

# Exploratory Insight into the (Un)intended Effects of Trade Policy in Public Diplomacy

Nicolas Albertoni

Associate Professor at the Catholic University of Uruguay

Received: 10 June 2021 | Accepted: 11 January 2022

## Abstract

The aim of this article is to rethink the role of international trade as a public diplomacy tool by considering the uncertainties that stem from political tensions. The main contribution made in this article is theoretical rather than statistical. However, we analyze trade and public opinion data to study the relationship between both factors. Using *Latinobarometer*, a cross-sectional survey that collects public opinion data from Latin America, this article analyses public opinion toward the United States and China. One of the main takeaways from this study is that, despite its potential to showcase political stability, public diplomacy undervalues ‘unintended consequences’ of international trade relations. This article takes up international trade as an unintended, but arguably effective, resource to be developed for the practice of public diplomacy. Findings presented in this article do not claim causation between trade and opinion, something that can be explored by further research, but rather introduce new questions for further research on the public diplomacy of trade relations.

**Keywords:** Trade policy, Public diplomacy, Latin America

---

\*Corresponding author: [nalbertoni@ucu.edu.uy](mailto:nalbertoni@ucu.edu.uy)

©2022 This is an Open Access paper distributed under the terms of the Creative Commons Attribution-No Derivative Works License (<https://creativecommons.org/licenses/by-nc-nd/4.0/>) which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited. However, the work may not be altered or transformed.

## Introduction

The aim of this article is to rethink the role of international trade as a public diplomacy (PD) tool by considering the uncertainties that stem from political tensions. International trade policy is one of the most contentious topics of the last decade. The global trading system is currently in the midst of profound changes and conflicts (Hopewell, 2016; Jones, 2015). Discussing the PD of international trade is a timely and significant challenge for theorists in the area of statecraft. The political economy literature has shown that public opinion matters in international trade (Fordham & Kleinberg, 2012; Milner & Tingley, 2011) and in PD (Fouts, 2006; Goldsmith & Horiuchi, 2009; Lynch, 2006). This article examines the relationship between international trade and PD. In other words, it examines to what extent we can see international trade as a potential resource of PD strategies. Its examination focuses particularly on ways in which international trade patterns influence public opinion among trading partners. This is a relevant debate given the current global context in which trade protectionism is on the rise. Governments that embrace a ‘protectionist ideology’ are overlooking an important opportunity to use international trade as a tool for PD.

The main contribution made in this article is theoretical rather than statistical. However, we analyse trade and public opinion data to study the relationship between both factors. Using *Latinobarometer*, a cross-sectional survey that collects public opinion data from Latin America, this article analyses public opinion toward the United States and China from 2001 to 2016.

One of the main takeaways from this study is that, despite its potential to showcase political stability, PD undervalues ‘unintended consequences’ of international trade relations. This article takes up international trade as an unintended, but arguably effective, resource to be developed for the practice of PD. Findings presented in this article do not claim causation between trade and opinion, something that can be explored by further research, but rather introduce new questions for further research on the PD of trade relations. For instance, to what extent does the type of trade (labour-intensive versus capital-intensive) correlate with fluctuations in public opinion toward the trading states?

The paper is structured as follows: first is a literature review of PD and its relationship with public opinion and international trade. Second, it analyses statistically the relationship between the two variables of interest. Finally, the paper concludes with some insights on how these findings add to the literature, as well as suggestions for future research.

## Defining Public Diplomacy

PD has gradually become a prominent concept in the field of international relations. However, as Cull (2009, p. 12) states, it is a term “often used but rarely analyzed rigorously.” During the 1990s, Tuch (1990) and Frederick (1993) integrated a governmental approach to PD. First, Tuch (1990, p. 3) defines PD as a “government’s process of communicating with

foreign publics in an attempt to bring about understanding for its nation's ideas and ideals, its institutions and cultures, as well as its national goals and current policies." Frederick (1993) incorporates information about specific content: education, directed abroad in the fields of information, fits with the objective of influencing foreign governments by influencing their people. At the same time, authors such as Signitzer and Coombs (1992) incorporate into the definition some important aspects of communication theory as it relates to international relations. They observed that public relations and PD employ similar tools. They defined PD as "the way in which both government and private individuals and groups influence directly or indirectly those public attitudes and opinions which bear directly another government's foreign policy decision" (p. 138). The work of Signitzer and Coombs (1992) informed that of other experts, such as Wilcox, Ault, & Agee (1992, p. 409-10) who define international public relations as "the planned and organized effort of [...] government to establish mutually beneficial relations with the publics of other nation." Two key aspects are in Wilcox, Ault, & Agee's definition: (1) the inclusion of "government" as an actor and (2) the emphasis on "mutually beneficial relations" (Gilboa, 2008).

More recent scholarship highlights the distinction between "traditional diplomacy," "public diplomacy," and "new public diplomacy." For instance, Cull (2009, p. 12) defines traditional diplomacy as the "international actors attempt to manage the inter-national environment through engagement with another international actor." More recently, scholars have talked about New Public Diplomacy (NPD). For instance, Vickers (2004, p. 151) suggests that NPD can be characterized as a "blurring of traditional distinctions between international and domestic information activities, between public and traditional diplomacy, and between cultural diplomacy, marketing and news management." In the nature of the term NPD is the idea of key shifts in the practice of it, which considers that international actors are increasingly non-traditional as well as the mechanisms used by them to communicate their ideas (Cull, 2009).

In the context of high uncertainty and dynamism in the global economy, PD can sometimes occur due to 'unintended consequences.' In other words, PD can emerge as an indirect effect of an event that was not initially conceived as a PD tool. This raises the issue of international trade as an unintended, but possibly effective, instrument to be developed under the umbrella of PD. On this point, Cull (2009) notes that:

Historically PD has taken the form of contact between one government and the people of another state. PD does not always seek its mass audience directly. Often it has cultivated individuals within the target audience who are themselves influential in the wider community. Moreover, PD does not always take the form of an immediate attempt to influence a foreign public. (p. 151)

## ***Uncertainty and Current Global Dynamics of International Trade Policy***

Political uncertainty has become a globally pervasive phenomenon over the past decade. Relevant economies like the United States, United Kingdom and Brazil have experienced extreme political polarization. This uncertainty is visible through emerging anti-establishment political trends, such as populist presidential campaigning and isolationist political actions taken by some of these countries. The emergence of these political actions represents a turning point in the timeline of political division and uncertainty.

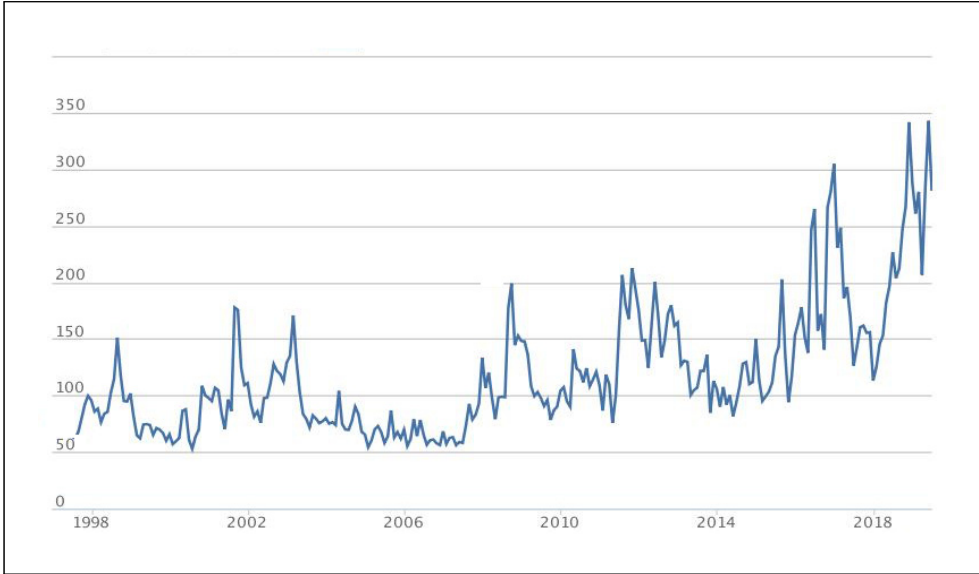
Of the polarizing issues in the United States over the past decade, international trade is without a doubt one of the most contentious. Populist rhetoric urges economic isolation and independence, often without questioning the impact these actions might have on public diplomacy. However, each political decision made is a major diplomatic signal. Trade is a globally occurring phenomenon with networks that connect vastly different regional, national, and global economies. Since trade is such a wide-reaching international policy area, political uncertainty seen among world powers matter for political reasons. Such uncertainty reaches into the politics of other regions through an unprecedented political interconnectedness.

Arguably, the speed of the global spread of economic uncertainty is linked to the digitalization of PD. The internet and new media are tools that can effectively sidestep diplomatic norms. President Trump's use of Twitter to discuss vital economic policy decisions with the American people is one clear marker of this trend. This can be seen very clearly with trade policy actions taken by the United States. For instance, President Trump has used the social media platform to announce tariff hikes in the ongoing trade war with China. Such a rapid communication platform allows the President to signal the country's economic intentions to the rest of the globe within seconds. Announced trade decisions are often unpredictably timed and can cause rapid economic concern. For such a contentious policy area as trade, political announcements can have a major effect on various facets of the economy, especially concerning investor confidence and the stock market.

This uncertainty does not only impact diplomatic relationships among governments. It also impacts international actors at every level, from political institutions to corporate and small businesses, to consumers. An uncertain economic environment is not conducive to long term business decisions. Trade policy especially impacts consumers since they are most likely to bear the ultimate burden of announced tariffs. When political uncertainty reaches these business owners and everyday consumers, it undoubtedly shapes public opinion on the future of trade policy.

The Economic Policy Uncertainty Index sheds light on the current state of global economic uncertainty. Developed by Baker, Bloom, & Davis (2016), the index measures policy-related economic uncertainty. To do so, they include three points in their methodology. First, the researchers assess newspaper coverage of economic uncertainty from ten large outlets: *USA Today*, *the Miami Herald*, *the Chicago Tribune*, *the Washington Post*, *the Los Angeles Times*, *the Boston Globe*, *the San Francisco Chronicle*, *the Dallas Morning News*, *the New York Times*, and *the Wall Street Journal*. Using data from these media outlets, they

normalize and index the volume of articles relating to economic uncertainty. Second, the researchers include reports from the Congressional Budget Office to gauge the uncertainty in the future of the tax code. Third, the index uses Federal Reserve Bank of Philadelphia's Survey of Professional Forecasters to analyze the disparity between different macroeconomic forecasters' predictions. The Economic Policy Uncertainty Index is particularly helpful to the aims of this research in its newly offered Trade Policy Index. The following figure shows how the Economic Policy Uncertainty Index has evolved in the past decades. Recent data shows that the current level of uncertainty is higher than it was during the 2008-09 global financial crisis. As the index authors state "current levels of economic policy uncertainty are at extremely elevated levels compared to recent history. Since 2008, economic policy uncertainty has averaged about twice the level of the previous 23 years." (Econfix, 2013, par. 5)



Source: Baker, Bloom & Steven J. Davis (2016, p. 1600)

**Figure 1.** Economic Policy Uncertainty Index

To some extent, the current level of economic policy uncertainty can explain recent trade protectionist trends in the global economy. More specifically, since the 2007 global financial crisis (GFC), many governments have erected new trade barriers. This contrasts sharply with global trends over the proceeding 50 years, which saw a sustained opening of national markets. For example, restrictive measures introduced by WTO members grew by 11 % between 2008 and 2016<sup>1</sup>); since 2009, G20 governments favored national firms with all manners of policies (e.g., subsidies) on 9,041 occasions (Evenett & Fritz, 2018, p.6). These are all examples of the rise of protectionism on the international scale during the last decade.

1) When I refer to restrictive measures, it means any kind of protectionist policy instrument that can the form a tariff or a non-tariff measure under the classification of the UN MAST classification that can be found at <<https://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures/NTMs-Classification.aspx>>

Moreover, the level changes in forms of the global trading system may be a factor of uncertainty too. There are at least two relevant pieces of evidence that show how the trading system is currently in the midst of profound changes (Albertoni, 2018, pp. 156-57):

First, there are an important number of ‘mega-regional’ agreements, aiming to find consensus with most of the WTO’s agenda –but with a reduced number in order to achieve an agreement ‘more easily’ than in the context of [all members] of the WTO. Examples include the new Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP, former TPP), a proposed trade agreement between 11 countries of Asia, North America, and South America [...] Parallel to this ‘mega-rationalistic tendency’ is the regionalization and bilateralization of trade that started many years ago. For instance, during the period from 1948–1994, the GATT received 124 notifications of regional trade agreements (relating to trade in goods), and since the creation of the WTO in 1995, over 400 additional arrangements covering trade in goods or services have been notified (WTO 2016). The overall number of RTAs has been increasing steadily: a trend likely to be strengthened by the many RTAs currently under negotiation.<sup>2)</sup> A second wave that appeared in the last decade is something we can call ‘the protectionism resurrection’. Probably as a consequence of the 2008 recession and the stagnation of the multilateral trading system, many countries have decided to protect their markets. In July 2016, the WTO published a report urging its members to resist protectionism and ‘get trade moving again’. It shows that the overall stockpile of restrictive measures introduced by WTO’s members grew by 11% between 2008 and 2016.

As mentioned before, since 2016 the US is leading trade wars with the world on multiple fronts. It began with requests filed by the solar panel and washing machine industry in 2017. The US International Trade Commission found that foreign imports were harming domestic business, and the US president Donald Trump decided to impose tariffs in January of 2018. This affected approximately \$8.5 billion of solar panel imports and \$1.9 billions of washing machines. China imposed tariffs on sorghum imports from the United States shortly after, and Korea and China filed WTO disputes. Trump’s legal authority to implement these tariffs came from Section 201 of the US Trade Act of 1974, which states that the president can impose tariffs if the US International Trade Commission finds imports are causing harm to an industry. However, Section 201 has rarely been used in recent history. The last use was in 2001 with steel tariffs by George W. Bush.

Trump once again utilized a rarely used section of trade policy, this time Section 232 of the Trade Expansion Act of 1962, to impose further tariffs. In April of 2017, he instructed the Commerce Secretary to investigate the steel industry, and by March of 2018 he imposed steel tariffs. These tariffs temporarily exempted several countries, including Mexico, Canada,

---

2) As of 4 January 2019, 291 RTAs were in force. These correspond to 467 notifications from WTO members, counting goods, services and accessions separately, see World Trade Organization. (n.d.).

Brazil, Australia, Korea, and the European Union. China retaliated shortly after by imposing tariffs on \$2.4 billion of US goods, which closely matches the \$2.8 billion that was affected by the steel tariffs.

The steel tariffs continued to follow a tit for tat strategy, with the US raising them for certain countries and those countries then retaliating. The tariffs were successful in creating US jobs; however, they came at a high cost. Each of the 8,700 jobs created costs about \$650,000 to create. Poor, developing economies were also hit the hardest by these tariffs. These countries experienced a 12% decline in steel exports to the US and 15.5% decrease in revenue (Bown & Kolb, 2019). Under Trump's leadership, the United States has continually been imposing new tariffs throughout 2018 and 2019 over industries such as automotive, consumer goods, intermediate goods, and technology. Unsurprisingly, these actions have sparked retaliation from countries on the receiving end, and this has created the current trade war.

Finally, beyond the current trade tensions, there are also major global factors that may be impacting the long-term consequences of current trade disputes and protectionist dynamics. Unlike what occurred in the 1980s and 1990s, the high level of trade interdependence through global value chains (GVC) and preferential trade agreements (PTA) make seemingly bilateral trade conflicts far from solely bilateral; possible systemic consequences can be key explanatory variables in analyzing why the current trade recovery is still relatively slow-paced compared to recovery from previous global trade downturns.<sup>3)</sup>

As Lamy (2013, par. 4) states, one of the major changes we see nowadays is the level of interdependence in trade:

Almost 60 percent of trade in goods is now in intermediates [...] An important consequence of the integration of production networks is that imports matter as much as exports when it comes to contributing to job creation and to economic growth. In 1990, the import content of exports was 20 percent; in 2010, it was 40 percent, and it is expected to be around 60 percent in 2030. This is why enacting protectionist measures in the modern world to protect jobs such as raising import barriers can have an inverse reaction in economies that are increasingly reliant on imports to complete their exports.

In sum, the same mechanisms that for decades have fueled the diffusion of trade liberalization (e.g., PTAs), when interacting with current political and economic factors, can also become channels for political uncertainty after global economic shocks (e.g., GFC) which activate trade protectionist trends. Finally, another factor that allows this diffusion of uncertainty to be more "efficient" today is the increasing number of non-transparent ("murky")

---

3) As Bussière et al. (2011) show, one of the distinctive characteristics of the post-2008-09 period was that trade decreased much more than output. In 2009, real world output contracted by 0.7 percent, whereas real trade flows fell that by 11 percent. These features are surprising because they stand in sharp contrast with past experiences. That is why the dynamics of trade in 2009 were strong enough to become widely known as the "Great Trade Collapse" (Baldwin, 2009).

measures being implemented (Baldwin & Evenett, 2009). Taking this overview of uncertainty and current global dynamics of international trade policy as our departing point, this paper seeks to explore the main factors that shape a given state's public opinion toward another state, and how this public perception can be related to trade policy dynamics between these countries. In doing so, this adds to our understanding of the extent that international trade policy could be considered an instrument (intended or unintended) of PD.

### ***Public Diplomacy, Public Opinion and International Trade***

That public opinion matters for political decision-making seems to be a well-established concept in both political science and economics. There is also a historical relationship between polling and PD. Focusing on this relationship, Fouts (2006, p. 9) highlights that “polling provides information about how changes in policy affect audience attitudes.” Polling is therefore a key tool because it can help identify “common interests and concerns across regions and borders” (p. 10). Lynch (2006, p. 40), in discussing the uses and misuses of survey research for PD, argues that one of the key challenges of the proliferation of public opinion survey research is that it can “too easily become a substitute for real understanding of the patterns of public opinion in the region [...] it should focus upon using the survey data to construct policies—not only rhetoric—which can address real [...] concerns.”

When we turn to the relationship between PD and international trade, there is a limited amount of empirical work available. Ruel (2012), for instance, highlights the need for fostering trade and diplomacy research. He discusses “commercial diplomacy” as the international relations of business that “knits together political and entrepreneurial activities and agents in the global market” (Ruel, 2012, p. xv). At the same time, Kostecki & Naray (2007) show that commercial diplomacy “contributes to the promotion of international trade and corporate partnership, to the resolution of business conflict and the marketing of a country as a location for foreign investments, RD activities or tourist destination” (p. 1).

Although many of these studies assert the relationship between international trade and diplomacy,<sup>4)</sup> they do not necessarily consider trade as a potential (negative or positive) instrument of PD. It is this area that calls for more empirical analyses given the current context of high global economic and political uncertainty.

Finally, it is also important to note that over the past 30 years, global trade has been transformed, both in volume and in form. Free Trade Agreements (FTAs) have rapidly proliferated, creating deeper and more extensive commitments. Most FTAs have moved beyond commitments: market access now includes services and investments in addition to goods, for example. Hence, international trade agreements are rarely about trade alone. After decades of multilateral trade negotiations focusing on reducing trade tariffs, trade agreements have now expanded to the extent that they are tools of PD. As Buera & Oberfield (2016) argue, free trade is about more than goods and services—it is also about ideas.

---

4) Other examples are Kostecki (2005) and Kopp (2004).



Considering FTAs as one of the most important tools of countries' trade policy, we can see that trade negotiations are about much more than reducing or eliminating barriers to trade. When negotiating a trade deal, member governments also discuss a range of other issues and provisions, usually in special working groups or committees. New issues involved in trade negotiations (from tariffs to environmental and gender issues) have generated greater social actor interest in trade policy. Hence, when a government implements a protectionist measure against a trading partner, attention on the effects of that measure can be much higher than it would have been decades ago, when trade was limited to a small set of policy issues (e.g., tariffs and quotas). These new trends change the policy-making dynamics of trade policy (Horn, Mavroidis, & Sapir, 2010). The question that arises here is how the inclusion of these new issues has affected peoples' perception about trade and trade partners. Also, to what extent can international trade policy be conceived as a tool of PD? Based on the theoretical analysis above, the following section conducts a preliminary data analysis to test to basic hypothesis: **H1**) Protectionist trade measures are positively correlated with a negative opinion from the affected country toward the implementer country (Negative Public Opinion); **H2**) Protectionist trade measures are negatively correlated with a positive opinion from the affected country toward the implementer country (Positive Public Opinion).

## What Does the Data Tell Us?

Given the previous theoretical overview, the main preposition this paper aims to test is whether affected countries' public opinion may have a negative perception of the states that targeted them with a protectionist measure. Hence, the main outcome variable is public opinion, measured by using public opinion data from a group of 14 Latin American countries.<sup>5)</sup> The main question here is whether increasing levels of protectionist measures, implemented by China and the US toward Latin American states, affect the opinion Latin American citizens have toward these two major economies. To test the previous hypotheses, this paper uses a regression analysis (see Appendix for the regression tables) between the two main variables of interest and controlling for other factors that may also have some effect on the relationship of interest (e.g., a FTA in force, or the weight of exports in total GDP). The operationalization of the dependent variable is twofold: positive opinion about a given state (US or China) and negative opinion about a given country (US or China).<sup>6)</sup> The states considered in this analysis represent more than 90% of Latin American international trade with China and the US. The time period used for the analysis (2009-2016) is based on the total years of analysis available in the Global Trade Alert dataset.

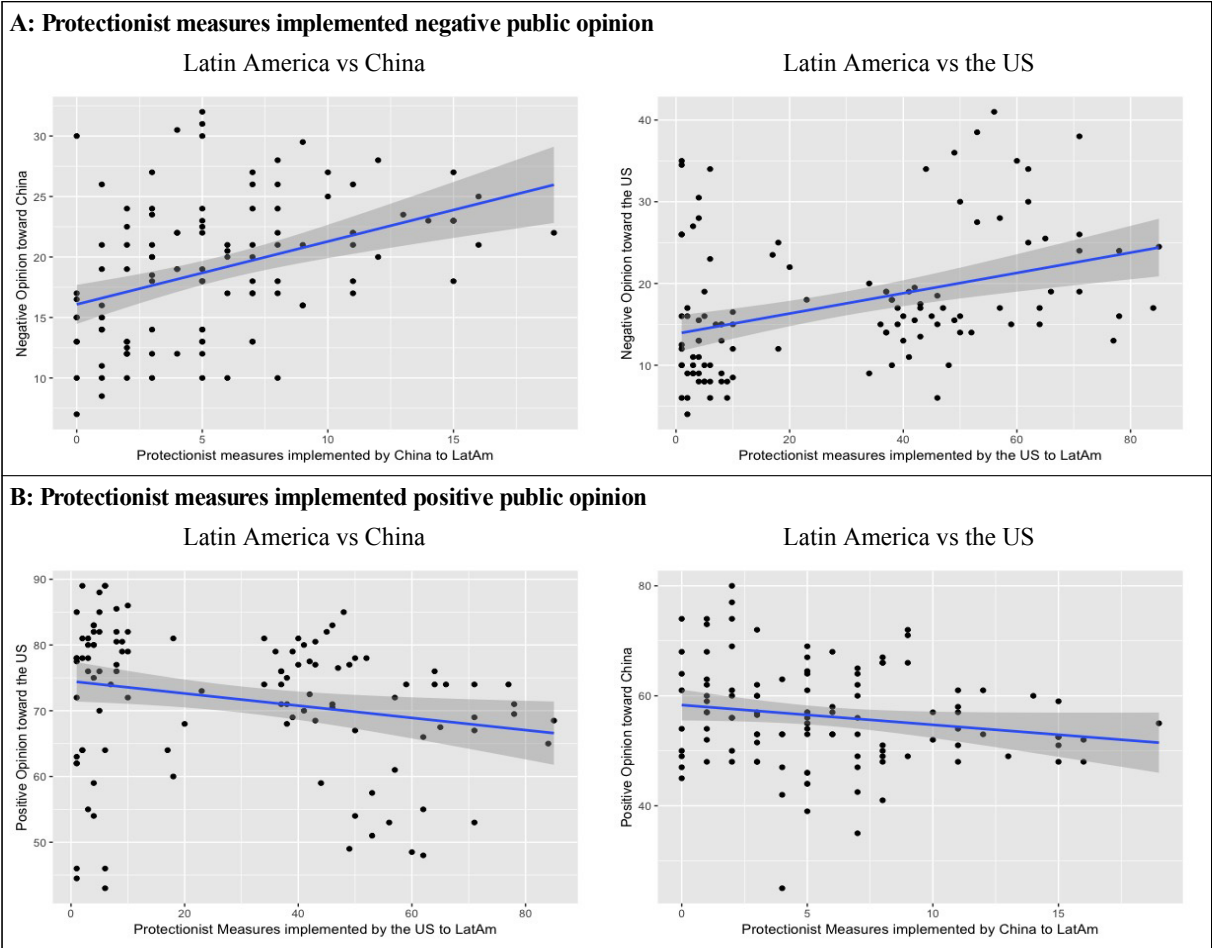
---

5) Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Panama, Paraguay, Peru.

6) In the appendix tables we also construct a third variable, "net opinion," by subtracting the positive from the negative opinion. If net opinion <0, then there is overall positive public sentiment. If net opinion >0, then there is overall negative public sentiment. Hence, we would expect that the correlation of this variable will work in a similar way as "negative opinion": Protectionist trade measures are positively correlated with a "net opinion," from the affected country toward the implementer country.

The quantitative analysis shows that when holding all the other variables constant, one unit of increase in protectionist measures implemented from the US and China to Latin American countries increases the negative perception toward the US and China (see Figure 1A).<sup>7)</sup> Moreover, if our theoretical framework is right, we should also expect that protectionist trade measures are negatively correlated with a positive opinion toward the implementer country, which is what we see in Figure 1B.

Based on this preliminary quantitative analysis, we can see that high levels of protectionist measures from one country to another are positively correlated with negative public opinion from the affected country toward the implementing country. One possible causal story behind these results which can motivate further studies along these lines is related to the relevance of exports in the countries analyzed. Moreover, trade policy has increasingly become a topic in which a broader audience is interested, and it would be expected that protectionist policies from one important market against a country dependent on exports could generate a bad perception toward the implementer of the protectionist measure.



**Figure 2:** Relationship between Protectionist measures implemented by US and China to Latin America and public opinion toward these two countries.

7) This result is statistically significant even when controlling for variables such as FTA in force with the US, Exports in GDP, GDPpc, Exports to the US in total exports (See Appendix, Table 1).

## Final Comments

As mentioned before, this paper is just a preliminary analysis of the relationship between trade policy (and more specifically trade protectionism) and public opinion in a foreign (targeted) country. The main contribution here is to show why PD literature should take international trade policy more seriously. The results presented in this study highlight how international trade policy could be considered an instrument (intended or unintended) of PD.

Again, this paper does not claim causation between the main variables of analysis. What we can see from the results presented above is that protectionist measures seem to have a statistically significant relation with negative public perceptions from the affected country toward the implementer. From a causal perspective, this statistical relationship may also make sense given the high dependence of some countries on international trade. Citizens might reason along these lines: when you affect my country's exports, you are directly or indirectly affecting me as a citizen of my country.

However, further research should probe more deeply into the causal mechanisms that underpin these correlations. Other interesting questions are raised based on the results of this study. For instance, to what extent are the type (labor or capital-intensive) and scope of trade correlated with fluctuations in public opinion toward the trading countries? For example, there could be any number of variations on public opinion depending on the type of trade between countries (complementary trade or competitive trade). Another way to answer these questions would be to analyze public opinion data at more specific industry levels.

In any case, these results are not conclusive. They explore insight into this topic from the data we have available. More data and robustness checks are necessary to consider them plausible and generalizable. As mentioned, by observing these preliminary results we can open a more theoretical debate about the relationship between international trade policy and PD in future studies. In sum, this paper has aimed to link a new topic to the study of PD; it urges more serious consideration of this link in our current global context, where trade protectionism threatens to derail gains made over the past decades.

## References

- Albertoni, N. (2018). The New Dynamics of the International Trading System. *Global Policy*, 9(1), 156-158.
- Baldwin, R. & Evenett, S. (2009). *The collapse of global trade, murky protectionism, and the crisis: Recommendations for the G20*. Centre for Economic Policy Research (CEPR).
- Baker, S. R., Bloom, N., & Davis, S. J. (2016). Measuring economic policy uncertainty. *The Quarterly Journal of Economics*, 131(4), 1593-1636.
- Bown, C., & Kolb, M. (2019). Trump's Trade War Timeline: An Up-to-Date Guide. *PIIE*, 2-15.
- Buera, F. J., & Oberfield, E. (2016). The Global Diffusion of Ideas and Its Impact on

- Productivity and Growth. *Chicago Fed Letter*, (369), 1.
- Bussière, M., Pérez-Barreiro, E., Straub, R., & Taglioni, D. (2011). Protectionist Responses to the Crisis: Global Trends and Implications. *The World Economy*, 34(5), 826-852.
- Cull, N. J. (2009). Public diplomacy: Lessons from the past. *CPD Perspectives on Public Diplomacy*, 2(19).
- Econfix. (2013). *The US Economic Policy Uncertainty Index*. Retrieved June 19, 2022, from <https://econfix.wordpress.com/2013/10/31/the-us-economic-policy-uncertainty-index>
- Evenett, S., & Fritz, J. (2018). Brazen Unilateralism: The US-China Tariff War in Perspective. Global Trade Alert Report 23. CEPR Press. Retrieved June 19, 2022, from <https://www.globaltradealert.org/reports/45>.
- Fordham, B. O., & Kleinberg, K. B. (2012). How Can Economic Interests Influence Support for Free Trade? *International Organization*, 66(2), 311-328. <https://doi.org/10.1017/S0020818312000057>
- Fouts, J. S. (2006). Public diplomacy practitioners, policy makers, and public opinion. *USC Center on Public Diplomacy-University of Southern California*.
- Frederick, H. H. (1993). *Global communication & international relations*. Houghton Mifflin Harcourt P.
- Gilboa, E. (2008). Searching for a theory of public diplomacy. *The Annals of the American Academy of Political and Social Science*, 616(1), 55-77.
- Goldsmith, B. E., & Horiuchi, Y. (2009). Spinning the globe? US public diplomacy and foreign public opinion. *The Journal of Politics*, 71(3), 863-875.
- Hopewell, K. (2016). *Breaking the WTO: How Emerging Powers Disrupted the Neoliberal Project*. Stanford University Press.
- Horn, H., Mavroidis, P. C., & Sapir, A. (2010). Beyond the WTO? An anatomy of EU and US preferential trade agreements. *The World Economy*, 33(11), 1565-1588.
- Jones, K. (2015). *Reconstructing the World Trade Organization for the 21st Century: An Institutional Approach*. Oxford University Press.
- Kopp, H. (2004). *Commercial diplomacy and the national interest*. American Academy of Diplomacy.
- Kostecki, M. M. (2005). *Business advocacy in the global trading system: How business organizations may shape trade policy?* International Trade Center UNCTAD/WTO.
- Kostecki, M., & Naray, O. (2007). *Commercial diplomacy and international business*. Netherlands Institute of International Relations' Clingendael'.
- Lamy, P. (2013). *Global Value chains, Interdependence, and the Future of Trade*. VoxEU CEPR. Retrieved June 19, 2022, from <https://voxeu.org/article/global-value-chains-interdependence-and-future-trade>
- Lynch, M. (2006). Public opinion survey research and public diplomacy. *Public Diplomacy Practitioners, Policy Makers, and Public Opinion*.
- Milner, H. V., & Tingley, D. H. (2011). Who supports global economic engagement? The sources of preferences in American foreign economic policy. *International Organization*,

65(01), 37-68.

- Ruel, H. (2012). *Commercial diplomacy and international business: A conceptual and empirical exploration*. Emerald Group Publishing Limited.
- Signitzer, B. H., & Coombs, T. (1992). Public Relations and Public Diplomacy: Conceptual Covergences. *Public Relations Review*, 18(2), 137-147.
- Tuch, H. N. (1990). *Communicating with the world: US public diplomacy overseas*. St. Martin's Press New York.
- Vickers, R. (2004). The new public diplomacy: Britain and Canada compared. *The British Journal of Politics and International Relations*, 6(2), 182-194.
- Wilcox, D., Ault, P., & Agee, W. (1992). *Public relations: Strategies and tactics*. Harper Collins.
- World Trade Organization. (n.d.). Regional Trade Agreements. Retrieved July 29, 2019, from [https://www.wto.org/english/tratop\\_e/region\\_e/region\\_e.htm#facts](https://www.wto.org/english/tratop_e/region_e/region_e.htm#facts).

## ■ Nicolas Albertoni

Nicolas Albertoni, Ph.D. (nalbertoni@ucu.edu.uy), is an associate professor at the Catholic University of Uruguay and an associate researcher at the University of Southern California's Security and Political Economy (SPEC) Lab. This paper is an extended version of an article published in the *Public Diplomacy Magazine* in 2018.

## Appendix

### Regression tables

**Table 1.** The effect of protectionist measures on positive and negative opinion toward the US.

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
	DV: negative public opinion		DV: positive Public opinion		DV: net (1) opinion	
(Intercept)	13.84*** (1.13)	10.53 (12.98)	74.49*** (1.54)	58.32*** (16.62)	-60.65*** (2.58)	-47.79 (28.69)
US protectionist measures	0.12*** (0.03)	0.11* (0.04)	-0.09 (0.04)	-0.15** (0.06)	0.22** (0.07)	-0.26** (0.10)
FTA in force with the US		-1.00 (1.64)		1.22 (2.10)		-2.22 (3.62)
Exports in GDP		-0.08 (0.07)		0.02 (0.09)		-0.09 (0.15)
Log GDPpc		2.26 (3.59)		2.78 (0.09)		-0.51 (7.94)
Exports to the US in total exports		-0.07 (0.04)		0.22*** (0.06)		0.30** (0.10)
R <sup>2</sup>	0.14	0.21	0.05	0.23	0.08	0.21
Adj. R <sup>2</sup>	0.13	0.17	0.04	0.19	0.09	0.18
Num. obs.	112	112	112	112	112	112
RMSE	7.80	7.63	10.64	9.77	17.83	16.87

\*\*\*  $p < 0,001$ , \*\*  $p < 0,01$ , \*  $p < 0,05$

The first dependent variable (models 1 and 2) is the percentage of respondents to Latinobarometer with a negative public opinion toward the US. The second dependent variable (models 3 and 4) is the percentage of respondents to Latinobarometer with a positive public opinion toward the US. The third dependent variable (models 5 and 6) is the subtraction of positive opinion from negative opinion, creating a measure of net negative public opinion.

**Note (1):** “net opinion,” is constructed by subtracting the positive from the negative opinion. If net opinion  $< 0$ , then there is overall positive public sentiment. If net opinion  $> 0$ , then there is overall negative public sentiment. Hence, we would expect that the correlation of this variable will work in a similar way as the “negative opinion” once: Protectionist trade measures are positively correlated with a “net opinion,” from the affected country toward the implementer country.

Table 1 shows that when holding all the other variables constant, one unit of increase in protectionist measures implemented from the US to Latin American countries increases the negative perception toward the US (models 1 and 2), a result that is statistically significant. Model 2, specifically, considers different control variables (FTA in force with the US, Exports in GDP, GDPpc, Exports to the US in total exports) and the positive relationship between the two main variables remains the same. Model 3 tests hypothesis 2 (positive opinion) which serves a robustness check of the theoretical idea suggested in this paper. If our theoretical framework is right, we should also expect that protectionist trade measures are negatively correlated with a positive opinion toward the implementer country, which is what

we see in models 3 and 4. Finally, models 5 and 6 consider a third dependent variable constructed by the subtraction of positive opinion from negative opinion, creating a net opinion” which has a positive relationship with the protectionist measures implemented by the US. The next table shows the same analysis for the case of China.

**Table 2.** The effect of protectionist measures on positive and negative opinion toward China.

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
	DV: negative public opinion		DV: positive Public opinion		DV: net negative public opinion	
(Intercept)	16.08*** (0.81)	12.56*** (1.46)	58.33*** (1.41)	59.01*** (3.11)	-42.25*** (1.92)	-46.45*** (4.07)
China protectionist measures	0.52*** (0.11)	0.02 (0.12)	-0.36 (0.20)	-0.19 (0.26)	0.88** (0.27)	0.22 (0.34)
FTA in force with the China		-1.53 (1.41)		6.52* (3.01)		-8.05* (3.94)
Exports in GDP		-0.03 (0.03)		0.01 (0.07)		-0.09 (0.09)
GDPpc		0.00*** (0.00)		-0.00* (0.00)		0.00*** (0.00)
Exports to China in total exports		0.01 (0.08)		0.15 (0.17)		-0.14 (0.22)
R <sup>2</sup>	0.16	0.50	0.03	0.13	0.09	0.24
Adj. R <sup>2</sup>	0.15	0.48	0.02	0.09	0.08	0.21
Num. obs.	112	112	112	112	112	112
RMSE	5.24	4.10	9.11	8.76	12.35	11.47

\*\*\*  $p < 0,001$ , \*\*  $p < 0,01$ , \*  $p < 0,05$

The first dependent variable (models 1 and 2) is the percentage of respondents to Latinobarometer with a negative public opinion toward China. The second dependent variable (models 3 and 4) is the percentage of respondents to Latinobarometer with a positive public opinion toward China. The third dependent variable (models 5 and 6) is the subtraction of positive opinion from negative opinion creating a net negative public opinion.

Table 2 shows the results for the case of China. When holding all the other variables constant, one unit of increase in protectionist measures implemented by China to Latin American countries increases the negative perception toward China (models 1 and 2), a result that is statistically significant. Model 2 considers different control variables (FTA in force with the US, Exports in GDP, GDPpc, Exports to the US in total exports) and the negative relationship between the two main variables remains the same. Models 3 and 4 test hypothesis 2 (positive opinion) and show that there is a negative relationship between China protectionist measures and a positive opinion toward China. However, these results are not statistically significant. Finally, models 5 and 6 consider a third dependent variable constructed by the subtraction of positive opinion from negative opinion, creating a “net opinion,” which has a positive relationship with the protectionist measures implemented by the US.