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US VERSUS THEM

Mass Attitudes toward Offshore Outsourcing

BY EDWARD D. MANSFIELD and DIANA C. MUTZ*

THE movement of jobs overseas has caused mounting anxiety in the United States over the past decade. Various referred to as “outsourcing,” “offshoring,” or “offshore outsourcing,” this phenomenon first started to arouse concern in the US at the turn of the twenty-first century, when the conclusion of an economic downturn was followed by a tepid recovery in the US labor market. As China, India, and the post-Communist states took steps to increase their engagement with the global economy, an extra 1.3 billion workers joined the global workforce, nearly doubling its size and raising fears that US firms would relocate jobs overseas to cut labor costs.¹ This issue rose to prominence during the 2004 presidential election, when Senator John Kerry accused President George W. Bush of promoting outsourcing and lambasted “Benedict Arnold CEOs” for moving jobs abroad. Since then, this issue has continued to stimulate widespread public interest. A burgeoning literature on the economics of outsourcing and offshoring has emerged, but few studies have addressed the politics of this phenomenon.² We aim to help fill this gap in the literature by providing an understanding of the origins of American attitudes toward outsourcing.

We begin by addressing differences in terminology among academics, policymakers, and the mass public. In popular discourse and the relatively few studies of mass opinion, the practice of moving jobs overseas has been referred to as “outsourcing, meaning when American

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¹ Blinder 2009a; Freeman 2009, 63.

² See, for example, Chase 2008; Margolit 2011.

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businesses hire workers in other parts of the world in order to save money.”³ Economists are more likely to use the term “offshoring” to refer to the same phenomenon, and politicians fall somewhere in between in their attempt to communicate with both popular and technical audiences, calling it “offshore outsourcing” or some other combination of terms. We thus use these terms interchangeably throughout this article.

Economists have argued that outsourcing is another form of international trade. As such, it should have the same sort of distributional consequences as foreign commerce. A growing number of studies have analyzed whether mass attitudes about trade and other aspects of globalization fall along the factorial or sectoral lines emphasized by various political economy models. Based on a representative national survey of Americans, however, we find little evidence that either an individual’s industry of employment or her occupation explains attitudes toward outsourcing. Instead, such attitudes tend to be shaped by ethnocentrism and antiforeign sentiment. Individuals who believe the US should take an isolationist stance on international affairs more generally, who feel a sense of national superiority, or who feel that members of other ethnic and racial groups are less praiseworthy than their own racial or ethnic group, tend to have particularly hostile reactions to outsourcing. In addition, opinions about outsourcing are shaped in important ways by how people understand the term and what kind of cues they receive from outside sources such as unions and political parties. Taken together, the results of our study strongly suggest that attitudes are shaped less by the economic consequences of this phenomenon than by what offshoring implies about heightened interaction with and dependence on out-groups, foreign firms, and foreign people.

DEFINING OUTSOURCING

The terms outsourcing and offshoring are frequently used synonymously in public discourse and sometimes in academic studies.⁴ Strictly speaking, however, outsourcing refers to whether or not the production process takes place entirely within a given firm, whereas offshoring refers to whether the production process is entirely domestic or includes foreign components.⁵ Outsourcing can be either domestic or foreign; it occurs whenever one firm contracts with another firm for goods or

³ See Pew Research Center for the People and the Press 2006.

⁴ See Rodrik 1997; Amiti and Wei 2005; Chase 2008; Marschall and Clawson 2010.

⁵ Blinder 2009a, 20–21; Feenstra 2010, 5–9.

services included in the production process. “Foreign outsourcing,” “international outsourcing,” and “offshore outsourcing” refer to the movement of part of the production process both outside the firm and overseas.⁶ Offshoring occurs when part of the production process is moved abroad, regardless of whether the relocated process is handled within or outside the firm.

However, as interest in the effects of international trade on the US labor market grew during the first years of the twenty-first century, Jagdish Bhagwati, Arvind Panagariya, and T. N. Srinivasan point out that “outsourcing took on a different meaning. It referred now to a specific segment of the growing international trade in services.”⁷ Although these scholars consider this new meaning to be the proper definition of outsourcing, they also acknowledge that public debate over this phenomenon has been muddled as the definition has become ever more elastic. In their words, “when many politicians, journalists and even some economists start discussing ‘outsourcing,’ they soon leap beyond purchases of offshore arm’s-length services to include, without analytical clarity, phenomena such as offshore purchases of manufactured components and even direct foreign investment by firms.”⁸

In this study, we use the terms outsourcing and offshoring interchangeably to describe the decision by a firm to locate part of the production process abroad and therefore shift some jobs overseas. When asking survey respondents about their opinions and perceptions, however, we use “outsourcing” since it is the most popular and widely recognized term for this phenomenon in popular political discourse.

Regardless of the public understanding of this term, economists emphasize that outsourcing is similar to international trade. By and large, they agree that the practice heightens national welfare by promoting a more efficient allocation of resources, thereby raising national income and increasing productivity.⁹ In congressional testimony and a widely covered press conference surrounding the 2004 *Economic Report of the President*, N. Gregory Mankiw, chair of President George W. Bush’s Council of Economic Advisers, stated that “outsourcing is just a new way of doing international trade. More things are tradable than were tradable in the past and that’s a good thing.”¹⁰ Mankiw’s comments

⁶ Mankiw and Swagel 2006; Feenstra 2010, 5–9.

⁷ Bhagwati, Panagariya, and Srinivasan 2004, 93.

⁸ Bhagwati, Panagariya, and Srinivasan 2004, 94.

⁹ Nonetheless, there are conditions under which outsourcing can undermine a country’s welfare. If, for example, outsourcing is accompanied by the transfer of leading technologies from one country to another country where work is being outsourced, then the initial state may suffer the erosion of its monopoly power in products produced using these technologies. See Freeman 2009, 66.

¹⁰ Weisman 2004, A6.

equating outsourcing with trade precipitated a political firestorm, but his views on this topic are widely shared among economists.

Below we turn to a discussion of the three leading models used to explain public attitudes toward trade and that, by extension, might explain attitudes toward outsourcing. It is unclear whether opinions on outsourcing and trade will dovetail. But in light of the dearth of research on attitudes toward outsourcing and the similarities that many observers draw between trade and outsourcing, studies of attitudes toward trade provide a logical point of departure for our analysis.

SELF-INTEREST

Various studies argue that attitudes about international trade are driven by its distributional implications. Some individuals gain economically from overseas commerce, whereas others lose. These studies maintain that the former tend to be more supportive of open trade than the latter.¹¹ In the same vein, outsourcing's distributional consequences may shape mass opinion about this phenomenon.

Analyses of these distributional consequences often emphasize that the US has an abundance of high-skilled labor and a scarcity of low-skilled labor relative to the rest of the world.¹² As a result, low-skilled labor is more expensive in the US than abroad and US firms have an incentive to outsource tasks involving such labor to generate cost savings. This action, in turn, drives down the demand for low-skilled US workers, thereby reducing their wages. Conversely, high-skilled labor is cheaper in the US than elsewhere, which increases the demand for such workers and bids up their wages. The heightened demand is likely to stem from US firms that need highly skilled workers as well as from foreign firms that "insource" high-skill jobs to the US to take advantage of the lower labor costs. This simple comparative advantage account suggests that the distributional implications of outsourcing should fall along the lines predicted by a Stolper-Samuelson approach: highly skilled workers in the US should favor outsourcing whereas less-skilled workers should oppose it.¹³

However, evidence has been inconclusive as to whether the distributional consequences are as theorized. Some economists argue that the distributional impact of outsourcing varies across industries and occupations, implying that workers' attitudes toward this phenomenon may be shaped by mechanisms other than comparative advantage.

¹¹ Scheve and Slaughter 2001; O'Rourke and Sinnott 2002; Mayda and Rodrik 2005.

¹² Leamer 1984.

¹³ Stolper and Samuelson 1941.

Research on manufacturing industries has furnished considerable support for the comparative advantage approach. Robert Feenstra and Gordon Hansen, for example, found that outsourcing increased the real wages of skilled American manufacturing workers by 1–2 percent during the 1980s, a significant rise.¹⁴ Similarly, J. Bradford Jensen and Lori Kletzer conclude that skilled workers in US manufacturing industries have excellent employment prospects, but that the prospects for low-skill, low-wage US manufacturing workers are far bleaker because these jobs have a high likelihood of moving offshore.¹⁵

Whereas outsourcing in manufacturing seems to accord with a comparative advantage approach, outsourcing in services does not.¹⁶ Recent improvements in technology and communications have enhanced the ability to conduct international trade in services, rendering it increasingly feasible to outsource a wide range of service jobs. Some of them require extensive skills (for example, computer programming or accounting); others do not (for example, telemarketing). Alan Blinder therefore concludes that “the dividing line between the jobs that produce services that are suitable for electronic delivery (and are thus threatened by offshoring) and those that do not does not correspond to traditional distinctions between high-end and low-end work.”¹⁷ Instead, he argues that the potential for outsourcing a job depends on how much face-to-face contact is required, or more specifically, whether “the work can be delivered to a remote location . . . [a]nd if so, how severely is the quality degraded.”¹⁸

Based on these criteria, Blinder concludes that roughly 22–29 percent of the US workforce—amounting to 30–40 million jobs—is *potentially* offshorable.¹⁹ Even if Blinder’s projections are correct, they only pertain to jobs that *could be* outsourced—not those that have been or will be—and they do not account for jobs that are likely to be insourced to the US, especially in high-skill service occupations.²⁰ Nonetheless, economists foresee considerable churning in the US labor market as a result of outsourcing, leading to increased job displacement, reduced job security and bargaining power for workers, and downward pressure on benefits and wages.²¹ In fact, Blinder estimates that workers in the

¹⁴ Feenstra and Hansen 1996; Feenstra and Hansen 1999.

¹⁵ Jensen and Kletzer 2008.

¹⁶ Feenstra 2010.

¹⁷ Blinder 2006, 199.

¹⁸ Blinder 2009a, 36.

¹⁹ Blinder 2009a; Blinder 2009b.

²⁰ Bhagwati, Panagariya, and Srinivasan 2004; Jensen and Kletzer 2005.

²¹ Rodrik 1997; Blinder 2009a; Blinder 2009b; Freeman 2009.

most offshorable jobs are paid 13 percent less than would otherwise be expected.²² Kletzer and Richard Freeman argue that workers displaced due to outsourcing tend to suffer a considerable loss (roughly 13–20 percent) in earnings once they are reemployed.²³ Thus, individuals employed in offshorable occupations might be especially hostile to this phenomenon due to its economic implications for them.

INFORMATION

The type of information to which citizens are exposed may also play a crucial role in shaping preferences toward trade and outsourcing.²⁴ Beyond the objective economic self-interest of individuals, attitudes toward these phenomena may be based on information about their effects on the country as a whole, or a lack thereof in the case of partial or inaccurate information. For example, collective or so-called “sociotropic” economic considerations are based on the *perceptions* that individuals have of how others are affected by economic policies. As Michael Hiscox and his colleagues have emphasized, those without any formal economics training may arrive at conclusions about the impact of outsourcing or trade that are at odds with the conventional arguments of economists.²⁵ For example, they suggest that women are more protectionist than men because females do not take economics courses as frequently as males. Likewise, recent research indicates that the content of media coverage about trade has a considerable influence on public attitudes about foreign commerce.²⁶ More generally, if people form opinions about trade and outsourcing based on the particular information to which they are exposed, their views may not reflect individual or collective economic self-interest.

By relaying information about outsourcing and trade, political parties and unions may contribute to perceptions about them. Although the cues emanating from political parties in the US have not always been particularly clear on these issues, Democratic politicians have been more likely to publicly oppose outsourcing and free trade, whereas Republicans have been more likely to favor them, with many notable exceptions. But unlike trade policies, one would be hard pressed to find any politician publicly supporting outsourcing these days.

Unions in the United States have been consistently and outspokenly hostile to outsourcing and trade. Most major unions oppose outsourc-

²² Blinder 2009a.

²³ Kletzer 2004; Freeman 2009.

²⁴ Burgoon and Hiscox 2004; Hainmueller and Hiscox 2006.

²⁵ Burgoon and Hiscox 2004; Hainmueller and Hiscox 2006.

²⁶ Mansfield and Mutz 2006.

ing and promote such views among their rank and file. The AFL-CIO Web site, for example, contains four pages designed to dispel “corporate myths” about the benefits of outsourcing.²⁷ In addition, a recent study cosponsored by the AFL-CIO attacks outsourcing with even greater vigor, claiming that the phenomenon poses a threat to US national security, creates unnecessary health risks when the production of food is shifted overseas, and jeopardizes the “traditional way of life” for working Americans.²⁸ Thus, both political parties and unions may provide information cues that shape opinions on outsourcing.

OUT-GROUP ATTITUDES

In addition to models emphasizing personal economic self-interest and the informational basis of attitudes toward globalization, another school of thought highlights that such attitudes may be influenced by the views individuals hold of other countries or types of people. For example, if views on outsourcing are formed on the same basis as views about trade, they may be guided by whether people favor active involvement of the US in international affairs. In a landmark study, Raymond Bauer, Ithiel de Sola Pool, and Anthony Dexter argue that protectionist attitudes toward trade in the US were driven in part by attitudes toward whether the US should engage with other countries, regardless of the policy or economic implications.²⁹ In other words, Americans form opinions about trade based on their views about involvement in international affairs more generally, rather than economic affairs in particular. Consistent with this argument, a recent study finds that individuals with more interventionist preferences have a much higher opinion of free trade than individuals with more isolationist preferences, even though measures of interventionism (whether the US should intervene to prevent human rights abuses abroad, cooperate with foreign countries to solve global problems, and so forth) do not address economic relations between countries.³⁰ People who advocate an interventionist foreign policy may also be more likely to support engaging with foreign firms and foreign governments. If so, anti-interventionism and hostility to outsourcing are likely to coincide with their opposition to involvement in all things foreign.

Critics of outsourcing also have made nationalist appeals.³¹ Over forty years ago, the economist Harry Johnson argued that economic

²⁷ AFL-CIO 2011.

²⁸ Marschall and Clawson 2010, 7.

²⁹ Bauer, Pool, and Dexter 1963, 96–99.

³⁰ Mansfield and Mutz 2009.

³¹ See, for example, Marschall and Clawson 2010.

protectionism in many countries stemmed from a sense of national superiority.³² Recent survey research confirms that Americans who hold strong nationalist views are much more hostile to trade than their counterparts who are less nationalist.³³ To the extent that trade and outsourcing attitudes have similar origins, a sense of national superiority may affect attitudes toward outsourcing as well. To the extent that one believes American workers perform better than foreign workers, nationalism naturally leads one to oppose outsourcing.

Finally, if attitudes toward outsourcing are driven by the same forces as attitudes toward trade, then they also may be guided by ethnocentrism—that is, the tendency to think less of those who are racially or ethnically different from one's own in-group. Although the feelings that whites have toward blacks and Hispanics (or vice versa) are completely superfluous to economic considerations and have nothing to do with national boundaries, domestic ethnocentrism may extend to whole countries that are different from one's own. In the case of all three factors addressed in this section—active involvement in international affairs, nationalism, and domestic ethnocentrism—the driving force is not outsourcing's economic effect on the individual or the collective.

PUBLIC PERCEPTIONS OF WHAT CONSTITUTES OUTSOURCING

To analyze influences on public attitudes toward outsourcing, we rely on a representative national survey we conducted in 2007 as well as an experiment embedded within a second representative national survey that we conducted in 2009. The initial survey included a probability sample of 2,085 working or temporarily unemployed Americans and was conducted via the Internet or Web TV by Knowledge Networks. The Knowledge Networks sample is a random probability sample recruited using address-based sampling combined with random-digit dialing. All Americans were eligible for inclusion, regardless of whether they had Internet access. In order to strengthen our conclusions regarding the effect of some key independent variables analyzed in 2007, a population-based survey experiment was commissioned in 2009. We use that experiment to systematically manipulate certain variables, allowing us to establish their causal impact within the context of a representative population sample.

The data drawn from these two surveys allow us to address three key questions pertaining to outsourcing. First, how does the American

³² Johnson 1965, 183.

³³ Mansfield and Mutz 2009.

public understand what constitutes outsourcing? Second, are Americans' attitudes toward outsourcing essentially the same as their attitudes toward trade? Third, how well do each of the three models we have outlined (self-interest, information, and out-group attitudes) account for variation in American attitudes toward outsourcing? We begin with the survey results and then turn to the population-based survey experiment to confirm some of the causal inferences suggested by the initial findings.

This study focuses on the attitudes of Americans because the US has been the dominant country in the global economy for over half a century. As a result of this dominance, social scientists have expressed particular interest in explaining the attitudes of Americans, whose views are likely to influence US economic policy.³⁴ Moreover, most of the empirical work on outsourcing has focused on the US primarily because the practice has been a much larger political issue in the US than elsewhere.³⁵

Nonetheless, very little is known about how Americans think about outsourcing. For example, because even economists and other experts disagree about what constitutes outsourcing, it is unclear how the mass public defines it. To address this initial issue, we asked each survey respondent to indicate which of the following six scenarios they considered to be examples of outsourcing.

1. A US car company purchases seat fabric from a company in another state rather than make it themselves.
2. A car company in another country decides to build a manufacturing plant in the United States.
3. A US car company purchases the services of a company in another country to handle their customer service calls.
4. A US car company purchases door handles for their cars from a company located in another country.
5. A US car company purchases the services of a company in another country to design door handles for their cars and the designs are sent via internet to the US.
6. A US car company decides to build a manufacturing plant outside the United States.

Respondents were free to indicate that all of these scenarios were instances of outsourcing, that some were and others were not, or that none of them were outsourcing. Given the widespread attention that

³⁴ Fordham and McKeown 2003.

³⁵ See, for example, Feenstra and Hanson 1996; Feenstra and Hanson 1999; Amiti and Wei 2005; Jensen and Kletzer 2005; Jensen and Kletzer 2008; Blinder 2006; Blinder 2009a; Blinder 2009b; Chase 2008; Margalit 2011.

overseas call centers have received in public discussion of outsourcing, it comes as no surprise that 90 percent of our survey respondents considered scenario 3 to be outsourcing. In addition, 80 percent viewed purchasing door handles from a foreign country as outsourcing, over 72 percent considered foreign-designed door handles to be outsourcing, and 70 percent thought that locating a manufacturing plant outside of the US was outsourcing.

However, only about one-third of the respondents considered purchasing seat fabric across state lines to be outsourcing. This percentage is the lowest among the six scenarios, a finding that strongly suggests that the mass public thinks that outsourcing involves shifting economic activity overseas, since it is the only scenario that refers to a completely domestic process. Furthermore, less than half the respondents identified building a plant within the US as outsourcing, probably because the activity involves shifting production from a foreign country into the US, rather than from the US to somewhere abroad.

Fully two-thirds of our survey respondents believed that at least four of these six scenarios constitute outsourcing. Over 14 percent thought that all six were outsourcing; fewer than 4 percent thought that none of them were. Consequently, despite the fact that all respondents in our survey were asked the same exact questions about their attitudes toward outsourcing, they answered slightly different questions based on their understanding of the term. Likewise, when expressing support or opposition to outsourcing policies, they may have somewhat different understandings in mind.

Not all six scenarios would ordinarily be considered outsourcing by economists, but situations similar to each of them have been described as outsourcing in public discourse. The first scenario is an example of domestic outsourcing, although many economists and other observers use “outsourcing” to refer to the movement of part of the production process outside of the firm and overseas, not simply outside of the firm alone.³⁶ The third, fourth, and fifth scenarios are examples of offshore outsourcing. The second and sixth scenarios are examples of foreign direct investment (FDI), which Bhagwati explicitly argues is not outsourcing.³⁷ At the same time, however, he points out that journalists, politicians—including Senator Kerry during the 2004 presidential campaign—and some economists have confused FDI and outsourcing. As such, it is easy to understand why the mass public would confuse these phenomena as well.

³⁶ On domestic outsourcing, see Blinder 2009a; Feenstra 2010.

³⁷ Bhagwati 2009, 12; Bhagwati, Panagariya, and Srinivasan 2004, 94, 97.

A STATISTICAL MODEL OF OUTSOURCING ATTITUDES

In order to assess the contributions of variables within the three models we have outlined, we constructed measures of attitudes toward outsourcing from two survey questions:

1. Recently, some American companies have been hiring workers in other countries to replace workers in the US who are paid higher wages. An example of this is people who take customer service telephone calls. Do you think the government should encourage or discourage this or stay out of this matter?
2. Some say that outsourcing jobs is bad and should be discouraged by the government. Others say that outsourcing saves companies money and allows them to sell goods more cheaply, so the government should encourage it. Which of the following statements comes closest to your view?

The first item was scored on a five-point scale, based on whether respondents felt that the government should discourage outsourcing a lot or a little, stay out of this matter, or encourage outsourcing a lot or a little. The second item was scored on a three-point scale, where the highest score was assigned to respondents who believed that the government should encourage outsourcing, the lowest score was assigned to those who believed the government should discourage outsourcing, and the middle score was assigned to individuals who felt that the government should stay out of this matter.³⁸ Responses to these two items were highly correlated (Spearman's $\rho = .60, p < .001$), strongly suggesting that the two questions are tapping the same underlying concept.

Using these items, we constructed two dependent variables. The first was the mean of the two scores. Because they have a different number of categories, we first converted the items to z-scores so that each one was weighted equally in the index. Combining the two items has various advantages, chief among them being that the dependent variable is a more reliable measure and is less prone to problems associated with idiosyncratic wording or measurement error than if we analyzed each item separately.³⁹ The second dependent variable indicated whether a respondent consistently favored or opposed outsourcing. This categorical variable equals 3 if, for both of these items, a respondent believed the government should encourage outsourcing; 1 if, for both items, he or she believed the government should oppose it; and 2 if the respondent did not express a consistent view.

³⁸ For both items, individuals who expressed no opinion or refused to answer were assigned to a middle category.

³⁹ Baker 2003, 444, fn. 35.

By employing multi-item indexes for all of the key concepts in this study, we facilitate assessments of reliability and avoid the possibility that results stem from the peculiarities of one particular survey item, an inevitable risk with single-item indicators. Throughout the following empirical analysis, we address the robustness of our results by examining both dependent variables. The results are uniformly similar: in the Appendix we report the results based on the continuous measures and in the body of the article we present the results based on the categorical measure of whether a respondent consistently favors or opposes outsourcing.

Our key independent variables fall into the three broad categories outlined above: (1) indicators of economic vulnerability suggested by theories of economic self-interest; (2) indicators that reflect variability in information affecting respondents' understanding of outsourcing and its effect; and (3) indicators tapping attitudes toward other types of people, other countries, and active involvement in the affairs of other countries.

SELF-INTEREST

To analyze personal economic vulnerability, we include measures of a respondent's skill level and occupation. Economic studies typically use the average annual wage for an individual's occupation to measure skill, a tack that has been followed in much of the research on attitudes toward foreign economic policy.⁴⁰ In this study, we tap skill by calculating the *Occupational Wage* in 2006 for each job reported by respondents in our sample (expressed in tens of thousands of US dollars). We asked the respondents to choose what best described their current (or most recent) occupation from a list of twenty-eight categories listed on the survey.⁴¹

Using this information, we created a set of variables designed to measure the extent to which a respondent's occupation or industry of employment is susceptible to outsourcing. Kletzer, for example, argues that workers in import-competing industries are especially likely to be displaced as a result of trade, so they may have reason to oppose outsourcing.⁴² To begin, we simply coded whether a respondent worked

⁴⁰ See, for example, Scheve and Slaughter 2001; Mayda and Rodrik 2005.

⁴¹ Annual average wage data are derived from the US Department of Labor's Bureau of Labor Statistics (BLS). Because the BLS wage data are organized by the US Department of Labor's Standard Occupational Classification (SOC) system, we grouped the SOC occupation categories into our twenty-eight categories and then aggregated the wage data by taking the average across SOC categories weighted by the number of people nationwide employed in each occupation. The data on occupation and wages are taken from <http://www.bls.gov/soc> and http://www.bls.gov/oes/oes_dl.htm, respectively.

⁴² Kletzer 2001.

in a US industry in which final products face import competition. Respondents were asked to choose the industry in which they work or most recently worked based on the three-digit North American Industrial Classification System (NAICS) categories. For each industry represented in our sample, i , we constructed a measure of *Import Orientation*, which is defined as (M_i / Y_i) , where M_i is sector i 's total imports and Y_i is this sector's total output.⁴³ Because the distribution of this variable is highly skewed, we rely on its natural logarithm.⁴⁴ In addition, we include a variable derived from Blinder's measure of whether an occupation is potentially offshorable, based largely on the degree to which the job requires face-to-face contact with customers (*Offshorable*).⁴⁵

We also include dummy variables indicating whether each respondent works in *Manufacturing*, the *Service* sector, or elsewhere. Various economists argue that high-skilled individuals in the manufacturing sector have gained from outsourcing while low-skilled manufacturing workers have suffered. There is also some evidence that highly skilled workers in service occupations will gain from outsourcing.⁴⁶ We use these variables in combination with the measures of skill discussed above to determine whether attitudes toward outsourcing depend on these distributional consequences. However, because *Import Orientation* and *Manufacturing* are highly correlated, we analyze them separately rather than in combination.

The key advantage of the indicators discussed above is that they are not self-reported by the respondents, and thus pose no risk of endogeneity with respect to attitudes toward outsourcing. Nonetheless, they

⁴³ Kletzer analyzes a similar measure of import competition in her study of trade-related job loss, but it is very highly correlated with our measure of *Import Orientation*, see Kletzer 2001. As such, we simply focus on the latter variable rather than analyzing hers as well. Note that we also construct a measure of *Export Orientation*, which we defined as (X_i / Y_i) , where X_i is sector i 's total exports and Y_i is this sector's total output. However, *Export Orientation* and *Import Orientation* are very highly correlated, *Export Orientation* has very little effect on outsourcing attitudes, and the influence of the remaining variables does not depend on whether *Export Orientation* or *Import Orientation* is included in the model. Consequently, we do not address *Export Orientation* in the following analysis. Data on exports and imports are taken from the US International Trade Commission (http://dataweb.usitc.gov/scripts/user_set.asp). We used version 2.8.4 of the data. Data on output are taken from the US Department of Commerce Bureau of Economic Analysis (http://www.bea.gov/industry/gdpbyind_data.htm).

⁴⁴ Because the natural logarithm of zero is undefined, we arbitrarily add .01 to the value of imports for industries in our sample that are nontradable and therefore do not import goods. We include in our analysis those respondents who did not identify the industry to which they belonged at the three-digit NAICS level but indicated it was nontradable at the two-digit NAICS level.

⁴⁵ Blinder 2009b. Blinder uses the US Department of Labor's O*NET, which contains nearly 1,000 US occupations that correspond closely to the SOC codes, to construct his offshorability index. As in the case of our wage variable, we grouped his index into our occupation categories and took the average score to create *Offshorable*.

⁴⁶ See, for example, Jensen and Kletzer 2008.

may not capture all possible ways in which one's personal economic self-interest could be influenced by outsourcing. Thus, we also asked respondents, "Have you or has anyone in your family been positively or negatively affected by outsourcing?" Answers were coded as 1 for negatively affected by outsourcing, 2 for not affected, or 3 for positively affected to create the variable *Perceived Effect of Outsourcing on Self*.

On the one hand, it is seldom easy for an individual to accurately assess whether and in what direction outsourcing has affected his or her well-being, if at all. On the other hand, as Freeman suggests, "Most Americans judge economic reality from what they observe in their lives, not from debates among economists or what journalists write. The reality includes job losses and threats of job losses due to offshoring and trade."⁴⁷ Freeman makes several related points. Personal experience forms the basis of self-interest, although it may be difficult to know with accuracy whether and in what direction one has been affected by outsourcing. People might assume they have been adversely affected when they have not been, or they may have been adversely affected but not be aware of it. Regardless of accuracy, people will nonetheless form subjective judgments of how this policy has affected them. This judgment may reflect a sound assessment of the economic impact on the individual or fears about future job losses.

While these subjective assessments of personal benefit or loss therefore may be indicators of personal economic self-interest, they may also reflect the information individuals have been exposed to. If people come to believe that they are being positively or negatively affected by outsourcing because an information source tells them as much, they are being influenced by information rather than experience. We address the ambiguities of interpreting this measure in our discussion of the results. Beyond difficulties in determining whether it represents the impact of self-interest or of information, perceived assessments of personal gain or loss from outsourcing are also potentially endogenous with respect to outsourcing attitudes. For example, those who oppose outsourcing as a policy may, as a result, be more likely to claim adverse personal effects, even in the absence of any concrete personal experience. We include this variable in our analyses despite these difficulties of interpretation because doing so yields a more fully specified model. Accounting for both objective and subjective measures of self-interest also provides a more conservative test of the importance of other factors included in our analysis.

⁴⁷ Freeman 2009, 67.

In order to more fully specify our models, we also include a variable indicating whether the respondent was currently unemployed or laid off, since the immediacy of such an experience might make one more likely to blame a policy like outsourcing. Finally, we include a measure of local unemployment (by the respondent's zip code) because people living in areas marked by extensive job loss could experience indirect effects by virtue of falling housing markets or the closing of local stores and businesses due to economic downturns.

INFORMATION

Based on previous work, there is reason to expect that variations in the information people have received about outsourcing affect their perceptions of its impact as well as their understanding of what constitutes outsourcing. In particular, it is important whether people think of outsourcing purely in terms of interactions with foreign nations as opposed to defining it in a broader way that incorporates domestic outsourcing. To the extent that outsourcing is perceived to be about shifting part of the production process outside the firm, even if it is just next door, this practice should be seen as less threatening. To the extent that it is defined as offshore outsourcing and incorporates economic interactions with other countries, it is likely to be viewed in terms of "us versus them" and should trigger greater hostility.

To test this idea, we use responses to the six potential outsourcing scenarios discussed above to create two independent variables: (1) the number of scenarios involving a foreign country that a respondent considers to be outsourcing (*Foreign Definition*) and (2) whether the respondent considers the domestic item (scenario 1) to be outsourcing (*Domestic Definition*). We expect that the broader the range of foreign economic activities that someone defines as outsourcing, the more he or she is likely to oppose it. In contrast, a definition that incorporates domestic economic activity should prompt less opposition.

In addition to variance in individual definitions of the term, some studies suggest that a formal understanding of economics plays a role in views about outsourcing.⁴⁸ Economists frequently maintain that critics of outsourcing rely on faulty economic logic.⁴⁹ Individuals with more formal exposure to economics may, as a result, have a better appreciation of the associated gains from this phenomenon and hence a more favorable view of outsourcing than other individuals. To address

⁴⁸ Hainmueller and Hiscox 2006.

⁴⁹ See, for example, Bhagwati, Panagariya, and Srinivasan 2004; Mankiw and Swagel 2006; Bhagwati 2009.

the effects of economic knowledge, we include two items: (1) whether the respondent has ever taken an economics course and (2) whether the respondent thinks that economists believe free trade is good or bad for the economy. The second item is included to determine whether the respondent has an understanding of the basic principles of international economics as usually taught, regardless of previous enrollment in an economics course. Two dummy variables were created based on these items. The first, *Economics Class*, is coded as 1 if a respondent has taken an economics class and 0 otherwise. The second, *Economists' View of Trade*, is coded as 1 if a respondent understands that economists believe that free trade is good for the economy and 0 otherwise.

A final source of information with implications for attitudes toward outsourcing stems from important groups to which individuals may belong. The group identifications most relevant to views on outsourcing are political parties and unions. Thus, our models also include measures of party identification (with one variable indicating whether respondents describe themselves as Democrats and another for Republicans, with the reference category representing those without a partisan affiliation or who just lean Democrat or Republican) and membership in a union.

OUT-GROUP ATTITUDES

Beyond self-interest and the sources of information that may affect preferences on outsourcing, we also address three features of attitudes toward other countries and types of people that proved important in previous empirical studies of attitudes regarding trade. The first index, *Active Involvement*, is composed of five items widely used to tap the extent to which respondents believe the US should pursue an activist stance on international affairs outside the economic realm. These previously validated items address whether the US should intervene in the affairs of other countries to prevent human rights abuses abroad, cooperate with foreign countries to solve global problems, and so forth.⁵⁰ Here, as in previous studies, they form a highly reliable scale.⁵¹ We

⁵⁰ Maggiotto and Wittkopf 1981; Wittkopf and Maggiotto 1983; Herrmann, Tetlock, and Diascro 2001.

⁵¹ As in previous studies, these items form a reliable scale (Cronbach's alpha = .74). "Please tell us whether you agree or disagree with each of the following statements: [randomized order] (1) The US needs to play an active role in solving conflicts around the world; (2) The US government should just try to take care of the well-being of Americans and not get involved with other nations; (3) It is essential for the United States to work with other nations to solve problems such as overpopulation, hunger, and pollution; (4) It will be best for the future of the country if we stay out of world affairs; (5) The United States has the responsibility to play the role of 'world policeman,' that is, to fight violations of international law and aggression wherever they occur."

expect that people who think the US should get involved in the affairs of other countries will be more likely to support outsourcing.

A second index, *Nationalism*, draws on three questions previously used to assess whether respondents believe that the US is culturally superior to other countries.⁵² What we refer to as nationalism is similar to what other scholars have dubbed “patriotism” or “national superiority” in referring to a sense of positive national identity coupled with thinking less of people from outside one’s national borders.

A third index, *Ethnocentrism*, taps levels of prejudice toward those of a different race or ethnicity.⁵³ Ethnocentrism scales are designed to measure the “commonplace inclination to divide the world into ingroups and outgroups, the former characterized by virtuosity and talent, the latter by corruption and mediocrity.”⁵⁴ By asking an individual about some positive and some negative human characteristics with reference to their racial in-group as well as to some out-groups, we can gauge the extent to which the person employs an in-group/out-group mode of thinking.⁵⁵ To construct these measures, we employ the same domestic racial and ethnic in-groups and out-groups as previous studies (blacks, whites, and Hispanics), asking respondents to rate each of the groups separately in a randomized order on three characteristics (hardworking-lazy, efficient-wasteful, and trustworthy-untrustworthy). Consistent with previous studies, the two out-group scores are averaged and then subtracted from the in-group rating. Because people systematically evaluate their in-group more favorably than out-groups, the ethnocentrism scores are overwhelmingly positive, with higher scores indicating even higher ratings of the in-group relative to the out-group. All three indicators—*Active Involvement*, *Nationalism*, and *Ethnocentrism*—are standardized with a mean of zero and coded such that larger positive (negative) values of these variables

⁵² Rankin 2001. Cronbach’s alpha for this index is .76. “To what extent do you agree or disagree with each of these statements?: [randomized order] (1) In the United States, our people are not perfect, but our culture is superior to others; (2) I would rather be a citizen of America than of any other country in the world; (3) The world would be a better place if people from other countries were more like Americans.”

⁵³ Levinson 1949, 19.

⁵⁴ Kam and Kinder 2007, 321. The reliability of this index is quite high (Cronbach’s alpha is .88). All respondents are asked about their own racial ethnic group as well as two out-groups. Ethnocentrism is the difference between the mean for positive-negative characteristics attributed to the in-group and the same characteristics attributed to the out-group. “Next are some questions about various groups in our society. Below are 7-point scales on which you can rate characteristics of people in different groups. Where would you rate [Blacks/Whites/Hispanic-Americans] in general on these scales?” The scales range from 1 to 7, anchored by Hard Working-Lazy, Efficient-Wasteful, and Trustworthy-Untrustworthy.

⁵⁵ Levinson 1949.

reflect views that are more (less) interventionist, nationalistic, and ethnocentric, respectively.

Finally, because our data are cross-sectional, we include as control variables age, gender, race, and income. Education is also included as a control variable using a series of three dummy variables indicating whether the person graduated from a technical school or a two-year college (*2-Year College*), graduated from a four-year college (*4-Year College*), or holds a graduate degree (*Graduate School*). Those who did not receive any formal education beyond high school serve as the reference category. Although education has been used as an alternative measure of skill in some studies and, at times, as a proxy for economic knowledge, our study already includes more precise measures of economic knowledge and skill level, thus leaving the meaning of any remaining impact theoretically ambiguous.

We use an ordered logit specification to analyze the categorical and ordered dependent variable. In the Appendix, we use ordinary least squares (OLS) to analyze the continuous dependent variable. All tests of statistical significance are based on robust standard errors, which account for any heteroskedasticity in the data and help take into account the highly skewed distribution of our dependent variables.

SURVEY RESULTS

To begin, it is useful to address whether, in the American mind, outsourcing is essentially the same as trade. While economists argue that outsourcing is simply a form of international trade, the mass public perceives the two very differently. In our survey, we asked respondents a set of questions about whether they support or oppose international trade and other aspects of globalization. We then constructed a categorical variable indicating whether respondents consistently support trade, oppose trade, or have mixed attitudes. The correlation between this variable and our categorical measure of outsourcing is weak (Spearman's $\rho = .28$, $p < .001$). Figure 1 reports the percentage of respondents who consistently oppose or support trade relative to outsourcing. While more than half of the respondents have mixed or inconsistent attitudes about trade, almost two-thirds of them consistently oppose outsourcing and fewer than two percent consistently support it. Indeed, outsourcing appears to have very few advocates among the mass public, and people tend to have highly consistent views on this issue.

Having established that outsourcing is not trade by another name in the eyes of most Americans, we turn to an assessment of the extent to

which outsourcing attitudes stem from personal economic self-interest. In Table 1, we begin by estimating a model that includes gender, race, age, family income, and all of the indicators corresponding to self-interest. Notably, there are no strong effects of *Personally Unemployed*, *Occupational Wage*, *Import Orientation*, *Income*, *Manufacturing*, and *Service*. For each of these variables, the corresponding regression coefficient is small and far from statistically significant. More importantly, and most surprisingly, there is little evidence that the offshorability of an individual's occupation or industry of employment has any bearing on his or her attitudes toward outsourcing.

To test the suggested interactions between manufacturing and service sectors and skill, we further include dummy variables indicating whether a respondent worked in manufacturing or the service sector, as well as the interactions between *Manufacturing* and each of two variables that have been used to measure skill, occupational wages and education.⁵⁶ However, none of these variables, whether entered into

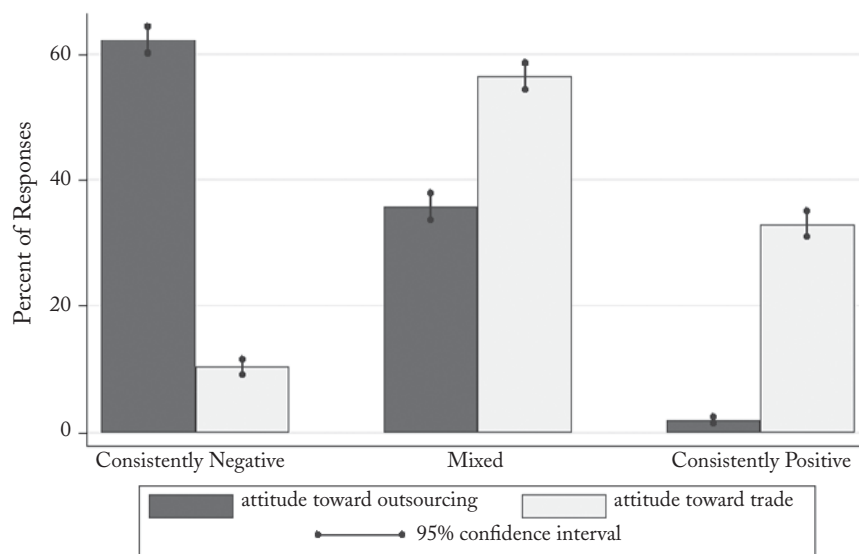


FIGURE 1
PERCENTAGE OF RESPONDENTS WHO CONSISTENTLY OPPOSE OUTSOURCING
AND TRADE, CONSISTENTLY SUPPORT OUTSOURCING AND TRADE, OR HAVE
INCONSISTENT ATTITUDES

⁵⁶ Feenstra and Hansen 1996; Feenstra and Hansen 1999; Feenstra 2010.

TABLE 1
EFFECTS OF ECONOMIC SELF-INTEREST ON SUPPORT FOR OUTSOURCING

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>	<i>Model 7</i>
Male	0.298* (0.117)	0.244* (0.120)	0.322** (0.121)	0.269* (0.124)	0.268* (0.124)	0.259* (0.124)	0.242* (0.120)
Race	0.281* (0.132)	0.233+ (0.134)	0.273* (0.132)	0.225+ (0.133)	0.223+ (0.133)	0.231+ (0.133)	0.215 (0.134)
Age	-0.008+ (0.005)	-0.009+ (0.005)	-0.008+ (0.005)	-0.009+ (0.005)	-0.009+ (0.005)	-0.009+ (0.005)	-0.009* (0.005)
Income	-0.041 (0.035)	-0.027 (0.036)	-0.041 (0.035)	-0.027 (0.036)	-0.025 (0.036)	-0.028 (0.036)	-0.030 (0.036)
Personally Unemployed	0.043 (0.284)	0.048 (0.276)	0.011 (0.283)	0.014 (0.275)	0.021 (0.276)	0.033 (0.275)	0.030 (0.275)
2-Year College	0.064 (0.146)	0.163 (0.148)	0.042 (0.146)	0.139 (0.148)	0.134 (0.148)	0.059 (0.159)	0.135 (0.147)
4-Year College	0.501** (0.163)	0.602*** (0.167)	0.471** (0.165)	0.573*** (0.169)	0.562*** (0.169)	0.533** (0.176)	0.594*** (0.165)
Graduate School	0.820*** (0.216)	0.876*** (0.218)	0.775*** (0.224)	0.828*** (0.226)	0.837*** (0.226)	0.709*** (0.211)	0.871*** (0.212)
Occupational Wage (in \$10K)	-0.007 (0.035)	-0.017 (0.037)	-0.006 (0.035)	-0.016 (0.036)	-0.027 (0.038)	-0.011 (0.036)	-0.017 (0.036)
Import Orientation	-0.003 (0.023)	-0.004 (0.024)					
Perceived Effect of Outsourcing on Self		0.818*** (0.119)		0.813*** (0.119)	0.813*** (0.119)	0.810*** (0.119)	0.811*** (0.118)
Manufacturing			0.090 (0.212)	0.115 (0.211)	-0.409 (0.512)	-0.126 (0.259)	
Service			0.134 (0.145)	0.147 (0.149)	0.150 (0.149)	0.165 (0.149)	
Manufacturing × Occupational Wage					0.125 (0.106)		
Manufacturing × 2-Year College						0.609 (0.394)	
Manufacturing × 4-Year College						0.096 (0.547)	
Manufacturing × Graduate School						1.346 (1.456)	
Offshorable							0.003 (0.003)
cut1	0.430 (0.300)	1.940*** (0.376)	0.508+ (0.291)	2.013*** (0.372)	1.980*** (0.373)	2.001*** (0.373)	1.926*** (0.361)
cut2	3.622*** (0.388)	5.197*** (0.440)	3.705*** (0.375)	5.274*** (0.431)	5.243*** (0.430)	5.273*** (0.423)	5.186*** (0.420)

TABLE 1 *cont.*

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>	<i>Model 7</i>
Pseudo log likelihood	-1536.238	-1492.675	-1540.315	-1497.233	-1496.375	-1493.885	-1500.039
N	2060	2060	2068	2068	2068	2068	2070

Entries are ordered logit estimates with robust standard errors in parentheses. Two-tailed tests of statistical significance are conducted for all coefficient estimates. Statistical significance is indicated as follows: * $p < .10$, ** $p < .05$, *** $p < .01$, **** $p < .001$.

the equations separately or in combination, has a statistically significant effect on attitudes toward outsourcing. For this reason, we drop the manufacturing and service variables and their interactions from our subsequent models.

The one exception to these overwhelmingly null findings is the impact of an individual's subjective perception of the extent to which he or she has been positively or negatively influenced by outsourcing. The estimated coefficients of *Perceived Effect of Outsourcing on Self* are statistically significant, indicating that respondents who feel that outsourcing has helped them and their family hold far more favorable views of this phenomenon than individuals who feel they have been harmed by it. Because many more feel negatively as opposed to positively affected by outsourcing (25 percent versus 8 percent, respectively), the net effect of this consideration is to lower support for outsourcing.

As discussed above, this result could be interpreted at face value as an indicator of self-interest's influence on attitudes toward outsourcing. Alternatively, this finding might provide evidence that information shapes these attitudes if perceptions of outsourcing's effects on a respondent stem from the information he or she has been exposed to. We return to this issue in our discussion of information-based models. But a third possibility is that this relationship represents a mere rationalization of pre-existing attitudes toward outsourcing and thus is not a causal influence on policy preferences at all. Nonetheless, in order to provide a conservative test of the contribution of information-based indicators and out-group attitudes, we keep this variable in the model despite its ambiguous interpretation. Interestingly, the correlation between *Perceived Effect of Outsourcing on Self* on the one hand, and each of the objective measures of outsourcing's impact on the individual on the other, hovers around zero and never approaches statistical significance.

This suggests that perceiving one's self as having been influenced by outsourcing and actually having been influenced by it are very different things. The lack of relationship with any of the objective indicators also suggests that self-perceptions are more a function of information than of outsourcing's economic impact on an individual.

In terms of demographics, as in the case of attitudes toward trade, there is a gender gap in attitudes toward outsourcing, with women more hostile to this phenomenon than men.⁵⁷ There is also a racial gap, in that minorities express greater support for outsourcing than whites. Further, respondents with more education have a more favorable view of outsourcing than those who are less educated, even after including variables that more accurately take into account occupation and skill level.

If not personal economic susceptibility to outsourcing's impact, then to what extent do factors associated with variability in information about outsourcing or noneconomic factors explain mass attitudes? To examine this question, Table 2 includes the key variables from Table 1, plus indicators of information-based considerations and preference for active international involvement, nationalism, and ethnocentrism. The evidence suggests that people form opinions based in part on their understanding of what constitutes outsourcing and on the cues in their information environment about whether one should support or oppose it. For example, the larger the number of scenarios involving a foreign country that individuals consider to be outsourcing, the more hostile they are to this phenomenon, as illustrated by the coefficient estimates of *Foreign Definition*, which are negative and statistically significant. This finding may reflect a tendency to blame outsourcing for a wider range of problems if it is defined as encompassing a broader array of overseas activities.⁵⁸ In contrast, however, the coefficient estimates of *Domestic Definition* are positive and significant; respondents who identify outsourcing as a domestic practice have a more favorable view of it than respondents who do not consider domestic activity to be outsourcing.

⁵⁷ On the gender gap in trade attitudes, see Baker 2005; Mayda and Rodrik 2005; Mansfield and Mutz 2009.

⁵⁸ Recall that one of our foreign scenarios was a situation in which "A car company in another country decides to build a manufacturing plant in the United States." Less than half of the respondents considered this scenario to be an instance of outsourcing, perhaps because it involves FDI flowing into the US and hence creating jobs in the US. Because respondents have a decidedly more favorable view of this scenario than the others, we excluded it from *Foreign Definition* and included an additional variable in our model indicating whether individuals thought this scenario constituted outsourcing. The coefficient estimate of this additional variable was not statistically significant. Furthermore, making this change has no substantive bearing on the size or significance of *Foreign Definition* or any other variable in our model.

TABLE 2
EFFECTS OF SELF-INTEREST, INFORMATION, AND NONECONOMIC FACTORS ON
SUPPORT FOR OUTSOURCING

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>
Male	0.298*	0.273*	0.281*	0.228 ⁺	0.304*	0.264*
	(0.117)	(0.116)	(0.123)	(0.121)	(0.123)	(0.132)
Race	0.282*	0.293*	0.184	0.350*	0.207	0.228
	(0.132)	(0.131)	(0.145)	(0.140)	(0.149)	(0.175)
Age	-0.008 ⁺	-0.008	-0.009*	-0.005	-0.005	-0.003
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)
Income	-0.041	-0.041	-0.041	-0.043	-0.057	-0.070 ⁺
	(0.035)	(0.035)	(0.037)	(0.038)	(0.037)	(0.041)
Personally Unemployed			0.030			-0.192
			(0.285)			(0.308)
2-Year College	0.062	0.046	0.159	0.143	-0.106	0.050
	(0.144)	(0.143)	(0.149)	(0.155)	(0.153)	(0.171)
4-Year College	0.499**	0.502**	0.646***	0.597***	0.265	0.506*
	(0.162)	(0.156)	(0.168)	(0.178)	(0.169)	(0.203)
Graduate School	0.819***	0.805***	0.943***	0.872***	0.344	0.578*
	(0.216)	(0.200)	(0.221)	(0.217)	(0.230)	(0.262)
Occupational Wage (in \$10K)	-0.007		-0.024			-0.017
	(0.035)		(0.037)			(0.039)
Import Orientation	-0.003		-0.008			-0.002
	(0.023)		(0.024)			(0.024)
Perceived Effect of Outsourcing on Self			0.846***			0.816***
			(0.121)			(0.128)
Local Unemployment			-0.463			-0.091
			(3.282)			(3.586)
Foreign Definition				-0.219***		-0.276***
				(0.051)		(0.053)
Domestic Definition				0.487***		0.499***
				(0.125)		(0.133)
Economists' View of Trade				0.395**		0.360*
				(0.131)		(0.142)
Economics Class				-0.223		-0.129
				(0.146)		(0.159)
Democrat				-0.356*		-0.449**
				(0.143)		(0.156)
Republican				0.035		0.049
				(0.145)		(0.164)
Union Membership				-0.452*		-0.435*
				(0.198)		(0.220)
Nationalism					-0.157*	-0.188*
					(0.069)	(0.076)

TABLE 2 *cont.*

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>
Active					0.402***	0.342***
Involvement					(0.065)	(0.070)
Ethnocentrism					-0.125*	-0.129*
					(0.066)	(0.072)
Offshorable			0.002			0.002
			(0.003)			(0.003)
cut1	0.423	0.439*	1.969***	-0.103	0.334	1.111*
	(0.294)	(0.254)	(0.408)	(0.318)	(0.282)	(0.494)
cut2	3.614***	3.641***	5.193***	3.167***	3.707***	4.640***
	(0.383)	(0.343)	(0.469)	(0.373)	(0.387)	(0.558)
Pseudo log likelihood	-1536.256	-1554.099	-1451.014	-1478.118	-1335.755	-1194.759
N	2060	2085	2013	2043	1890	1814

Entries are ordered logit estimates with robust standard errors in parentheses. Two-tailed tests of statistical significance are conducted for all coefficient estimates. Statistical significance is indicated as follows: * $p < .10$, ** $p < .05$, *** $p < .01$, **** $p < .001$.

In addition, Democrats are significantly more opposed to outsourcing than unaffiliated individuals are, while Republicans and nonpartisans do not differ in their views. These results are unsurprising, given the pro-labor stance that many Democrats adopt, the pro-business stance of many Republicans, and the criticism that Senator Kerry and then-Senator Barack Obama leveled at companies engaging in this practice during the 2004 and 2008 presidential elections.

It is also unsurprising that union members tend to oppose outsourcing given the kinds of information cues that they receive. Based on the results shown in Table 2, model 6, these individuals are roughly 35 percent less likely to consistently favor outsourcing than respondents who lack a union affiliation (and this difference is statistically significant at the .05 level). One explanation for this finding is that outsourcing places downward pressure on wages and reduces job security in many of the lower skilled occupations and industries that tend to be unionized. However, we have already accounted for skill level and whether the industry of employment is threatened by trade, which suggests that union membership is not simply another indicator of self-interest. Moreover, most union members work in nontradable sectors, such as primary, secondary, and higher education. There is no reason why outsourcing would harm these individuals.

An understanding of economists' views about trade improves an individual's opinion about outsourcing. The estimated coefficients of *Economists' View of Trade* are positive and statistically significant. Moreover, the effects of economic knowledge are substantially large and beyond those of education. Respondents who understand that economists consider free trade to be beneficial are 40 percent more likely to consistently support outsourcing than other individuals (a difference that is statistically significant at the .05 level). Simply taking an economics course, however, has little bearing on these attitudes. These results suggest that, consistent with the views of some economists, part of the opposition to outsourcing stems from a lack of economic knowledge.⁵⁹ However, given the cross-sectional nature of the survey, it is also possible this relationship is more of a rationalization and projection of existing outsourcing preferences than an indicator of how knowledge affects preferences.⁶⁰

A number of studies of attitudes toward international trade conclude that Americans with more formal education tend to hold more favorable attitudes about free trade because highly skilled individuals benefit from trade, while lower skilled individuals do not. Jens Hainmueller and Hiscox challenge this interpretation, maintaining that a college education affects trade opinions by exposing people to theories about the benefits of trade.⁶¹ Our results indicate that economic knowledge does improve attitudes toward outsourcing, though we find no effects from occupational wages. But importantly, the inclusion of these indicators does not account for the more general influence of education. Including *Economists' View of Trade* and *Economics Class* in our model has no bearing on the size or significance of the coefficients associated with education.

Finally, and perhaps most importantly, attitudes about outsourcing are not entirely about economics. They are shaped in powerful ways by one's sense of obligation to those in other countries and one's attitudes toward out-groups. As shown in Table 2, models 5 and 6, the estimated coefficients of *Ethnocentrism*, *Nationalism*, and *Active Involvement* indicate little support for outsourcing among people who believe the US is superior to other countries, those who hold anti-interventionist views about US involvement in the affairs of other countries, and those

⁵⁹ Bhagwati, Panagariya, and Srinivasan 2004; Mankiw and Swagel 2006.

⁶⁰ Well-established "projection" effects occur whereby a person projects their own views onto others. In this case, pro-outsourcing individuals would be projecting their views onto economists when asked, rather than being influenced by them.

⁶¹ Hainmueller and Hiscox 2006.

who exhibit prejudice toward groups unlike themselves.⁶² The effects of these factors are relatively large and independent of variables associated with self-interest and information. A change from the least globally interventionist attitudes registered by respondents to the polar opposite increases the predicted probability of consistently supporting outsourcing roughly five times. A shift from the least ethnocentric views to the most ethnocentric views increases the predicted value of consistently opposing outsourcing by over 50 percent as well. And a switch from the least nationalistic attitudes expressed to the most nationalistic increases this predicted probability by roughly 25 percent.⁶³

Not only do *Active Involvement*, *Nationalism*, and *Ethnocentrism* bear on preferences about outsourcing, they also dampen the effects of education. After including them in the model, the estimated coefficients of *4-Year College* and *Graduate School* become substantially smaller (compare models 2 and 5 in Table 2 and in Table A2). Equally, the strength of the relationship between outsourcing attitudes and both *4-Year College* and *Graduate School* becomes attenuated.

If one were to tally results for our efforts to capture the effects of self-interest, information-based, and out-group attitudes models, self-interest easily receives the least support with only one variable out of nine achieving statistical significance as a predictor. Even that one variable, *Perceived Effect of Outsourcing on Self*, is difficult to interpret since it may reflect rationalization on the part of respondents or the information to which they are exposed. Information-based cues and considerations, however, generate significant findings for five out of seven variables. Contrary to what certain political economy models suggest, attitudes toward outsourcing are not driven exclusively by economics. Active involvement, nationalism, and ethnocentrism have strong and sizable effects on opinions about outsourcing, even after controlling for the effects of demographics, self-interest, and information-based considerations.⁶⁴

It may not seem surprising that factors such as racism and opposition to humanitarian aid to other countries affect how people feel about outsourcing; interventionism draws on feelings Americans have

⁶² It is important to recognize that not only are these variables conceptually distinct, they also differ empirically. *Ethnocentrism* is weakly related to *Nationalism* and *Active Involvement* ($r = .25$ and $-.11$, respectively) and the correlation between the latter two variables is even lower ($r = .01$).

⁶³ The estimated effects of *Active Involvement* and *Nationalism* are statistically significant at the .05 level. The estimated effect of *Ethnocentrism* is significant at the .10 level.

⁶⁴ It should be noted that the estimated coefficients of *Ethnocentrism* in Table 2 are only marginally significant (with a p -value based on a two-tailed test of about .06 in model 5 and .07 in model 6). However, the corresponding coefficients in Appendix Table A2, which are based on OLS estimates of our continuous dependent variable, are significant at the .05 level.

toward foreign countries, and those in other countries are sometimes (though not always) of different races. But when one considers that neither trade nor outsourcing require any kind of immediate contact between ordinary Americans and foreigners, it becomes more difficult to understand why racism or opposition to humanitarian aid promote opposition to the idea that low-wage jobs that lower the costs of goods for Americans may be performed by foreign people in foreign places.

Overall, our survey results yield three important findings. First, Americans have strong, consistent, and primarily negative views of outsourcing, even though they may disagree on what precisely constitutes outsourcing. Americans vary substantially in their subjective understanding of this phenomenon and individuals' subjective understanding of what defines outsourcing and how they have been influenced by it has important implications for their attitudes toward this practice. Second, although attitudes toward outsourcing and trade are loosely related, as would be expected, they are neither marked by the same distribution nor characterized by equal intensity. Third, these attitudes are not a function of the vulnerability that respondents experience as a result of their occupation and the industry in which they work. Instead, the informational cues that they receive about this policy's economic effects, along with their attitudes toward the "other," play the most important roles in forming views toward outsourcing. Interestingly, this pattern remains consistent whether it is an attitude toward intervention in the affairs of another country (as in active involvement), a relative assessment of other countries (as in nationalism), or an attitude toward a racial out-group relative to one's own in-group (as in ethnocentrism). People who do not like out-groups also dislike outsourcing.

OUTSOURCING EXPERIMENT

As noted above, some of the relationships observed in our survey are subject to alternative interpretations. Ideally, we would confirm the causal nature of the significant relationships documented in Tables 1 and 2 by experimentally manipulating each of these independent variables. However, not all of these concepts can be altered in short-term or even longer-term studies. Ethnocentrism, for example, is believed to be particularly intransigent. Nonetheless, we used an experiment to confirm two of the key causal relationships and to better understand the impact of people's understanding of and response to the term "outsourcing."

Toward that end, we designed a population-based survey experiment (2009) systematically manipulating three independent factors

—nationalism, whether the word outsourcing was used when asking respondents about this practice, and the respondent's definition of outsourcing—in order to assess their impact on attitudes toward outsourcing.⁶⁵ Together, these experimental treatments form a $2 \times 2 \times 2$ factorial design, with eight total conditions to which respondents were randomly assigned with equal probabilities.

To assess the causal impact of nationalism, the first factor, we assigned respondents to receive an experimental treatment promoting either lower or higher levels of national superiority. Respondents read one of two statements designed either to encourage or discourage feelings of national superiority before they were asked the questions about outsourcing. Neither manipulation mentioned anything about trade or outsourcing. Instead, the statements emphasized pride in “American traditions of hard work, decency, honesty, and innovation” or shame regarding “a system that rewards greed and dishonesty over hard work and decency.” Manipulation checks using the same index as in the survey confirmed that these statements did, in fact, significantly alter levels of nationalism. The mean level of *Nationalism* was significantly greater in the high national superiority condition than in the low superiority condition (Analysis of Variance [ANOVA] mean comparison, $F = 7.63, p < .01$).

Given that the term outsourcing conveys a broad range of meaning to respondents, we wanted to assess how much baggage the word itself conveyed compared to asking people about the practice without reference to the term itself. Consequently, the second experimental factor altered the wording of the questions addressing attitudes toward outsourcing so that the substance of the items was the same, but the word itself was not mentioned. Based on our survey findings of strong views but limited understanding or agreement on what the issue actually is, we suspected that attitudes toward outsourcing were highly symbolic in nature. In other words, people may have a strong knee-jerk reaction to the term that is not necessarily rooted in thoughts about its substance or consequences.

In our original survey, two of the three opinion items included the term outsourcing, and one included the most widely recognized example of outsourcing—telephone call centers. Thus, from those survey data it is impossible to tell how much of the opposition was driven by the term's symbolic value. We altered the questions in the experiment by systematically including or excluding the term in a factor completely

⁶⁵ On population-based survey experiments, see Mutz 2011.

orthogonal to *Nationalism*. Minor alterations to our measures either included or excluded the term as shown in brackets below:

1. Some people think that it is a bad thing when a company in the US purchases services from a foreign company in order to save money, rather than producing these services itself. Others think that [outsourcing/this] is a good thing because it allows the company to save money. Do you generally favor or oppose this practice [of outsourcing]?
2. Recently, some American companies have been [outsourcing, that is,] hiring workers in other countries to replace workers in the US who are paid higher wages. An example of this is people who take customer service telephone calls. Do you think the government should encourage or discourage [outsourcing/this practice] or stay out of this matter?
3. Some say that having jobs done by people in other countries is a bad idea and should be discouraged by the government. Others say that [this/outsourcing] saves companies money and allows them to sell goods more cheaply, so the government should encourage it. Which of the following statements comes closest to your views about what government should do?

These three items created a highly reliable index of attitudes toward outsourcing that served as our dependent variable, *Opinion toward Outsourcing* (Cronbach's alpha = .85).

Finally, the third factor attempted to manipulate the respondents' definitions of this practice by informing them in the course of the question about the types of activities included within the definition. Our manipulation check indicated that we did not successfully alter the breadth of people's definitions as intended. While we were not able to alter respondents' ideas about what constitutes outsourcing, the extent of endorsement of foreign definitions and domestic definitions remained very powerful predictors of attitudes.

Respondents comprised a representative national sample of just under 2,000 currently working or previously working Americans, using the same specifications for qualification as the 2007 survey.⁶⁶ For the two successfully manipulated experimental factors, *Nationalism* and *Mention of Outsourcing*, our hypothesis was that the term outsourcing, as opposed to the practice itself, would serve as a symbol that, together with high levels of nationalism, would trigger stronger opposition to outsourcing. In other words, people view it as patriotic to oppose outsourcing, and under conditions of strong nationalism, one is considered a "Benedict Arnold" if one supports it. The term itself stimulates a form of economic jingoism, whereby nationalistic sentiment seems

⁶⁶ This survey was conducted in July 2009.

consistent with expressing this anti-out-group policy preference. In statistical terms, we expected an interaction effect between the presence of the term outsourcing and high levels of nationalism, such that in combination this would encourage opposition to outsourcing.

An analysis of variance including the two orthogonal experimental factors (*Low/High Nationalism* and *Mention of Outsourcing*) suggested that neither main effect was statistically significant, but the anticipated interaction was as predicted ($F = 8.94, p < .01$). As shown in Figure 2, perceived national superiority significantly reduced support for the practice of outsourcing, but only when the term outsourcing was used in the question ($F = 4.01, p < .05$). When the same question was asked without mentioning the term, the level of support for the policy was the same regardless of the national superiority condition to which a respondent was assigned ($F = .99, p = .32$). Although the upward slope of the dashed line looks somewhat similar to the downward slope of the solid one, the greater variance in estimates of means when the policy is not explicitly called outsourcing renders it statistically indistinguishable from no change whatsoever. In other words, if we do not explicitly call it outsourcing, people do not know what they think about the policy. The pattern observed in our survey data reflects the negative impact shown in the solid line in Figure 2. But importantly, the same pattern does not occur in the absence of the term outsourcing.

Overall, these results make it clear that nationalism does indeed play a causal role in influencing attitudes toward outsourcing. Inducing higher levels of nationalism has a substantial impact on opinions about outsourcing. But when we asked about outsourcing without mentioning the word itself, nationalism did not cause the same negative reaction. In contrast, the term itself, combined with feelings of national superiority, triggers negative out-group, or more aptly, out-country, attitudes.

Using our manipulation check index for nationalism, we further examined the possibility that the term outsourcing might trigger higher levels of nationalistic sentiment, but we did not find this to be the case. The mention of outsourcing did not trigger higher levels of national superiority, whereas the national superiority manipulation did. Based on these findings, we suggest that it is the term outsourcing and whatever symbolic baggage it carries more than the substance of this issue that spurs negative out-group anxiety among those who feel most positively about their nation.

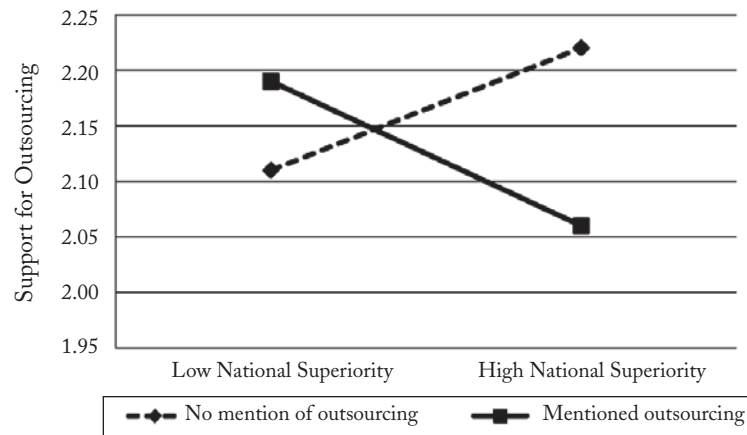


FIGURE 2

SUPPORT FOR OUTSOURCING BY NATIONALISM AND MENTION OF OUTSOURCING^a

^a The interaction between mention of outsourcing and nationalism is statistically significant ($F = 8.94, p < .01$), while the main effects are not. The solid line represents a statistically significant decline with higher levels of nationalism when the term outsourcing is mentioned. Despite appearances, the broken line does not increase significantly. The 95 percent confidence intervals for the means are as follows (lower bound, upper bound): (1) no mention of outsourcing \times low national superiority (2.031, 2.189); (2) no mention of outsourcing \times high national superiority (2.134, 2.299); (3) mentioned outsourcing \times low national superiority (2.114, 2.274); (4) mentioned outsourcing \times high national superiority (1.977, 2.135).

CONCLUSION

Most economists agree that outsourcing generates benefits for countries as a whole. Like international trade, outsourcing helps to allocate factors of production efficiently and enhance the economic welfare of countries. But like trade, outsourcing also has distributional consequences: some segments of society will gain as a result of this phenomenon, while other segments lose. These losses are likely to include both jobs and income. Although most estimates suggest that outsourcing has produced little actual job loss to date, there is widespread fear that this practice will or already has harmed many American workers. Consequently, while outsourcing yields economic benefits, it also creates economic and political costs.

Indeed, Blinder concludes that “offshoring may be one of the biggest political issues in economics over the next generation.”⁶⁷ Nonetheless, the politics of outsourcing are poorly understood. Little has been

⁶⁷ Blinder 2009a, 43.

known about public attitudes toward outsourcing, except that American workers are concerned about it and perceive that it already has had vast effects. Moreover, Americans tend to view outsourcing in terms of in-group/out-group dynamics. For many individuals, the “out” in outsourcing seems to refer to the out-group, that is, any group other than the one in which he or she claims membership. If one’s own nation is considered to be superior to others, then attitudes toward outsourcing will be more negative. The less people think of out-groups relative to their own in-group, the more they oppose outsourcing—even when *those out-groups are racial and ethnic minorities within their own country*. Likewise, those who do not want to engage with foreign countries are especially hostile to outsourcing. Opposition to outsourcing appears to be part of a broader worldview that defines people as “us” or “them.”

Nearly half a century ago, various distinguished observers advanced the argument that nationalism and isolationism shape foreign economic policy.⁶⁸ This view has fallen out of favor more recently, supplanted by models that emphasize the material self-interest of countries and people. The newer models go a long way toward explaining trade policy, especially at the national and international level, but they have little traction in explaining the foreign policy attitudes of the mass public.

Our results have important implications for understanding public opposition to outsourcing. Attitudes toward this policy are obviously part of a broader worldview that focuses on taking care of one’s own—via isolationist foreign policy or support for people of the same race and ethnicity. If outsourcing is economically beneficial and policymakers want to generate public support for this practice, they need to do a better job of framing the issue. Outsourcing by another name would, indeed, be more palatable to the public. Our findings suggest that the term used for this policy is not without consequence. Indeed, support for outsourcing is un-American to many. Further, the term outsourcing may have been terminologically doomed from the start in the eyes of the mass public. After all, trading implies that all parties obtain some benefit from a transaction while outsourcing demands an in-group that is opposed to the out-group—an “us” in opposition to “them.” In order to call a practice outsourcing, a line must be drawn that distinguishes who is in and who is outside the group of concern. Interestingly, this is not always the country, or even the state. Recently some roofing companies in Pennsylvania claim to have lost substantial amounts of

⁶⁸ Bauer, Pool, and Dexter 1963; Johnson 1965.

business to outsourcing.⁶⁹ In this case, the complaints were directed at the Amish within their own state (and city) because Amish roofers were consistently underbidding them. Because the term outsourcing requires people to divide the world into insiders and outsiders, those prone to making such distinctions are especially likely to oppose this practice, regardless of how they might be affected economically.

Policymakers have gone to great lengths at times to suggest that outsourcing is not the same as trade, even when by most economists' accounts they are much the same. Is the underlying fear that the extremely negative attitudes toward outsourcing will taint the more evenly divided views of trade? Indeed, trade opinions might suffer, but advocates of outsourcing might also improve support for it by associating it with trade, or at least by linking it to a policy that suggests some inherent benefits for both the in-group and the out-group.

In addition, these results point to the delicate balance involved in promoting positive "in-country" views among the populace without denigrating attitudes toward others. Notably, our experiment was done at the height of economic malaise, with strong negative feelings toward the US among its own citizenry. And yet, perceptions of national superiority were nonetheless both manipulable and effective in promoting opposition to outsourcing. Although many have linked economic decline to perceptions of personal economic threat, much of the hostility toward outsourcing stems from concerns that US workers are at risk of losing jobs to "others," not just that they are vulnerable to job loss.

APPENDIX

ESTIMATION USING CONTINUOUS MEASURES OF OUTSOURCING ATTITUDES

TABLE A1
EFFECTS OF ECONOMIC SELF-INTEREST ON SUPPORT FOR OUTSOURCING
USING THE CONTINUOUS FORM OF THE DEPENDENT VARIABLE

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>	<i>Model 7</i>
Male	0.171*** (0.051)	0.144** (0.050)	0.178*** (0.053)	0.149** (0.052)	0.148** (0.052)	0.145** (0.052)	0.149** (0.051)
Race	0.177** (0.062)	0.149* (0.059)	0.175** (0.061)	0.147* (0.059)	0.146* (0.059)	0.150* (0.059)	0.142* (0.059)
Age	-0.006** (0.002)	-0.006** (0.002)	-0.005** (0.002)	-0.006** (0.002)	-0.006** (0.002)	-0.005** (0.002)	-0.006** (0.002)

⁶⁹ Brubaker 2010, D1, D7.

TABLE A1 *cont.*

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>	<i>Model 7</i>
Income	-0.022 (0.016)	-0.015 (0.016)	-0.022 (0.016)	-0.015 (0.015)	-0.013 (0.015)	-0.015 (0.016)	-0.018 (0.016)
Personally Unemployed	-0.009 (0.115)	0.004 (0.108)	-0.020 (0.114)	-0.009 (0.108)	-0.004 (0.108)	0.003 (0.107)	-0.000 (0.107)
2-Year College	0.047 (0.062)	0.087 (0.060)	0.040 (0.062)	0.080 (0.060)	0.077 (0.061)	0.047 (0.063)	0.070 (0.060)
4-Year College	0.243** (0.076)	0.273*** (0.074)	0.233** (0.077)	0.266*** (0.075)	0.260*** (0.075)	0.241** (0.078)	0.258*** (0.073)
Graduate School	0.536*** (0.107)	0.544*** (0.105)	0.520*** (0.111)	0.530*** (0.108)	0.536*** (0.108)	0.461*** (0.094)	0.531*** (0.101)
Occupational Wage (in \$10K)	-0.005 (0.015)	-0.009 (0.015)	-0.005 (0.015)	-0.009 (0.015)	-0.015 (0.015)	-0.006 (0.015)	-0.009 (0.015)
Import Orientation	0.006 (0.011)	0.006 (0.011)					
Perceived Effect of Outsourcing on Self		0.354*** (0.045)		0.352*** (0.045)	0.352*** (0.045)	0.349*** (0.045)	0.352*** (0.045)
Manufacturing			0.085 (0.097)	0.092 (0.094)	-0.213 (0.242)	-0.017 (0.099)	
Service			0.043 (0.062)	0.041 (0.061)	0.042 (0.061)	0.051 (0.061)	
Manufacturing × Occupational Wage					0.074 (0.051)		
Manufacturing × 2-Year College						0.241 (0.190)	
Manufacturing × 4-Year College						0.110 (0.269)	
Manufacturing × Graduate School						0.680 (0.600)	
Offshorable							0.002 (0.001)
Constant	0.135 (0.140)	-0.522*** (0.151)	0.069 (0.136)	-0.582*** (0.152)	-0.563*** (0.151)	-0.581*** (0.152)	-0.568*** (0.142)
R ²	0.054	0.098	0.055	0.098	0.099	0.102	0.098
Adjusted R ²	0.050	0.093	0.050	0.092	0.093	0.095	0.093
N	2060	2060	2068	2068	2068	2068	2070

Entries are ordinary least squares estimates with robust standard errors in parentheses. Two-tailed tests of statistical significance are conducted for all coefficient estimates. Statistical significance is indicated as follows: * $p < .05$, ** $p < .01$, *** $p < .001$.

TABLE A2
EFFECTS OF SELF-INTEREST, INFORMATION, AND NONECONOMIC FACTORS
ON SUPPORT FOR OUTSOURCING USING THE CONTINUOUS FORM OF THE
DEPENDENT VARIABLE

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>
Male	0.171*** (0.051)	0.166** (0.051)	0.153** (0.051)	0.135** (0.052)	0.177*** (0.052)	0.139** (0.052)
Race	0.177** (0.062)	0.181** (0.061)	0.138* (0.065)	0.207*** (0.062)	0.121* (0.068)	0.132* (0.075)
Age	-0.006** (0.002)	-0.005** (0.002)	-0.006** (0.002)	-0.004* (0.002)	-0.004* (0.002)	-0.003 (0.002)
Income	-0.022 (0.016)	-0.022 (0.016)	-0.022 (0.016)	-0.026 (0.017)	-0.026* (0.016)	-0.031* (0.017)
Personally Unemployed			0.024 (0.111)			-0.020 (0.105)
2-Year College	0.047 (0.061)	0.036 (0.061)	0.079 (0.060)	0.071 (0.063)	-0.031 (0.062)	0.015 (0.063)
4-Year College	0.243** (0.076)	0.238** (0.073)	0.276*** (0.074)	0.254** (0.078)	0.125 (0.077)	0.166* (0.084)
Graduate School	0.536*** (0.107)	0.520*** (0.098)	0.557*** (0.105)	0.516*** (0.098)	0.265* (0.111)	0.290* (0.114)
Occupational Wage (in \$10K)	-0.005 (0.015)		-0.011 (0.016)			-0.010 (0.016)
Import Orientation	0.006 (0.011)		0.004 (0.011)			0.008 (0.010)
Perceived Effect of Outsourcing on Self			0.371*** (0.046)			0.311*** (0.046)
Local Unemployment			-0.717 (1.406)			-0.632 (1.432)
Foreign Definition				-0.091*** (0.022)		-0.103*** (0.023)
Domestic Definition				0.198*** (0.055)		0.183*** (0.054)
Economists' View of Trade				0.226*** (0.058)		0.193*** (0.058)
Economics Class				-0.093 (0.062)		-0.032 (0.063)
Democrat				-0.181** (0.057)		-0.166** (0.058)
Republican				0.023 (0.066)		0.051 (0.068)
Union Membership				-0.142* (0.073)		-0.109 (0.074)
Nationalism					-0.073* (0.032)	-0.088** (0.032)
Active Involvement					0.183*** (0.027)	0.140*** (0.027)
Ethnocentrism					-0.059* (0.027)	-0.063* (0.026)
Offshorable			0.002 (0.001)			0.002 (0.001)

TABLE A2 *cont.*

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>
Constant	0.133 (0.137)	0.088 (0.116)	-0.533** (0.165)	0.337* (0.141)	0.145 (0.125)	-0.102 (0.196)
R ²	0.054	0.054	0.104	0.103	0.092	0.180
Adjusted R ²	0.050	0.050	0.098	0.097	0.087	0.169
N	2060	2085	2013	2043	1890	1814

Entries are ordinary least squares estimates with robust standard errors in parentheses. Two-tailed tests of statistical significance are conducted for all coefficient estimates. Statistical significance is indicated as follows: † $p < .10$, * $p < .05$, ** $p < .01$, *** $p < .001$.

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