From Back Rooms to the Street:

Explaining the Gradual Publicization of Trade Policy-Making in Europe

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From Back Rooms to the Street: Introduction

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

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2014-2016: The Transatlantic Trade and Investment Partnership (TTIP)

2008-2017: The Canada-EU Comprehensive Economic and Trade Agreement (CETA)

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

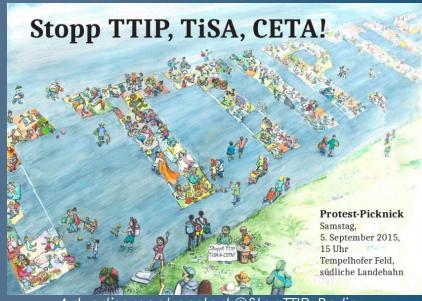
- Easy issues were settled first, remaining issues are difficult
- New Partners (end of U.S.-EU bipolarity) bring new issues
- New "behind the border" issues at the end of the Uruguay Round
 - From tariff reductions to regulatory harmonization
 - Environmental standards, hormone beef, chlorinated chickens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

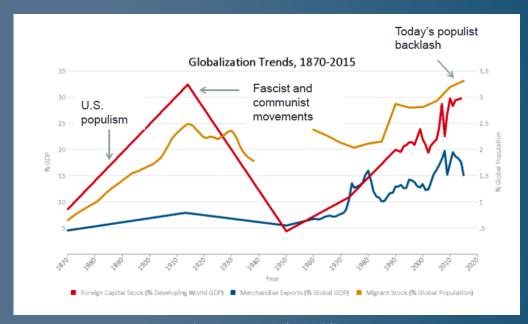


Advertisement posted @StopTTIP_Berlin



3.3 Growing Discontent with Globalization

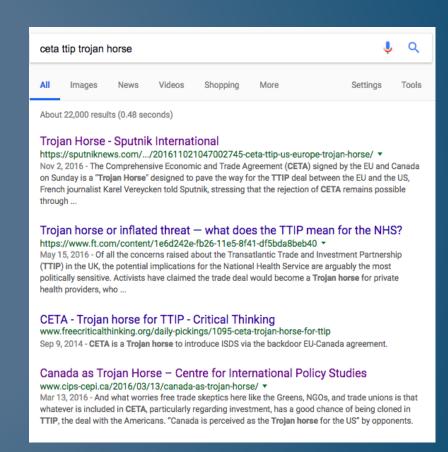
- Expanding sources of discontent
 - From "far-left" to "far-right" and mainstream parties
- Change in distribution of costs and benefits
 - Concentrated costs and dispersed benefits
 - Lack of proper redistribution mechanisms
- Restructuring of politics around a new "open/closed" cleavage
 - Promotion 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



Google Search Results

3.5 Institutional Change in the Lisbon Treaty

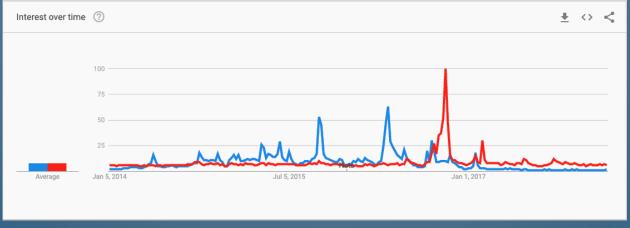
- Empowerment of the European Parliament
 - New power to MEPs
 - New power to INTA
 - New dynamics between European and national politics
- New superseding principles
 - i.e. values, peace, environment, democracy
- Transfer of competences over Foreign Direct Investment
 - ISDS becomes a European issue





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 <u>after</u> 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