From Back Rooms to the Street: Explaining the Gradual Publicization of Trade Policy-Making in Europe

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People power is ending TTIP and other unpopular EU free-trade deals
Central Question and Outline

Why has trade policy become more politicized and publicized in Europe?

1. Traditional insulation of trade policy-making from public mobilization
2. Gradual publicization of trade policy-making in the EU
3. Explaining increased public involvement in EU trade policy-making
1. Traditional Insulation of Trade Policy-Making

**Insulation from politics leads to liberalization**
- Logrolling leads to protectionism
- Logic of collective action leads to protectionism: Benefits from protection are concentrated but costs are dispersed
- Smoot-Hawley Tariff Act experience → “Fast Track” process in the U.S.
- Similar system in the Treaty of Rome with EU’s own “fast-track”

**Trade policy-making is highly technical**
- Complexity: economic (comparative advantage), legal
- Issue linkage & supranationality of trade policy

**Negotiating power requires secrecy**
- Bargaining leverage (with exception of “tied hands”)
- Prevention of posturing
2. Gradual Publicization of Trade Policy-Making

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3. Explaining Increased Public Involvement in Trade Policy

**General explanations**
- Changing nature of trade and investment negotiations
- The rise of the internet and social media
- Growing discontent with globalization
- Foreign interference

**EU-specific explanations**
- Institutional change in the Lisbon Treaty
- Anti-Americanism
3.1 Changing Nature of Trade and Investment Negotiations

- Easy issues were settled first, remaining issues are difficult
- New Partners (end of U.S.-EU bipolarity) bring new issues
- New "behind the border" issues at the end of the Uruguay Round
  - From tariff reductions to regulatory harmonization
    - Environmental standards, hormone beef, chlorinated chickens
    - Investment protection
  - Harder to assess the impact
  - Touch on Sovereignty

Friends of the Earth Europe ad
3.2 The Rise of the Internet and Social Media

- Forcing transparency of trade policy-making
  - Information leaks (ACTA draft)
  - Capacity for instant sharing, viral documents
- Shaping public opinion
  - Online campaigns, mass email distribution
  - Personal feed manipulation: Twitter, Facebook
  - No review/censure (until lately)
- Enabling greater mobilization
  - Interconnectedness of different platforms through ###
  - Fewer resources needed for mass mobilization
3.3 Growing Discontent with Globalization

- Expanding sources of discontent
  - From “far-left” to “far-right” and mainstream parties

- Change in distribution of costs and benefits
  - Concentrated costs and dispersed benefits
  - Lack of proper redistribution mechanisms

- Restructuring of politics around a new “open/closed” cleavage
  - Promotion of national interest & rise of populism

- Linking of Europeanization and Globalization narratives
  - Similarities in nationalization rhetoric across geographies
  - Broader current of shying away from international cooperation

Source: Dani Rodrik
3.4 Foreign Interference

- Used to be considered paranoia, now we know it is real
- Russian funding of anti-globalization and anti-EU parties
  - i.e. funding of National Front in France
- Shaping the narrative through legitimate media outlets in Europe
  - Russia Today
  - Sputnik
  - Influence on Google searches
- Meddling through trolling
  - Pushing on existing buttons
3.5 Institutional Change in the Lisbon Treaty

- Empowerment of the European Parliament
  - New power to MEPs
  - New power to INTA
  - New dynamics between European and national politics

- New superseding principles
  - i.e. values, peace, environment, democracy

- Transfer of competences over Foreign Direct Investment
  - ISDS becomes a European issue
3.6 Anti-Americanism

- Negotiations with various trade partners do not elicit much mobilization unless the U.S. is one of the parties (i.e. MAI, ACTA, TTIP)

- Why did recent public mobilization on trade agreements occur in Germany?

- Mobilization on CETA occurred after mobilization on TTIP

Google Trends Data
Conclusion

- Trade policy-making in Western democracies has become increasingly publicized and politicized, especially in the EU
- Trade policy-making became the target of the masses’ discontent
  - MAI → ACTA → TTIP (CETA)
- Progressively defied traditional methods of post-war trade policy-making resulted in a liberalization slow-down
- Long term implications of this publicization, in a world where most trade liberalization is happening through regional and bilateral agreements, have yet to unfold

Thank you!
Rozalie and Sophie