of firms and workers in a number of key industries (see list attached), matched with surveys of trade associations and labor

unions in the same industries and with surveys of legislators representing electoral districts in which those industries are heavily concentrated. The surveys will collect detailed data on the policy preferences and political and economic characteristics and activities of firms, workers, organizations, and policymakers.

Initial surveys administered in the United States will be followed by similar survey in Japan, Australia, Canada, and a select set of European nations.

This is an **omnibus project** that aims to make new empirical evidence available to scholars conducting research in several academic fields. In particular, it will provide new, cross-national evidence on:

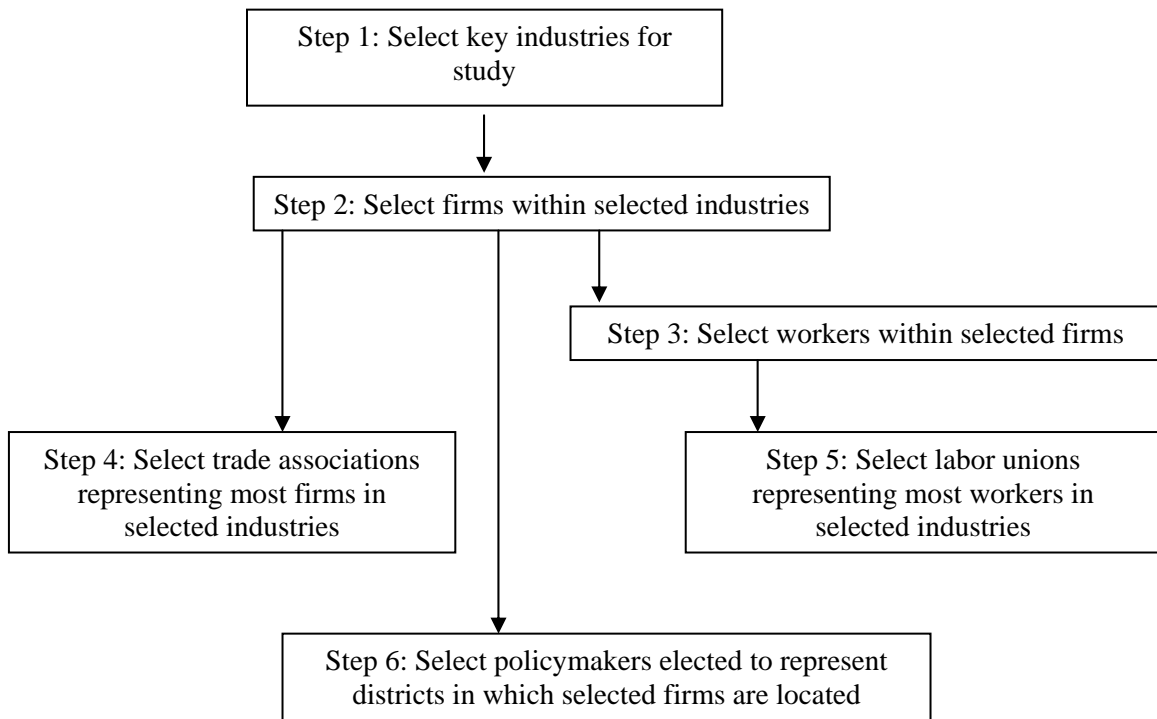
- policy preferences of firms, workers, groups and policymakers
- lobbying activities of firms, workers, and groups
- principal-agent relations between firms and trade associations, workers and labor unions, and firms/groups and policymakers
- types and sources of information about policy issues relied upon by firms, individuals, and policymakers
- political and economic determinants of firms location decisions
- determinants and effects of private governance initiatives addressing social and environmental standards

A distinguishing feature of the project is its **multi-layered design**: micro-level data (on firms and workers) is matched with sector-level data on trade associations and labor unions, and with legislature/district-level data on policymakers.¹ The design allows specifically for the analysis of the political interactions between actors at all the different levels.

The chart and table below outline the design and each of the 5 main components or modules.

¹ The only previous study to employ this type of approach was the classic, *American Business and Public Policy*, published by Raymond Bauer, Ithiel de Sola Pool, and Lewis Dexter in 1963. See “Project Background” for a detailed discussion.

DESIGN OUTLINE: NESTED SAMPLE SELECTION



DESIGN OUTLINE: MODULES

	Sample	U.S. Examples:		
Survey Module	For each selected industry:	Motor vehicles and parts (SIC 371)	Steel mills, iron and steel (SIC 331-2)	Telecommunications (SIC 481)
1 Firms	Sample of businesses in selected industries (200+ employees)	Ford; General Motors	US Steel; Gallatin Steel	Verizon; T-Mobile
2 Workers	Sample of employees in selected firms	Dearborn, MI 48126; Warren, MI 48088	Braddock, PA 15104; Ghent, KY 41045	Irving, TX 75015; Bellevue, WA 98015
3 Trade Associations	Major business group representing firms	Alliance of Automobile Manufacturers	American Iron and Steel Institute	Telecommunications Industry Association
4 Labor Unions	Major labor union representing workers	United Auto Workers	United Steelworkers	Communications Workers of America
5 Policymakers	Elected representatives in districts matching firm locations	Sen MI: Levin (D); Stabenow (D) Rep Dearborn MI (Dist 14,15): Conyers (D); Dingall (D); Rep Warren MI (Dist 12): Levin (D)	Sen PA: Specter (R); Casey (D); Sen KY: McConnell (R); Bunning (R) Rep Braddock PA (Dist 14): Doyle (D); Rep Ghent KY (Dist 4): David (R)	Sen TX: Hutchison (R); Cornyn (R); Sen WA: Murray (D); Cantwell (D) Rep Irving TX (Dists 24, 32): Marchant (R); Sessions (R); Rep Bellevue WA (Dist 8): Reichert (R)