International Trade

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Summary

This survey was requested by the Directorate General of Trade (DG TRADE) and coordinated by the Directorate General for Communication (DG COMM “Research and Speechwriting” Unit).
This document does not represent the point of view of the European Commission. The interpretations and opinions contained in it are solely those of the authors.
Eurobarometer 74.1

International Trade

Conducted by TNS Opinion & Social at the request of Directorate General of Trade

Survey co-ordinated by Directorate General Communication

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Table of contents

INTRODUCTION .................................................................................................................. 5

1. INTERNATIONAL TRADE IN EU CONSUMERS’ EVERYDAY LIVES .................. 8

  1.1 Awareness of the origin of the products or services bought ................. 8

  1.2 EU consumers’ behaviour towards products or services from outside the European Union ................................................................. 11

2. THE PERCEPTION OF THE PERSONAL BENEFITS FROM INTERNATIONAL TRADE ........................................................................................................... 13

  2.1 Do European consumers benefit from international trade? ............... 13

  2.2 The reasons for benefiting/ not benefiting from international trade .... 15

    2.2.1 Reasons for benefiting ........................................................................ 15

    2.2.2 Reasons for not benefiting ................................................................. 16

3. EU CONSUMERS’ PURCHASING ATTITUDES TO ISSUES RELATING TO INTERNATIONAL TRADE ................................................................................... 18

  3.1 EU results ........................................................................................................... 18

  3.2 National results ............................................................................................. 19

4. THE EUROPEAN UNION ROLE IN INTERNATIONAL TRADE ....................... 24

  4.1 Current evaluation ............................................................................................ 24

    4.1.1 The perception of the role of the European Union .......................... 25

    4.1.2 The benefits of international trade for the European Union .......... 25

    4.1.3 The strengths of European Union products or services in international trade ........................................................................................................ 26

  4.2 Future issues ...................................................................................................... 27

    4.2.1 The role of emerging countries in international trade ................. 28

    4.2.2 The future of the European Union as an economic power .......... 28
5. THE PRIORITIES FOR THE FUTURE EUROPEAN UNION TRADE POLICY ......30

5.1 EU results ........................................................................................................30

5.2 National results ..............................................................................................31

CONCLUSIONS .....................................................................................................33

TECHNICAL SPECIFICATIONS
INTRODUCTION

For over 50 years, promoting free trade has been a cornerstone of EU trade policy. Currently, the European Union is the biggest actor in international trade, accounting for 17% of global imports and exports. Its experience of opening markets both inside the EU and through trade deals is felt to have delivered benefits for rich and poor countries alike, which is why trade is highlighted as a key part of the Europe 2020 strategy\(^1\).

The European Union is an active member of the World Trade Organisation that promotes free trade in the world. In the WTO, the European Union is actively involved in the Doha Development Round which began in 2001.

Since 2007, it has also been engaged in a number of bilateral trade negotiations for a new generation of trade agreements with countries such as India, Ukraine and Canada, as well as completing negotiations earlier this year on trade deals with Peru and Colombia and the countries of Central America and signing a far-reaching agreement in October 2010 with South Korea.

In November 2010, the European Commission launched a new trade policy. The main objective of this new policy will be to ensure that the development of international trade is a vector of job creation in the European Union.

In his State of the Union speech, the President of the European Commission José Manuel Barroso announced the main objective of this new policy: "We also want to see support for the Doha Round. Trade boosts growth and prosperity. We will also pursue bilateral and regional Free Trade Agreements. In October, the Commission will present a renewed trade policy to drive new benefits for Europe."\(^2\)

In this context, the Trade Directorate-General (DG TRADE) of the European Commission has been keen to measure public opinion on international trade, in order to:

- Assess the impact of international trade on the lives of EU consumers
- Evaluate the role of the EU in international trade
- Assess the future challenges of European Union trade policy

The survey was carried out by TNS Opinion & Social network. The interviews were conducted among 26 635 EU citizens in the 27 Member States of the European Union.

\(^1\) [http://ec.europa.eu/eu2020/index_en.htm](http://ec.europa.eu/eu2020/index_en.htm)
The methodology used is that of the Eurobarometer surveys as carried out by the Directorate General for Communication ("Research and Speechwriting” Unit). A technical note on the manner in which the interviews were conducted by the Institutes within the TNS Opinion & Social network is included as an annex to this report. Also included are the interview methods and confidence intervals.

This summary is divided into five main sections, structured as follows:

- International trade in EU consumers’ daily lives
- The perception of personal benefits from international trade
- EU consumers’ purchasing attitudes to issues relating to international trade
- The European Union role in international trade
- The priorities for the future European Union trade policy

A full report with a more detailed analysis of the results is also available.

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The Eurobarometer web site can be consulted at the following address:


We would like to take this opportunity to thank all the respondents throughout the continent who gave their time to take part in this survey.

Without their active participation, this survey would quite simply not have been possible.
In this report, the countries are referred to by their official abbreviation:

### ABREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Name</th>
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<tr>
<td>EU27</td>
<td>European Union – 27 Member States</td>
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<td>EU15</td>
<td>The fifteen Member States that were EU members</td>
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<td>prior to the accession of ten candidate countries on 1 May 2004</td>
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<td>NMS12</td>
<td>The twelve Member States that became EU members in the 2004 or 2007 enlargement waves are referred to as NMS12 (New Member States 12)</td>
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1. INTERNATIONAL TRADE IN EU CONSUMERS’ EVERYDAY LIVES

International trade is important for the economic situation and the success of the European Union and the Member States. It affects the lives of all EU citizens. Every day they experience products and services which are produced outside their own country and outside the European Union.

Therefore this first chapter addresses two aspects of the consequences for EU citizens at an individual level: their awareness of the origin of products and services, and their corresponding response.

1.1 Awareness of the origin of the products or services bought

- EU citizens are aware of the origin of products -

EU citizens are quite aware of the origin of the products and services they can buy. As you can see in the graphic below, almost one third and, in the case of food, two fifths of respondents not only check the origins, but also make their decision on the basis of the origin of the product or service.

Around 20% of respondents check the origin but say that it does not influence their decision to buy a certain product. It is especially interesting that for everyday goods

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5 QD1 For each of the following products or services, please tell me if you check its origin and if this influences your decision when you buy it. If you don’t buy these products or services, and do not intend to do it in the future, please tell me if you would check its origin and if this would influence your decision if you were buying it. 1. Food; 2. Textiles/ clothes; 3. Electronic devices; 4. Cars/ motorbikes; 5. High tech services, such as a mobile phone services provider
and services – food, textiles and electronic devices – the respondents are quite clear in their positioning, and the “don’t know” category is quite small.

Overall almost half of all respondents do not check the origins of the products and services they buy. The origin of some products, for example cars or high-tech services, can be very difficult to determine and in fact is nowadays a fairly complex concept, as one has to define whether origin means the locality where the product was produced or whether it means, where the brand is situated. Some of the people who do not check the origin, or who answer "don't know" might be influenced by this complexity.

Food is the product category for which the origin is checked most often, with the largest influence on decision-making. The two other response categories (“No, I don’t check” and “don’t know”) are relatively smaller than for the four other service and product items.

For analytical purposes, the five different awareness measures have been combined in an index. The graphic below shows the repartition of European citizens on the awareness index.

The proportion of the respondents in the four groups is quite similar:

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6 The figure is a weighted index, based on assigning the value 2 for awareness influencing decisions, the value 1 for awareness without decision-making influence and the value 0 for no awareness to each of the five items. The index measuring awareness shows a relatively high correlation with each of the original variables.
More than one respondent out of four have a **strong** awareness of the products or services origins (score between 7 and 10 points; 27%). A similar proportion has a **medium** awareness (score between 4 and 6 points; 28%);

On the other hand, 20% of the respondents have a **low** awareness of the products or services origins (score between 1 and 3 points). And, a quarter of Europeans have **no idea of the products or services origins** (25%).

In Cyprus (78 %), Greece and Finland (both 76%) and Latvia (71%) respondents show a high level of awareness (strong + medium scores on the index). In Slovenia, Lithuania, Germany, Hungary and Estonia, more than two-thirds of respondents record a high level of awareness.
At the bottom, with low or limited awareness, we find Spain (37%), the UK (39%), the Netherlands, Belgium, Ireland (40%) and Portugal (42%). In these countries fewer than half of the respondents are aware of the origin of a product.

The EU average for the index is 55% (strong + medium scores on the index) and countries like Denmark, Bulgaria, Poland, Malta, Austria, France, Sweden and the Czech Republic are close to the EU average.

1.2 EU consumers’ behaviour towards products or services from outside the European Union

- A large majority of Europeans buy products or services from outside the EU -

The data for all the 27 EU Member States taken together show an interesting pattern of distribution. While almost one-third think that they do not buy products or services from outside the EU, six respondents out of ten (60%) consider that do buy such products in a regular week.

The interesting point in this graph is the “don’t know” category, which represents more than one in ten respondents. This group of respondents are often unaware or only slightly aware of product origins, and are also likely to be less educated and of lower social standing.

7 QD2 In a regular week, that means when you are at home, not away on holidays, do you buy products or services from outside the EU?
Combining the results for the three different ‘yes’ responses shows that respondents in the UK and Spain are not only unaware of the origin of products, but also think they buy these products less. On the other hand, in Belgium, the Netherlands and Sweden, respondents believe they buy products from outside the EU even if they maintain that they are relatively unaware of the origin of some products or services.

Again Cyprus leads the ranking, which means that respondents in Cyprus are aware that they buy a lot of non-EU products. Respondents in some economies, such as France, Germany, central Europe (Austria, Hungary, Czech Republic, Slovakia and Slovenia), Denmark and Finland are also aware that they buy products from outside the EU fairly often. The results for Estonia are something of a surprise, because one would expect a result similar to the results in Lithuania, Latvia or Poland, with a lot of trade with Russia and other countries on the eastern borders of Europe.
2. THE PERCEPTION OF THE PERSONAL BENEFITS FROM INTERNATIONAL TRADE

As shown above, international trade has a meaning for every single European citizen. In this chapter we take a closer look at the personal consequences: on the one hand the perceptions of international trade and on the other hand the practical consequences for EU citizens and consumers.

2.1 Do European consumers benefit from international trade?

- European consumers benefit from international trade -

Citizens of the European Union are rather positive when they evaluate their personal benefits from international trade. Across the EU 44% of respondents say that they personally benefit from international trade, whereas 39% say that they do not benefit. More precisely, only 16% of respondents say that they do not benefit at all from international trade. This group is therefore smaller than the “Don’t know” group (17%). The relatively high proportion of “don’t know” answers could be explained by the fact that the question is rather abstract.

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QD4 Nowadays, international trade has an important place in the EU: this means that goods and services from outside are imported into the EU, while EU goods and services are exported around the world. Could you tell me whether you are currently benefiting from international trade or not?

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8 QD4 Nowadays, international trade has an important place in the EU: this means that goods and services from outside are imported into the EU, while EU goods and services are exported around the world. Could you tell me whether you are currently benefiting from international trade or not?
The map below gives the results for the two positive categories (yes %). Cyprus heads the ranking (73%) together with three countries from the north of Europe, Sweden (72%), Finland (57%) and Denmark (61%), as well as the Netherlands (58%).

In addition to Italy (31%) and France (39%), the bottom group mainly contains countries from Eastern Europe – Bulgaria, Latvia, Romania, Estonia and Lithuania. However, at 44% the EU average is rather low, so that most of the countries are statistically close to the EU average.\(^9\)

\(^9\) It should be noted that in Greece and Slovakia the result shows no statistically significant difference from the EU average. This is caused by the “don’t know” responses, which are quite low in both countries. Therefore the distribution of total yes and total no is very similar to the EU distribution of yes and no responses.
2.2 The reasons for benefiting/ not benefiting from international trade

As the evaluation of the personal benefits of international trade remains somewhat imprecise, we also asked whether the respondents could name some reasons for thinking that they benefit, or do not benefit, from it.

2.2.1 Reasons for benefiting

-Cheaper products and wider choice are recognised as major benefits of international trade-

This question was only asked to those respondents who said that they benefit from international trade. The result at EU level is quite clear. EU citizens see wider choice and cheaper products as the most important effects of international trade. It seems also of importance that the combination of both items shows the highest level of correlation. 39% of the respondents named both “wider choice” and “products are cheaper” as reasons why they benefit from international trade. This means that 19% of the total sample mentioned those two answers.

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10 QDS Why do you think you are benefiting from international trade? (ROTATE – MAX. 2 ANSWERS)
2.2.2 Reasons for not benefiting

- Raising unemployment, higher prices of products and the quality of products are named as the major negative impacts of international trade -

The second group, who said that they did not benefit from international trade, were also asked the reasons for their opinion. This time, three items had almost identical scores. These respondents mentioned higher prices, the danger of unemployment and the quality of products as negative consequences of international trade. The two items which have no immediate impact on individuals scored less strongly, with 16% and 14% respectively.

Unemployment, which is a major current problem in almost all European Member States, was also quite prominent as one of the reasons why respondents say they do not benefit from international trade. The EU average for this item is 30% and the map below readily identifies the countries which are above this average. Respondents in Greece (51%), Ireland (44%) and Portugal (44%) most often cited growing unemployment. At the other end we find Sweden (11%), Romania (15%) and Estonia (16%), the Netherlands (17%), Poland (18%) and Lithuania (19%), where less than one fifth of respondents say that international trade has caused unemployment.

11 QD6 Why do you think you are not benefiting from international trade? (ROTATE – MAX. 2 ANSWERS)
Readers are reminded that these answers were given by those respondents who see no benefits from international trade.

To summarize, citizens of the European Union demonstrate rather positive attitudes to international trade. The results of this survey indicate that the perceptions of different aspects of international trade follow a fairly stable social pattern, which was seen in Chapter 1, and which emerges again in Chapter 2.
3. EU CONSUMERS’ PURCHASING ATTITUDES TO ISSUES RELATING TO INTERNATIONAL TRADE

The two previous chapters of the report showed that international trade was quite well-integrated into the daily lives of European citizens. Moreover, a majority of people consider that they benefit from it. Two major reasons are mentioned for benefiting: international trade offers a wider choice for consumers and makes the products cheaper.

After outlining this broad picture, we will now focus on the purchasing attitudes to international trade. To do so, the respondents were asked if they would be prepared to pay more for products respecting ethical issues or made in their own countries.

3.1 EU results

- A significant proportion of Europeans are willing to pay more for products which help the environment, respect social standards, help developing countries or which are made in their countries -

If a slim majority of respondents answered that they would not be prepared to pay more for products or services from companies that respect ethical considerations, nearly half of the respondents said that they would be prepared to pay more, with a small proportion (around 5%) even saying that they would pay above 10% more.\(^{12}\)

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\(^{12}\) QD3. Would you be prepared to pay more for products or services from...? (IF YES) How much more would you be prepared to pay?

- Companies that respect the environment: 42% would pay more, 5% would pay above 10% more.
- Companies that respect labour rights and apply high social standards: 51% would pay more, 8% would pay above 10% more.
- (OUR COUNTRY): 50% would pay more, 6% would pay above 10% more.
- Developing countries to support people living in these countries: 52% would pay more, 4% would pay above 10% more.

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18
However, if the results are analysed question by question, some differences emerge. **Respect for the environment** stands out as one major reason that Europeans would be ready to pay more for goods and services. Indeed, a relative majority of the respondents answered that they were willing to pay more to companies that respect the environment (47%).

The three other reasons, namely **respecting social standards**, **support for national products** and **support for people living in developing countries**, are a little less important for Europeans. A majority say that they would not be prepared to pay more for each of these reasons (51%, 53% and 52% respectively). In these three cases, at least four in ten respondents nevertheless answer that they are willing to pay more (41%, 41% and 40% respectively).

It is also interesting to note that though a clearly significant proportion of respondents would be prepared to pay more for products or services that respect these conditions, the proportion prepared to pay more than 10% more is relatively small, around 5% for each category.

This shows that Europeans are to some extent prepared to pay more, but they have quite cautious purchasing attitudes.

### 3.2 National results

- **Respondents in countries from the north of the European Union are much more willing to pay for products respecting ethical issues or made in their own countries** -

Looking closer at national results, an overall pattern seems to emerge. Consumers in countries from the north of the European Union are much more willing to pay more for these products than those in countries from the south. In this part, the report will focus on analysing the country-by-country differences for each item.

The results for the item **companies that respect the environment** are very different from one country to another.

As shown on the map below, countries from the north of the European Union, such as Sweden (82%), Denmark (73%), Finland (64%), UK (54%) and countries, such as The Netherlands (71%), Luxembourg (68%), France (60%) and Belgium (54%) have a higher proportion of respondents willing to pay more for products or services from companies that respect the environment.
Conversely, fewer than four in ten respondents would be prepared to pay more in southern and eastern countries: Portugal (18%), Romania (31%), Lithuania (31%), Czech Republic (32%), Spain (33%), Latvia (35%), Poland (37%), Slovakia (39%) and Greece (39%). The proportion of respondents ready to pay more in Ireland is also low (38%).

Results for Cyprus (51%), Germany (51%), Austria (47%), Estonia (45%), Italia (43%), Bulgaria (42%) and Malta (40%) do not show statistical differences from the EU average.

The difference between EU15 countries and the New Member States (NMS12) countries is thus quite significant. Indeed, half the respondents in EU15 countries said that they would pay more (50%) compared to only 36% of those living in NMS12 countries.
The analysis of the national results for **companies that respect labour rights and apply high social standards** reveals the same pattern as observed for the previous question. The countries where the respondents would be willing to pay more for products made in those conditions are Sweden (79%), Denmark (65%), Luxembourg (65%), the Netherlands (64%), Finland (59%), France (57%) and the United Kingdom (52%).

It is also worth noting that a quite significant proportion of respondents in Sweden (17%), Luxembourg (11%), the Netherlands (10%) and Denmark (9%) said that they would pay more than 10% more for products or services respecting social standards. This shows that respect for social standards has a strong influence on the purchasing attitudes of respondents from those countries.

At the other end of the scale, respondents in eastern and southern Member States are less inclined to pay more for such products or services. Less than three in ten respondents are willing to pay more in the following countries: Portugal (17%), Czech Republic (19%), Latvia (23%), Hungary (26%), Romania (24%), Lithuania (25%), Spain (26%), Slovakia (28%) and Greece (29%).

It is worth noting that results for Belgium, Germany, Cyprus, Bulgaria and Italy again show no statistical differences here from the EU average.

The difference between EU15 countries and NMS 12 countries is again considerable, with 45% of EU15 respondents prepared to pay more compared with only 29% of respondents from NMS12 countries.

The analysis of answers to the question on **products or services made in the respondent’s own country** shows a quite different pattern. The group of countries that are more prepared to pay more for these products or services still includes Finland (71%), Sweden (63%), Denmark (56%), France (54%), Luxembourg (51%) and the UK (48%) but now also includes Estonia (56%), Latvia (47%) and Cyprus (46%). It is interesting to note that these were the countries with the highest awareness of product origins. They were classified on the index as countries which have a strong awareness of the origins of products or services they are buying. The public in these three countries seem thus to give considerable importance to their national products.

On the other hand, respondents in some countries do not give great importance to the fact that products or services are made in their countries. Less than a third of respondents in Malta (32%), the Czech Republic (30%), Romania (28%), Spain (27%) and Portugal (17%) are willing to pay more for such products or services.
A fairly large group of countries do not show statistical differences from the EU average (41%): Hungary (45%), Austria (45%), Germany (42%), Slovenia (42%), Poland (40%), Ireland (39%), Slovakia (39%), Belgium (39%), The Netherlands (37%) and Italy (35%). In Spain, in Romania and Lithuania, only 1% of respondents said that they would pay more than 10% more.

The gap between EU15 countries and NMS12 countries is far smaller than it was for the previous questions. 42% of respondents in EU15 countries would be prepared to pay more, compared with 38% of respondents in NMS12 countries. This smaller difference could be explained by the results obtained in the first questions of the survey on product origins, where respondents in eastern countries scored high for awareness.
The results for the item **developing countries, to support people living in these countries** show a similar pattern to respect for social and environmental standards, with a division between respondents from northern and western Member States and those from eastern and southern Member States.

Respondents from Sweden (69%), the Netherlands (68%), Luxembourg (66%), Denmark (61%), Finland (60%), UK (53%) and France (50%) are more likely to be willing to pay more for products to support people living in developing countries.

It is worth noting that in Sweden (20%), Luxembourg (16%), the Netherlands (13%) and Denmark (11%) a significant proportion of respondents said that they would pay above 10% more for this item.

At the other end of the scale, less than a quarter of respondents would pay more for products made in developing countries in Portugal (14%), Lithuania (16%), Latvia (17%), Bulgaria (20%), Czech Republic (20%), Romania (20%), Hungary (22%), Estonia (22%), Slovakia (23%) and Greece (24%).

In Austria (42%), Cyprus (42%), Ireland (39%), Italy (34%) and Malta (33%), results do not show any statistical differences from the EU average (35%).

The difference in results between EU15 countries and NMS12 countries for the support of developing countries is quite large. There is a difference of 22 points between the total “yes” answers recorded in EU15 countries (45%) and in NMS12 countries (23%).
4. THE EUROPEAN UNION ROLE IN INTERNATIONAL TRADE

Besides individual awareness and attitudes that are more or less related to concrete behaviour and action, the following section takes a closer look at more general views of EU citizens, and asks how well the EU as an entity deals with issues of international trade. The following section will present data showing a fairly positive evaluation of the EU’s current role in international trade although Europeans are somewhat sceptical about the future, or are undecided about how they see the EU’s future role in the international / global economy.

4.1 Current evaluation

- The EU performs quite well -

Not only do the majority of European citizens think that they personally benefit from international trade but 65% believe that the EU benefits from international trade. They also think that European products are sufficiently able to compete with products from outside the EU, 64%.13

13 QD7. Please tell me whether you agree or disagree with each of the following statements regarding international trade and the EU. 1. The EU is the biggest player in the world in international trade; 2. The EU has benefited a lot from international trade; 4. European products and goods can compete well with products and goods from outside the EU
4.1.1 The perception of the role of the European Union

To further analyse the question, it is interesting to look at the differences between countries. The picture is quite diverse. Whereas in Finland (62%), the Czech Republic (57%), Bulgaria (57%) Lithuania (56%) and Latvia (55%) 55% or more believe that the EU is the biggest player in the world in international trade, only around a third of respondents in the Netherlands (25%), the UK (31%), Sweden (32%) and Denmark (35%) agree.

4.1.2 The benefits of international trade for the European Union

Moving on to the question of whether the EU benefits from international trade, the geographical distribution changes. Respondents from countries in the north of Europe – Sweden (86%), Denmark (85%) and Finland (81%) – are particularly likely to support
this view, as are respondents in Cyprus (81%) and the Netherlands (80%). Interestingly, the results – at least for the top ranking countries – match the results for question QD4, where we asked the respondents whether they personally benefited from international trade.

At the other extreme, with lower ‘agree’ rates, four countries fall below the 60% level - Portugal (49%), Italy (54%), Greece (58%) and France (59%). Even if they are significantly below the EU average (65%), more than half of the respondents in each country (except Portugal) agree with the statement that the EU benefits from international trade.

### 4.1.3 The strengths of European Union products or services in international trade
The last item in the evaluation of the EU’s current role in international trade in this survey addressed the competitiveness of European products and services outside the EU.

The map is quite interesting, as we see a massive north-central-east European block of supporters of the statement, whereas western and southern European countries do not show the same strong and conclusive positioning.

The EU average for this question is 64%, which represents almost two-thirds of respondents. Except in Denmark (49%) and France (46%) more than half of respondents in every country support the statement that European products and goods can compete with products from outside the EU. More than one third of the countries record levels of agreement above 70%. Agreement is especially high in Slovakia (84%), Cyprus (83%), Austria (82%) and Bulgaria (80%).

4.2 Future issues

It is somewhat more difficult for respondents to project into the future\(^\text{14}\). Particularly during the deep and long-lasting economic crisis, even economic experts struggle to have a clear understanding of what will happen in the next couple of years. Nevertheless, respondents were asked to give their opinion on the future development of the EU in terms of international trade.

- **No fear, but less confidence in expectations of future of trade** -

EU citizens are less confident in their expectations of the future role of the EU in the international trade environment.

The emerging economies in particular are seen as the main competitors in the coming years. 71% of respondents think that countries like Brazil, China or India will benefit more and more from international trade.

Furthermore, 45% of respondents expect the EU to become a secondary economic power in the future. Only 31% disagree with this statement. However, many Europeans remain undecided on this point (24% don’t know) so this question, more than any other, is where Europeans have less clear views as to the future economic role for the EU.

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\(^\text{14}\) QD7. Please tell me whether you agree or disagree with each of the following statements regarding international trade and the EU. 3. In the coming years, international trade will benefit more and more emerging economies like Brazil, China or India; 5. In the coming years, the EU will only be a secondary economic power
4.2.1 The role of emerging countries in international trade

Taking a closer look at the differences between countries, it appears that certain countries which believe that European products and goods are sufficiently competitive for the international markets also report a high level of agreement with the statement that emerging economies will gain more and more importance. In the Netherlands (91%), Sweden (88%), Denmark (87%) and Belgium (85%) more than eight out of ten respondents support this statement.

At the other end of the ranking we find countries from eastern Europe as well as Spain, Portugal and Ireland, where respondents do not support the statement as strongly as they do in the above-named countries. But again, except in the case of Romania (46%), more than 50% of respondents in all countries support the statement that emerging economies will become more important in the coming years.

4.2.2 The future of the European Union as an economic power

Opinions of Europe’s role as an economic power in the future are less pessimistic in Germany and eastern Europe, Spain and Portugal, but respondents in western Europe as well as northern and southern Europe are rather more sceptical.

Belgium (62%), Denmark (59%), Slovakia (57%), the Netherlands (56%) and France (56%) top the table, whereas Romania and Bulgaria, the Member States that joined the EU most recently, report less than 30% agreement with the statement.
The EU average of 45% and the high level of “don't know” answers (24%) indicates that the EU citizens are undecided about how they see the future of the EU.

What is interesting for all the questions concerning the current as well as the future role of the EU in a globalized market is the fact that almost one fifth of interviewees were unable to give a clear response on the topics.
5. THE PRIORITIES FOR THE FUTURE EUROPEAN UNION TRADE POLICY

In the previous chapter, we have seen that European citizens consider the EU as an empowered actor in current international trade. The EU has benefited from it and the products sold by EU companies are competitive in the world marketplace. However, there is some scepticism about its capacities to compete with other continents in the future. In that context, we should now concentrate on the future European trade policies. What should be its objectives?

5.1 EU results

– Priority should be given in the future European trade policy to creating jobs –

A majority of Europeans think that priority for the future European trade policy should be given to creating jobs\(^{15}\). More than six in ten citizens believe that the priority should go to employment (61%). International trade and job creation are thus clearly related in Europeans’ minds; this is their main expectation.

\(^{15}\) QD8a-b In your opinion, what should be the main priorities of European Union’s trade policy for the years to come? Firstly? And then?
The other priorities are mentioned by less than four in ten respondents: offering consumers the widest choice of products and services at the lowest prices (39%) and ensuring that the same rules for trade are applied everywhere in the world (38%). Around three in ten respondents then cited supporting European companies and businesses (32%), ensuring environmental standards (30%) and helping developing countries around the world (28%).

5.2 National results

- Creating jobs is the first priority in most European countries -

Creating jobs is the priority most cited in most of the Member States. However, there are some differences between countries. In Cyprus (79%), Spain (77%), Greece (77%), Hungary (76%), Slovakia (72%), and Portugal (71%), more than seven out of ten respondents see job creation as a major priority for the future European trade policy. At the other end of the scale, fewer than half of respondents mention it as a priority in Italy (47%), the Netherlands (47%) and Sweden (49%).

Overall, it is interesting to note that creation of jobs appears to be much more a priority in southern and eastern Member States than in northern and western ones.

The results for EU15 countries and NMS12 countries confirm this. 65% of respondents in NMS12 countries considered employment to be the main priority for the future European trade policy whereas the figure stood at 59% in EU15 countries.

Nevertheless, besides these modest differences, job creation creates a kind of consensus in European public opinion, which is not surprising given the current economic climate.

Although creating jobs is the priority most cited in twenty-one Member States of the European Union, in a few other countries, respondents gave their preferences to other priorities.

In Cyprus (84%), Bulgaria (71%), Malta and Romania (both 64%), the answer “Offer consumers the widest choice of products and services at the lowest prices” comes first in the ranking of priorities.

In the Netherlands, 54% of respondents mention the answer “Ensure that the same rules for trade are applied everywhere in the world”. This priority comes first in this country. It should be noted that this is the only country where more than half of respondents mention this as a priority.
In Sweden, respondents are much more focused on the environmental priority. Half of the respondents selected this answer as the main priority for the future European trade policy. It is the most mentioned answer in this country. Ensuring environmental standards is also very important in Cyprus (54%), Austria (54%) and Denmark (50%). It is interesting to note that these results can be related to the results obtained in the question on the negative consequences of international trade (QD6). Indeed, in Denmark, Sweden and Austria, environmental harm was considered one of the major negative consequences of international trade. At the other end of scale, in Lithuania (14%), Slovakia (15%) and Latvia (18%), less than two in ten respondents mentioned this priority.

There is thus a broad consensus among European public opinion about the fact that the future European Union trade policy should aim at developing the level of employment in the European Union. The recent economic crisis is certainly one important factor in understanding this consensual opinion on the necessity of bringing more jobs to the European Union.
CONCLUSIONS

The Eurobarometer on international trade was designed to obtain data on the awareness, the attitudes and the perceptions of European citizens in respect of international trade as such, to evaluate the role of the EU in international trade and to assess the future priorities for European trade policy.

International trade is a concept which is not directly understood as such to respondents. But European citizens think that the EU is an important player in the world, a player which benefits greatly from international trade and which is able to produce products to compete on the international market.

The data show that most European citizens are aware of the origins of products and that for almost one fifth of them this influences their decisions to buy certain products. Furthermore, a relative majority also believe that both they personally and the European Union in general benefit from international trade. The general positive perception is positively related to the role the EU takes in the world and the competitiveness of European products and services.

Furthermore, the above-mentioned aspects of awareness, perception and attitudes are directly related to each other. Indeed, the positive perceptions of international trade and attitudes to it are related to a greater awareness of the origin of products and goods. The belief that an individual personally benefits from international trade is also connected with positive attitudes towards international trade.

It is interesting to see that the reasons for being for or against international trade are in some way linked to prices, or more generally related to the affordability of products. This leads us to a general question: who is aware of or supports international trade?

As far as we can see from the data, we can assume that there is a strong latent social dimension behind the results. Analyzing the data with a focus on questions related to the social characteristics of respondents (societal positioning) provides the single most significant explanation of the patterns in the responses. Education, self-positioning or the financial situation of respondents differentiate the respondents into citizens who are aware, who have a positive understanding and perception of international trade and who are optimistic for the coming years, and a second group of respondents who show the opposite attitudes and perceptions.

Furthermore, it seems to be the case that the perception of international trade, and also the survey results presented, must be interpreted against the background of the international crisis and individual and macro-economic uncertainty. Therefore it is not surprising that employment and unemployment are to some extent prominent in the different arguments for and against international trade.
Most of the respondents call for the same rules for international trade to be applied everywhere, and almost 40% of respondents are even willing to pay more for goods and services that support certain values. This is probably because of the fact that trade is not directly associated with the issue of social and environmental standards applying to the production of the goods or services in question; trade is rather associated with barriers and access to markets. Taking account of moral arguments in international trade, and trade policy, is important to some of the respondents, and should reflect the overall values of the European Union. On the other hand the social pattern in the data leads to a question: whether products that support certain values can find a market when some EU citizens feel left out or are under economic pressure in current conditions. On the other hand we see that only a smaller group of European citizens that justify or rather link their purchasing behaviour with moral or ethical values, such as social standards, the environment or general development objectives. Europeans cannot be considered passive consumers: social and ethical concerns are among their criteria when buying a product or a service.

In order to justify recourse to social and environmental standards for international trade, greater security should be offered to Europeans about their economic and employment prospects, and the social and economic situation of EU citizens should also be taken into account, as negative perceptions of international trade are clearly related to social and economic hardships experienced by EU citizens. Furthermore, the data show an ill-defined fear that other countries are becoming increasingly important and that the current role of the EU in the international arena will be less powerful in the future.

For respondents, the main priorities of a future EU international trade policy fall into two areas: a) a more economic domain, which is related to employment, the protection of European companies and the competitiveness of European products, and b) a consumer perspective, which seeks wider choice and cheaper products. But, almost the half of the EU citizens is undecided about the future role of the European Union as a global player in international trade.

Almost one fifth of EU citizens are undecided as to whether they are generally for or against international trade. It is as if they were sitting in a waiting room, closely observing the developments which affect their individual circumstances, their individual attitudes and values. Therefore, and this comes out clearly in the data: information about international trade at the European level has to connect the benefits international trade brings to European economies, European businesses and European citizens. Furthermore, and this is closely connected with the need for information about the benefits; the individual’s perception of his or her own social situation goes hand and hand with positive perceptions of international trade.
Between the 26th of August and the 16th of September 2010, TNS Opinion & Social, a consortium created between TNS plc and TNS opinion, carried out the wave 74.1 of the EUROBAROMETER, on request of the EUROPEAN COMMISSION, Directorate-General for Communication, "Research and Speechwriting".

The SPECIAL EUROBAROMETER N°357 is part of wave 74.1 and covers the population of the respective nationalities of the European Union Member States, resident in each of the Member States and aged 15 years and over. The basic sample design applied in all states is a multi-stage, random (probability) one. In each country, a number of sampling points was drawn with probability proportional to population size (for a total coverage of the country) and to population density.

In order to do so, the sampling points were drawn systematically from each of the "administrative regional units", after stratification by individual unit and type of area. They thus represent the whole territory of the countries surveyed according to the EUROSTAT NUTS II (or equivalent) and according to the distribution of the resident population of the respective nationalities in terms of metropolitan, urban and rural areas. In each of the selected sampling points, a starting address was drawn, at random. Further addresses (every Nth address) were selected by standard "random route" procedures, from the initial address. In each household, the respondent was drawn, at random (following the "closest birthday rule"). All interviews were conducted face-to-face in people's homes and in the appropriate national language. As far as the data capture is concerned, CAPI (Computer Assisted Personal Interview) was used in those countries where this technique was available.
<table>
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For each country a comparison between the sample and the universe was carried out. The Universe description was derived from Eurostat population data or from national statistics offices. For all countries surveyed, a national weighting procedure, using marginal and intercellular weighting, was carried out based on this Universe description. In all countries, gender, age, region and size of locality were introduced in the iteration procedure. For international weighting (i.e. EU averages), TNS Opinion & Social applies the official population figures as provided by EUROSTAT or national statistic offices. The total population figures for input in this post-weighting procedure are listed above.

Readers are reminded that survey results are estimations, the accuracy of which, everything being equal, rests upon the sample size and upon the observed percentage. With samples of about 1,000 interviews, the real percentages vary within the following confidence limits:

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