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From: Stan Greenberg, Greenberg Research

## **How Progressives Can & Must Engage on NAFTA Renegotiations** Findings from National Poll

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Trade stands out from every other policy issue because Donald Trump's unhappiness with the status quo is shared by virtually all progressive advocacy groups and nearly all Democratic Members of Congress who are otherwise fighting Trump every day. It is urgent for progressives to engage on trade because Trump has triggered the renegotiation of the North American Free Trade Agreement (NAFTA), which will likely conclude early next year or sooner if the president gives the six-month notice provided for in NAFTA to withdraw the U.S. as a signatory. The president also has the 'fast track' authority won by President Obama that guarantees him a vote 90 days after he submits an amended agreement to the Congress, with amendments, Senate filibuster and supermajority voting forbidden.

At a time of great peril for our democracy and deepening public opposition to Donald Trump on many fronts, he wins high marks from voters on handling trade and advocating for American workers: 46 percent approve of his handling of trade agreements with other countries, 51 percent, his 'putting American workers ahead of the interests of big corporations' and 60 percent, how he is doing "keeping jobs in the United States."<sup>1</sup>

The Republicans continue to hold an advantage over Democrats on handling the economy in polling.<sup>2</sup> And frankly, Democrats' advantage in the generic congressional ballot is not as impressive as it should be (8-point lead among registered voters but only 5 among likely voters), as Democrats in Congress seem focused on everything but economic issues. The Democrats' silence on the trade issue this year and in the 2016 presidential election – even though three-quarters of House and Senate Democrats opposed trade authority for the TPP – contributed mightily to Trump's victory in many of the Rustbelt states and to the Democrats' current disadvantage on the economy.

Progressives need to communicate that they are fighting for American jobs, for raising incomes and wages and for putting the interests of American workers before corporations who shaped NAFTA and are now using it to accelerate job outsourcing, which our research showed is viewed by voters as the greatest threat to America's living standards.

Fighting for the right major changes to NAFTA is broadly popular among Trump voters as well as the college educated and diverse Clinton voters who are more conflicted about trade, TPP and NAFTA.

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<sup>1</sup> This memo is based on a national phone survey of 1,000 registered voters, using 60 percent cell phones, conducted September 30-October 6, 2017 by Citizen Opinion on behalf of Public Citizen. The polling was preceded by six focus groups among white working class Obama-Trump voters in Macomb County, MI and Oak Creek, WI and college educated Clinton voters in Seattle Washington in July 2017.

<sup>2</sup> According to a June 2017 [NBC/Wall Street Journal poll](#) of 900 adults nationwide, the Republican Party has a 7-point advantage over the Democratic Party on dealing with the economy (36 to 29).

Focusing on NAFTA in the right way and calling out Trump on what changes he is really fighting for allows progressives to speak powerfully on the economy, lagging wages and American jobs.

### **Outsourcing and trade agreements**

What Donald Trump knows and all progressives must understand is that for voters, the trade issue is not about trade agreements per se. It is about the outsourcing of good paying American jobs that these agreements facilitate.

What many activists will find most challenging is how little voters dwell on the agreements themselves and how uncertain most of them are about their effects on the economy, jobs and living standards. Even though TPP was debated nationally in the presidential contest and championed by Trump and Obama, only 59 percent of voters in our recent poll could identify it now. In focus groups conducted this summer, Trump and Clinton voters struggled to remember what TPP was all about.

A sizeable number are unsure of NAFTA's impact: 15 percent unsure on the economy, 20 percent on jobs and 26 percent on whether it damaged the environment.

People *do* hold strong views, become animated in focus groups, and connect the dots to their daily lives when 'outsourcing' is brought up. Nearly 60 percent view 'outsourcing' negatively, with nearly half intensely negative; only 11 percent view 'outsourcing' favorably, putting it in the same league with Vladimir Putin.<sup>3</sup> Just hearing the word in focus groups made both non-college educated voters in the Midwest states and college-educated Seattle voters see red: those are "*middle income jobs*," companies who outsource are "*traitors*" and "*should be financially penalized*."

It is outsourcing that is at the heart of people's anger with CEOs and big corporations that pursue profits by shifting investments to places with much cheaper labor costs, without any loyalty to their country, company and employees. That anger unites college graduates and white working class voters: 59 percent of the latter react negatively to outsourcing, and the college voters are almost 10-points more negative.

Progressives' entry point to the trade debate is not the trade agreement themselves, but the outsourcing that people view as the biggest and growing threat to decent paying American jobs. NAFTA renegotiations give progressives an opportunity to talk about an economy where jobs don't pay enough to live on, which will improve their standing on the economy, while also advocating for changes to NAFTA and the U.S. approach to trade that can really lead to more, better paying American jobs.

### **Beyond partisanship**

NAFTA is divisive and polarizing – but progressives hoping to ignore the issue allow Trump to continue to prevail on American jobs. If progressives make 'outsourcing' the entry point into the trade debate, they can unite Democrats and Trump voters around effective criticisms of NAFTA and messages demanding Trump deliver major changes.

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<sup>3</sup> Vladimir Putin viewed favorably by 15 percent of adults nationwide in a Bloomberg poll conducted July 8-12, 2017.

Our research shows Democratic voters become critical of trade agreements and NAFTA when they realize how corporate special interests are lobbying in secret to include provisions that provide special powers to corporations to sue the U.S. government before tribunals of corporate lawyers over our laws to demand taxpayer money or insert provisions into NAFTA to reverse Dodd-Frank Wall Street regulations. This was also true over the course of the TPP debate, as Democrats and progressives became educated about these very same issues. Our recent research showed that college graduates are more anti-corporate than the white working class – which explains why they react more strongly to an anti-corporate NAFTA message and against Investor-State Dispute Settlement (ISDS) and its corporate tribunals.

Together, a critique of NAFTA for facilitating outsourcing and failing to put American workers ahead of corporations shifts Democrats even more dramatically against NAFTA.

### **Wide support for changes to NAFTA**

Support for changing NAFTA is broad. A 43 percent plurality wants to see major changes to NAFTA, while just 39 percent are looking for more modest adjustments. Even fewer Trump and white working voters are looking for small changes. After hearing criticisms of NAFTA – effectively simulating the national debate on NAFTA that is unfolding – the bloc demanding major changes comes to dominate among minority voters (59 percent), metro residents (57 percent), college graduates (55 percent), and Clinton voters (51 percent) too.

Getting this strategic context right enables progressives to focus the battle on what changes need to happen. If Trump isn't really pushing for the kinds of changes that are most important for voters, he could be marginalized by the NAFTA debate itself.

### **Voters' Top Priorities for NAFTA Change Not Same as Trump's**

The strongest attack on NAFTA is a change the administration is failing to prioritize – and one that is critically important to the progressive agenda on trade and to progressives speaking about an economy that must produce more better-paying American jobs.

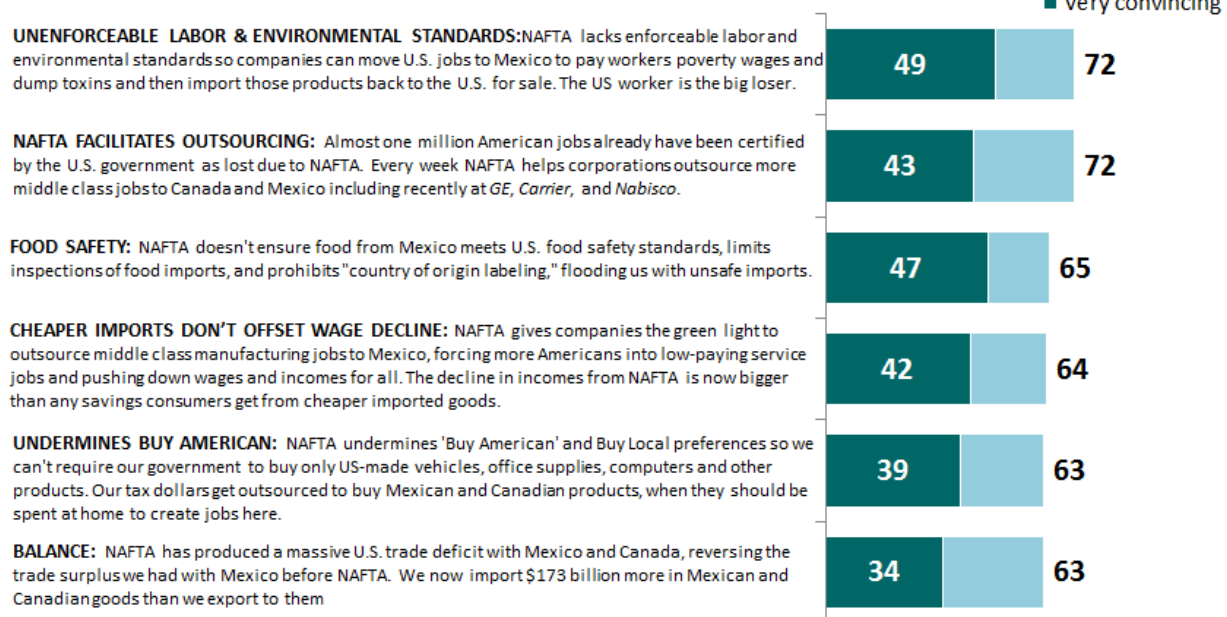
The most convincing argument for major changes says that American workers are losing because NAFTA lacks enforceable “labor and environmental standards so companies can move U.S. jobs to Mexico to pay workers poverty wages” and dump pollutants and “import those products back to the U.S. for sale.” Over 80 percent of Trump voters and over 60 percent of Clinton voters found that a convincing argument against the current NAFTA. But new terms to remedy this do not appear to be at the top of the Trump trade agenda in the leaked stories about the negotiations.

The second strongest critical argument focuses on how NAFTA has facilitated the outsourcing of good “middle class jobs to Canada and Mexico” and continues to do so every week. That was a convincing argument to 85 percent of Trump voters and 61 percent of Clinton voters.

In the next tier are arguments about the safety of our food, which also receives an intense reaction. NAFTA limits our ability to ensure food safety, which is very concerning to 63 percent of Trump voters, 54 percent of white working class voters and 42 percent of college graduates.

College graduates express a lot of concern after hearing about Investor-State Dispute Settlement – or the “special powers” given to corporations to “sue the government over our health and safety laws” for unlimited “U.S. taxpayer money.” This raised concerns among 60 percent of college graduates.

*These are some reasons why some in the Trump Administration and progressive groups like unions and environmental and consumer groups oppose NAFTA in its current form. For each statement tell me whether it is a very convincing reason to oppose NAFTA, somewhat convincing, a little convincing, or not at all convincing.*

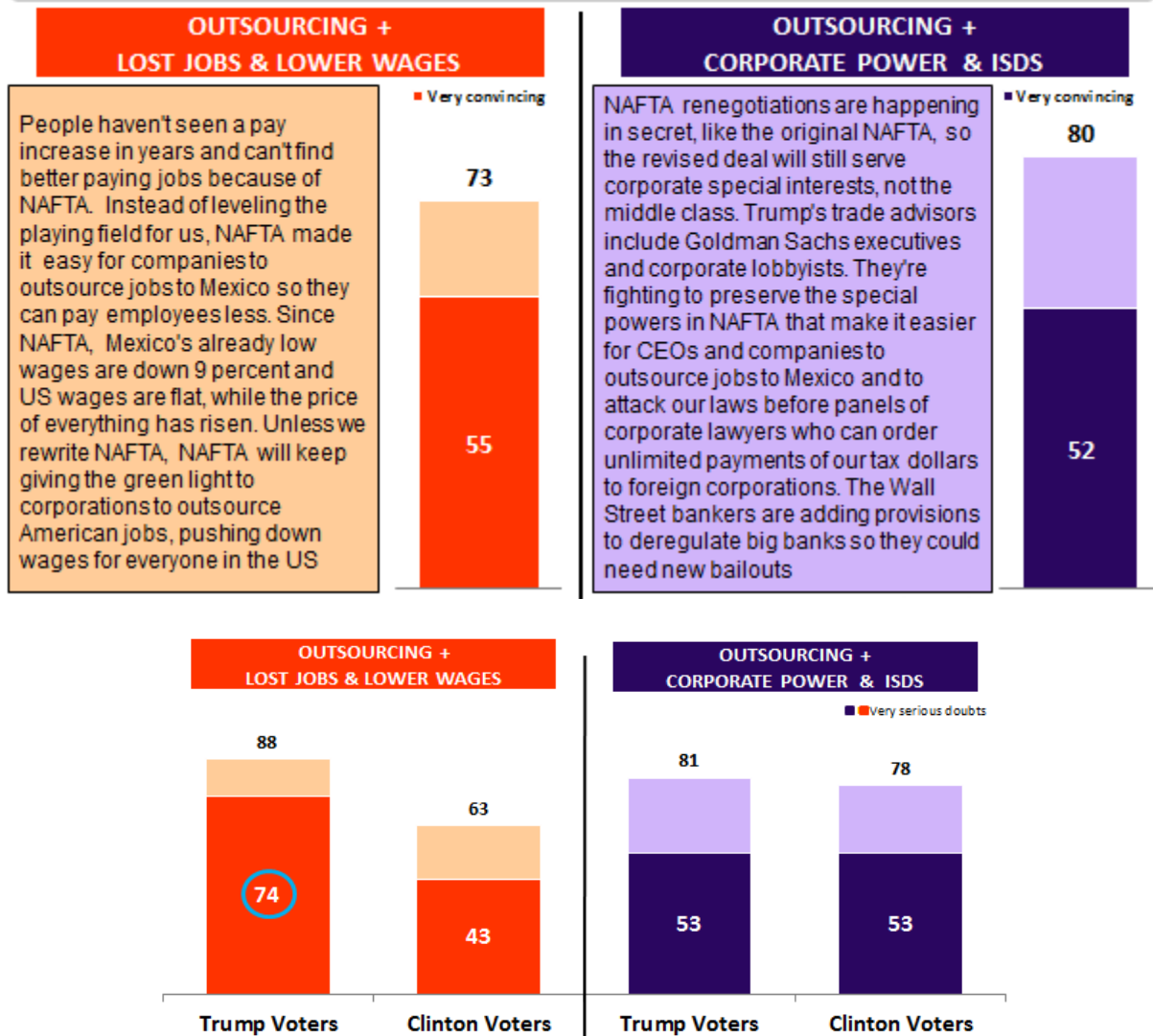


Interestingly, one of Trump’s main critiques – the trade balance - scored lower and had the lowest intensity. The key here is that progressive critiques of NAFTA are the ones that voters find most concerning.

**Impact of Messaging**

The strongest message that gets to Trump voters, but also rings powerfully true for Clinton voters, focuses on how NAFTA facilitates outsourcing, producing an economy where people haven’t seen a pay increase in years, which will continue to worsen unless NAFTA changes. Rather than leveling the playing field for us, NAFTA “make[s] it easier for companies to outsource jobs to Mexico” where they “can pay employees less” so since NAFTA went into effect, our wages have “been flat.” It says that major changes are needed to NAFTA or else it will continue to give the “greenlight to corporations to outsource American jobs, pushing down wages for everyone in the US.”

These are some reasons why some people say we must withdraw from NAFTA unless the Trump Administration can make major changes during the renegotiations. For each statement tell me whether it raises very serious doubts about NAFTA, somewhat serious doubts, minor doubts, or no real doubts.



By transforming the trade debate into a big economic argument with outsourcing as the main problem, progressives become the advocates for more American jobs with higher wages and salaries.

After a simulated debate where everyone heard competing arguments, half a trade-outsourcing message focused on the ongoing job loss and wage decline, and half a trade-outsourcing message focused on corporate power and privileges, voters are much more likely to believe NAFTA has been damaging and demand major changes. They are more likely to say it is bad for the economy and jobs.

While the shifts are considerable no matter which argument and message, those who heard about ongoing job losses and wage decreases were much more likely to become convinced NAFTA has hurt their own ability to get good, decent-paying jobs (+21-point shift versus +13 point shift). That is the most important change if progressives are to use the NAFTA debate to improve their credibility on the economy.