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Labor, Environment and the State of U.S. Trade Politics

Frederick W. Mayer*

In the last year of the Clinton administration, American trade policy is nearly dead in the water. The spectacular failure in Seattle to begin a new round of multilateral trade negotiations was only the latest manifestation of this reality. In truth, U.S. trade policy has largely been stalled since 1994 when Congress implemented the Uruguay Round Agreement that created the World Trade Organization (WTO). True, the Administration negotiated terms for China's admission to the WTO and Congress approved permanent normal trade relations with China, a significant victory for the Administration. But there has been no expansion of NAFTA, loss of momentum toward a Free Trade Area of the Americas (FTAA), collapse of talks to create a Multilateral Agreement on Investments (MAI), and, of course, the breakdown of WTO talks in Seattle. Indeed, throughout the entire period the president had been unable to obtain Congressional approval to negotiate anything.

Viewed in the context of the largely unbroken record of successive liberalizing trade negotiations since the end of World War II, this is a remarkable turn of events. It is all the more remarkable given that it coincides with a period of unprecedented economic prosperity, at least as measured in aggregate terms. On the surface, if ever there were a time when further liberalization should be uncontroversial, this would be the time. Yet, never in more than half a century has trade policy been so controversial and the politics of trade so polarized.

To make sense of what is going on requires understanding the extent to which the politics of trade have been fundamentally transformed in the last decade. Once, one could characterize the essential political dynamic as a contest between concentrated producer interest in protection and more general consumer interest in free trade.1 No longer. Of course, producers still attempt to tailor the form of agreement to their interests, as Schiller discusses in this volume, but the vast majority of producers are now aligned in favor of trade liberalization.2 Today's opposition to trade liberalization is something completely different: it is at heart a social movement in opposition to the perceived trajectory of globalization.


2. See Milner [1988].
The new politics of trade first developed in the United States during the NAFTA battle in the early 1990s. Even then it was apparent that the opposition to trade liberalization was coming not from the traditional opponents but from a new assemblage of advocacy groups, many of which had never participated in trade politics before. Labor unions, of course, had long been engaged in trade politics, but with NAFTA they were joined by environmental organizations, political and human rights groups, religious organizations, and a host of other activist institutions. Together, these groups put labor and environment on the trade agenda, forced a reopening of the NAFTA negotiations, and very nearly scuttled the whole agreement.\(^3\)

After NAFTA, one might have expected tempers to cool and the opposition coalition to dissipate. Given that the worst predictions of NAFTA's opponents did not materialize, and absent the highly salient moment of choice regarding free trade with Mexico, the problem of maintaining a high level of political mobilization would seem insurmountable. And yet, precisely the opposite has occurred. Today, the political forces first roused in the context of NAFTA are more organized and more mobilized than ever. More groups are involved, and passions run at least as high. Perhaps even more importantly, the movement is much more politically capable today than it was seven years ago; better staffed, better connected, and more sophisticated.

Labor and environment are here to stay. But now it is not just the limited agenda put forward in NAFTA context, but rather a more general challenge to unregulated economic globalization that is seen as exploiting labor, destroying the environment, and challenging democracy. The agenda is not to modify the trade regime at the margin, but to overhaul it completely so that social concerns are central. And this is a force to be reckoned with. In 1997, the coalition blocked passage of new fast-track legislation in the U.S. Congress. In 1998, they were instrumental in scuttling talks to create a new MAI. In 1999, they helped to bring down the WTO talks in Seattle.

U.S. trade policy is now between a rock and a hard place. On one side, the business community and its Republican allies on Capitol Hill insist that future agreements not go as far as NAFTA in dealing with labor and environmental issues. They are joined by allies in developing countries, who view the demands of U.S. social activists as both limiting their possibilities for economic development and encroaching on national sovereignty. On the other side, the opposition coalition is now insisting that future trade agreements go well beyond what was accomplished in NAFTA side agreements. The majority of Democrats in Congress, especially their leadership in the House of Representatives, have dug in on this position.

Given the rules of the trade policy-making process in the United States, and the relative balance of power between these societal forces, it is hard to see how anything can happen without compromise between these camps. There is, for the moment, no middle ground. Reestablishing a viable middle may or may not be possible in the short run. But eventually, trade policy will have to deal with the new political realities of trade.

\(^3\) See generally Mayer [1998]; see also Esty [1994] (describing the link between environment and GATT).
I. The Fast Track Problem.

Since 1974, the United States has conducted all significant trade negotiations under fast-track negotiating authority, in which Congress authorizes the president to negotiate trade agreements and agrees to vote up or down, without amendment, on any agreement reached. But the last such authority expired at the end of 1994, when Congress approved legislation implementing the Uruguay Round of the GATT. For six years now, and almost certainly for at least one more, the president has lacked fast-track authority. Unless and until Congress passes new legislation, the United States can discuss issues and can participate in meetings, but it cannot seriously negotiate, nor is any trading partner likely to negotiate with it. All roads to future trade negotiations, therefore, lead through Congress and a vote on fast track.

This is a very difficult political problem, as the Clinton administration has discovered on more than one occasion over the last few years. It is worth noting that the last time Congress approved fast track through normal procedures was 1988 when the political context for trade was radically different. At that time, few even noticed the inclusion of the provision in the 1988 Trade Act. Congress did allow fast-track authority for NAFTA in 1991, but the rules of that vote were unique. The 1988 legislation allowed the president to request an automatic extension in 1991, unless either the Senate or the House voted against such extension by a certain date. This amounted to something of a fast-track process for fast-track extension and made obtaining negotiating authority invulnerable to the myriad ways in which normal legislation can be modified or blocked by determined minorities. Even so, the issue was close. Without these rules, the outcome would most likely have been different.

Since 1994, the Clinton administration has sought to obtain new authority without success. It pushed hardest and came closest in 1997, when legislation made its way to the floor of Congress. The issue provided something of a reprise of the politics of NAFTA, with business lined up in support, labor unions and other members of the anti-NAFTA coalition against. As with NAFTA, the real fight was in the House of Representatives. And as with NAFTA the crucial swing votes were centrist Democrats. This time, however, the business lobby was less effective, the anti-fast track lobby much more effective, and the Democrat votes simply not there. When the political reality became evident the Administration reluctantly pulled the bill.

Both the defeat of fast track in 1997 and the passage of Permanent Normal Trade Relations (PNTR) status for China in 2000 demonstrated that although control of both houses has passed from Democrat to Republican hands since the NAFTA and GATT votes, a centrist bi-partisan coalition is still needed to pass trade legislation. Assuming there is no significant diminution of Democratic strength in Congress at the 2000 elections, any successful trade legislation will need some Democratic support. Even with a Republican president, it is hard to imagine a trade bill passing Congress on straight party lines. Given this, the winning coalition, if there is one at all, will be in the political center. Whether there is such a center, or one could be found, will largely depend on the interest group pressures that impinge on Congress.

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4. This is not to suggest that nothing can be done without fast track. As Sherry Stephenson points out in this volume, the United States has been an active participant in FTAA talks. But none of the tough tradeoffs can be made without fast track, particularly those related to labor and environment.
II. Interest Group Politics.

Although the general public occasionally engages trade issues at moments such as the NAFTA vote, trade politics remains largely the domain of attentive publics. Once, those publics were exclusively business interests. Now, the constellation of organized interests attending to trade, however, is quite different.

Of course, business interests continue to be engaged in trade issues, largely, as noted above, on the side of further liberalization. To some extent, however, business motivation for supporting comprehensive new trade agreements may be weakened by its own success. The fact of the matter is that the liberal trade agenda has largely been accomplished; trade and finance now flow relatively freely around the globe. Although there remain issues of great interest to particular industries, the marginal gains to the majority of business interests of the next multilateral round, or of a FTAA, are not likely to be great. This may be part of the explanation for the relatively tepid lobbying effort of business in the 1997 fast-track effort.

No such apathy characterizes the opposition coalition. With every new battle, fast track in 1997, the MAI in 1998, the WTO in 1999, the societal forces pitted against the current trajectory of trade have grown stronger and more engaged.

Most remarkable about the opposition to further trade liberalization is its extraordinary breadth. For the protests in Seattle, the opposition included:

- every major labor union in the United States, including the very active participation of the AFL-CIO, the Teamsters, the United Auto Workers (UAW), and others, as well as dozens of pro-labor think tanks and advocacy organizations such as the Institute for Economic Democracy;
- most of the major environmental organizations, including the Sierra Club, Friends of the Earth, National Wildlife Federation, Defenders of Wildlife, the National Resources Defense Council, and the National Humane Society; as well as dozens of smaller, local grassroots groups;
- dozens of citizens, political, and human rights advocacy groups such as Public Citizen and Americans for Democratic Action; and
- numerous church groups and other religious organizations.

This catalogue hardly gives a complete accounting. It is difficult to estimate accurately the number of engaged organizations, but certainly it included many hundreds in the United States alone. In addition to preexisting organizations, dozens of new organizations and coalitions have sprung up around trade and related issues. Although these groups clearly have somewhat different agendas, they are united in general opposition to the perceived current drift of policy. Together, they are a formidable political force.

The capacity of these groups to mobilize political pressure has increased dramatically since the NAFTA fight. First, the sheer number of staffers dedicated to these issues has grown exponentially. At the beginning of the NAFTA effort, even the AFL-CIO had only a small group working on trade issues. The environmental organizations began with no staff, no experience, and very limited capacity. Few other organizations had even considered trade issues. Now, throughout the coalition, there are hundreds of people working the issue, monitoring developments, posting information on web-servers, putting out press releases, and showing up at international meetings.

5. See Gabriel A. Almond [1950].
Second, the coalition is extremely well connected: advocacy group leadership to individual members and groups to each other, and both to legislators and other policy makers. The technology of the Internet has made a phenomenal difference. It is hard to remember just how rapidly this happened. During the height of the NAFTA campaign in 1992-93, there was no World Wide Web. Now, no group operates without a Web site. This technology allows virtually free and instantaneous sharing of information, and overcomes one of the critical obstacles for a broad-based coalition of this kind. The opposition campaign against the MAI, for example, operated a campaign Web site (www.mai-not.flora.org) that served as a campaign clearinghouse and switchboard for the hundreds of organizations involved in the effort. When the text of the draft agreement was leaked, it was available virtually instantly on the Web. Importantly, groups can provide information to their own members, informing them about new developments, describing group leaders’ efforts, and soliciting their support.

Third, and not least, these groups now have a striking capacity for directing political pressure. The Web makes it extremely easy for citizens to contact members of Congress, the White House, and other government agencies directly from an advocacy group’s Web site, with a message designed by that group. In Seattle during the WTO summit, Washington was deluged with such messages of opposition.

The coalition is increasingly international. During the NAFTA campaign, there was some coordination between groups in Canada and the United States, and to a much lesser extent in Mexico. Since then, there has been a dramatic growth in connections between groups around the world. This first became clear in the fight against the MAI in 1998. Activists in North America, Europe, and Latin America all worked together to block the negotiations. By the “Battle in Seattle” in 1999, the level of international coordination was extraordinary. A “Statement from Members of International Civil Society Opposing A Millennium Round of Trade Negotiations” was signed by 544 organizations based in sixty-three countries. It is now the norm to hold parallel international meetings of activists alongside each new international trade negotiation. At the FTAA meetings in Toronto in November 1999, for example, more than fifty organizations from across the Americas held a counter-meeting entitled, “Our Americas: Toward a People’s Vision of the Hemisphere.”

Aside from its breadth and depth, the opposition that has arisen to trade liberalization is remarkable for its extraordinary passion. This was startling in the NAFTA battle, when even interest groups with apparently little at stake—the National Humane Society, for example—joined in passionate opposition to the agreement. It remains striking. At a time of extraordinary prosperity, this point can be proven by the thousands of people that incurred the large costs to travel to Seattle and engage in a mass protest. But Seattle was not an anomaly. Anyone who had been following what was happening within the opposition community (as apparently the Clinton administration was not) should have seen Seattle coming. The level of commitment and passion was, and still is, evident in the discourse of the movement that has been carried on through the Web, through e-mail, and in association newsletters.

Before moving to explore the causes of this phenomenon, it is worth noting that not all activity in the organized society is on the political left. Conservative groups such as the Eagle Forum, which have a primarily nationalist bent, have also opposed new trade agreements, as has the Christian Right, as Uslaner points out in this volume. Although
by definition less connected to the international network, and generally less advanced in the use of the Internet, the political right has the capacity to bring political pressure on conservative members of Congress. Part of the political appeal of Pat Buchanan, a possible candidate for president again this year, is to an anti-internationalist sentiment that runs deep in American political culture.

In sum, in the American political landscape there is now a remarkably broad, capable, and passionate opposition to the current trajectory of American trade policy. The political forces that first mobilized around labor and environment in the NAFTA fight now appear to be a permanent feature of trade politics. Given the rules of the trade policymaking game, they cannot be ignored.

III. Explaining the Anti-Globalization Movement.

Few observers predicted the growth of an anti-globalization movement. The conventional view was that the opposition to NAFTA was a unique event, made possible in large part because of the proximity of Mexico and particularly the highly salient example of the maquiladora areas along the border with the United States as evidence of job flight, labor exploitation, and environmental degradation. Although the level of opposition to NAFTA was largely unanticipated, in retrospect one could understand why the prospect of free trade with Mexico might trigger many fears. But a continuation of the movement, absent a political event as salient as NAFTA, and given that the worst fears raised in the NAFTA debate have not been realized, is harder to explain.

A. POLICY LOGIC AND POLITICAL ACTION.

There is a policy logic to this, of course. As national barriers to trade and capital have gradually come down, and as the world economy has become increasingly integrated, national labor and environmental policies have international ramifications. If in one part of the global economy labor or environmental standards are lower than another part, then, all else equal, costs of production will be lower, and the return to capital will rise to the margin. If capital is mobile and there are no trade barriers in goods, then theoretically there will be pressures to shift production or lower standards elsewhere. Moreover, if workers in high-wage developed countries are more directly in competition with workers in low-wage developing countries, then there is reason to worry about downward pressures on wages in developed countries. How large these effects are is a matter of dispute, but the direction of the short-term effects is fairly clear.

Therefore, given a global economy, there is a policy logic for social regulation on a global scale. Policy logics, however, need not translate into political action. Indeed, in this case, there is good reason to doubt that there would be much political pressure to reform the international system. First, the negative effects of increasingly free trade on the dimensions of concern to activists—labor conditions, environmental standards, etc.—are not dramatic, certainly not in the United States. For example, although the possibility for

6. The argument that backlashes against globalization reflects economic forces is made historically by Kevin O'Rourke and Jeffrey Williamson, and for the current era by Dani Rodrik. See O'Rourke & Williamson [1999]; see also Rodrik [1997].

7. It does not follow that precisely the same standards should apply everywhere.
downward harmonization of environmental standards exists, there is little evidence of any significant effect to date. Second, even if one were to posit that there are important effects of this kind because of economic globalization, it does not follow that blocking an MAI or a new round of WTO negotiations would do much to minimize them. At this point, marginal changes in the rules of commerce are not likely to significantly alter the reality of an increasingly integrated global economy. Third, and perhaps most significant, those who favor reform face an enormous problem in mobilizing a collective action to advocate for it. To survive, advocacy organizations depend on attracting members and contributions. It is true that a labor union, which exists for other reasons, or even an environmental organization whose primary mission is land conservation, may be able to provide an organizational base for political action on another issue such as a campaign against the WTO. But the organizing challenge faced by the opposition coalition is greater than that faced by the coalition of business groups with direct financial interests in free trade. If all that motivated union members, environmentalists, and other activists was the expected effect of their actions on policy, then no one would have been in Seattle.

Something else has to be going on here. Another clue to that conclusion is in the rhetoric itself. Even a casual perusal of the language used by activists in the campaigns against NAFTA, fast track, the MAI, and the WTO suggests that this is not about cool calculation of marginal policy consequences. The language is much hotter and more dramatic: the WTO is a grab for “world domination” by corporations at the expense of workers, the MAI is a threat to democracy, and these agreements are “trading away our environment.” To make sense of this requires understanding not only the policy logic, but also the symbolic logic that underlies these dramatic interpretations of globalization.

IV. The Anti-Globalization Narrative.

An alternative analytic framework for understanding how a social movement can overcome the collective action problem is that of symbolic politics. In this paradigm, what allows collective action is the socially constructed symbol systems through which individuals interpret their world and find meaning in events. There is vast literature on symbolism, too large to explore fully here. For the purposes of this paper, however, it is particularly valuable to consider the role of a particular form of symbol system, that of narrative, in structuring understandings of globalization and its effects, of making the apparent pattern of events meaningful, and of allowing participants to identify with a role in the events. Narratives establish a dramatic reality in which participants find themselves not just entertained, but engrossed, invoking deep senses of identity.8

Viewed through this lens, the essence of politics is a contest of competing interpretive narratives—stories about politics. The analytic task is to take seriously the stories that are told, and assess them as narrative: stories with heroes, villains, plot, dramatic tension, and referential meaning.9 What, then, are the stories told about globalization?

9. See, e.g., Riessman [1993].
One advantage of the Internet for the researcher is that the stories are on-line. Virtually every interest group in this arena has on its Web site a collection of simple narratives about what is happening to workers, the environment, democracy, or whatever key issue motivates that group. These stories are primarily aimed at members and allies who are most likely to find their way to a Web site. These are the stump speeches of the movement.

There are three core narratives operating in the opposition community (four if we count the conservative right, more on that below.) These correspond roughly with three sub-communities within the coalition—labor, environment, and political rights groups. Each core narrative has a cluster of peripheral stories that relate to and reinforce it.

One narrative makes trade a tale of struggle between workers and multinational corporations. This is a modern variant of the traditional story plotting labor versus capital. In this narrative, NAFTA, the MAI, and the WTO are about corporate greed and worker exploitation. The main actors are workers (the victims), corporations (the villains), and governments (co-conspirators with corporations). The plot is simple tragedy: things were better before and are getting worse.

This story line was central in the 1993 campaign against NAFTA. Testifying on Capitol Hill in 1992, AFL-CIO spokesman Tom Donahue said, "... [NAFTA] from start to finish is nothing more than the latest version of Reagan-Bush trickle-down economics and an enlargement of U.S. and Canada-based multinational corporations, to the detriment of U.S. workers."¹⁰ The campaign against fast track in 1997 provided an opportunity to retell the tale, this time on the Web. Under a headline of "STOP FAST TRACK: AMERICA CAN'T AFFORD ANY MORE NAFTA'S," the AFL-CIO Web site proclaims that, "instead of fair balanced trade that benefits everyone, corporations made out like bandits while American workers and consumers were left behind." As for the MAI, the Web site stated, "[t]he secret trade deal that corporations hope you never hear about... If corporations are persons under the law, what do they dream about? Turns out it's just what we always thought: world domination."¹¹ And the WTO, of course, was more of the same. Speaking at the National Press Club shortly before Seattle, AFL-CIO President John Sweeney said, "[t]he World Trade Organization, founded five years ago, is the capstone of the corporate-dominated world marketplace—it oversees and enforces the rules of the global economy, arbitrates trade conflicts, and claims the authority to challenge state and national laws that conflict with its rules—rules that protect corporate interests, but not people."¹² On the Web, in the labor press, and at rallies, this core tale was supplemented with more specific stories of corporations moving to Mexico for cheaper labor, of terrible working conditions in Asian sweatshops, or of violent union busting by corporate goons. These particular stories both reinforce the core narrative and stand for it.

A second core narrative is about trade and the environment. Like the labor tale, this is a story of greed and exploitation. In this tale, the villain is again the multinational corporation (or sometimes the trade agreements, or even trade itself), the co-conspirators are again governments, but now the victim is the environment (or human health). The plot

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¹⁰. Thomas R. Donahue, Secretary-Treasurer of the AFL-CIO, Testimony before the Senate Finance Committee (September 22, 1992).
line is again tragic: the environment is being destroyed and human health endangered by trade agreements made by and for multinational corporations.

The environmental story played a significant role in the political battle over NAFTA. This story was promoted both by environmental groups and labor unions that had, in the environmental mess created by the \textit{maquiladora} industries on the U.S.-Mexico border, the perfect cautionary tale. Similar tales proliferated for the MAI and WTO battles. On the Sierra Club's Web site, for example, the headline is, "Protect America's Environment: Don't Trade it Away." The text explains that:

"Under Clinton Administration trade policy, we are literally trading away our environment for corporate profits. Protections for safe food, clean air, and wildlife are under attack as "trade barriers." More and more polluting U.S. factories crowd Mexico's northern border zone despite clean-up promises under NAFTA, a tragic example of how overseas investors often evade their environmental responsibilities.

NOW the corporate lobbyists have dreamed up the most dangerous trade agreement yet — the Multilateral Agreement on Investment (MAI). The MAI was designed to protect corporate property rights worldwide, but it will stifle environmental protection across America and around the world unless we stop it.\textsuperscript{13}

Some of the postings make the tragedy more specific. A posting headed "Don't Trade Away Our Sea Turtles" makes trade agreements the enemy of endangered turtles.

A third narrative is about democracy. In this story, the contest is between the conspiracy of corporate and government elites against the people (or more abstractly freedom or democracy). Trade agreements, the WTO, NAFTA, and the like, are assaults on democratic freedom.

This story, too, surfaced in the NAFTA battle, but it has become much more central as the opposition movement has matured. In Seattle, for example, activists organized a "Boston WTeaO Party" with a rallying cry of "No globalization without representation!" Posters for the session had a picture of a Revolutionary War fife and drum corps. The organizers staged a dumping of symbolic representations of "dirty gasoline, turtle-deadly shrimp, asian long-horned beetle, bio-piracy rice, hormone-treated beef, SUV's, toxic computer, fur in a steel-jawed leg trap, and 'frankenfoods.'"\textsuperscript{14} The dramatization was intended to invoke a classic narrative of American political culture—the American Revolution as a struggle for freedom from oppression.\textsuperscript{15}

It is interesting to note both the similarities and the differences between this narrative and that of the conservative opponents of the international trade regime such as Pat Buchanan. Both are stories about independence, and both invoke the Revolutionary mythology, but whereas the liberal opposition is about the people versus power, the conservative narrative is a nationalist rhetoric in which the threat is to the United States. On the Web site of the Eagle Forum, for instance, the headline reads, "Global Governance: The Quiet War Against American Independence." "No secret global organization should

\textsuperscript{13} See http://www.sierrclub.org/trade/.


\textsuperscript{15} See Wertsch [1997] (discussing stock narrative).
be controlling U.S. trade, investment or technology, or making decisions about our jobs, production, labor standards, environment, or security," wrote Phyllis Schlafly in her column in December 1999.\footnote{16} In this narrative, the villain is global governance (or sometimes simply others), the victim U.S. sovereignty and freedom. In this worldview, the WTO is part of a pattern of "treaties which are locking the United States into a network of global entanglements..."

These narratives, certainly the first three, which dominated with the activists gathered in Seattle, are not contradictory. Indeed, together they tell quite a coherent tale about globalization: trade agreements are agents of globalization as designed by multinational corporations, which is threatening workers, the environment, and citizens. The "Statement from Members of International Civil Society Opposing a Millennium Round of Trade Negotiations" posted on Public Citizen's Web site nicely put the stories together.

The Uruguay Round Agreements have functioned principally to pry open markets for the benefit of transnational corporations at the expense of national economies; workers, farmers and other people; and the environment. In addition, the WTO system, rules and procedures are undemocratic, untransparent and non-accountable and have operated to marginalize the majority of the world's people.\footnote{17}

The universality of this narrative facilitated solidarity for the disparate groups of the coalition. All the more specific stories in some way referenced this core text. The Sierra Club reported that, "at a rally in Seattle, 2000 people gathered to hear "stories of working conditions, child labor and polluted environments."

V. The Functions of Narrative.

Narratives serve many functions for those that consume them. First, they simplify and organize reality, providing a way to make sense of the otherwise complex and confusing pattern of events. In this, narratives function as all symbol systems do—to facilitate comprehension and to empower. Second, beyond making comprehensible, narratives can imbue events with meaning. Narratives connect the particular to the general while they show how events are part of a larger pattern, or more specifically a larger narrative. Third, narratives can allow us to identify with events that might otherwise seem quite remote. They transform us from spectators into participants.

All three functions are at work in the telling and receiving of the globalization narratives. The stories simplify. To understand the WTO one doesn't need to know about the intricacies of WTO panel formation, the language regarding what makes a national environmental regulation an illegitimate barrier to trade, the policy rationale behind allowing developing nations to have lower social standards, or any of the other complexities of this international regime. All one needs to "know" is that the WTO is an attack on workers, the environment, and the citizens. The stories are meaningful. Don't be confused by what


they say. This is really part of the larger conspiracy of multinationals to gain power and wealth at the expense of workers, the environment, and citizens. And, most significantly, the stories invoke identity. One of the fascinating powers of narrative is its ability to captivate the mind.\textsuperscript{18} We actually cry at movies, even knowing them to be fictions designed to part us from our money, because we identify so strongly with heroes or victims. Stories about politics can do the same thing.

This last function of narrative is crucial to understanding why 30,000 activists spend time and money to march in the streets of Seattle. This makes no sense if all that motivates people is the expected effect of their actions on policy outcomes they favor. It makes great sense, however, if what motivates people is a need to express their identity as part of a community of environmentalists, workers, human rights activists, etc. In the words of Pedro Ocampa, a union member from Southern California, “We sent a big message to our President and our government: don’t mess with the unions! We have power, not just in the United States, but all over the world . . . It was fantastic!”\textsuperscript{19}

VI. Where Do We Go From Here?

The immediate implication of the new political landscape for trade is that it will be extremely difficult to move in any direction. The coalition that mobilized against the current trajectory of the international trading system is broad, motivated, and capable. Future trade agreements will need to reflect this reality. On the other hand, resistance to broadening the trade agenda is equally strong. The international business community continues to oppose labor and environmental linkage. They are joined by developing countries that fear, not without some justification, that tying labor and environmental standards to trade will work to their economic detriment. These are incompatible positions.

We can see this pattern in the FTAA process, which was already slowed by the lack of fast-track negotiating authority in the United States, where the demands of the activist community for inclusion of their concerns are met with determined opposition from business interests and many countries in Latin America who are convinced that Mexico got a raw deal in the side negotiations over labor and environment.

This will not be an easy landscape to navigate. To succeed, three things will need to happen. First, there needs to be a good deal of work done toward clearing away the conceptual muddle about how to redesign the international trade regime. It is not presently clear how to design new rules that are effective in pressuring for higher standards while being fair to the aspirations of developing countries, and are at once open to democratic oversight and shielded from undue political pressure. Second, there is a great need for responsible leaders in all camps to back away from extreme positions. Demonizing the WTO or depicting activists as extremists are useful organizing tactics but they are less helpful for finding a workable middle ground. Third, there is a great need for leadership that will articulate in a new vision for the international economy. What is needed is a new narrative about trade, one that is neither the old free trade versus protectionism story nor the new globalization against the people tale, but instead a story about progress toward a world economy that is both efficient and fair.

\textsuperscript{18} See Bruner [1990]; see also Schelling [1985].
\textsuperscript{19} Dorothee Benz, Making History: WTO protests stop trade talks and start a movement, UNITE! MAGAZINE, Spring 2000.
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