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Crashing Into Us: The Impact of Globalization on Individual Attitudes About Free  
Enterprise, Government, and Human Rights

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## Abstract

### Crashing Into Us: The Impact of Globalization on Individual Attitudes About Free Enterprise, Government, and Human Rights

By Abigail C. Freeman

This study seeks to elucidate the impact of globalization on attitudes about free enterprise, government, and human rights. It tracks the effects of economic, social, and political globalization on fifteen World Values Survey questions over the period from 1981-2004. Findings reveal that economic globalization makes people more favorable to support increased trade and economic openness as it produces material affluence and tangible economic benefits. On the other hand, social globalization has produced divided opinions on free enterprise, government, and human rights; people embrace many of the positive benefits of social globalization but fear its culturally homogenizing effects. Additionally, results for the impact of political globalization on individual attitudes is less conclusive but shows some support for increased support for individual freedoms as political globalization increases. Lastly, this study shows that an increase in wealth, as a result of globalization, is responsible for changes in public opinion, a finding that supports the current literature.

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## Table of Contents

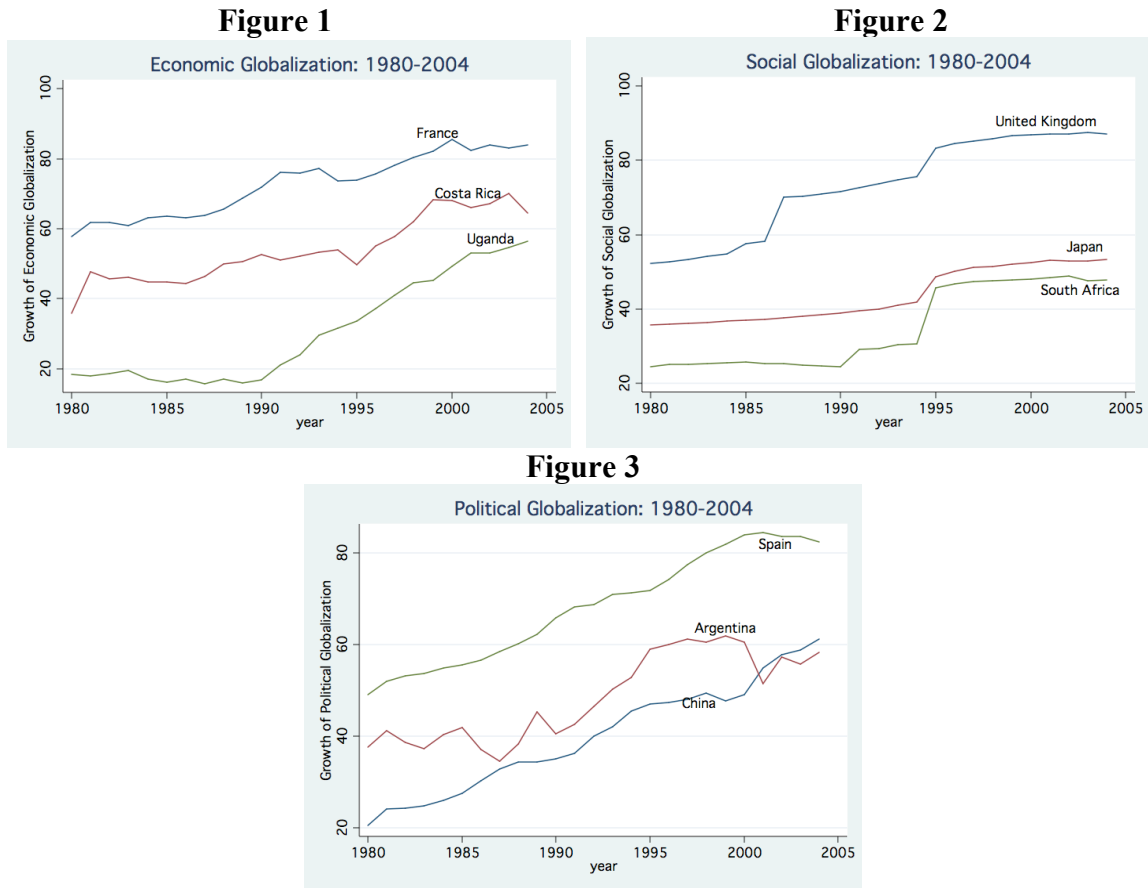
Introduction.....	Page 1
Figure 1.....	Page 2
Figure 2.....	Page 2
Figure 3.....	Page 2
Literature Review.....	Page 4
The Theoretical Model.....	Page 10
Figure 4.....	Page 10
Research Design.....	Page 13
Table 1.....	Page 18
Findings and Implications.....	Page 20
Table 2.....	Page 20
Table 3.....	Page 21
Table 4.....	Page 23
Table 5.....	Page 26
Table 6.....	Page 28
Table 7.....	Page 30
Table 8.....	Page 33
Table 9.....	Page 36
Table 10.....	Page 39
Figure 5.....	Page 41
Figure 6.....	Page 41
Figure 7.....	Page 41
Figure 8.....	Page 41
Figure 9.....	Page 42
Figure 10.....	Page 42
Conclusion.....	Page 43
Appendix.....	Page 46
Appendix A.....	Page 46
References.....	Page 54

## I. Introduction

Has globalization led to changes in political attitudes about free enterprise, government structure, and individual freedoms? Scholars, policymakers, and pundits have explored globalization's positive and negative impacts on domestic politics, economics, and cultures. For example, globalization has led to job creation around the world and brought large inflows of foreign capital into developing nations, but it has also spurred a fear of cultural homogenization in many individuals and societies. Politicians and citizens capitalize on the positive benefits of globalization by enacting legislation that favors economic openness and increased trade, and mitigate the negative changes produced by globalization by legislating barriers to trade and commercial regulations to limit international cultural influences. This study will contribute to current literature on the topic as it will examine the effects of economic, social, and political globalization on these attitudes.

Scholars have often debated about what characterizes globalization. Some say that it is strictly increased trade between nations, while others argue that it is a more widespread phenomenon that affects governments, businesses, and individuals. Although these aspects of economic globalization are the most commonly studied, they overlook the other effects of globalization that have an impact on national cultures and individual attitudes. While there are definitions of globalization abound, the term must be defined in a way that speaks to its global influence on local matters. Globalization is essentially the "flattening" of the world; it is the expansion of international trade and the increased interconnectedness, culturally and politically, that accompanies this increase in the coordination of economic activities (Friedman 2005). In this study, globalization is

characterized by three key dimensions: economic globalization through increased trade and foreign investment, social globalization through the increasing presence of international culture through the Internet, movies, and other sources of media, and political globalization through the interaction of governments and participation in non-governmental organizations.



The above figures confirm that economic, social, and political globalization are real phenomena that are becoming increasingly apparent. In the period from 1981-2004, it is clear that globalization increased around the world. In these figures, the economic, social, and political globalization scores are based on composite measures in the KOF Index of Globalization. Economic globalization is comprised of actual economic inflows, defined by traditional economic measures such as foreign direct investment and



portfolio investment, and trade restrictions, defined by measures like hidden import barriers and the mean tariff rates. Social globalization is a composite score of data on personal contact, such as telephone traffic and international tourism, data on information flows, including internet users and trade in newspapers, and data on cultural proximity, measured by the number of McDonald's restaurants, IKEA stores, and trade in books in a country. Lastly, political globalization is measured by embassies in a country, membership in international organizations, participation in UN Security Council missions, and international treaties. Together, these figures illustrate the strong general trend towards increasing economic, social, and political globalization over time. What are the consequences of this increase in globalization around the world?

Scholars have studied many aspects of globalization, but few have examined its impact on individual attitudes. Globalization has many noticeable consequences in everyday life, ranging from increasing economic prosperity to transmitting new ideas and information. As these changes are far reaching due to the increasing interconnectedness of economies and cultures, it is reasonable to expect that individuals' attitudes will change to reflect liberal values about economic, social, and political issues. I assert that as globalization increases, people will become more likely to favor free trade and economic openness, individual responsibility, and support increased individual freedoms and human rights. This study finds that these hypotheses are generally true. Results show that an increase in economic, social, and political globalization produce expected changes in opinions on free enterprise, government, and individual freedoms and human rights. However, results indicate that while people favor globalization for its tangible economic benefits, they often fear its culturally homogenizing effects. Also, globalization

is shown to be the indirect cause of changes in attitudes as it is the driving force behind increases in GDP per capita, a variable that was significant in the vast majority of regressions.

This article contributes to current research through its investigation of the impact of economic, social, and political globalization on individual attitudes about three broad categories: free markets, governments, and individual human rights. It is important to study these attitudinal changes, as they will have long-term implications for the direction of international politics in the future. As globalization has an increasing impact on economies, governments, and cultures, understanding its effects on individual attitudes will be essential for national and supranational governments to enact effective policies.

This study is organized as follows. First I will review the general literature on globalization and individual attitudes, and examine past research on factors that influence public opinion. Next I will define concepts and identify the hypotheses that will be tested. The research design and empirical test and discussion of the findings will follow. Lastly, I will conclude by discussing the implications of my findings and suggest possible future research.

## II. Literature Review

This study will develop and test an argument about how economic, social, and political globalization affect public support for free enterprise, government structure, and individual human rights. In order to devise a cohesive theory, it is useful to review the literature on globalization's impact on individual attitudes. While there is some evidence

that globalization has an impact on public opinion, scholars have found different ways in which this fact manifests itself.

### Wealth and Material Benefits

Scholars have established that globalization affects individual attitudes about wealth. As the impacts of globalization are most readily apparent in its economic manifestations, this aspect of globalization has received the most attention. As economic openness has produced concrete benefits for individuals in globalized nations, this area of the literature focuses on the aspects of trade that are most influential in changing individual attitudes about free markets.

Generally, people in countries that have been positively affected by globalization are more open to economic liberalization (Kaltenhaler, Gelleny, and Ceccoli 2004). In turn, governments that seek to attract international capital and global enterprise must ensure that public opinion favors globalization and trade openness. The effects of globalization may sway public opinion depending on its tangible benefits for society (Kaltenhaler, Gelleny, and Ceccoli 2004). For example, foreign direct investment resulting in job creation should make individuals more likely to support more globalization. On the other hand, individual societies that have not received benefits from globalization have been shown to have negative opinions towards globalization. Studies have shown that globalization divides the public in predictable ways; those who stand to benefit from trade liberalization will support globalization while those who are most vulnerable, like union workers, elderly workers, and lower wage earners, will oppose economic openness (Kaltenhaler, Gelleny, and Ceccoli 2004). Thus, as

individuals support trade openness, they may change their attitudes about globalization, which may lead to changes in attitudes about political parties and policies. This change in attitudes may propel individuals to seek regimes that are most conducive to furthering their economic interests.

Exposure to trade is another factor that may influence attitudes towards globalization. Scholars have shown that peoples' experience with trade, measured by the proportion of imports to exports, is a telling indicator of attitudes about globalization. Countries that primarily produce exportable goods and are highly protectionist will be more likely to see imports unfavorably as their policies seek to protect nationalistic interests (Baker 2005). On the other hand, countries that heavily rely on imports see trade as a means to obtain cheaper goods and will be more likely to adopt policies that favor globalization and attract multinational firms. In this case, individual attitudes are heavily influenced by citizens' experiences with international trade. Protectionist populations view globalization in a negative light as it threatens job security and local entrepreneurship, while open economies favor globalization as it encourages citizens to choose cheaper goods as they have lower stakes in local economies (Baker 2005). Thus, proponents of this argument assert that globalization has concentrated to specific groups of individuals and diffuse benefits for societies.

Additionally, it is widely accepted that globalization leads to an increase in wealth. Although globalization is often thought to increase income inequality, studies have shown that globalization, particularly driven by international trade and investment, has actually closed income gaps around the world steadily since 1975 (Dollar and Kraay 2002). Globalization has also been proven to increase economic growth and raise per

capita incomes at rates anywhere from one percent to five percent, depending on the existing level of economic development in a country (Dollar and Kraay 2002). Thus, scholars have found an explicit link between economic globalization and wealth.

### Consumerism

Current research has also found that those in favor of globalization feel empowered as consumers. While findings suggest that younger consumers are more likely to become empowered consumers, evidence supports the notion that there is demand for a superior role for companies if governments create and enforce proper regulations to ensure socially responsible firms (Lagos 2003). Also, although preserving national culture is a primary reservation of people in globalized nations, many want the benefits and material wealth that accompanies the expansion of businesses interests in a country. Thus, if nations regulate trade and ensure corporate social responsibility, an empowered consumer culture is possible (Lagos 2003).

### Information and Ideas

There is evidence that education plays a role in the formation of attitudes towards globalization. More educated populations tend to favor globalization while less educated populations tend to be more reluctant to embrace economic liberalization (Kaltenhaler, Gelleny, and Ceccoli 2004). Exposure to economic ideas and information makes individuals more likely to understand the principles of globalization and favor its policies, regardless of concerns about the labor market and wage rates. In general, research shows that college-educated individuals are less protectionist and more open to

international trade (Hainmueller and Hiscox 2006). Thus, education plays a role in attitude formation towards globalization; as individuals are exposed to more information about international trade, they are more likely to support economic openness.

### Culture

In addition to its impact on individual attitudes on other topics, globalization may lead to changes in cultural values. Inglehart and Baker assert that as industrialization and economic growth cause countries to shift away from survivalist mentalities towards self-expression oriented cultures. While this trend is steady for countries who are undergo economic expansion, Inglehart and Baker assert that countries in economic collapse will exhibit the reverse shift in mentality. This notion that globalization and economic development are linked to a change in attitudes, specifically towards post-materialism, is essential to consider in explaining the way globalization influences public opinion (Inglehart and Baker 2000).

### Governments

Globalization also affects opinions towards governments and politicians. As the effects of globalization become more evident in a country, the public is less certain about how to evaluate government performance (Hellwig 2007). Scholars also point out that as politicians often cite global economic forces as the cause for unpopular policy decisions, individuals may feel that their governments are less empowered to cope with problems that arise as a result of globalization. Because of this, people may become skeptical of globalization as it is often used as a scapegoat for unpopular policies (Hellwig and

Samuels 2007). Studies also assert that citizen' perceptions of power dynamics within governments are not generally altered as globalization increases across time and space (Vowles 2008). Citizens feel that government officials should shoulder responsibility for policy decisions even though politicians may use globalization as a scapegoat for unpopular decisions.

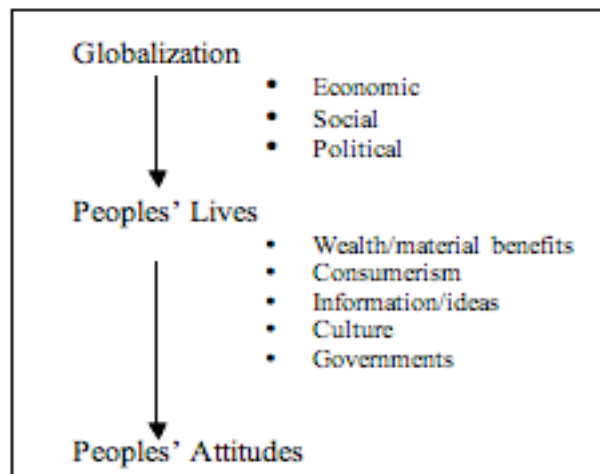
Current literature clearly illustrates that globalization influences individual attitudes about wealth, governments, and culture, among other issues. As globalization continues to expand, governments and citizens will grapple with the positive and negative consequences of globalization. Scholars clearly agree that as globalization impacts individual attitudes it will be necessary to determine what factors of globalization directly impact citizen perceptions in order to understand the resulting changes in individual attitudes.

While current literature focuses on the impact of globalization on individual attitudes about economic issues, it is also important to consider the means by which politicians build national support for globalization. As many governments recognize that globalization can have positive economic effects, politicians try to bolster support for economic openness because multinational firms will be more likely to invest in countries that have economic policies conducive to international business. Therefore, while public attitudes will be important in determining policy, policy makers may try to shape public attitudes to reflect governmental interests (Scheve and Slaughter 2004).

### III. The Theoretical Model

As globalization leads to increased exposure to new ideas, it has the potential to change individual attitudes. It permeates the everyday lives of individuals through its influence on cultures, governments, and businesses. Since globalization touches the lives of all citizens, it will likely change their attitudes on a number of topics. Thus, I theorize that as economic, social, and political globalization increase in a nation, citizens are more likely to change their attitudes about free enterprise, government, and individual freedoms and human rights. As public opinion is the aggregation of individual attitudes into measures of overall societal attitudes, surveys will be used to assess the beliefs and opinions of individuals.

**Figure 4**



#### Globalization

I will explore the effects of three components of globalization: economic, social, and political. These factors are dimensions along which countries can be globalized. Each of these factors can be considered a continuum on which countries can move as they become more globalized in different facets. By examining the extent to which



wealth is a function of globalization, circulating ideals are related to globalization, and direct experience impacts individual experiences, the presence of globalization can be evaluated and its effects determined.

In addition, countries can be considered to be more globalized to the extent that their wealth depends on economic interaction with other states. As the wealthiest countries tend to be the most globalized economically, they rely upon foreign direct investment (FDI) as a means to spur economic growth. Additionally, trade as a function of imports and exports is an important consideration in determining the impact of economic globalization on a nation's economy. As GDP per capita measures the degree of wealth in a nation, it will have an impact on the business environment in a country and the economic policies its government legislates.

A second important dimension of globalization that might influence people is exposure to new foreign ideas. Exposure to economic ideas, political ideologies, and international culture might influence the values of individuals. Measuring the degree to which these different facets of globalization permeate a country will provide insight in examining globalization's effects. Examining exposure to international culture will help find answers to this question.

Also, political integration is another important factor of globalization. As countries becoming increasingly interconnected through treaties and participation in non-governmental organizations, they may be more likely to align their policy decisions in order to promote common goals such as economic growth. Also, as nations develop similar interests through involvement in international organizations, they may be more likely to avoid conflict and encourage cooperation between states. Studying political

globalization will provide insight on the changes that occur in public opinion when people become aware of the increased cooperation between governments.

### Individual Attitudes

It is also necessary to examine public opinions surveys closely in order to determine the relationship between globalization and individual attitudes. Internalized individual attitudes will play an important role in establishing societal values and will impact public policy. These changes in opinion will be determined by looking at the prevalence of ideas within a population. Examining changes in public opinion over time will shed light on the effect of globalization on individual values and preferences. Also, since there is no individual-level data about the specific per person effects of globalization, I will study the effects of globalization at the country level. I will do so by aggregating responses across individuals within each country. As the world becomes increasingly globalized, it is important to learn how increased interaction between states affects public opinion.

Specifically, I hypothesize that as a society globalizes, a higher percentage of people will hold liberal values. I expect that globalization will make people more likely to favor free enterprise and economic openness as it brings tangible material benefits. Also, with respect to attitudes about government, I assert that as a country becomes more globalized, its citizens will take a greater interest in politics and favor individual responsibility and democratic values. Lastly, as globalization increases in a country, support for individual freedoms and human rights will increase as citizens will become

exposed to new ideas and information through economic, social, and political globalization.

#### IV. Research Design

In order to assess the impact of globalization on public opinion, I will employ the KOF Index of Globalization and the World Values survey to test my hypotheses. While the KOF Index of Globalization measures three aspects of globalization, economic, social, and political, it is useful in testing different facets of globalization and their impact on public opinion. In addition, the World Values provides a number of questions pertinent to attitudes about international business that will be essential in testing the relationship between globalization and attitudes towards free enterprise.

As globalization is a phenomenon that occurs over time, this study will be conducted over a number of years and across waves of public opinion surveys. Examining this relationship over a long period of time will help determine how globalization has impacted national economies and cultures. Consequently, the unit of analysis will be country years in the years that a survey was conducted. The KOF Index of Globalization will be used as the independent variable measuring globalization. As it divides globalization into three indices, economic globalization, social globalization, and political globalization, plus the component parts of economic and social globalization, it provides a means by which to measure different components of globalization and thus determine which aspects of globalization are most influential on public opinion. In addition, the KOF Index of Globalization can be disaggregated into five sub-indices that will be helpful in examining statistical findings in more detail.

With respect to public opinion data, the World Values Survey will be used as it represents a comprehensive sample in many countries across four waves from 1981-2004. The questions selected have been aggregated by country and year and analyzed according to the percentage of respondents that answered each way in a given question. Questions selected deal with capitalistic business enterprise and the role of government in regulating industry, opinions on the role of government, and respect for individual human rights. Additionally, The Quality of Government Institute (QoG) dataset will be the primary source of control data as it incorporates a variety of datasets and measures that will prove helpful in eliminating spurious relationships and intervening factors.

However, there are both positive and negative aspects of these datasets. The World Values Survey surveys many countries around the world over a long period of time. As it is a well-respected public opinion survey, it is methodologically sound and reliable. While this is helpful in conducting a study about changes in attitudes, some questions are not asked on every wave of the survey, making it difficult to track some attitudes over time. Additionally, as public opinion surveys are imperfect, the World Values Survey may be subject to sampling errors and respondent reporting biases.

The KOF Index of Globalization also has its advantages and disadvantages. It is a useful dataset it has comparable data across many nations and distinguishes between economic, social, and political globalization. Further, an advantage of the KOF Index is that it breaks down each type of globalization into different components that can be analyzed separately. For example, its measures of economic globalization measure both flows and restrictions on trade. This provides a comprehensive view of the impact of economic globalization in a country. Also, the political globalization factor, although it

is not broken down into smaller components its useful as it measures the amount of interaction a nation has with other countries and international organizations by measuring the number of embassies, ratification of international treaties, membership in international organizations, and participation in UN Security Council missions. On the other hand, the KOF Index chooses some questionable measures to operationalize globalization. While many of the measures are based on generally accepted definitions of economic and political globalization, the components of social globalization raise methodological issues. In particular, the cultural proximity measure of social globalization raises questions about its validity in measuring the cultural impact of globalization. It is not clear that the number of McDonald's restaurants, IKEA stores, and trade in books is an accurate measure of the amount of influence that foreign cultures bear on a country.

### Measuring Globalization

Effectively examining the three components of globalization, economic, social, and political will be key to determining globalization's impact on individual attitudes. Determining where a nation stands on each continuum will be essential in establishing which components of globalization play the greatest role in affecting individual attitudes. Thus, devising valid and accurate measures will prove necessary in examining globalization.

Economic globalization will be measured with commonly used economic indicators. By focusing on trade and the economic consequences of economic openness, the extent to which wealth is a result of globalization will become apparent. In order to

measure these concepts, the KOF Index of globalization uses two sub-indices to describe economic conditions in a country, Actual Flows and Restrictions. Actual Flows describes measures of wealth such as trade as a percentage of gross domestic product (GDP), foreign direct investment (FDI) flows and stocks, portfolio investment, and income payments to foreign nationals. The Restrictions sub-index uses measures such as hidden import barriers, mean tariff rate, taxes on international trade, and capital account restrictions. Together, these sub-indices prove useful in depicting the economic impact of globalization in a given country.

Additionally, measures of social globalization will determine with influence of globalization on individual attitudes. The KOF Index of Globalization divides social globalization into sub-indices of personal contact, information flows, and cultural proximity. The personal contact sub-index is comprised of telephone traffic, transfers as a percentage of GDP, international tourism, foreign population, and the number of international letters per capita. Information flows measures the number of Internet users, television usage, and reader in newspapers. In addition, the cultural proximity sub-index employs measures of the number of McDonald's restaurants per capita, the number of IKEA stores per capita, and trade in books. These sub-indices provide a means by which to measure the impact of social globalization on a nation and speak to the importance of consumer behavior on public opinion.

Further, political globalization is a third component of the KOF Index that will be used to evaluate the effects of globalization. In order to measure this aspect of globalization, the KOF Index uses the number of embassies in a country, membership in international organizations, participation in U.N. Security Council missions, and the

number of international treaties. Measuring the impact of political globalization on a country will shed light on the degree to which interaction between states affects public opinion about international business.

### Measuring Public Opinion

Operationalizing individual attitudes will be essential in determining its role in the relationship between globalization and public opinion. As public opinion polls are meant to provide an aggregate measure of individual attitudes, I will use these polls in order to assess the changes in attitudes over time. Determining the defining values in a given culture through public opinion surveys will prove useful in illustrating the effects of globalization on individual attitudes. Using data from the World Values Survey, the role of individual attitudes will be examined to determine its aggregate impact in the relationship between globalization and public support for business interests, government, and respect for individual human rights. By selecting questions that examine attitudes about these topics, it will be possible to track changes in public opinion on these topics over time. This dataset was chosen as it examines a large number of countries over four waves of surveys, making it possible to track changes in public opinion over time. For a full description of the survey analysis see Appendix A.

**Table 1: Selected World Values Survey questions**

<b>Selected World Values Survey Questions</b>
<p><u>Attitudes Towards Free Markets/Market Openness</u></p> <ul style="list-style-type: none"> <li>• How should business and industry be managed?</li> <li>• Should private ownership of business be increased or should government ownership of business be increased?</li> <li>• Should the state give more freedom to firms or should the state control firms more effectively?</li> <li>• We are more likely to have a healthy economy if the government allows more freedom for individuals to do as they wish?</li> <li>• How much confidence do you have in major companies?</li> </ul>
<p><u>Attitudes Towards Government</u></p> <ul style="list-style-type: none"> <li>• Should incomes be made more equal or do we need larger income differences as incentives?</li> <li>• How interested would you say you are in politics?</li> <li>• Should people should take more responsibility to provide for themselves or should the government should take more responsibility to ensure that everyone is provided for?</li> <li>• On the whole are you very satisfied, rather satisfied, not very satisfied or not at all satisfied with the way democracy is developing in our country?</li> <li>• Is having a democratic political system very good, fairly good, fairly bad or very bad way of governing this country?</li> <li>• Although it has its problems, is democracy better than any other form of government?</li> </ul>
<p><u>Attitudes Towards Human Rights and Individual Freedoms</u></p> <ul style="list-style-type: none"> <li>• Should people have more say in important government decisions?</li> <li>• Is a university education more important for a boy than for a girl?</li> <li>• How much freedom of choice and control do you have over your own life?</li> <li>• Which of these two statements comes closest to your own opinion? I find that both freedom and equality are important. <ul style="list-style-type: none"> <li>○ But if I were to choose one or the other, I would consider personal freedom more important, that is, everyone can live in freedom and develop without hindrance</li> <li>○ Certainly both freedom and equality are important. But if I were to choose one or the other, I would consider equality more important, that is, that nobody is underprivileged and that social class differences are not so strong.</li> </ul> </li> </ul>



## Controls

In addition to identifying the measures necessary to test the concepts of globalization, individual attitudes towards international business, a few factors must be controlled for in order to ensure that the relationships found are not spurious. As this study is intended to study the role of changes in individual attitudes in the relationship between globalization and public opinion, it must be designed to ensure that intervening factors do not obscure the results.

The controls selected, wealth and democracy, have been found to influence the link between globalization and public opinion and must therefore be considered in statistical analyses. As scholars have proven that as wealth increases in a nation, people are more likely to support capitalistic policies that favor international trade. Using wealth, as a measure of GDP per capita, as a control variable will also measure the impact of wealth on the change in individual attitudes, a relationship that has been proven by scholars (Dollar and Kraay 2002). As this variable has the ability to confound meaningful results, it must be considered in the regressions in order to ensure that it does not mask the relationship between globalization and changes in public opinion. Additionally, the presence of a democracy may obscure results and thus must also be used as a control variable. As democratic governments promote many economic and social values that share common messages with social and political globalization, it will be essential to control for democracy to ensure that it is not a confounding factor.

## V. Findings and Implications

This study examines the impact of economic, social, and political globalization on public opinions about free markets, government, and human rights and individual freedom. While results show that globalization has an impact about public opinions about free markets, the results for changes in public opinions about government and human rights are less conclusive. Nonetheless, these results provide interesting insight into the effects of globalization on individual attitudes. Below are summary statistics for the independent and dependent variables.

**Table 2: Summary statistics for the independent variables**

Variable	Variable Name	Observations	Minimum	Maximum	Standard Deviation	Mean
Economic Globalization	econ	135	12.93	94.68	17.6327	60.71996
Social Globalization	soc	145	12.019	92.4014	19.54568	56.19625
Political Globalization	pol	157	9.57	98.06	22.52794	68.37796
Economic Flows	flow	153	7.91	99.72	20.12642	58.00641
Economic Restrictions	restric	138	17.95	96.89	19.68773	65.4471
Information Flow	info	157	10.05	97.25	19.89828	63.02146
Personal Contact	percon	146	7.48	97.06	21.48575	52.94596
Cultural Proximity	cultprox	158	1	96.58	28.74972	50.51886
GDP per capita	gle_rgdp	157	848.23	44766.93	8489.209	13073.63
Presence of Democracy	p_democ	150	0	10	3.1334966	7.74667

**Table 3: Summary statistics for the dependent variables**

Variable	Variable Name	Observations	Minimum	Maximum	Standard Deviation	Mean
<b>Free Enterprise</b>						
Percent of Population in Favor of Private Management of Business	c060	149	29.5	97.7	13.8	78.0
Private vs. State Ownership of Business	e036	156	28.5	90.3	14.6	63.3
Firms and Freedom	e042	33	26.9	86.6	15.0	55.7
Healthier economies if greater individual freedom	e059	40	9.9	85.2	17.1	50.4
Confidence in Major Companies	e081	167	11.4	89.7	14.9	45.4
<b>Government</b>						
Income inequality	e035	160	0	52.7	10.4	17.8
Interest in politics	e023	163	15.3	100	47.3	47.3
Individual responsibility	e037	169	13.5	85.4	17.7	47.0
Satisfaction with the development of democracy	e110	77	4.7	96.5	22.8	45.5
Is having a democratic political system good?	e117	121	57.6	99.1	6.7	89.8
Democracy is better than other form of government	e123	118	45.4	98.6	8.4	87.3
<b>Individual Freedoms and Human Rights</b>						
Giving people more say in government decisions	e008	31	74.5	99.6	5.8	90.6
Gender Differences in Education	d060	89	5.5	62.6	11.6	25.6
Freedom of Choice and Control	a173	180	10.4	70.2	12.7	32.1
Freedom or Equality	e032	90	20.8	74.4	9.5	54.3

## Free Enterprise

Globalization has an effect on public opinions about free enterprise. As five questions from the World Values Survey were regressed against the KOF Index of Globalization, interesting results emerge that have implications for domestic economic policies. The questions tested a number of topics, including attitudes about private management of business and industry, the privatization of business, opinions about state regulation of firms, confidence in major companies, and the economic consequences of individual freedoms. Together, these questions shed light on the relationship between an increasingly globalized business environment and subsequent changes in public opinion.

**Table 4: Results for questions about free enterprise**

VARIABLES	(1a) Percent of Population in Favor of Private Management of Business	(1b) Percent of Population in Favor of Private Management of Business	(2a) Private vs. State Ownership of Business	(2b) Private vs. State Ownership of Business	(3a) Firms and Freedom	(3b) Firms and Freedom
<b>Control Variables</b>						
Presence of Democracy	0.628 (0.599)	0.422 (0.535)	0.754 (0.610)	0.653 (0.630)	3.46 (3.19)	2.10 (2.28)
GDP per capita	9.85e-04*** (2.37e-04)	7.97e-04*** (2.12e-04)	1.34e- 03*** (2.43e-04)	1.43e- 03*** (2.29e-04)	1.75e- 03* (9.64e- 04)	2.11e- 03*** (4.53e- 04)
<b>Components of Globalization</b>						
Cultural Proximity	-0.0946 (0.0732)		-0.306*** (0.0904)		-0.394 (0.328)	
Personal Contact	-0.230*** (0.0862)		0.263** (0.109)		0.0585 (0.402)	
Restrictions on Trade	0.145 (0.133)		-0.0504 (0.136)		-0.159 (0.351)	
Information Flows	-0.152* (0.0885)		-0.0861 (0.0801)		-0.0756 (0.454)	
Economic Flows	0.344*** (0.117)		0.0849 (0.0883)		1.13e-03 (0.197)	
<b>Broad Categories of Globalization</b>						
Political Globalization	-0.0883 (0.0716)	-0.0567 (0.0697)	0.0316 (0.0782)	-0.109* (0.0629)	0.112 (0.264)	0.0133 (0.139)
Social Globalization		-0.440*** (0.140)		-0.187 (0.144)		-0.681* (0.324)
Economic Globalization		0.540*** (0.193)		-0.0152 (0.140)		-0.0837 (0.206)
Constant	65.8 (10.2)	61.8 (8.68)	45.4 (8.13)	59.3 (7.25)	28.0 (48.7)	54.6 (18.1)
Observations	97	97	98	98	20	20
R-squared	0.417	0.397	0.505	0.402	0.527	0.500

Robust standard errors in  
parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

With respect to private management of business and industry, economic and social globalization have an impact on globalization. These results are listed in columns 1a and 1b of Table 3. Economic globalization, particularly the economic flows, has a positive affect on attitudes about this topic. Consequently, as the volume of trade increases one standard deviation, the average level of support for private management of business and industry increases almost 7.5%, a relatively substantial change in opinion. This means that countries with higher levels of trade have a higher percent of the population in favor of private management of business. Interestingly though, is the negative relationship between social globalization and support for private management of business and industry. In addition, results show that there is a negative relationship between political globalization and opinions that owners should manage their own businesses. This is perhaps support for government oversight of business. Substantively, this translates to a 6% decrease of the number of people who favor private ownership of business for every standard deviation away from the mean. When social globalization is deconstructed to examine its components, findings show that personal contact has a significant and negative relationship with opinions that owners should run their own businesses. Also, wealth has a very significant impact in changing attitudes. As can be expected, countries with the greatest amount of wealth favor private management of business.

There are also significant findings on the second question about opinions private ownership of business, displayed in the 2a and 2b columns of Table 3. Results for this question reveal that economic, social, and political globalization do not affect attitudes on this topic. Although social globalization is not significant in this regression, two of its

components, cultural proximity and personal contact, yield interesting results. While personal contact has a positive affect on the relationship between globalization and opinions for private ownership of business, the relationship between cultural proximity and opinions about private ownership is negative. This finding is telling about the nature of social globalization; people welcome the positive benefits of globalization but fear the cultural homogenization that is often associated with large multinational firms. While increased personal contact through tourism, foreign population, and telephone usage, among others factors, increases communication between individual and makes them more likely to support increased trade, it is evident that there is a fear of globalization as a source of cultural dilution. Higher cultural proximity scores, which is measured by the number of McDonald's restaurants, IKEA stores, and books imported from abroad, is associated with less support for the privatization of business, a common result of the expansion of international business. Also, consistent with the findings about private vs. state management of business and industry, these findings show that wealth as a function of GDP per capita has a positive relationship with opinions about private ownership of business.

Additionally, globalization affects public opinion about state control of firms. As shown in columns 3a and 3b of Table 3, economic and political globalization are not significant in this regression although social globalization has a negative relationship on public opinion about less state regulation of firms. This translates into a 10% increase in the number of people in the population who favor more state control of firms for every standard deviation away from the mean. This large change in public opinion suggests that as globalization influences people and cultures, citizens become more likely to favor

state regulation of business to a certain degree, a notion that is supported by past research. Similar to the other questions about business and industry, wealth has a positive affect on this relationship. This shows that as wealth increases in a country, its citizens are more likely to favor more freedom for firms, a value inherent in capitalism.

**Table 5: Results for questions about free enterprise cont.**

VARIABLES	(4a) Healthier economies if greater individual freedom	(4b) Healthier economies if greater individual freedom	(5a) Confidence in Major Companies	(5b) Confidence in Major Companies
<b>Control Variables</b>				
Presence of Democracy	1.21 (1.71)	1.54 (1.72)	-0.785 -0.707	-0.815 -0.655
GDP per capita	-2.48e-03 (1.54e-03)	-1.08e-03 (9.04e-04)	0.000117 -0.000335	0.000105 -0.000296
<b>Components of Globalization</b>				
Cultural Proximity	0.205 (0.275)		0.0436 -0.0947	
Personal Contact	-0.389 (0.301)		-0.00486 -0.108	
Restrictions on Trade	0.306 (0.448)		-0.0134 -0.143	
Information Flows	0.718 (0.522)		-0.195 -0.12	
Economic Flows	-0.282 (0.329)		0.102 -0.114	
<b>Broad Categories of Globalization</b>				
Political Globalization	-0.0769 (0.235)	0.0110 (0.225)	0.0206 -0.0895	0.0297 -0.0816
Social Globalization		0.0828 (0.466)		-0.119 -0.179
Economic Globalization		-0.0828 (0.323)		0.105 -0.185
Constant	51.7 (30.8)	54.3 (17.5)	56.5 -9.79	50.6 -8.0
Observations	23	23	107	107
R-squared	0.290	0.165	0.053	0.025

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1



However, results in Table 4 were insignificant for the World Values Survey questions that evaluate opinions about the economic benefits of individual freedom and confidence in major companies. When the KOF Index of Globalization was regressed against the results for this question over time, there were no significant factors. Thus, globalization generally has no effect on attitudes on the link between healthy economies and individual freedoms or confidence in major companies.

### Government

Globalization also affects public opinion about government. To test the change in individual attitudes about government, six questions were chosen that test different opinions about the functions of government and citizen satisfaction with democratic regimes. In an attempt to measure the change in attitudes over time, six questions were chosen that measure attitudes towards politics and government regimes, ranging from opinions about income inequality to satisfaction with democracy. These questions illuminate the impact, both positive and negative, of globalization on opinions about government.

**Table 6: Results for questions about government**

VARIABLES	(1a) Income inequality	(1b) Income inequality	(2a) Interest in politics	(2b) Interest in politics
<b>Control Variables</b>				
Presence of Democracy	1.55*** (0.420)	1.50*** (0.404)	0.0662 (0.721)	0.0461 (0.750)
GDP per capita	-5.06e- 04** (2.36e-04)	-6.00e- 04*** (2.11e-04)	8.49e- 04*** (2.52e-04)	7.95e- 04*** (2.98e-04)
<b>Components of Globalization</b>				
Cultural Proximity	-9.07e-03 (0.0742)			0.107 (0.123)
Personal Contact	-0.0854 (0.0718)			7.79e-03 (0.115)
Restrictions on Trade	0.0342 (0.111)			-0.0982 (0.148)
Information Flows	0.0275 (0.0800)			-0.144 (0.0966)
Economic Flows	0.102 (0.0746)			-0.0899 (0.104)
<b>Broad Categories of Globalization</b>				
Political Globalization	0.0117 (0.0779)	0.0346 (0.0677)	-0.130* (0.0664)	-0.150* (0.0773)
Social Globalization		-0.0598 (0.106)	-0.0125 (0.139)	
Economic Globalization		0.157 (0.111)	-0.161 (0.118)	
Constant	7.15 (7.05)	6.02 (4.90)	53.3 (6.79)	60.0 (9.87)
Observations	102	102	104	104
R-squared	0.159	0.147	0.119	0.143

Robust standard errors in parentheses

\*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

With respect to the question about income inequality, economic, social, and political globalization do not have an effect on this relationship, as demonstrated in columns 1a and 1b in Table 5. However, it is evident that the presence of democracy and the level of wealth have opposite effects on opinions about income inequality. The presence of democracy makes a country more likely to favor greater income equality in a

country. This translates into a large change in public opinion as it represents a 16% increase in the number of people in a population that support income equality for every standard deviation away from the mean. On the other hand, wealthier countries are more likely to favor income differences as incentives. These results are hardly surprising; the presence of democracy and level of wealth have been proven to influence opinions on income inequality.

Similarly, results show that wealth is found to affect interest in politics, found in columns 2a and 2b on Table 5. While no other factor has a significant influence on the relationship between globalization, wealth as a measure of GDP per capita makes people more likely to become interested in politics. As this is also consistent with the current literature, it is not surprising that the citizens of wealthier nations take an interest in politics and government. This may be the case because citizens may have more stake in government decisions that could affect their economic well-being.

**Table 7: Results for questions about government cont.**

VARIABLES	(3a) Individual responsibility	(3b) Individual responsibility	(4a) Satisfaction with the development of democracy	(4a) Satisfaction with the development of democracy
<b>Control Variables</b>				
Presence of Democracy	-0.0935 (0.548)	-0.157 (0.527)	-2.25* (1.19)	-2.70** (1.25)
GDP per capita	7.69e-04** (3.71e-04)	8.98e-04** (3.72e-04)	1.44e-03** (5.31e-04)	8.17e-04 (4.87e-04)
<b>Components of Globalization</b>				
Cultural Proximity	0.0765 (0.0965)		0.405** (0.171)	
Personal Contact	0.0366 (0.117)		-0.259 (0.251)	
Restrictions on Trade	-0.0105 (0.136)		-0.0722 (0.304)	
Information Flows	-0.363*** (0.100)		-0.809** (0.357)	
Economic Flows	0.0773 (0.102)		0.167 (0.249)	
<b>Broad Categories of Globalization</b>				
Political Globalization	0.216*** (0.0796)	0.218*** (0.0659)	0.0946 (0.182)	0.298** (0.125)
Social Globalization		-0.252 (0.165)		-0.340 (0.298)
Economic Globalization		0.126 (0.146)		0.449 (0.365)
Constant	38.6 (08.32)	29.3 (7.24)	83.8 (27.7)	25.7 (16.7)
Observations	107	107	45	45
R-squared	0.351	0.278	0.458	0.341

Robust standard errors in  
parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Globalization also has an impact on public opinions about individual responsibility. In this regression, although economic and social globalization are not significant, political globalization is positively related to attitudes that favor individual responsibility. These results, found in columns 3a and 3b of Table 6, suggest that increased political interaction between states makes people less likely to prefer greater government responsibility for the wellbeing of citizens. This translates into an almost 4% increase in people who favor individual responsibility for every standard deviation away from the mean, a relatively small change. In addition, although social globalization is not significant, information flows makes people more likely to favor government responsibility to provide for individuals. Although this finding is a bit surprising, it suggests that globalized nations favor some form of government welfare, a common theme in current literature. Also, wealth makes individuals more likely to favor individual responsibility to provide for themselves over government responsibility to ensure that citizens are provided for. This is consistent with capitalist ideologies.

There are also interesting results for the question that examines satisfaction with the development of democracy. When the three broader categories of globalization are regressed against responses for this question, results in columns 4a and 4b in Table 6 reveal that the presence of democracy makes people less likely to be satisfied the development of democracy. This results in over a 65% decrease in the number of people in the population satisfied with the development of democracy over one standard deviation, a large change in public opinion. On the other hand, political globalization makes people more likely to be satisfied with democracy, although this produces only a small 6.8% increase in the percentage of the population that supports this notion for every

standard deviation away from the mean. However, when the regressions were run on the individual components of the three types of globalization, the results changed. In this regression, wealth and higher cultural proximity to other nations makes countries more likely to be satisfied with the development of democracy. This resonates with current literature as it suggests that countries that benefit from globalization, both in tangible wealth and also in the presence of multinational firms like McDonald's and IKEA stores, are more likely to favor the development of democracy. On the other hand, information flows were found to have a negative impact on citizen satisfaction with the development of democracy, translating into over an 18% decrease in the number of people in the population satisfaction for the way democracy develops for every standard deviation away from the mean. This could perhaps be a result of xenophobia or a fear of cultural homogenization.

**Table 8: Results for questions about government cont.**

VARIABLES	(5a) Is having a democratic political system good?	(5b) Is having a democratic political system good?	(6a) Democracy is better than other form of government	(6b) Democracy is better than other form of government
<b>Control Variables</b>				
Presence of Democracy	0.0121 (0.336)	0.0356 (0.333)	-0.0167 (0.362)	0.0592 (0.385)
GDP per capita	2.13e-04 (1.31e-04)	2.54e-04** (1.14e-04)	2.76e-04** (1.31e-04)	3.68e-04*** (1.13e-04)
<b>Components of Globalization</b>				
Cultural Proximity	0.0133 (0.0516)		0.0379 (0.0546)	
Personal Contact	-0.0223 (0.0726)		0.0635 (0.0753)	
Restrictions on Trade	0.0975 (0.0662)		0.0845 (0.0829)	
Information Flows	-0.295*** (0.0887)		-0.278*** (0.0924)	
Economic Flows	0.0467 (0.0862)		-0.0339 (0.0786)	
<b>Broad Categories of Globalization</b>				
Political Globalization	0.0186 (0.0524)	-4.93e-04 (0.0405)	-5.11e-03 (0.0529)	-0.0435 (0.0398)
Social Globalization		-0.230* (0.127)		-0.0985 (0.112)
Economic Globalization		0.157 (0.137)		0.0433 (0.125)
Constant	97.9 (4.65)	89.5 (3.88)	96.5 (5.49)	89.1 (4.25)
Observations	79	79	76	76
R-squared	0.193	0.084	0.235	0.091

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Also, wealth and information flows have an impact on opinions about the merits of democracy. As shown in columns 6a and 6b of Table 7, information flows make people more likely to answer that they believe that democracy is a bad political system. This finding, that translates into a small 2% decrease in the percent of the population who

believe democracy is good for every standard deviation away from the mean, may be driven by the responses from people in fledgling democracies or democratic governments in economic decline, so this relationship should be studied in greater depth. Conversely, consistent with previous findings, wealth makes people more likely to agree that having a democratic system is good. This is most likely because democracy is known for promoting wealth and economic growth. However, as responses for this question have very little between-country variation, the results are questionable as they may not present an accurate description of attitudes about democracy.

Lastly, globalization has an impact on individual attitudes about democracy, as shown in columns 5a and 5b of Table 7. In examining the question that asks if democracy is the best form of government, interesting results emerge that are potentially telling of the relationship between globalization and individual attitudes. Although economic, social, and political globalization are not significant in this regression, wealth and information flows have an impact on attitudes about democracy. With respect to wealth, countries with higher levels of GDP per capita are more likely to believe that although democracy has its problems, it is the best form of government. However, findings reveal that as citizens receive higher information flows in the form of Internet, television and newspapers, they become less likely to favor democracy. This could be because more access to information may expose people to the problems with democracies as they see that even democracies have their fair share of political, economic, and social issues. Similar to the previous question about the merits of democracy, this question also has very little between-country variance in its responses. Thus, the results may not be entirely accurate in their explanations about attitudes on this topic.



## Human Rights and Individual Freedoms

The findings for the impact of economic, social and political globalization on public opinions about individual human rights are mixed. In order to study the effects of social, political, and economic globalization on individual attitudes relating to human rights and individual freedoms, questions that study opinions about citizen roles in governmental decision-making, societal gender differences, and feelings of freedom and control were tested. Together, these questions help elucidate the impact of globalization on public opinion about these topics.

**Table 9: Results for questions about individual freedoms and human rights**

VARIABLES	(1a) Giving people more say in government decisions	(1b) Giving people more say in government decisions	(2a) Gender Differences in Education	(2b) Gender Differences in Education
<b>Control Variables</b>				
Presence of Democracy	0.349 (0.476)	0.501 (0.438)		
GDP per capita	4.89e-04** (2.22e-04)	3.91e-04* (1.90e-04)	-7.37e- 04*** (2.39e-04)	-6.00e- 04** (2.43e-04)
<b>Components of Globalization</b>				
Cultural Proximity	-0.0261 (0.0620)		0.0377 (0.0959)	
Personal Contact	-0.0888 (0.0829)		0.164 (0.107)	
Restrictions on Trade	-0.0726 (0.0686)		-0.159 (0.119)	
Information Flows	-0.115 (0.0868)		0.172 (0.118)	
Economic Flows	7.36e-03 (0.0930)		-0.315*** (0.0897)	
<b>Broad Categories of Globalization</b>				
Political Globalization	0.0518 (0.0764)	0.0631 (0.0435)	0.0649 (0.0633)	0.0376 (0.0545)
Social Globalization		-0.219** (0.101)		0.343*** (0.110)
Economic Globalization		-0.0542 (0.0793)		-0.518*** (0.120)
Constant	98.9 (5.08)	95.5 (4.30)	33.7 (7.84)	39.7 (6.49)
Observations	23	23	61	61
R-squared	0.559	0.522	0.454	0.435

Robust standard errors in  
parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

There is a relationship between globalization and individual attitudes about allowing citizens more influence in governmental decision-making. Results for this

question are listed in columns 1a and 1b in Table 8. Although economic and political globalization are not significant in this regression, social globalization makes people more likely to deny the importance of citizen involvement in policy decisions. However, this only produces a small 1.3% decrease in the number of people in the population who do not feel that citizen involvement in governmental decision-making is unimportant for every standard deviation away from the mean. This finding may be driven by the personal contact measure of social globalization, suggesting that factors such as international tourism and foreign populations may devalue the importance of giving people say in government decisions. Also, wealth has a positive impact on opinions about citizen involvement in policy decisions. This result is expected as wealthier nations are more likely to be capitalist and thus favor representative government rather than autocratic regimes with unilateral decision-making processes.

Globalization also has an impact on individual attitudes about societal gender differences. In the World Values Survey question that measures opinions about university educations for women, results in columns 2a and 2b of Table 8 reveal that economic globalization, social globalization, and wealth have a significant impact on attitudes towards gender equality. Not surprisingly, wealth and economic globalization makes people more likely to support equality in university education. However, this negative relationship between gender inequality and economic globalization produces a relatively small 6% increase in the number of people in the population who favor gender quality for every standard deviation from the mean. This is consistent with current literature, as wealthier societies tend to favor greater gender equality. Increased support for gender equality translates into a larger, more skilled workforce and opportunities for

women to work for the same firms and in the same industries as their male counterparts.

In particular, economic flows were found to be the only significant component of economic globalization when regressed against responses to the survey question.

Conversely, social globalization makes people more likely to believe that a university education is more important for a man than for a woman. While this finding is puzzling, it may be skewed by highly globalized nations, like China, that do not typically favor gender equality. Such countries may have large workforces, high levels of economic development, and exposure to the Internet and other outside influences, but do not favor gender equality and thus may skew the results.

**Table 10: Results for questions about individual freedoms and human rights cont.**

VARIABLES	(3a) Freedom of Choice and Control	(3b) Freedom of Choice and Control	(4a) Freedom or Equality	(4b) Freedom or Equality
<b>Control Variables</b>				
Presence of Democracy	0.454 (0.365)	0.574 (0.351)	0.429 (1.08)	0.546 (1.14)
GDP per capita	-9.05e- 04*** (2.68e-04)	-5.66e- 04** (2.17e-04)	2.54e-04 (3.26e-04)	3.80e-04 (2.81e-04)
<b>Components of Globalization</b>				
Cultural Proximity	-0.154*** (0.0545)		-0.0550 (0.0906)	
Personal Contact	0.269*** (0.0834)		0.107 (0.120)	
Restrictions on Trade	0.0545 (0.102)		0.0731 (0.156)	
Information Flows	0.0944 (0.0734)		0.0361 (0.0899)	
Economic Flows	-0.215*** (0.0807)		-0.0287 (0.105)	
<b>Broad Categories of Globalization</b>				
Political Globalization	0.0664 (0.0578)	-0.0298 (0.0585)	-0.0379 (0.0894)	-0.0734 (0.0796)
Social Globalization		0.0831 (0.123)		0.0276 (0.114)
Economic Globalization		-0.223* (0.113)		0.0235 (0.135)
Constant	31.6 (6.18)	45.4 (5.34)	40.3 (11.1)	45.7 (9.03)
Observations	118	118	53	53
R-squared	0.346	0.232	0.204	0.176

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Further, there are interesting results for the question that measures the amount freedom of choice and control that people feel they have over their own lives. Results for this question are listed in columns 3a and 3b of Table 9. When the survey question responses were regressed against the KOF Index of Globalization, economic, social,

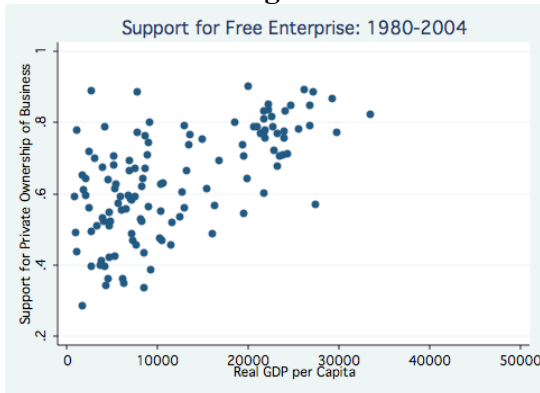
political globalization had no impact on attitudes about this topic. In fact, wealth was the only factor that affected opinions about freedom of choice and control. This finding reveals that people in wealthier countries are more likely to feel that they have control of their own lives. When the components of globalization were examined individually, two components of social globalization, cultural proximity and personal contact, and one factor of economic globalization, actual flows, were significant and negative. Thus, for social globalization, moving one standard deviation away from the mean produced a small increase of almost 3.5% of number of people in the population that were more likely to feel that they had freedom of choice and control over their own lives. Also, the more personal contact in the form of telephone traffic, transfers, international tourism, international letters, and foreign-born populations, the more people feel control over their own lives. Lastly, the significant component of economic globalization, actual flows, made people more likely to feel that they had greater freedom of choice and control. These findings reveal that more globalized nations are more likely to have more empowered citizens that feel that they have a hand in deciding their own fates.

However, results for the question that measured attitudes about freedom versus equality were inconclusive. The question asked respondents if they favor freedom over equality, or visa versa. These results are listed in columns 4a and 4b of Table 9. When the responses were regressed against the KOF Index of Globalization, there were no factors that proved statistically significant. This indicates that globalization does not affect opinions on this topic.

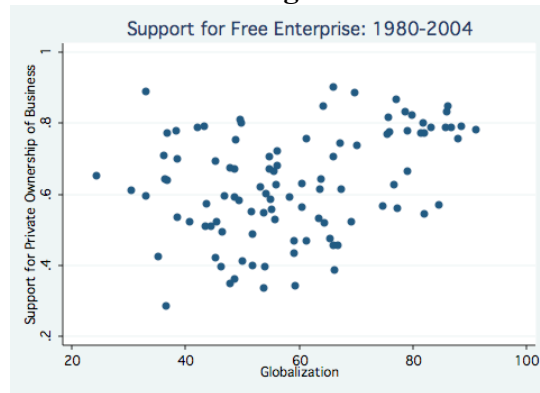
Additional Findings

The most significant finding, however, is that wealth is a significant factor in practically every regression in this study. Although economic, social, and political globalization were not significant in every question tested in this study, the vast majority of the findings show that wealth, as a function of GDP per capita, has an impact on attitudes. While this is not unexpected, it is a telling result. As Dollar and Kraay argue, globalization increases per capita incomes and closes income gaps in globalizing countries (Dollar and Kraay 2002). Thus, globalization is the indirect cause of these changes in attitudes as it is the driving force behind the increase in wealth.

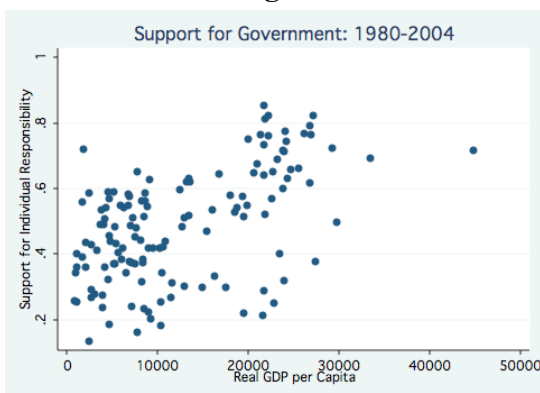
**Figure 5**



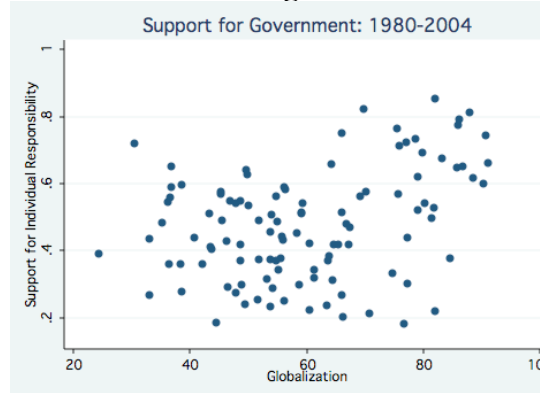
**Figure 6**

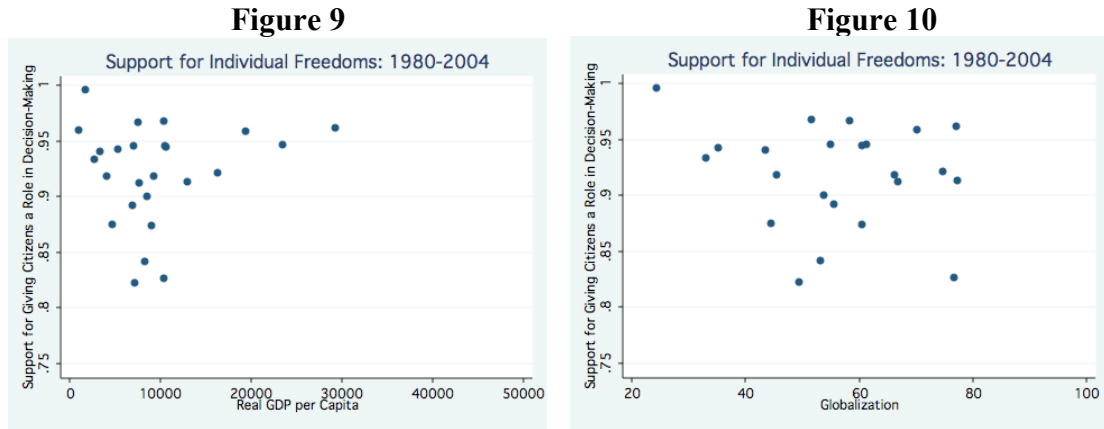


**Figure 7**



**Figure 8**





The above figures illustrate this finding; they support the argument that increases in wealth, as a result of globalization, have an effect on attitudes about free enterprise, government, and individual freedoms and human rights. The figures compare the effects of wealth and globalization on individual attitudes side by side in order to depict the similarities in the changes in opinion. In these scatter plots, economic, social, and political globalization are aggregated into one composite measure of globalization. As economic, social, and political globalization each have effects on public opinion about all three topics, it is best to weight them according to the KOF Index of Globalization and compare the broader phenomenon of globalization, rather than its three individual dimensions, against GDP per capita.

The results are strikingly similar; changes in attitudes about free enterprise, government, and human rights appear to be similarly affected by increases in wealth and increases in globalization. These scatter plots echo many of the results of this study. An increase in wealth tends to build stronger support for free enterprise and governments with liberal values, but it also has a lesser positive affect on support for increased individual freedoms and human rights. Although this finding requires further research, this study shows support for this notion.



## VI. Conclusion

As the world becomes increasingly globalized, it is reasonable to expect that globalization will impact peoples lives, and as a result, their attitudes about many issues. The findings confirm just this. While changes in attitudes differ between topics, results show that economic, social, and political globalization have real effects on individual attitudes.

Each set of questions tested show how social, political, and economic globalization impact opinions on a variety of topics. Findings show that globalization, and especially the components of the three types of identified globalization, produce changes in opinions on free markets, governments, and individual freedoms and human rights. It is not surprising that a common result was that economic globalization has an impact on attitudes as this is the area of globalization that has received the most scholarly attention. Also, findings confirm that there are both positive and negative consequences of social globalization. While people may change their attitudes about free markets, governments, and human rights, findings confirm public fears of cultural homogenization. Together, these findings often characterize common views of globalization; while people embrace the material benefits of increased trade and economic interconnectedness, they are fearful of losing their distinct cultural identities. Additionally, political globalization has an impact on individual attitudes, although it is significant less often than social and political globalization. It will be important to continue monitoring political globalization as countries' interests become increasingly aligned through economic alliances as this may lead to increased political globalization.

Another significant finding of this study is that wealth, as a result of globalization, has an impact on attitudes about free enterprise, government, and individual freedoms and human rights. When the relationship between wealth and public opinion is compared with the relationship between globalization and attitudes across the same World Values Survey questions, it is evident that wealth and globalization produce similar changes in public opinion. While this finding requires further investigation, the results of this study supports the notion that an increase in wealth, as a consequence of globalization, has an impact public opinion.

While this study produces results that confirm that globalization has an impact on individual attitudes, it raises many questions that can be explored in further research. Although it is clear that economic globalization and wealth are perhaps the most influential factors behind the change in attitudes, it would be interesting to examine attitudinal changes about imports versus exports. Are people more willing to accept globalization when it produces material benefits in the form of increased exports? Conversely, although globalization reaps economic benefits, are people more protectionist in their attitudes towards imports? This is a potential study that would speak to the nature of individual attitudes about the social consequences of economic globalization.

Also, how do changes in attitudes affect support for different government regimes? Diverging opinions have emerged about the effects of globalization on democracy; some argue that globalization undermines democracy by concentrating capital gains with the wealthiest sectors of society, making autocratic regimes more likely to rule due to excessive income inequality, while others argue that economic openness

benefits all sectors of society, making governments more likely to choose democracy (Li and Reuveny 2003). While these arguments describe a variety of linkages between globalization and democracy, the exact nature of this relationship remains an open question. Thus, it would be interesting and valuable to determine if the change in individual attitudes has any impact on this relationship.

Further research on the way globalization impacts attitudes on the individual level would also provide insight into the effect of globalization on public opinion. While this study considered changes in attitudes in aggregate, research on individual level changes may shed light on what causes people to change their opinions about globalization. Is there a model that describes which factors are the most influential in building support for globalization? Do people who work for multinational firms favor globalization? Although it is currently impossible to answer these questions as public opinion surveys do not gather information on respondents' employers and other similar demographic information, it may be valuable to explore this question in future research.

## Appendix

### Appendix A: World Values Survey Questions

#### Free Enterprise

1. There is a lot of discussion about how business and industry should be managed. Which of these four statements comes closest to your opinion?
  - 1 'Owners should run their business'
  - 2 'Owners/Employees participate in selection of managers'
  - 3 'The State should be the owner'
  - 4 'Employees should own the business and elect managers'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering that owners should have a hand in management and those who think that employees or the state should manage a business, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

2. Now I'd like you to tell me your views on various issues. How would you place your views on this scale? 1 means you agree completely with the statement on the left; 10 means you agree completely with the statement on the right; and if your views fall somewhere in between, you can choose any number in between. Sentences: Private ownership of business should be increased vs. Government ownership of business should be increased
  - 1 'Private ownership of business should be increased'
  - 2 '2'
  - 3 '3'
  - 4 '4'
  - 5 '5'
  - 6 '6'
  - 7 '7'
  - 8 '8'
  - 9 '9'
  - 10 'Government ownership of business should be increased'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering above and below 5, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

3. Now I'd like you to tell me your views on various issues. How would you place your views on this scale? 1 means you agree completely with the statement on the left; 10 means you agree completely with the statement on the right; and if your views fall somewhere in between, you can choose any number in between. Sentences: The state should give more freedom to firms vs. The state should control firms more effectively
- 1 'State should give more freedom to firms'
  - 2 '2'
  - 3 '3'
  - 4 '4'
  - 5 '5'
  - 6 '6'
  - 7 '7'
  - 8 '8'
  - 9 '9'
  - 10 'State should control firms more effectively'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering above and below 5, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

4. I am going to read out some statements about the government and the economy. For each one, could you tell me how much you agree or disagree? Please use the responses on this card. We are more likely to have a healthy economy if the government allows more freedom for individuals to do as they wish
- 1 'Agree completely'
  - 2 'Agree somewhat'
  - 3 'Neither agree nor disagree'
  - 4 'Disagree somewhat'
  - 5 'Disagree completely'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering completely or somewhat agree and completely or somewhat disagree, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

5. I am going to name a number of organizations. For each one, could you tell me how much confidence you have in them: is it a great deal of confidence, quite a lot of confidence, not very much confidence or none at all?

Major companies

- 1 'A great deal'
- 2 'Quite a lot'
- 3 'Not very much'
- 4 'None at all'
- 1 'Don't know'
- 2 'No answer'
- 3 'Not applicable'
- 4 'Not asked in survey'
- 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering a great deal or quite a lot and not very much or none at all, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

### Government

1. Now I'd like you to tell me your views on various issues. How would you place your views on this scale? 1 means you agree completely with the statement on the left; 10 means you agree completely with the statement on the right; and if your views fall somewhere in between, you can choose any number in between. Sentences: Incomes should be made more equal vs. We need larger income differences as incentives

- 1 'Incomes should be made more equal'
- 2 '2'
- 3 '3'
- 4 '4'
- 5 '5'
- 6 '6'
- 7 '7'
- 8 '8'
- 9 '9'
- 10 'We need larger income differences as incentives'
- 1 'Don't know'
- 2 'No answer'
- 3 'Not applicable'
- 4 'Not asked in survey'
- 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering above and below 5, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

2. How interested would you say you are in politics?
  - 1 'Very interested'
  - 2 'Somewhat interested'
  - 3 'Not very interested'
  - 4 'Not at all interested'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering very or somewhat interested and not very or not at all interested, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

3. Now I'd like you to tell me your views on various issues. How would you place your views on this scale? 1 means you agree completely with the statement on the left; 10 means you agree completely with the statement on the right; and if your views fall somewhere in between, you can choose any number in between. Sentences: People should take more responsibility to provide for themselves vs. The government should take more responsibility to ensure that everyone is provided for
  - 1 'People should take more responsibility'
  - 2 '2'
  - 3 '3'
  - 4 '4'
  - 5 '5'
  - 6 '6'
  - 7 '7'
  - 8 '8'
  - 9 '9'
  - 10 'The government should take more responsibility'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering above and below 5, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

4. On the whole are you very satisfied, rather satisfied, not very satisfied or not at all satisfied with the way democracy is developing in our country?

1 'Very satisfied'  
 2 'Rather satisfied'  
 3 'Not very satisfied'  
 4 'Not at all satisfied'  
 -1 'Don't know'  
 -2 'No answer'  
 -3 'Not applicable'  
 -4 'Not asked in survey'  
 -5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering very or rather satisfied and not very or not at all satisfied, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

5. I'm going to describe various types of political systems and ask what you think about each as a way of governing this country. For each one, would you say it is a very good, fairly good, fairly bad or very bad way of governing this country? Having a democratic political system

1 'Very good'  
 2 'Fairly good'  
 3 'Fairly bad'  
 4 'Very bad'  
 -1 'Don't know'  
 -2 'No answer'  
 -3 'Not applicable'  
 -4 'Not asked in survey'  
 -5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering very or fairly good and very or fairly bad, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

6. I'm going to read off some things that people sometimes say about a democratic political system. Could you please tell me if you agree strongly, agree, disagree or disagree strongly, after I read each one of them? Democracy may have problems but it's better than any other form of government

1 'Agree strongly '  
 2 'Agree'  
 3 'Disagree'  
 4 'Strongly disagree'  
 -1 'Don't know'



- 2 'No answer'
- 3 'Not applicable'
- 4 'Not asked in survey'
- 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering completely or somewhat agree and completely or somewhat disagree, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

### Human Rights and Individual Freedoms

1. Which of these two statements comes closest to your own opinion?
  - A. I find that both freedom and equality are important. But if I were to choose one or the other, I would consider personal freedom more important, that is, everyone can live in freedom and develop without hindrance
  - B. Certainly both freedom and equality are important. But if I were to choose one or the other, I would consider equality more important, that is, that nobody is underprivileged and that social class differences are not so strong.
  - 1 'Freedom above equality'
  - 2 'Equality above freedom'
  - 3 'Neither'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering freedom above equality and equality above freedom, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

2. I will read you some goals which different people consider more or less important for this country. Could you please tell me how important you consider each one of these goals to be: would you say it is very important, important, not very important or not at all important for this country? Giving people more say in important government decisions
  - 1 'Very important'
  - 2 'Important'
  - 3 'Not very important'
  - 4 'Not at all important'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'

-5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering very important or important and those answering not very important or not at all important, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

3. For each of the following statements I read out, can you tell me how much you agree with each. Do you agree strongly, agree, disagree, or disagree strongly? A university education is more important for a boy than for a girl
  - 1 'Agree strongly'
  - 2 'Agree'
  - 3 'Disagree'
  - 4 'Strongly disagree'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering completely or somewhat agree and completely or somewhat disagree, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

4. Some people feel they have completely free choice and control over their lives, while other people feel that what they do has no real effect on what happens to them. Please use this scale where 1 means "none at all" and 10 means "a great deal" to indicate how much freedom of choice and control you feel you have over the way your life turns out.
  - 1 'None at all'
  - 2 '2'
  - 3 '3'
  - 4 '4'
  - 5 '5'
  - 6 '6'
  - 7 '7'
  - 8 '8'
  - 9 '9'
  - 10 'A great deal'
  - 1 'Don't know'
  - 2 'No answer'
  - 3 'Not applicable'
  - 4 'Not asked in survey'
  - 5 'Missing; Unknown'

This question was analyzed by country and by percent of the population answering in each category. Next, two measures, those answering above and below 5, were used to aggregate the answer choices into a dichotomous variable for the dependent variable.

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