

## Uncertain Coalitions and the Political Economy of Fair Trade: Labor Rights Linkage in Domestic and International Politics

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Linking trade openness to labour standards has in the last two decades become a central controversy in the politics of globalisation. The World Trade Organization (WTO) Seattle Ministerial in 1999 was a water-shed in this controversy: human rights NGOs, unions and their US government champions supported labour linkage in future WTO discussions, while business groups and developing-country governments staunchly opposed it, helping to unravel the ‘Millennial’ Round in the process. This struggle has since simmered-down with a Republican Administration more hostile to linkage and with post-‘September 11<sup>th</sup>’ geo-politics shaping North-South economic relations. But all US trade initiatives confront union-backed Democrats demanding that agreements protect labour rights, and WTO progress confronts NGOs and national delegations pushing labour protections. At the same time, labour-linkage faces ever-deepening opposition from free-trade forces. Fights over fair trade labour linkage remain, in short, a central site for contesting the pace and shape of economic globalisation.

This motivates both descriptive and explanatory questions. How have conflicts over labour linkage come to the fore of globalisation and trade politics? What explains the rise in labour-linkage demands and the increasingly hostile reception they have provoked? Answers to such questions are, unfortunately, not easy to find, because linkage politics has largely fallen between the cracks of policy-prescriptive writing about globalisation, and empirical-theoretical writing about trade politics.

Labour linkage is among the most analysed normative controversies in the globalisation debate, shedding much light on the policy history of such linkage, and on the advantages and pitfalls of real and hypothetical linkage (Brown et.al., 1996; Charnowitz 1987; O'Brien, 2000). This literature's focus on linkage and globalisation, however, doesn't provide enough description and, especially, explanation of political interaction over linkage within and among countries. This is understandable since high-profile struggle over linkage is relatively new and has spawned modest policy results. The lack of clear description and explanation of linkage politics, however, makes it hard to judge which normative agendas are politically realistic, or how such agendas may get distorted through political practice.

On the other hand, academic literature explaining so much of trade politics mostly ignores policy not reducible to 'protectionism' or 'free trade', and under-theorizes labour and NGO groups central in linkage politics. We know plenty about how economic *interests* of groups can motivate demands for protectionism or free trade given endowments and comparative advantages, or given increasing-returns that underlie economic flows (Alt et al., 1996). We also know plenty about how *institutions*, including legislative or executive procedures 'supplying' trade policy, and organizational features of interest groups 'demanding' policy, shape levels of openness (Nelson 1988). And we even know something about how *ideas*, especially causal and principled beliefs, underlie openness and protectionist exceptions, at least in the US (Goldstein, 1993). None of these perspectives, however, explains labour-linkage as distinct from, or a distinct form of, protectionism; and none conceptualises how political actors might develop policy preferences around particular trade tools through their own policy experience. Even contributions focused on nuances of protection – such as on aggressive reciprocity and strategic trade<sup>1</sup>, or on the various US protectionist tools (Goldstein, 1988) – have little relevance for labour linkage. There remains, thus, a blind spot for this important aspect of globalisation politics.

To better understand those politics, this article *describes* and *explains* the politics of linking international trade to labour standards. It begins by chronicling a rise and stall of labour-linkage in US and international politics: the rise of a US-based pro-linkage coalition demanding with deliberate generality that trade be linked to protection of union rights; the more mixed and tepid support for such linkage in Europe; the solidifying of linkage opposition among business groups and developing-country governments; and the resulting collision becoming a centre-piece of globalisation politics but yielding more ‘negative’ blocking of liberalization than ‘positive’ linkage experimentation.

The article then argues that this rise and stall reflects not only shifting economic interests, but also learning about political-institutional constraints. Patterns of trade with developing countries underlie economic interests that predict the rise of linkage, but not important variation across unions and countries, nor the details of labour linkage demands, nor the intransigence of opposition. Learning through political experience -- an ideational process -- accounts for these developments. Frustration among US-based unions and NGOs with simple protectionism, compensation and direct labour-rights promotion, in contrast to politically successful fairness-based trade initiatives, inspired labour linkage in general; broader union reforms focused on ‘organizing the unorganized’ inspired focusing on union rights in particular; and previous break-downs in union-Left solidarity inspired deliberately-ambiguous linkage demands to maximise the pro-linkage power base. In Europe, political experience with trade and other policy arenas offered the opposite lesson, that scarce political resources are better spent on welfare compensation than labour-linkage or other trade-protectionism. Finally, in developing countries and Asia, and among many free-trade lobbies world-wide, experience with ‘fairness’ demands as a ‘trojan horse’ for protectionism fostered worst-case speculation about linkage. In these ways, political learning has deepened

US support, European ambivalence and developing-country hostility towards labour linkage – yielding a rise and stall in the fair-trade road to humanizing globalisation.

## **THE RISE AND STALL OF LABOUR LINKAGE**

As a central controversy in trade relations, the politics of linking labour rights to trade rules has a relatively recent history. Since the 19<sup>th</sup> century, trade politics has seen smatterings of labour linkage, most prominently the un-ratified 1947 Havana Charter's allowance for trade barriers against labour exploitation of labour and other 'unfair trade practices' (Charnowitz, 1992). But such linkage was an infrequent and low-profile feature of both US and world politics. Since the mid-1980s, however, labour linkage has become more central to globalisation politics, through a story of rise and stall, beginning with growing US support, through European ambivalence, and running-against rising hostility, especially from developing countries.

### *Rise and Stall in the United States*

Within the United States, the rise and stall of linkage began in the early 1980s. Human rights groups like the International Labour Rights Education and Research Fund (ILRERF) sought trade linkage to leverage-up labour rights, and were joined by organized labour, itself moving-away from past unqualified protectionism (lacking labour or environmental conditionality).<sup>2</sup> Their first targets were the 1983 Caribbean Basin Initiative (CBI) and the 1984 renewal of the Generalized System of Preferences (GSP), demanding that beneficiaries 'take steps' to protect ILO-defined 'internationally recognized worker

rights'.<sup>3</sup> Facing little opposition, they then pushed similar linkage in the 1989-90 CBI renewal; in House Resolutions urging labour protections in Uruguay Round negotiations; and in the 1988 Omnibus Trade Act's 'unfair trade practices' section (Section 301). These experiments led the USTR to remove labour-rights violators from the GSP list and arguably improving labour standards of some countries (Dorman, 1989; Harvey, 2001). Despite such progress, however, labour linkage remained on the margins of trade debate, with union platforms still focused on quota, tariff, and VER protectionism (AFL-CIO Convention 1989, 224).

The North American Free Trade Agreement (NAFTA) struggle, however, ushered-in a new phase of linkage politics. The NAFTA mobilized US history's most determined, broad-based protectionist coalition, led by organized labour.<sup>4</sup> Although most unions tried to kill rather than revise the agreement, negotiation of labour and environmental side agreements in April 1993 led the AFL-CIO Executive Council and others to propose 'sanctionable' labour-standards protections on a par with property protections: if the Administration were to provide these, AFL-CIO officials and *some* member-unions pledged to call off grass-roots and legislative anti-NAFTA campaigns.<sup>5</sup> Although falling on sympathetic Democratic ears, these demands provoked powerful anti-linkage opposition. Administration discussions with Business Roundtable and the NAM representatives revealed what public statements had already suggested: 'unwavering opposition especially to a labour commission that would impose trade sanctions to protect worker-bargaining rights' (Robert Reich interview with author, 7/10/97). This opposition was echoed in the Republican leadership's announcement that 'they would not vote for NAFTA if the side agreements created extensive new international bureaucracies that would infringe on American sovereignty or burden American companies' (NYT 9/19/93:1).

Compounding Mexican opposition, domestic resistance emboldened Treasury and State Department representatives to push a stronger environmental agreement in exchange for a weaker labour one (Reich interview 7/10/97). The resulting labour accord created a supra-national institution to upgrade standards, but was meagrely funded and staffed, and could mandate no more than ministerial consultations against violations of association, organizing, and collective bargaining rights. Although perceived by the Left as a defeat in its passage and a disappointment in its implementation, NAFTA linkage spawned a supranational labour-linkage institution, and provided a basis for rallying Democrats, improving Labour's rent-seeker image, and reshaping or slowing liberalization. The experience was also a wake-up call for free traders for whom linkage, once an effective if unsavoury tool to win Congressional approval, was now a back-door to protectionism.

Since then, most unions, NGOs and others have demanded that all trade negotiations consider labour rights on a par with trade and property protections. In every Convention since 1995, the AFL-CIO has begun trade Resolutions with demands for linkage, with fewer or no demands for simple protectionism (AFL-CIO Convention 1995, 354). Priority has been given to union rights of association, organizing and collective-bargaining, over wages and working conditions. In all trade outings – from Uruguay Round ratification, to subsequent WTO fights, to Fast Track, GSP, and African trade – virtually all unions and many NGOs have towed this line. This has consolidated the Democratic-party embrace of linkage, not only by traditional pro-labour stalwarts, but also centre-right elements of the party, linkage becoming the Democratic National Committee's (DNC) main trade-policy plank.

But the pro-linkage coalition has deliberately kept its linkage pleas general and devoid of detail. Behind closed doors and in rare public statements, the AFL-CIO National and sheltered-sector member-unions have supported a sort of internationalist linkage, trying

to upgrade labour rights while accepting import-penetration. Other supporters, however, like the Teamsters and Steelworkers, have pushed explicitly protectionist goals and celebrated linkage pleas for halting trade liberalization. But such distinctions are rarely made public. Union representatives have generally refused to offer language they pledge to support, never specifying which labour protections involving which countries or industries, with which penalties, would be acceptable.<sup>6</sup> Following the 1997 postponement of Fast Track, for instance, Richard Gephardt promised to table his alternative, approaching AFL-CIO officials to discuss possible language. But Federation officials asked that no such bill be tabled with an AFL-CIO imprimatur, fearing that specifics would offend one or another member union (Thea Lee, interview 10/98). The linkage coalition has, thus, deliberately kept matters ambiguous, greeting postponement of liberalization more as victories than weigh-stations to fairer trade.

Little surprise, then, that pro-linkage forces have since the NAFTA faced a fully mobilized anti-linkage coalition. Some business groups have tried to diffuse pro-linkage groups by countenancing minimal linkage,<sup>7</sup> but all oppose the linkage supporters' core demands – sanctionable labour protections,<sup>8</sup> particularly for rights of association and collective bargaining. The Republican Party leadership has grown even more opposed to linkage. In the first 1994 Fast Track fight, all 44 Republican Senators protested inclusion of labour standards in fast-track authority, and in the 1997 Fast Track Republican leaders fought for explicit legislative language to ‘restrict negotiations to matters that deal directly with trade’ – prohibiting rather than simply ‘not mandating’ linkage.<sup>9</sup> Although Republicans house a ‘nativist’ minority coveting sovereignty-preserving labour linkage, President Bush, his USTR, and the GOP House and Senate leadership have all opposed any such linkage.

The interaction of these countervailing coalitions has often resulted in stalemate. In the ill-fated 1997 Fast Track, for instance, solid Republican support and Clinton's use of the

same legislative guile that had secured its eleventh-hour NAFTA win – this time with \$4 billion in pork projects and adjustment assistance – failed to win enough Democrats votes. Yet, had the Administration sought stronger linkage, as many Republican votes would have been lost as Democratic votes won. Passage of China’s ‘Permanent Normal Trade Relations’ in 2000 and the 2001 Fast Track were important exceptions to such stalemate, crafted under geo-strategic considerations trumping ‘normal’ trade politics. More generally, Republican control of the executive means fewer linkage initiatives. But pro-linkage Democrats have partisan incentives to oppose a Republican president’s trade prerogatives, and with public opinion supporting labour linkage (PIPA 2000), fair trade confrontation is a durable feature of US globalisation politics.

This confrontation has driven and is affected by the rise and stall of labour linkage in international trade relations. US proposals for linkage loomed large in GSP/CBI preferential and NAFTA/FTAA discussions. And through the 1990s, calls for linkage became a centrepiece of US policy in WTO trade regulation, high on its agenda in three WTO Ministerials – Marrakesh (1994), Singapore (1996), and Seattle (1999). That enthusiasm was shared by at least a few nations and many NGOs. Among the most important of the latter has been the International Confederation of Trade Unions (ICFTU) – the largest union confederation, representing 124 million workers in 143 countries, two-thirds from developing countries – which has emphasized non-protectionist labour rights protections that would address concerns of developing-country workers.<sup>10</sup> Thus, in pushing labour linkage, the US has not been alone. But almost: linkage proposals have faced ambivalence from Europe and elsewhere, and hostility from the developing world.

### *Mixed ambivalence in Europe*

Within Europe, countries have been deeply split on the propriety and details of labour linkage in EC/EU external trade agreements, and where some consensus has been possible, support has been at best ambivalent – particularly in WTO forums.<sup>11</sup> European national unions, as well as their supranational peak association, the European Trade Union Congress (ETUC), have lobbied less and expressed less enthusiasm for linkage than have their US counterparts.<sup>12</sup> More active than the ETUC in urging EU attention to labour linkage has been the ICFTU, which has urged linkage via Commission officials and Left party members at both the national and EU Council and Parliament levels (van Roozendaal 2001, 222-3). In the EU context as well as in OECD, G-7, WTO discussions, these unions called for core labour protections while avoiding slippery-slopes to protectionism.

As in the US, the most active voices *against* EU linkage were business associations, including the European Services Network (ESN), and, especially, the Union of Industrial and Employers' Confederations of Europe (UNICE). Like their American counterparts, these groups exercised voice proportional to linkage support. And like a few US counterparts, UNICE and other business associations have accepted some talk of labour linkage, conditional acceptance of stronger WTO-ILO links. But they have been unambiguously opposed to sanctions: 'UNICE is opposed to the use of trade sanctions to promote core labour standards, but supports the flanking work of the ILO in this area' (EIS 9/22/99 and 7/14/99).

Among European countries, France and Norway have most consistently supported linkage. Norway was the only European supporter of Reagan's 1979 proposal to include minimum labour standards in the GATT, and supported Clinton's 1997 proposal for a WTO-Labour working group at the Singapore Ministerial. France has been the more important supporter, however. In 1986, it was the only supporter of a US linkage proposal before launch of the Uruguay Round, and in G-7 discussions prior to the Singapore WTO

Ministerial. In almost all EU external policy discussions, the French have pushed linkage – focusing on social clauses to prevent ‘social dumping’, in contrast to US emphasis on rights (Winzer 1999), and emphasizing the need to avoid protectionism while not ruling-out sanctions.

On the other hand, Germany and the UK have been the most opposed to linkage, holding this line in both WTO and preferential-treatment settings. In response to a 1995 European Parliament and Commission plan to introduce labour protections into the EU GSP program, Germany’s Minister of Economics Rexrodt proclaimed ‘We will oppose any attempt to link issues like the social clause with trade in the World Trade Organization and within the EU’ (Winzer 1999, 3). Britain has strayed little from Margaret Thatcher’s antipathy to social clauses, surviving transition to a Labour government, which despite internal splits supported only the *sans* sanctions. In Germany, long-standing opposition gave way to SPD-Chancellor Schroder’s 1999 U-turn, stronger support of linkage than many EU countries (EIS 1999). But the big picture of EU linkage pits a UK-German coalition against France and a sympathetic few, while others take softer, inconsistent positions.

Such divisions within and between countries underlie profound ambivalence towards linkage in EU external policy, but yielded modest support in the mid-to-late 1990s. Although prior to the 1990s the EU officially opposed linkage in all external trade, the three EU institutions were divided: The European Parliament was generally more sympathetic to linkage, sometimes the Commission as well, while the inter-governmental Council of Ministers let national divisions derail linkage. Thus, as early as 1978 the EC Commission periodically proposed tying Lomé benefits to labour standards, and in 1986 and 1993 the European Parliament endorsed a social clause in the Uruguay Round and GSP. But the Council consistently vetoed such efforts. EU Trade Commissioner Leon Brittan, knowing of Council skepticism, pressed for delay of GSP and GATT/WTO linkage until completion of

the Uruguay Round. With completion coming less than a year later, Brittan didn't actively oppose, but also refused to support the US linkage pleas – still reflecting Council division (DLR 1994).

A turning-point in EU linkage politics was the 1994 Sainjion Report by the EU Committee on External Economic Relations (REX Committee), mandated a year earlier by Parliament to review social clause issues. The Report recommended an 'incentive social clause in the GSP' giving preferential access to countries meeting core-standards. Although warning that it should not be 'an excuse for greater protectionism against developing countries', the Report called for GATT/WTO linkage, thus providing 'a basis for the Commission to act....' (European Parliament 1994a, 8).<sup>13</sup> The REX Committee soon proposed, and the European Parliament adopted, a social clause Resolution calling-for 'unilateral and multilateral' trade policies (European Parliament 1994b, 89-92).

The resulting political struggles yielded support for labour linkage, particularly where preferential agreements like Lomé and GSP were concerned. Over the next two years, the EU established and acted-upon linkage in its GSP policy, though social groups and EU players always disagreed on details. The ICFTU lobbied the Commission and Parliament for conditionality on ILO-core standards, especially the rights to associate (87) and collectively bargain (98), while the ETUF-TCL emphasized positive rewards for compliant countries (ICFTU 9/14/98; ETUF-TCL 9/18/98), while the Commission proposed a GSP linkage that would withdraw preferences only in cases of forced and prison labour. Within a couple of years, the Council compromised with GSP linkage offering additional preferences to countries abiding by all core standards (including association and bargaining), mandating withdrawal of GSP benefits only for forced and prison labour. Although a narrower linkage than US counterparts, the new rules led to, among other results, removal of Myanmar from GSP in 1997 (EP 1997, 8-9).

For WTO action, however, linkage support was slower, more qualified, and more divided. Soon after the Sainjion Report, EC Trade Commissioner Brittan softened his position, admitting that 'trade action to support social rights or environmental objectives could be acceptable...' (Brittan 1994, 6), but soft-peddalling sanctionable linkage and discussion of a WTO working group. As support for linkage intensified, the Commission proposed in July 1996 a WTO working group to focus on incentives rather than sanctions (EU News Service 24/7/96, 3). The inter-governmental Council, however, softened this proposal for the Singapore WTO Ministerial. Seeking compromise between German-British opposition and French-Belgian support for a working group, the Council emphasized 'the importance that WTO Members attach to the efforts of the ILO to promote better definition and universal observance of core labour standards,' and stopped short of calling for creation of a working group (Inside US Trade 1/11/96, 1; Volkskrant 10/12/96, 4).

Before the 1999 Seattle Ministerial, 'Germany joined Sweden, Austria, Denmark, Belgium and France in calling for a special WTO group to study how to combat child and slave labour', approaching the US position ( EIS 10/6/99). But Italy, the UK, and other Member states were opposed, not wanting to alienate developing countries. The EU compromise called for a 'Joint ILO/Standing Working Forum' of governments, employers, unions, and NGOs to prepare a ministerial meeting on globalisation and labour issues by 2001. EU Trade Commissioner Pascal Lamy emphasized that the EU position sought US goals 'without raising fears in developing countries about possible sanctions for those with different labour standards' (Inside US Trade 29/10/99).<sup>14</sup> In the broader scheme of linkage politics, this was the ambivalent lowest-common-denominator for a divided region.

### *Categorical opposition among developing countries*

For the rest of the world, particularly the developing world, labour-linkage politics is simple: unwavering, unqualified opposition.<sup>15</sup> Whenever the US or others have called for labour linking, most social actors and all government representatives of developing countries consistently condemned such inclusion as protectionism against Southern exports. This opposition has been unqualified in that they will reject even the scent of linkage between labour and trade – condemning even the EU’s proposals for an ILO-WTO working group explicitly foreswearing sanctions. Finally, the opposition has been fierce in that developing countries have stood their ground against considerable US and, recently, EU pressure – to the point of tempting dissolution of multilateral trade governance.

This opposition has been expressed mainly by governments and the inter-governmental Group of 77 that most unifies their voices. Emphasizing continuity with the earlier Marrakesh and Singapore WTO statements, the Group’s position is simple: Although members are ‘ready and willing to discuss [labour and welfare] issues,’ they are ‘firmly opposed to any linkage between labour standards and trade...’. Instead, ‘labour standards should be dealt with by the competent international organizations {ILO} and not by the WTO....’ And above all, ‘the comparative advantage of countries...must in no way be called into question’ (Group of 77, 1999; ILO, 2000). Developing-country governments, in other words, respect labour standards and will discuss their protection only through the ILO and without sanctions.

Among governments, opposition has been led by Egypt, Malaysia, Pakistan, and especially India. India rallied support for the Singapore Declaration to formalize excluding labour standards from the WTO agenda, rejecting the US *and* EU positions in Seattle. But

every developing-country government has formally opposed US proposals. All of Africa's 42 WTO member-countries have towed the Group of 77 line, and in the run-up to the Seattle Ministerial went so far as to veto letting the Head of the ILO address the WTO body (Rhagavan 1999). The same has even been true of Asian and Latin-American countries.<sup>16</sup>

The positions of developing-country social actors and NGOs are more mixed. Developing-country unions support some labour linkage, mainly in their ICFTU participation, but have resisted expansive definitions of labour standards and more aggressive linkage promoted by developed-country unions – preferring carrots to sticks in promoting rights. On the other hand, they have also dismissed ILO alternatives to linkage as a ‘cocktail of good intentions’ (ICFTU 2001, 2). Their support for some kind of linkage buttresses claims that developing-country government opposition doesn't represent the voices of workers, but the relatively narrow representation of worker organizations supporting linkage undermines claims that they ‘speak for developing countries’ (Bhagwati et.al. 2000, [www.cuts.org](http://www.cuts.org)).<sup>17</sup> The truth is that some developing-country labour groups ambivalently support linkage and are disfranchised in government policy-making, but face other ‘poor-peoples’ groups opposed to linkage. And the politically relevant fact is that social support for linkage is not strong enough to dent the anti-linkage facade of developing-country governments.

The interaction between the US, European, and developing-country polities over linkage has resulted in more frustration than progress. Where linkage has been pushed in preferential and regional trading agreements – US and European GSP, the NAFTA – the results have been modest linkage along-side liberalization. But pushed in broader GATT/WTO multilateral settings, where developing countries carry more weight, we've seen stalemate. Every time the US or other delegations proposed even the most benign linkage, developing-country governments immediately vetoed discussion. Even the EU-

proposed WTO-ILO working group – designed ‘not just to prevent the possibility of unfair protectionist sanctions, but to avoid even the suggestion that this could happen’ – drew fire from developing-country delegations.<sup>18</sup> This testifies to a kind of stalemate in linkage politics with the potential to hold multilateral trade hostage.<sup>19</sup>

This confrontation represents not just the clash of distinct national platforms, but two-level interaction of domestic and international fights over labour linkage. US representatives have drawn attention to domestic support for linkage on the streets, in the union halls, and the Congressional floor to signal that the US delegation’s ‘hands are tied’, that failing to negotiate multilaterally-codified linkage may usher-in unilateral linkage (Putnam 1988). Clinton’s support for ‘the spirit’ of the demonstrators at the Seattle Ministerial represents such hand-tying. But domestic stalemate in the US makes such signalling less-than-credible, raising doubt that unilateral action will follow international stalemate: the shadow of unilateral US action may have inspired more EU commitment to linkage, but has not been looming enough to coerce linkage in the WTO.

This rise and stall of trade-labour linkage boils down to three dimensions of variation in need of explanation. First, what explains the rise of linkage demands in the US and Europe, and in particular of broad coalitions emphasizing union rights but remaining deliberately ambiguous about details of linkage? Second, why are the demands from some unions and countries stronger than from others, particularly the difference between US and European union movements and politics? And third, what explains the uncompromising opposition among developing-country governments?

## **EXPLAINING LINKAGE POLITICS I: DEVELOPING-COUNTRY COMPETITION AND ECONOMIC INTERESTS**

Although the focus on economic-interests dominating trade-politics studies says little about labour linkage politics to answer these questions, it does point to trade’s distributional

consequences relevant to such politics. Trade based on comparative advantage implies that social actors owning the relatively-scarce factor or tied to import-competing firms should not just be protectionist *per se*, but should favour removing differences that give foreign producers competitive advantage.<sup>20</sup> Conditioning trade access upon removing such differences will either inspire harmonization toward the home standard or exclude imports of competitors unwilling or unable to do so – dampening import threats in any event. There are, of course, many kinds of trade, sources of competitive advantage, and hence kinds of conditionality. To explain labour-linkage demands, the most relevant trade is that most tied to differences in labour standards – trade with developing countries. Less-skilled workers in industrialized countries tend to be hurt less by imports from developed than developing countries, where factor profiles inspire inter-industry trade.<sup>21</sup> And imports from developing countries *may* trigger competition-in-laxity affecting the rights/standards of all workers, even those in export-dependent and sheltered sectors.<sup>22</sup> Together, these plausible effects suggest that less-skilled labour and unions in rich countries should demand labour linkage proportional to the reality or prospect of import penetration from developing countries.

Such logic may explain the broad lines of linkage politics. First, it can help explain rising support for linkage in the US. Since 1974, US workers were increasingly exposed to developing-country competition, as manifested in both imports, outward FDI, and in trade liberalization. Figure One reveals the most direct of these measures – percentage of total imports coming from developing countries. In the US this share rose nearly forty percent in the last twenty-five years – from 28 percent to 40 percent between 1970 and 1997 – accelerating in the last fifteen years (UNCTAD 1995). This increase is nearly double imports from the OECD, and is disproportionately accounted-for by imports from South/Southeast Asia and China – putatively the worst labour standards violators.<sup>23</sup> Further, US policies have recently eased barriers to developing-country competition – from

preferential access for Maquiladora and other free-trade zones, to the GSP, CBI and NAFTA, to rising developing-country participation in the GATT/WTO. These trends correlate with the post 1980s rise of linkage demands among unions and human rights NGOs.

Second, variation in developing-country competition may also explain some variation across countries and groups. Most importantly, the more divided interest in linkage among European countries compared with the US broadly fits Figure One's differences in low-wage proportion of total imports. Between 1970 and 1995, the US proportion rose by 36 percent, while the European average dropped by 7 percent – to around 18 percent of total imports, half the US level. Both static comparison and historical trends, then, predict what the history revealed – greater and earlier US enthusiasm for labour linkage.

Although more difficult to assess, differences across industries in import penetration by developing countries may also make sense of some of the variation across unions within the US. For instance, measuring penetration as a percentage of total shipments, the textile unions (the ACTWU and ILGWU), and the International Electronic Workers (IUE) and the United Electrical Workers (UE), are tied to the most exposed sectors (79 and 54 percent, respectively, compared to a US average of 26 percent in 1981) (U.S. Department of Commerce, 1985, 1995, own calculations). These were among the most consistent and earliest supporters of labour linkage. More sheltered-sector unions that face virtually no such competition – such as the service workers (SEIU) and public-employee (AFSCME) unions – are less active than the tradable-sector unions.

This interest-based explanation, however, runs into trouble with cross-national variation in, and details of, linkage politics. Most obviously, cross-national differences do not fully fit expectation. Figure One shows the US to be more exposed than the EU to developing-country imports, but not more than Japan, more hostile to linkage than either the

US or EU. And varying exposure among European countries is inconsistent with the varying stances. For instance, Figure Two shows that France and Norway, the region's strongest supporters of linkage, have generally faced *less* exposure to developing-country competition than Germany and the UK, the region's traditional fair trade sceptics.

Equally important is how developing-country competition doesn't explain important details of linkage support and opposition. The US's increasing developing-country imports do not explain why linkage proposals remain so general, to leave ambiguous whether linkage seeks to reverse or humanize internationalism. Among unions, moreover, the most pro-linkage unions are not always the most exposed to developing country competition.<sup>24</sup> And developing-country opposition to linkage fits comparative-advantage conceptions of interests – where labour linkage might target less-skilled labour advantage – but the intransigence of developing-country representatives to even discuss sanction-free versions of such linkage is puzzling. The range of anomalies, in short, cast doubt on whether economic interests underlie the important details of linkage politics.

## **EXPLAINING LINKAGE POLITICS II: LEARNING THROUGH POLICY-MAKING EXPERIENCE**

Attention to the role of ideas, in particular the role of learning through political experience, helps explain what the above economic conditions cannot. The learning of interest here entails changes in causal beliefs through political experience with the institutional and economic environment, leading to changes in political strategies. Such 'experiential' learning takes broad economic interests of social actors and countries as given, and is fully compatible with methodological individualist conceptions of agency. This most resembles Deutsch's 'simple learning', Argyris and Schön's 'single-loop learning,' Levy's 'causal learning,' and Margaret Weir's 'institutional learning' about given economic

interests and institutions (Deutsch 1963, 92; Argyris and Schön 1978, 20-6; Levy 1994, 286; Weir, 1992, *passim*). This relatively narrow kind of learning is distinguishable from a constructivist view of learning-induced preference change, where political interaction sparks re-examination of and change in basic preferences.<sup>25</sup> A focus on such political experience, nonetheless, suggests how political learning has encouraged the rise of deliberately ambiguous union-rights linkage, the relatively less European enthusiasm for such linkage, and the uncompromising developing-country opposition.

The role that such experiential learning plays in shaping labour linkage politics cannot be parsimoniously deduced *ex ante*, but instead through induction from the observed experiences, statements and actions over time in a history one seeks to understand (Nelson 1998). This makes it harder to develop and test such arguments, of course, particularly the gathering of correlation-based evidence for the learning arguments. Furthermore, statements of political actors often attempt to legitimate, and thus don't explain, policy positions. But the statements and actions of pro- and-anti-linkage groups in the process-tracing of trade politics suggest logic and evidentiary plausibility of this learning explanation – particularly where material conditions appear to swing-free of or be inconsistent with such behaviour.<sup>26</sup>

### *Learning driving linkage demands*

Swinging-free of their disparate economic interests, four distinct political experiences of US unions and rights NGOs sparked learning that underlies the rise and form of their linkage demands. First, frustration in some policy areas and visible success in others led US union and human rights groups to recognize the relatively greater payoff of labour-rights fair trade policy regulation compared to 'first-best' policy solutions or unconditional protectionism. When US workers faced increasing trade competition beginning in the 1950s,

their initial response included strong support for compensation through the 1962 Trade Adjustment Assistance program (TAA), which promised financial and job-training assistance as an alternative to protectionism. But the modesty of benefits, stringent eligibility requirements, and the program's fragile existence – trotted-out with each legislative fight over trade, gutted in the political 'off-season' – diminished the stock unions held in such compensation. By the early 1970s, AFL-CIO President George Meany ridiculed TAA as mere 'burial insurance', signalling a decision to invest scarce political resources on direct trade protections rather than adjustment assistance or other compensation (US Ways and Means 1973, 487).<sup>27</sup> NGOs fighting for human rights protections, meanwhile, faced years of frustration in pushing rights improvements through the ILO. Coming to see that direct avenue as toothless, they looked to other sources of leverage, of which control of commercial market access was one of the most legislatively accessible (Charnowitz 1992, 570).

Further, the success of winning trade protection through demands focused on fairness rather than unconditional protectionism encouraged labour and other groups to move away from the latter, towards the former. After more than twenty years of towing their unconditional protectionism, the US labour movement had precious little to show for their efforts: They were consistently unable to stop free-trade initiatives, succeeding only in cultivating a reputation as a rent-seeking special-interest group. In contrast, they could see that protectionist appeals premised upon 'fair trade' principles, and administered through the fair trade section of the US trade code (Section 301) were consistently more successful (Goldstein 1988). And through their own labour-linkage efforts, unions and NGOs learned that such appeals were making progress: large majorities in the US polity found such appeals persuasive; and lobbying under a fair trade banner yielded linkage experiments and

won postponement of liberalization. Together, past failures with protectionist packaging, coupled with partial victories with ‘fairness’ packaging, helped solidify linkage support.

Second, the focus of US union-reform on reversing huge membership losses helped focus attention on *union rights* as their highest priority in such ‘fair trade’ demands. Since the early 1960s the US labour movement was in decline by virtually all standards, especially membership levels – with density levels dropping more consistently than European counterparts, from 26 percent in 1960, to 16.7 percent in 1985, 11.75 in 1997.<sup>28</sup> Amidst such crisis, reform movements within the AFL-CIO focused on organizing campaigns and protections for union rights to increase membership. Against such a back-drop, union-rights linkage was an obvious focal-point for foreign economic policy. Sheltered-sector unions championing this reform agenda, such as the SEIU, were generally disinterested in trade policies but saw moving-away from unconditional protectionism as a way to save political capital and improve Labour’s reputation, and labour rights promotion as a trade policy they could finally root-for (Interview with Mark Anderson 9/96).

Third, learning about credibility problems in policy-making underlay demands that linkage be written-into agreements and legislation. The TAA disappointments not only undermined interest in compensation, they revealed that promises made are not always kept.<sup>29</sup> This same lesson followed disappointment with ILO governance and private initiatives, underlying NGO and ICFTU’s dismissals of promises to strengthen such governance and initiatives as a ‘cocktail of good intentions’. And it was yet-again learned with the disappointing NAFTA side agreement, in contrast to the modest successes of GSP/CBI linkage written-into the main legislation.<sup>30</sup> Such lessons in credibility inspired the demand that labour protections be treated on a par with property rights, in the core of agreements and policies.

Finally, given divisions within the pro-linkage coalition, experience with past breakdowns in solidarity have motivated organizers to keep their linkage proposals deliberately ambiguous. Interviews with union representatives most active on trade suggest that the public unity behind various labour-linkage initiatives masks diverse preferences for linkage policies.<sup>31</sup> Some union and NGO reps, including some most tied to import-competing and developing-country-exposed sectors, express support for linkage together with other protectionist measures, suggesting their linkage to be an expedient to minimizing import-penetration.<sup>32</sup> Meanwhile, a few multi-sector or sheltered-sector union representatives, and most NGOs, support linkage that forswears protectionism and promises positive inducements to upgrade labour standards within basic wage-cost differences.<sup>33</sup> Detailing linkage proposals would likely expose such differences and possibly provoke splits in the pro-linkage coalition. Specifying details in an internationalist direction could well alienate the more protectionist coalition members, while doing so in the direction of protectionism would alienate the more internationalist members.

Yet, unions and NGOs have learned through bitter experience the perils of disunity, motivating a lowest-common-denominator linkage platform. Past splits in the trade demands of unions – such as between the AFL-CIO and the UAW over the 1974 Trade Reform Act, or over the quota components of Burke-Hartke legislation – gave legislators ‘political cover’ to support trade policies anathema to most labour unions. The pro-linkage coalition learned the same lesson during the NAFTA fight, where the environmental side agreement split the environmental movement, providing political cover for ambivalent legislators to vote for a NAFTA with weak environmental and weaker labour protections. In the face of very determined opposition to any linkage, many members of the fair trade coalition speak of the importance of maintaining a unified front.<sup>34</sup> Such lessons about the dangers of disunity may

help explain why union representatives have deliberately sought to keep their appeals ambiguous, against temptation to articulate and initiate more detailed fair trade proposals.

Learning about institutional developments also helps explain lower enthusiasm for labour-linkage in European countries. The learning experience of US unions and NGOs about trade and broader compensation policies contrasts sharply the experiences of European polities. In EU trade policy-making, social actors have encountered increasing obstacles to protectionism, both at the national and the EU level, especially since the Single European Market and establishment of the WTO (Hanson 1998). Meanwhile, even after modest welfare retrenchment, social actors still rely on welfare compensation as a meaningful mechanism for mitigating market risks. And they have learned that they have the institutional power and experience to stick with such provisions. The result is that European unions have less interest in new trade policy innovations and protections, including labour linkage, and more in maintaining welfare compensation. This logic gets expressed baldly by Rafael Nedzynski, General Secretary of the French labour federation Food Workers of the Force Ouvriere (FO):

Politically I'm concerned about globalisation, but in practice we still have real protective [welfare and labour] legislation.... We want to keep it. We benefit from it. U.S. Labour may see more clear effects of globalisation....But as long as we can reform and maintain our safety net programs we don't see so much value in their trade proposals (Moberg, 2001).

Such learning within Europe's very different institutional context, thus, helps explain why European unions and NGOs would be less enthralled with labour linkage than their US counterparts.<sup>35</sup>

### *Learning driving linkage opposition*

Learning within given material interests may also explain fierce opposition to linkage, particularly in the developing world. The economic interests of developing countries should accommodate linkage that upgrades union standards without killing

competitive advantage. No developing governments claim to want low labour standards, and most emphasize their will to improve standards. But they fear that linkage would be a back door to protectionism that, intentionally or not, blocks their competitive-advantage road to development (c.f. Group of 77, 2001, ILO 2001).<sup>36</sup>

This worry is borne of decades of trade regulations proposed by industrialized polities for nominally noble reasons but that end up becoming protectionist back doors shutting-out developing-country producers. Such has been the experience with textiles trade, in agricultural trade, and a range of unfair trade practices, anti-dumping legislation in the US, Japan and Europe. As Martin Khor of the Third World Network put it, “Labor standards” may thus become yet another instrument for preventing the South from becoming internationally competitive’ (Khor 1999). Developed-country polities and their labour unions have a credibility problem. This encourages worst-case speculation about the future of any linkage policies as a slippery-slope to protectionism. Almost all Southern representatives speak of linkage in such terms, thus considering all talk of labour standards as non-starters – even ‘benign’ WTO Working Groups. This intransigence contrasts the willingness of developing countries to discuss environmental linkage, befitting their past experience: Labour linkage comes from unions whose past fair-trade yielded protectionism, environmental linkage more from environmental NGOs newer to trade politics and without a reputation problem.

The less intransigent opposition from business groups and economists in developed countries is also rooted in lessons from past ‘fair trade’ giving-way to ‘no trade’. Economist Paul Krugman expresses this learning eloquently:

Are those who want to impose import restrictions against countries with low labor standards willing to lift those restrictions against countries that start to pay decent wages? Circa 1970 Japan was still a low-wage country, accused of keeping its workers in ‘rabbit hutches’ in order to pursue its relentless export drive. By the early 1990s Japanese wages were actually higher than those in the US. Did the Japan-bashers relent?....The real complaint against developing countries is not that their exports are based on low wages and sweatshops. The complaint is that they export at all. (Krugman 1996)

But US linkage opponents, such as the National Association of Manufacturers, have been less stung by and have often been party to fair trade demands that become simple protectionism. It is, thus, not surprising that they have towed a less intransigent line towards linkage, supporting some compromise proposals. And it is not surprising that the slippery-slope worry is just one among other objections to labour linkage.<sup>37</sup>

## **CONCLUSION: THE UNCERTAIN FUTURE OF LABOUR LINKAGE**

This article's ambition has been to describe and explain the rise and stall of labour linkage in trade and globalisation politics. It chronicled the rise and stall of linkage politics where sharp differences within and among the US, Europe and the developing world have brought linkage to the centre of globalisation politics but have yielded more slowing of liberalization than qualitative improvement in the global trading system. The explanation emphasized that developing-country trade ties may constitute important economic incentives to support or oppose labour linkage, but that experiential learning clarifies the varying linkage demands across countries and groups, the deliberately-ambiguous emphasis on union rights, and the intransigent opposition among developing-country governments.

Such an interpretation suggests a very uncertain future for labour linkage as a route to humanizing open economic relations. The broad coalition supporting linkage – national labour unions, international union confederations, human rights NGOs, religious groups, isolationists – harbours varied interests over the details of fair trade that, given political learning, motivate deliberately-general linkage demands. Such diverse groups are likely able to cooperate with one another under a fair trade banner, *because* of radical uncertainty about whether fair trade shall shut-down or simply humanize trade. Uncertainty allows supporters to enter the political fray with the expectation that linkage demands will inspire their own

preferred outcome – a decline in import-penetration, improved labour standards with existing levels of penetration, or something else. Hence, as we have seen, some pro-linkage entrepreneurs guarantee such uncertainty with ambiguous platforms.

But this same uncertainty has also set profound limits on fair trade experimentation, because it has deepened and broadened opposition within and among countries. The coalition opposed to labour linkage comprises more than business groups and developing governments hoping to carve low roads to competitive advantage, to minimize union-inspired labour market rigidities. It also includes groups committed to improving worker rights but anxious to maintain and deepen international commerce – and fearing the worst of possible ‘fair trade’ futures. Such fair trade pessimism is far from hysterical given so much uncertainty amidst past learning about 'fair trade' and ambiguous linkage demands. Ironically, thus, the same uncertainty that has made labour linkage politically-possible, has also discouraged many business groups, economists, and developing countries from taking a chance on linkage.

Facing this dilemma head-on may be the key to moving trade politics forward. Pro-linkage groups should clarify and publicize the details of linkage and enforcement they promise to endorse – even if this means exposing divisions can risk undermining political influence. Such clarification would send a more concrete message to ambivalent linkage supporters and opponents that linkage can be more than the protectionist Trojan horse.<sup>38</sup> The recommendation to the anti-fair trade coalition is that they, too, clarify the conditions of their own opposition, and be prepared to take a chance on linkage possibilities – even if slippery slopes to protectionism always loom in the fog of uncertainty. In short, a meeting of more compromising and transparent minds might break the apparent stalemate in fair trade politics, opening the way for a more internationally open and legitimate global economy.

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<sup>1</sup> Nollen and Quinn (1994) distinguish 'fair' and 'strategic' trade from protectionism and free trade – defining fair trade as aggressive reciprocity rather than labour rights conditionality, while Milner and Yoffie (1989) offer the same nuance but also without attention to labour or environmental linkage.

<sup>2</sup> Union calls for labour linkage began in the 1880s, but were always marginal. See 'Point 11' in AFL *Platform* (1881). Since the 1970s, AFL-CIO Convention Resolutions emphasized trade protectionism over labour linkage, while the 1973 and 1975 platforms didn't even mention them.

<sup>3</sup> As specified in the GSP's Section 503, these include: (1) the right to association (ILO Conventions 11 and 87); (2) the right to organize and collectively-bargain (Convention 98); (3) prohibition of forced or compulsory labour (Convention 105); (4) prohibition of child labour (Conv.138); and acceptable work conditions with respect to minimum wages, work hours, and occupational safety and health (Conventions 100, 111, 155, 170). See House Ways and Means (1995, 201).

<sup>4</sup> The most active unions, captured by the number of congressional appearances in the three-dozen NAFTA hearings, were: AFL-CIO (25 appearances); UAW (14 appearances); ACTWU (10 appearances); ILGWU (10 appearances); United Steelworkers (8 appearances); the United Food Workers (UFCW) (4 appearances). See Congressional Information Service (1993).

<sup>5</sup> Much of this conditionality was voiced in informal discussions between Administration and union officials (interviews with Mark Anderson and Ron Blackwell). But it can also be seen in testimony, such as that of ACTWU President Jack Sheinkman:

We're prepared to work with Clinton and Congress to improve the agreement...[especially on] the creation of (1) enforcement mechanism for upward harmonisation of labour standards and protections of worker rights, (2) adequate Trade Adjustment Assistance,... *Our final position on NAFTA depends on progress in these areas.*  
House Ways and Means *NAFTA Hearings* (3/11/93).

<sup>6</sup> The most explicit compromise was AFL-CIO National's (via John Sweeney) ambiguous pledge to support Clinton's Seattle plan for a WTO Working Group.

<sup>7</sup> In 1999, the Business Roundtable said that the WTO should ban forced, child and prison labour (but not union rights violations). Before the Seattle Ministerial, the Chamber of Commerce and NAM agreed to Clinton's push for a WTO labour-rights working group (Business Week 11/22/99, 37). And US Council for International Business (USCIB), representing 300 businesses, trade associations and law firms, recommended 'adoption of the EU program of giving a supplement to GSP to countries that fulfil their obligations under ILO conventions' (US Council of Business. *Press Releases* 2/8/00, 1).

<sup>8</sup> As Chamber of Commerce President Donahue said of sanctions, 'we have not opened the door on that' (Khor, 1998).

<sup>9</sup> Journal of Commerce (7/14/94); Dow Jones News Service (10/08/97).

<sup>10</sup> First ICFTU statement appears to be in 1978, recommending revision of GATT 'to prohibit the importing of goods produced under conditions which endanger workers' health and lives' ICFTU, 'Conference on GATT and Development' (1978): p.. By the 1990s, the ICFTU called for:

...positive measures to assist countries which accept basic standards in their efforts to progressively put them into practice...[and to] ensure that complying countries would not be hurt by foregone investment from employers in search of competitive advantage....Trade sanctions would only be a last resort in an open and deliberative WTO dispute settlement procedure which would include a range of instruments, including forms of assistance (ICFTU 1996).

<sup>11</sup> Internal-market deliberations over a social clause have obviously focused more on labour-trade linkage.

<sup>12</sup> An exception is the Textiles, Clothing and Leather wing of the ETUC (ETUC-TCL), which pushed a social clause on the EU external trade agenda (van Roozendaal 2001, 222).

<sup>13</sup> The Committee on Social Affairs, Employment and the Working Environment also called for GSP and GATT linkage (van Roozendaal 2001, 231-3).

<sup>14</sup> And earlier Commission embellishments emphasized that the EU 'did not envisage any trade sanctions...but rather incentives (such as linking labour standards to preferences under the GSP)' (Raghavan, 11/8/99, 2).

<sup>15</sup> Developing-country opposition has found consistent allies in Japan, Australia, New Zealand – with closer ties to Asian economies. But Korea and Japan supported the EU proposal for a joint WTO-ILO group.

<sup>16</sup> A few Latin American countries have accepted non-sanctionable linkage in preferential and regional trade programs, most obviously Chile and Mexico for the FTAA.

<sup>17</sup> TWIN-SAL was founded by Jagdish Bhagwati but includes many developing-country scholars and NGO leaders.

<sup>18</sup> Quote is EU's Pascal Lamy, in ILO 'Extracts and Statements': p.7. Opposition to US proposals was fiercer, especially after Clinton's slip that the US might 'ultimately' support sanctions. Costa Rica's Vice Minister of Foreign Trade said that 'Nobody believed their eyes' upon reading Clinton's comments. Robert G.Kaiser and John Burgess, 'A Seattle Primer: How Not to Hold WTO Talks', *Washington Post* (12/12/99).

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<sup>19</sup> For instance, the linkage row in Seattle did not itself kill talks, but helped unravel compromises necessary for multi-issue agreement: given differences over labour linkage, the US had difficulty focusing developing-country pressure on the EU to put the Common Agricultural Program (CAP) on the negotiating table.

<sup>20</sup> And, of course, those tied to sheltered and internationalised sectors should oppose such conditionality, as well as general protectionism.

<sup>21</sup> Labour-linkage is, here, a proxy for limiting trade or investment hurting less-skilled workers, following evidence that developing countries tend to have lower labour standards: e.g. strong negative correlation between per-capita income and standards in core and total ILO conventions ratified, child labour, leave-time, work-hours limits, and union density (Rodrik 1996, 50-1).

<sup>22</sup> Whether greater developing-country imports trigger 'races to the bottom' is hotly debated. Mechanisms for such races include Stolper-Samuelson effects of trade flows *and* preemptive reforms by managers that lower standards raising the wage bill – even for skilled workers in export-dependent and sheltered unions in the shorter run (Rodrik 1996). For critiques of this view, see Bhagwati and Hudec 1996).

<sup>23</sup> Partly explaining these increases is outward-FDI with re-import into the US. Measured directly, proportion of outward FDI stocks to developing countries grew from 23% to 28% between 1977 and 1995. All outward FDI grew 243% between 1982 and 1995, but that to developing countries (253%) grew slightly more than average. But outward stocks to Asia grew 330%, to Latin America/Caribbean 336%, and to China nearly 4,000%. Outward *flows* tell a similar story, though vary more year-to-year (OECD, 1993, 1997, own calculations).

<sup>24</sup> For instance, the Steelworkers union generally has faced less developing-country competition as a percentage of shipments (33% in 1996) than the US average (38% in 1996). And yet, it has been among the most active and vociferous supporters of US trade policy linkage. And sheltered sector unions have lent support to the linkage platform.

<sup>25</sup> Jack Levy's 'Learning and Foreign Policy' gives a useful overview of such learning.

<sup>26</sup> For insights into case-study evidence for ideational arguments, see Berman (2001).

<sup>27</sup> US unions have continued to support TAA, but since the late 1960s have never offered in exchange to soften protectionist demands.

<sup>28</sup> Among the many reasons for such decline was spottily-implemented labour laws (Goldfield, 1987).

<sup>29</sup> This credibility issue involves time-inconsistency problems intrinsic to contracting over compensation among vulnerable groups, free-traders and government representatives (Dixit and Londregan, 1995).

<sup>30</sup> AFL-CIO's own press frequently emphasized that in contrast with NAFTA petitions, GSP petitions helped strengthen labour rights codes in the Dominican Republic, El Salvador, Guatemala, Paraguay, and Panama (AFL-CIO *Bulletin* 1995, November).

<sup>31</sup> My information relies on interviews of AFL-CIO's Mark Anderson and Thea Lee, ACTWU's (UNITE's) Ron Blackwell, and UAW's Steve Beckman, all of whom spent ample time with organizers and rank-and-file members developing linkage proposals.

<sup>32</sup> Such thinking is reflected in the talk of the Steelworkers representatives and perhaps Lori Wallach's wing of Public Citizen about how their fair trade appeals helped 'shut-down' the WTO and world trade.

<sup>33</sup> These include the AFL-CIO national, the sheltered government (AFSCME) and services (SEIU) unions, but also a couple of import-competing and developing-country penetrated unions like electronics (UE) and textile/apparel (UNITE) workers. Interviews with Mark Anderson (AFL), Ron Blackwell (UNITE), Thea Lee (AFL).

<sup>34</sup> Public Citizen's papering-over of differences is typical: 'That some Internationals [Steelworkers, Teamsters, UAW] may take a harder line on trade policy issues than others is not news -- and the corporate-controlled media should be expected to exaggerate the nuances in message among progressive elements in civil society. When we all come to Seattle, we will come together' (Dolan, Michael, Public Citizen email posting, 1999: <http://lists.essential.org/tw-list/msg00084.html> ).

<sup>35</sup> As for differences within Europe, different policy experiences in European integration may help explain at least France's relatively greater enthusiasm for linkage than Germany's or Britain's. In various waves of integration, French and Belgian representatives and social actors were most enthusiastic about intra-EC harmonization as the best road to single-market integration, a path partially followed in the early ECSC and EEC-founding. German and British representatives, in contrast, tended to oppose such harmonization, and were later most enthusiastic about the 'mutual recognition' alternative that became the basis of the 1985 Single European Act. Although more about static ideas than learning, this difference reveals a contrast in principled and causal beliefs that may explain contrasts in linkage politics.

<sup>36</sup> There are other stated motivations for the developing-country opposition, especially concern that linkage would overload the WTO liberalization agenda. See ILO 'Developments', p.16.

<sup>37</sup> Other objections are the worry that complexity of negotiating the minutia of labour practices would bog-down the already-difficult road to trade agreements; that labour linkage might actually work, fuelling foreign

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unionisation and regulations that reign-in 'room for manoeuvre'; and that linkage might spark foreign appeals to improve the US's relatively weak protection of labour rights.

<sup>38</sup> Very tentative progress on this front exists where NGOs and unions have distanced themselves from the nativist-isolationist wing of the pro-linkage coalition by explicitly marking their position as internationalist and putatively sensitive to developing-country concerns.

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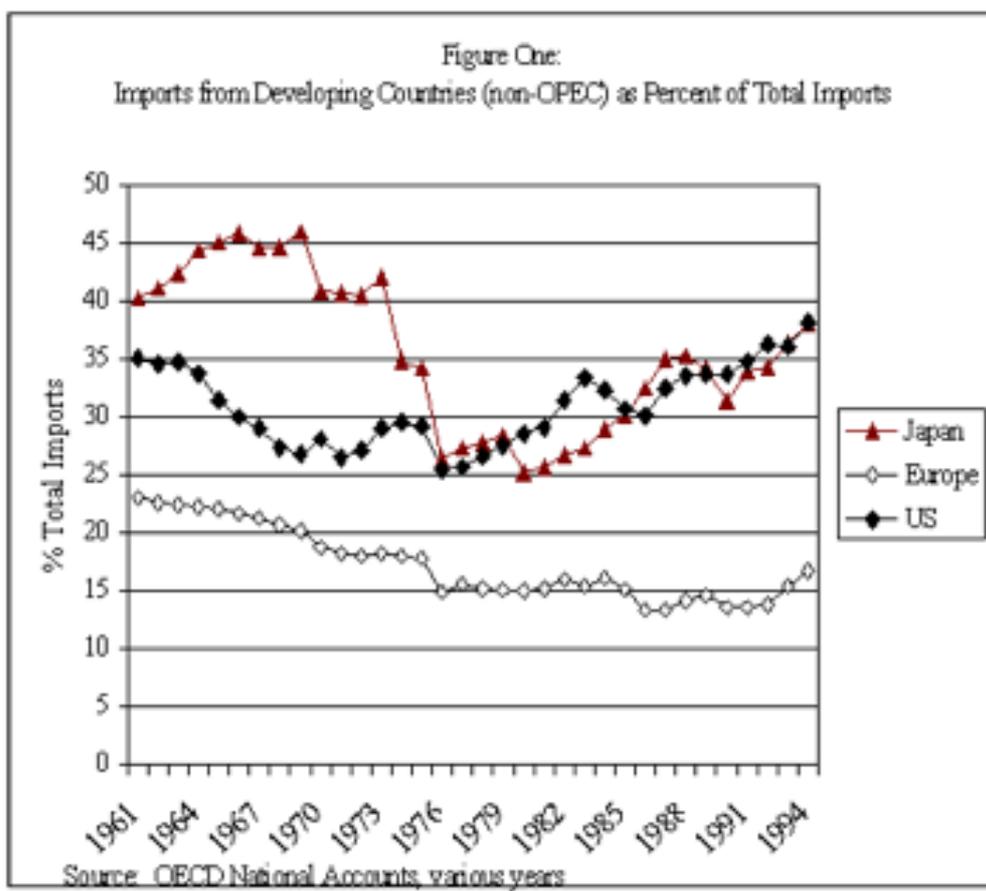
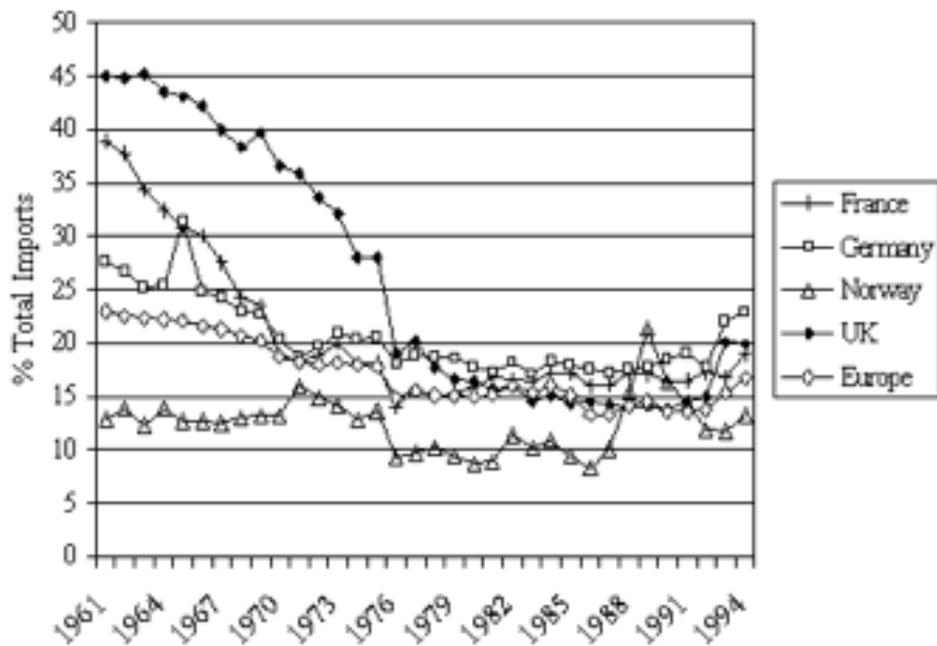


Figure Two:  
Europe's Imports from Developing Countries (non-OPEC)  
as Percent of Total Imports



Source: OECD National Accounts, various years