Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions[1]

Tim Bartley
Indiana University, Bloomington

Why have systems of "transnational private regulation" recently emerged to certify corporate social and environmental performance? Different conceptions of institutional emergence underlie different answers to this question. Many scholars argue that firms create certification systems to solve problems in the market—a view rooted in a conception of institutions as solutions to collective action problems. The author develops a different account by viewing institutions as the outcome of *political contestation* and by analyzing conflict and institutional entrepreneurship among a wide array of actors. Using a comparative case study design, the analysis shows how these arguments explain the formation of social and environmental certification associations. Both theoretical approaches are needed, but strong versions of the market-based approach overlook an important set of dynamics that the author calls the "political construction of market institutions." The analysis shows how both problem solving in markets and political contention generate new institutional forms.

At least since Polanyi's (1944) *The Great Transformation*, social scientists have debated the nature of attempts to embed modern capitalism in social standards. While much of this work examines state regulation of the conditions of production, today a new set of transformations is occurring, as standard setting and regulation are increasingly being accomplished through private means. This includes not only traditional programs of

[1] For comments and suggestions, I thank Elizabeth Armstrong, Graeme Auld, David Brady, Ronald Breiger, Ben Cashore, Elisabeth Clemens, Tim Hallett, Kieran Healy, Ethan Michelson, Michael Mulcahy, Wade Roberts, Rob Robinson, Marc Schneiberg, Brian Steensland, Mary Nell Trautner, Pam Walters, the Sociology Junior Faculty Working Group at Indiana University, and the *AJS* reviewers. Audiences at Princeton University, the University of Connecticut, the Center for Advanced Study in the Be-

0002-9602/2007/11302-0001$10.00

industry self-regulation but also systems of *transnational private regulation*, in which coalitions of nonstate actors codify, monitor, and in some cases certify firms' compliance with labor, environmental, human rights, or other standards of accountability. For instance, in the past two decades, controversies over sweatshops, child labor, tropical deforestation, and other issues have spurred the formation of dozens of nongovernmental certification associations (Gereffi, Garcia-Johnson, and Sasser 2001). Though not without historical precursors or critics, this form is sometimes held up as a new vehicle for "ratcheting standards" upwards (Sabel, O'Rourke, and Fung 2000) and has been called "one of the most innovative and startling institutional designs of the past 50 years" by one set of scholars (Cashore, Auld, and Newsom 2004, p. 4). What explains the recent rise of transnational private regulation—and specifically the certification model—as a way to address the social and environmental conditions of production?

Globalization is clearly part of the answer, but precisely *how* this works is less obvious. Most scholars agree that the globalization of supply chains and the lack of existing regulatory capacity at the global level generate demands for new forms of "global governance" (Fligstein 2005; Kahler and Lake 2003; Sassen 1996). Nearly all would agree with Evans's (2000) statement that "increased flows of capital across national borders . . . create a demand for global governance institutions that would provide the transparency and predictability that capital itself needs" (p. 235). Often, the analysis stops there, and through a functionalist turn, the *need* for new institutions simply becomes their explanation. Merely invoking "globalization" also cannot explain why governance takes one particular form over another. Why have controversies over sweatshops and deforestation produced transnational private regulation through certification instead of other possibilities—such as intergovernmental agreements or purely symbolic commitments? Going further, why did these controversies generate *any* system of governance when they could have very easily devolved into short-lived, ad hoc responses?

Two types of answers hold some promise for addressing these questions. The first emphasizes the role that market actors play in constructing institutions of industry governance, even when it means creating external systems to constrain themselves. This type of explanation locates the source of this particular institutional design in firms' attempts to preserve their reputations and maintain market positions in the face of globalizing

havioral Sciences, and the Society for the Advancement of Socio-Economics conference also provided useful feedback. Special thanks to those who were generous with their time in interviews and to Jill Esbenshade and Jason McNichol for help with initial interview contacts. Direct correspondence to Tim Bartley, Department of Sociology, Indiana University, Bloomington, Indiana 47405. E-mail: bartleyt@indiana.edu

markets and "naming and shaming" campaigns waged by activists. Although this sort of *market-based approach* is quite prominent in the existing literature on private regulation (e.g., Potoski and Prakash 2005; Spar and Yoffie 2000), I argue that another approach must also be considered.

This second approach takes a more thoroughly *political* view of transnational private regulation, treating it as an outcome of broader conflicts about the power of states, markets, and civil society in a context of neoliberal globalization (Dezalay and Garth 2002). Here, new forms are not reducible to corporate strategies but rather reflect the negotiated *settlements* and institution-building *projects* that arise out of conflicts involving states, NGOs (nongovernmental organizations), and other nonmarket actors, as well as firms.

Beyond making different predictions about the creation of certification associations, these two explanations are rooted in different theoretical conceptions of institutional emergence. The first is a particular version of what Knight (1992) terms a "cooperation-for-collective-benefits" account, in which institutions are solutions to collective action problems, designed to secure collective goods (Nee and Ingram 1998; Ostrom 1990). This conception is common (though not inherent) in institutional economics and rational choice. The second approach resonates with Knight's (1992) "distributional-conflict" model, in which institutions are conceptualized as a "by-product of conflicts over distributional gains" (p.19; see also Jones Luong 2002). Even more so, it is rooted in attempts by organizational and historical institutionalists to theorize institutions as outcomes of cultural and political contention (Campbell 2004; Fligstein 1996; Stryker 2002) and institution building as a process of "forging coalitions and mobilizing various social and political actors" (Thelen 2004, p. 31; Roy 1997).

While both the style and substance of these two arguments often emanate from different academic circles, I argue that together, they can explain the emergence of social and environmental certification and shed light on the fundamentally compromised nature of this outcome. I show that the rise of certification is in part a function of firms mobilizing to solve market-based problems. Yet for all the enthusiasm in some circles about how markets are generating their own solutions (e.g., Klein 1997; Spar 1998), this account on its own proves unable to explain the rise of certification—in large part because of its inattention to the broader political setting. I show that political conflicts about the regulation of global capitalism—and the embeddedness of these conflicts in neoliberal rules and scripts—generated institution-building projects that proved crucial to the rise of certification. I call this process the "political construction of market institutions."

Research on the emergence of nascent institutions has often been bracketed in sociology, where "institutionalism" too often connotes analyses of the diffusion of well-established, taken-for-granted models of organization (Mizruchi and Fein 1999). In response, a number of theorists have called for greater attention to earlier stages in the institutionalization process (Tolbert and Zucker 1994) and the ways in which new institutional arrangements emerge (Clemens and Cook 1999; Hechter 2000; Powell 1991). Certification serves as useful terrain for developing a "richer theory of the origin and change of institutions" (Ingram and Clay 2000, p. 539) for several reasons. First, the newness of private certification associations should enhance the opportunities for reconstructing historical sequences and reduce the temptation to tell "just so" stories to justify a well-established outcome. Second, the case of certification can help compare different versions of institutional theory (Hall and Taylor 1996), since explanations rooted in different traditions suggest competing yet equally plausible accounts. Finally, several types of certification exist, and comparisons can be used to move beyond the possible idiosyncrasies of a single case.

I analyze the emergence of certification associations in the 1990s in two fields—forest products and apparel. Despite the fact that these two fields face different sorts of problems—labor standards in apparel, environmental management in forestry—both have witnessed the rise of similar forms of governance. Forest certification systems attempt to identify "well-managed" or "sustainable" forestry operations and the consumer products they generate, while labor standards certification systems in the apparel industry seek to identify companies with acceptable labor conditions at the point of production, as a response to antisweatshop campaigns. In both cases, private associations set standards, accredit auditors, and grant participating firms the right to use the association's name or logo—sometimes through a product label. I reconstruct the processes that generated this outcome using in-depth interviews with 57 informants, trade journal articles, archival materials, and secondary sources. These cases shed light on a growing set of attempts to promote private authority and institutionalize "corporate social responsibility" (Cutler, Haufler, and Porter 1999; Hall and Biersteker 2002; Vogel 2005).

Transnational private regulation through certification is a *compromised* outcome, in several senses. First, because it is a voluntary mechanism that relies for its enforcement on firms, consumers, and professional auditors, its impact is likely to be limited when it comes to problems that require a fundamental redistribution of power. Limited does not mean trivial, however, and even imperfect systems can sometimes create new points of leverage. Precisely how compromised a particular program is depends on the balance of power in that sector and the ability of advocates to forge coalitions that set a "high bar" for certification. As will become apparent, environmentalists were more successful in setting the terms for forest certification than labor rights advocates were for factory monitoring and certification, which embodied a set of compromises with corporations that many activists could not accept. More broadly, the rise of this form reflects a broader set of compromises about the regulation of global supply chains. No set of actors would have chosen, *ex ante*, precisely the set of arrangements that emerged. Corporations would have preferred weaker symbolic commitments, while labor rights and environmental activists would have preferred regulation with more "teeth"—and the analysis will show that these actors typically started from these positions. This is not to suggest that certification was a politically neutral compromise. The terrain of conflict was shaped by the structural and ideological power of capitalists and the reluctance of many governments (in both affluent and poor countries) to agree to binding standards. This conflict was not a simple contest among equals, but it was *generative* of an innovative and politically charged institutional form.

THE RISE OF CERTIFICATION: CONTEXT AND CASE BACKGROUND

"Corporate social responsibility" took new shape and significance in the 1990s, as firms from Nike to the Home Depot responded to activist campaigns tying them to sweatshops, child labor, or ecological degradation. Earlier "business ethics" concerns about conflicts of interest, harassment, and affirmative action within firms (Berenbeim 1987) gave way to an expanded discourse on the global social or environmental responsibilities of firms, and more concretely, to a growing set of organizations purporting to audit, monitor, or certify firms' claims (Esbenshade 2004; McNichol 2003; Rodríguez-Garavito 2005). In the apparel and forest products fields, associations for coordinating monitoring and certification emerged in the midst of social movement campaigns and public controversy about sweatshops and deforestation around the world. These emergent associations purport to temper exploitation and reward responsible firms through (1) voluntary standards, (2) monitoring of production sites by accredited auditors, (3) certification (or similar recognition) of participating firms, and (4) the provision of information to consumers or other audiences (sometimes through a product label).

Fueled by international attention to tropical deforestation in the late 1980s, the Forest Stewardship Council emerged in 1993 as the first overarching system for certifying forests as "well managed" and labeling forest products accordingly. Following scandals highlighting sweatshops and child labor in the manufacture of garments, toys, and other products, the first associations for monitoring and certifying firms' compliance with labor standards—the Apparel Industry Partnership/Fair Labor Association (AIP/FLA) and Social Accountability International (SAI)—were founded in 1996 and 1997.[2] As figure 1 documents, certification and monitoring rose to prominence in both industries during the mid-1990s, albeit slightly earlier in forestry.

Certification is one particular type of *transnational private regulation*—transnational in that its operations transcend nation-state boundaries, private in the sense of being formally independent of government but not reducible to industry self-regulation, and regulatory in that it purports to set and enforce standards for performance. Certification associations also represent a second-order institution of impersonal trust—a watchdog of the watchdog (Shapiro 1987). Whereas an individual company might be able to purchase certification or auditing on the market, the associations studied here, which involve shared standards and rationalized systems for assessing compliance, require significant collective action to create and legitimate.[3]

The rise of overarching certification associations is a fairly recent phenomenon, but there are signs that this type of "soft law" may be on a path toward institutionalization. In addition to its growth in the apparel and forest products industries, the certification model has begun to spread to other sectors. Table 1 illustrates the pattern of diffusion and situates the apparel and forestry cases in a broader context. While some industries have no significant connection to social or environmental certification and several others have only loose ties to multisectoral initiatives, the table shows a striking degree of diffusion of the certification model. Most has occurred since about 1998 and in sectors that face significant social or environmental challenges—from the ecological impacts of overfishing and fish farming for marine industries to the extraordinarily dangerous and destructive work in mines in developing countries.

There are also signs that certification is being institutionalized as a quasi-policy instrument. The World Bank and some governments have endorsed certification, occasionally even treating it as functionally equiv-

[2] The FLA (officially founded in 1999 as an outgrowth of the AIP) has a standard code of conduct for participating companies and makes it possible for companies to have their compliance activities "accredited" by the association. SAI oversees the certification of particular factories to the Social Accountability 8000 (SA8000) standard, which is modeled to some extent on quality and environmental standards developed by the International Organization for Standardization (ISO).

[3] Gereffi et al. (2001) term these associations "third-party" certification, while companies' claims about themselves are labeled "first-party" certification. In this article, I reserve the term "certification" for external, third-party systems that include some rationalized procedure for assessing compliance, rather than applying it to more *ad hoc* claims making.

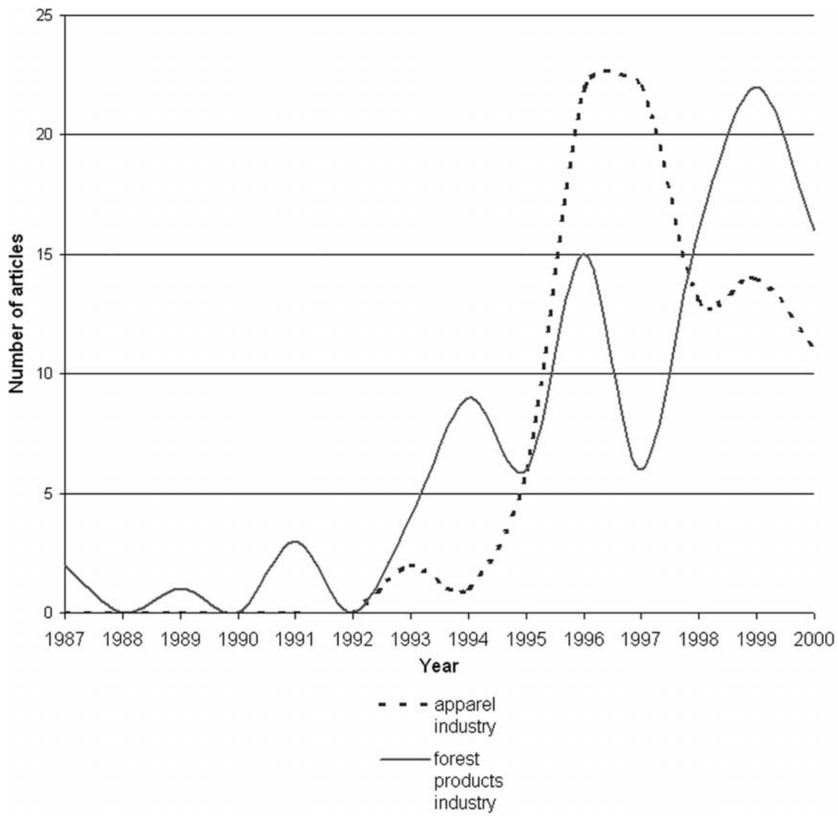

FIG. 1.—Number of trade journal articles mentioning private certification or monitoring. Sources: Apparel industry trade journals: *Bobbin*, *Women's Wear Daily* (random sample for *WWD*); forest products trade journals: *Forest Industries/Wood Technology*, *PIMA Magazine/PIMA North American Papermaker*.

alent to government action.[4] In addition, certification initiatives have become central nodes in an increasingly elaborate "corporate social responsibility" field, which barely existed a decade ago but now produces a plethora of policy documents, conferences, consultants, and even educational credentials.[5]

Despite its ascendance, private regulation—and certification in partic-

[4] For example, the World Bank recently moved to require "all forest harvesting and management operations financed by the World Bank to be monitored through independent assessment and certification" (World Bank 2004, p. 7), and the Bolivian government now recognizes forest certification as equivalent to government inspection for the purpose of granting timber concessions.

[5] For a skeptical overview of the CSR field, see "The Good Company," *The Economist*, January 20, 2005.

TABLE 1
THE RISE OF SOCIAL/ENVIRONMENTAL CERTIFICATION ACROSS SECTORS

Sector	Certification Associations (Year Founded)
Focal cases—constitutive sites:	
Forest products: Forestry, wood, pulp and paper	Forest Stewardship Council (1993)
	Sustainable Forestry Initiative (1998)[a]
	Canadian Standards Association's SFM standard (1998)
	Pan-European Forest Certification (1999)
	National initiatives in Indonesia, Malaysia, others (late 1990s)
Apparel: Textiles, clothing, leather, footwear	Apparel Industry Partnership/Fair Labor Association (1996/99)
	Social Accountability International (1997)
	Worldwide Responsible Apparel Production (2001)
	International Council of Toy Industries CARE program (2002)
Sites of diffusion and elaboration:	
Maritime: Shipping, ports, fisheries, inland waterways	Marine Aquarium Council (1998)
	Marine Stewardship Council (1999)
Construction	U.S. Green Building Council's Leadership in Energy and Environmental Design certification (1998)
Utilities (water, gas, electricity)	Green-e certification (1998)
Hotels, tourism, catering	Sustainable Tourism Stewardship Council (in formation since 2001)
Chemical industries	Responsible Care Certification (2002),[b] some use of SA8000
Mining	Initiative for Responsible Mining Assurance (in formation)
Transport equipment manufacturing, mechanical and electrical engineering (including consumer electronics), oil and gas production/refining, basic metal production	Some use of SA8000 and ISO 14001,[c] no specialized programs
Precursors:	
Agriculture, plantations, other rural sectors; food, drink, tobacco	Organics—i.e., International Federation of Organic Agriculture Movements (1972/1997),[d] others
	Fair Trade—i.e., Fairtrade Labeling Organization (1997), Max Havelaar (1989), TransFair (various), others
	Rainforest Alliance/Sustainable Agriculture Network (1993)
	Bird Friendly coffee certification (1999)
	Flower Label Program (1999)

NOTE.—Cross-cutting sectors: commerce/retail/wholesale (see product above). Non-adopting sectors: health services; media, culture, graphical; postal and other communication services; public service; transport; education; financial and professional services. Sector list based on the 22 key global economic sectors identified by the ILO. Dates refer to year of incorporation, or for non-stand-alone organizations, program initiation.

[a] Certification component added in 1998 to a code of conduct created in 1994.

[b] Certification component added in 2002 to the Responsible Care code of conduct created in 1986.

[c] ISO 14001 is a general standard for environmental management systems, introduced by the ISO in 1996. See Potoski and Prakash (2005).

[d] Separate accreditation program added in 1997.

ular—is not the only way to govern globalization; nor was its emergence inevitable. At least three other possibilities are worth considering. First, *governmental and intergovernmental orders* could be used to enforce international social and environmental standards. Intergovernmental agreements are obviously not easily achieved—although examples as diverse as the World Trade Organization's standards on intellectual property and the Montreal Protocol on CFCs demonstrate that they are far from impossible—but their obstacles are often more political than technical. The U.S. government has often been hostile toward multilateral agreements (Keohane 2002)—as evident in recent opposition to the Kyoto Protocol and International Criminal Court. Furthermore, corporations and conservative policy makers have often worked to undermine government regulation of environmental, labor, and consumer safety standards, while promoting voluntary and "free market" alternatives. The business mobilization of the late 1970s (Ackard 1992; Domhoff 1990) helped lay the foundations for the neoliberal "market fundamentalism" of the 1990s (Somers and Block 2005). As the analysis below will illustrate, the institutionalization of neoliberal conceptions of "free trade"—in the World Trade Organization (WTO) and its precursor, the General Agreement on Tariffs and Trade (GATT)—adds further barriers to the establishment of intergovernmental standards for labor and the environment.

A second possibility is that transnational governance might have emerged in the form of *purely symbolic* commitments lacking even rudimentary monitoring or enforcement provisions. Such purely voluntary, self-regulatory codes of ethics have often been the preferred response of industries in crisis, as illustrated by the chemical industry's Responsible Care code created in the wake of the 1984 Bhopal tragedy and the International Council of Infant Formula Industries code on the marketing of breast milk substitutes in developing countries, to name just a few (King and Lenox 2000; Sikkink 1986).

Finally, sweatshop and sustainability controversies might have produced *nothing* in the way of a system of governance. Activist pressures and ad hoc corporate responses may have continued, but nothing durable would have been created. Interestingly, both companies and their critics have sometimes indicated a preference for this type of nonsystematization, due to companies' desire to avoid these issues altogether and activists' fears of being co-opted.

If several outcomes were possible, why did private regulation through certification become a prominent vehicle for governing globalization? I tackle this question in the sections below, first from a theoretical angle and then by developing theoretically informed case studies. This requires close attention to the actual processes by which new forms were created and other options were rejected or neglected. Without careful process tracing, one risks falling into the functionalist trap of assuming, as Thelen (2003) puts it, "that the origins of the institutions can be 'read backward' off their current functions or features" (p. 218; see also Pierson 2000).

WHY FIRMS MIGHT COOPERATE TO CONSTRAIN THEMSELVES: THE MARKET-BASED APPROACH

Many scholars locate the origins of private regulatory systems in the interests of market actors themselves, especially consumer-oriented and image-conscious firms that find themselves in the "spotlight" (Spar 1998). Some versions of this theory portray firms as proactive and altruistic defenders of the common good (e.g., Martin 2003). More sophisticated versions suggest that companies construct systems of private regulation in response to incentives, risks, and uncertainties in the market (Elliott and Freeman 2003; Haufler 2003; King, Lenox, and Barnett 2002; Spar 1998; Spar and Yoffie 2000). Specifically, because public scrutiny, consumer concern, and the globalization of supply chains often disrupt markets and create *collective* dilemmas for firms (as discussed below), firms develop an interest in cooperating to set enforceable standards, create credible responses to skeptical consumers, and impose rationalized systems of constraint upon themselves and their competitors.

This argument bears a strong affinity with what Knight (1992) calls a "cooperation-for-collective-benefits" conception of institutions, common among institutional economists and rational choice theorists. Here, institutions are conceptualized as rules of the game that create order, facilitate exchange, and provide collective benefits unattainable through individual action. Scholars have applied this idea not only to the economy, where institutions are said to arise to "reduce uncertainty in human interactions and help solve the problem of coordination" (Nee and Ingram 1998, p. 20; North 1990), but also to a variety of social processes, from natural resource governance, where actors create communal institutions to prevent the "tragedy of the commons" (Ostrom 1990), to the generation of "credible commitments" via international regimes (Keohane 1984). While collective action problems generate demand for institutional solutions, the process of crafting solutions may itself be plagued by free riding and coordination problems. Institutions will arise only when solutions can be designed in ways that overcome these problems (Hechter 1990; Ingram and Clay 2000). In sum, this perspective portrays institutional form as the congealed solution to collective action dilemmas on both the demand and supply sides.

By combining this logic with threads in the literature on private regulation, one can develop a fairly elegant explanation for the rise of certification. In short, as activists mobilize consumer concern about the social and environmental conditions of production, they create collective action problems for firms—in particular, interlinked problems related to *reputation*, *information*, and *competition*. Certification is designed to solve these problems. It is thus the collective response of firms—or at least some segment of them—that drives the formation of certification systems. Specifically, this market-based approach is based on three main claims:

1. The design of certification systems derives from their potential to protect firms' reputations (e.g., to differentiate the good and bad apples).
2. Firms construct external systems to provide credible information to consumers—a task firms struggle to do on their own due to a lack of credibility and complex supply chains.
3. Firms create certification systems partly as quasi-cartels, to limit competition or gain competitive advantages.

Reputation

This set of dynamics is set in motion by social movement campaigns, consumer pressure, and public scandals that tarnish the reputations of firms and industries that have invested in "branding" (Klein 1999) or "reputational capital" (Fombrun 1996). Although such firms often respond initially with public relations campaigns and symbolic statements, continued pressure may generate an interest in certification, which can serve as "a risk-reduction strategy for globally-branded firms, a form of insurance against criticism of a firm's practices" (Conroy 2001, p. 11; Garcia-Johnson 2001; Haufler 2003).[6]

This is especially true when firms' reputations are interdependent. As theorists of the "reputation commons problem" point out, when activists target specific firms, others may find themselves "tarred by the same brush" (King et al. 2002). In such situations, some responses (like symbolic "codes of ethics" that lack sanctions) are likely to be hampered, since some firms will attempt to free ride on the efforts of others to improve the industry reputation, thus undermining any real progress. There may even be a problem of adverse selection, wherein the *worst* firms (in terms of social or environmental performance) are the *most attracted* to programs for improving the industry reputation. Certification is an institutional design that can overcome these problems, because it creates a "club good" to *subdivide* the industry reputation—that is, to distinguish the good apples from the bad (Garcia-Johnson 2001; Potoski and Prakash 2005).

[6] Garcia-Johnson, Gereffi, and Sasser (2000) generate a series of arguments from the core claim that "in the presence of a threat to their reputation, firms will design certification institutions to protect that reputation" (p. 3).

This way, the benefits of an improved reputation can be limited to those firms that contribute to this effort; free riders can be excluded. From a market-based perspective, this explains why certification has become the preferred design of private regulatory systems.

Information

Certification can also be seen as a solution to the problem of generating credible information about conditions in global production networks. The globalization of supply chains may create complex monitoring problems that limit firms' abilities to uphold reputations and produce credible information on their own (Milgrom, North, and Weingast 1990).[7] This information is especially important once consumers begin to "shop with a conscience" and the price mechanism loses its traditional monopoly as an informational device. This is the thrust of Elliott and Freeman's (2003) "market for standards," where demand comes from consumers who "care not only about the physical attributes of goods and services but also about the workplace conditions associated with them" (p. 28) and supply from "firms that improve standards because it is profitable for them to do so" (p. 45). Since consumers will tend to discount companies' own claims, solving the information problem may require the creation of an external, at least partially independent system of monitoring, verification, or certification.

Competition

Corporate responses to scrutiny are necessarily shaped by competition. Acting unilaterally to improve conditions of production could put any single firm at a market disadvantage. Firms thus remain in a "race to the bottom," which further undermines their potential to respond to activist pressures in any credible way. Yet if a few firms do employ better than average social and environmental practices—due to pressure, market position, or a combination of the two—then they may have an interest in imposing similar costs on their competitors (Bowman 1989; Stigler 1971; Vogel 1995) or in constructing credible signals of their position. In this way, firms may construct certification systems as quasi-cartels to secure competitive advantages and manage competition. As Spar (1998) puts it,

[7] As institutional economists have pointed out, when market exchange happens on a small scale, actors' knowledge and mutual monitoring can limit opportunism and allow markets to function. But when trade is more complex or geographically dispersed (as with globalization), mechanisms for supplying credible information and judging others' integrity must be systematized and rationalized (Milgrom et al. 1990).

"If all firms—or at least a good majority of the larger ones—adhere to the same standard, none is individually penalized" (p. 10). Spar and Yoffie (2000) emphasize that this interest in "leveling the playing field" explains why firms have cooperated to build social and environmental certification associations. So, as with reputation and information, competition ultimately takes the form of a collective action problem—and one which certification systems have the potential to solve.

TOWARD A MORE POLITICAL APPROACH: "THE POLITICAL CONSTRUCTION OF MARKET INSTITUTIONS"

I develop a different account, using tools from politically and culturally oriented versions of institutional theory (DiMaggio and Powell 1991; Scott 2001; Thelen 2004). According to these literatures, institutions arise out of political, cultural, or professional projects led by strategically positioned and socially skilled "institutional entrepreneurs" (DiMaggio 1991; Fligstein 2001). Institution-building projects are deeply embedded in the existing order, which shapes the resources, political opportunities, and cultural scripts out of which a new order can be fashioned (Campbell 2004; Clemens 1997; Immergut 1992).

My analysis of the "political construction of market institutions" draws on and extends several prominent strands of institutional research in sociology. While some scholars in this tradition emphasize the uniformity and taken-for-grantedness of institutions (e.g., Meyer et al. 1997), I follow those who treat institutions as *settlements of conflict* among actors with differential power and competing frames (Fligstein 1996; Rao 1998; Roy 1997; Schneiberg and Bartley 2001). In addition, while the institutional literature in economic sociology often focuses on conflicts among different sets of *firms* (e.g., Fligstein 1996), I extend this model beyond firms and conflicts *within* markets to a wider array of actors (e.g., NGOs, states, social movements, etc.) engaged in conflicts about the relationship between markets and broader social problems. Out of these conflicts come particular trajectories of institution building. This approach resonates with Knight's (1992) "distributional-conflict" conception of institutions, in which institutional arrangements arise out of strategic bargaining among actors with divergent interests. However, while Knight assumes actors with pregiven interests, I conceptualize actors as embedded in social contexts that are complex and potentially shifting, with implications for actors' strategies and conceptions of interest (Clemens and Cook 1999; Djelic and Quack 2003).

From this perspective, certification can be theorized as a model of governance that has drawn support far beyond the specific market problems it is purported to solve. The driving forces in this account are conflicts among states, NGOs, social movements, and firms about the legitimacy of various ways of regulating global capitalism. The shape of these conflicts—including the power, opportunities, and strategies available to different actors—determine what trajectories of institution building take hold. In this case, I argue that political conflicts led a wide array of actors (especially states and NGOs) to become institutional entrepreneurs for certification. Whereas the market-based approach reduces "politics" to pressures on firms and their reactions, this argument utilizes a broader, more constitutive sense of "politics" as the set of agendas and struggles about the distribution of power in society. Specifically, this political-institutional argument rests on three main claims.

1. States, NGOs, and social movements are key players in the rise of certification, playing entrepreneurial roles that go beyond merely pressuring firms.
2. The formation of certification systems reflects processes of contestation and negotiation, embedded in a complex, multilevel institutional landscape.
3. Institutionalized rules and cultural scripts rooted in neoliberalism channel the trajectory of institution building and facilitate the rise of private regulatory forms.

Institutional Entrepreneurs

First, conceptualizing institutional emergence as a negotiated process leads one to pay attention to a wide array of actors. State-based actors have been shown to be important sponsors of institutional projects (Carruthers 1994; Skrentny 1996) and key sources of institutional endorsement (Campbell and Lindberg 1990; Rao 1998). Contrary to pronouncements that globalization spells the demise of the state, researchers have shown that states still play key roles in creating and negotiating global orders (Evans 1997; Guillen 2001; Rosen 2002). Researchers have also established NGOs as important global institutional entrepreneurs. While much of this work portrays NGOs as carriers of an existing, highly generalized model of world culture (Boli and Thomas 1999), there is also reason to believe that NGOs must work strategically to create new forms and wrest the power to implement particular projects (Hafner-Burton and Tsutsui 2005; Keck and Sikkink 1998; Lipschutz and Fogel 2002). Finally, social movements—once considered primarily a source of disruption—are increasingly being theorized as institutional entrepreneurs that generate change through a mix of protest and parallel institution building (Armstrong 2005; Lounsbury 2001; Rao, Morrill, and Zald 2000; Schneiberg 2002). In short, a variety of political actors—states, NGOs, and social movements—can be expected to generate institutional innovation in ways that are not reducible to the pressures they bring to bear on corporations.

Embedded Bargaining

The rise of transnational private regulation results from bargaining and negotiation within a complex institutional environment. Certification systems may not be an *optimal* solution for any set of actors, since firms typically prefer weaker commitments with minimal enforcement, while social movements prefer stronger, binding standards (Post 2000; Seidman 2003). Instead, certification may emerge piecemeal out of the strategies and counterstrategies of different actors. These strategies are shaped by what actors see as legitimate and feasible and what they can mobilize others around. The existence of a complex, multilevel institutional environment, with *multiple* arenas, allows this type of institutionally embedded agency to generate some degree of *change* rather than just reproduction of the existing order (Clemens and Cook 1999; Friedland and Alford 1991; Seo and Creed 2002). What is politically possible in different arenas will not always align, leading strategic actors to shift arenas and translate projects from one setting to another (Braithwaite and Drahos 2000; Keck and Sikkink 1998). The configuration of political opportunities in particular arenas is therefore crucial in shaping what kinds of arrangements emerge.

Neoliberalism

Political opportunities are of course not disconnected from broader political and cultural movements; nor does negotiation necessarily produce equal partnerships and neutral compromises. In addition to the differential resources that actors possess, the terrain of conflict and compromise is itself ideologically loaded in ways that are likely to channel institution building. Over the past two decades, neoliberal ideas, rules, and practices have become dominant in domestic and international policy domains, as a result of a series of projects stretching back to the 1970s, led by multinational corporations, conservative politicians, international financial institutions, and professional elites (Fourcade-Gourinchas and Babb 2002; Prasad 2005). By "neoliberalism," I mean a set of ideas stressing faith in free markets and the associated political agenda of removing impediments to flows of capital. Neoliberalism has a constitutive effect on the trajectory of globalization, at least as powerful as structural shifts in world trade

(Evans 1997; O'Riain 2000; Sassen 2002).[8] While some domestic settings can still support institutional forms that run counter to the neoliberal model (Hall and Soskice 2001), institution building on the international level is likely to intersect with institutionalized rules (in the WTO) about "free trade" and cultural scripts about the power of markets in solving social problems. These rules and scripts will often channel institutional entrepreneurship away from states and toward the private sector, thus influencing the shape of nascent institutions.

Table 2 summarizes the main points of the political-institutional and market-based approaches. In addition to making different empirical claims, these approaches are rooted in different theories of institutions—one based on a "cooperation-for-collective-benefits" logic in which institutions are *solutions*, the other closer to a "distributional conflict" model in which institutions are *settlements*. While not entirely incompatible, these approaches make different predictions about what we should find to be the most important actors, processes, and outcomes as we turn to the empirics of certification.

METHODS AND DATA

I utilize a comparative case study approach, examining two fields—apparel and forest products—and paying close attention to the unfolding of events in each. As Scott (2001) argues, process-oriented research can shed important light on the early development and elaboration of institutional forms. Most research on certification and similar forms of private regulation focuses on either forest certification (Cashore et al. 2004; Elliott 2000; McNichol 2000, 2003; Meidinger 2003) or labor standards monitoring and certification (Esbenshade 2004; O'Rourke 2003; Rodríguez-Garavito 2005; Sabel et al. 2000).[9] By analyzing both cases, I seek to avoid the possible idiosyncrasies of a single case study and broaden the scope of this literature.

The apparel and forest products fields represent constitutive sites for the broader arena of transnational private regulation. It was here that many of the forms, practices, and debates that have since begun to diffuse

[8] Even governments that have willingly signed onto GATT and the WTO may find that it limits their autonomy at a later point. Thus, the institutionalization of free trade rules may have effects above and beyond the preferences of ruling governments.

[9] For important exceptions, see Gereffi et al. (2001) and Haufler (2001).

TABLE 2
Two Ways of Explaining the Emergence of Certification Systems

	Market-Based Approach	Political-Institutional Approach
Key actors in the rise of certification	Firms (secondarily: activists applying pressure)	Governments, NGOs, SMOs, firms
Driving forces	Collective action problems rooted in dilemmas of reputation, information, and competition	Political conflicts about regulating global capitalism
Contextual factors	Pressures and "spotlights" on firms, market conditions	Neoliberal projects and institutionalized rules about "free trade"
Mechanism of institutional emergence	Cooperation for collective benefits	Conflict and bargaining
Metaphor for new institutions	Solutions	Settlements
Intellectual affinities	Institutional economics, most rational choice theory	Historical institutionalism, some variants of organizational neoinstitutionalism, and rational choice

to other sectors took shape.[10] Although no institutional form emerges completely anew out of a "state of nature" and there were certainly precursors to these initiatives (Raynolds 2000; Seidman 2003), scholars often regard the formation of forest and labor standards certification as innovative moments that represent breaks from the past (National Research Council 2004; Ruggie 2003). In addition, the fact that these two cases involve different issues (labor and the environment), different industries, and different actors should maximize the utility of pattern-matching and process-tracing methods in case study research (Campbell 1975; Hall 2003). Given that the politics of labor and the environment have historically tended to move on separate—and sometimes antagonistic—tracks, it is significant that a similar form of private regulation has emerged in both cases.

Of course, these are also cases in which certification systems did suc-

[10] For instance, while the founders of the Forest Stewardship Council and FLA engaged in intense debate about the roles of companies and NGOs, the "multistakeholder" model they helped create is now a well-institutionalized organizational form. The impact of the Forest Stewardship Council in particular can be seen in the naming of programs like the Marine Stewardship Council and the proposed Sustainable Tourism Stewardship Council.

cessfully emerge. Comparing "positive" cases such as these can help make sense of novel outcomes and identify necessary conditions (Ragin 2000). Future work could gain additional leverage in determining the sufficiency of these conditions by adding negative or "failed" cases—a topic to which I return in the conclusion. There are also some limits on the types of phenomena of which these cases should be considered representative. Some types of private regulation and standard setting involve more narrowly economic matters (e.g., banking, credit rating), for which different factors are likely to be relevant.

The data for the case studies come from interviews, trade journal articles, and archival sources. I interviewed 57 key informants (in 54 separate interviews), with roughly half of the interviews devoted to each of the two cases. An initial list of potential informants was generated by drawing on previous research, organizational contact information, and advice from several leading researchers. I then used snowball sampling to build the list and focused on interviewing individuals who had been deeply involved in the formation or early development of a certification or monitoring program. Most informants were working for or with a certification or monitoring association at the time of the interview, while others had done so in the past, were involved with companies or NGOs in the same field, or were affiliated with an auditor or certifier. (See app. table A1 for a listing of the organizational affiliations of the informants.)[11] The interviews lasted from 40 minutes to over three hours, with a mean length of roughly 80 minutes, and the bulk of the interview time was spent reconstructing the history of the program.

I also use a variety of archival materials—including early memos and minutes collected from informants—and the full set of articles on the politics of labor or environmental issues published in two leading trade journals in each industry from 1987 to 2000.[12] These are supplemented by secondary sources.

[11] Unlike in-depth interviews that focus on individuals' identities, I regarded these individuals mainly as informants who could talk about their organizations. To maximize the candor of the interviews and conform to common procedures for the protection of human subjects, the interviews were confidential, and the informants are identified here by the type of organization with which they were affiliated and the date of the interview.

[12] The journals were *Bobbin* and *Women's Wear Daily* for the apparel industry, *Forest Industries/Wood Technology* and *PIMA Magazine/PIMA's North American Papermaker* for the forest products industry. Based on Ulrich's International Periodicals 2001/2002 database, these represent the top two apparel trade journals and the top forest products journal. Because of the large number of articles in *WWD*, a random sample, stratified by year, was used for coding purposes, as in fig. 1.

EXPLAINING THE RISE OF CERTIFICATION: PREVIEW OF THE CASE STUDIES

Table 3 provides a snapshot of many of the developers of social and environmental certification associations. While this illustrates the particular mix of actors involved, the theories discussed above and the case studies below explain *how* these actors came to be in this picture—and more broadly, the process by which this form was created. My goal is to link the particular unfolding of events with the basic expectations of the market-based and political-institutional approaches, starting with the case of forests and then moving to factories.

In general, the case studies demonstrate that market dynamics explain some aspects of certification systems, but that the market-based story is ultimately incomplete. In both the apparel and forest products industries, some firms mobilized to address reputation, information, and competition problems activated by social movements and public scrutiny. But many firms were late adopters or resisters, not innovators, of the certification model, and capitalist collective action was more sporadic than strong versions of the market-based approach would expect. Broader patterns of institutional entrepreneurship and support for certification emerged out of political conflicts, as states and NGOs negotiated complex and contentious arenas. While challenging groups initially proposed governmental and intergovernmental solutions, failures and frustrations in these arenas led some NGOs to shift arenas and define the market as a promising alternative. Governments also lent early support to private certification systems, either as a way to bypass neoliberal rules about "nontariff barriers to trade" or to promote "free market" policy scripts.

FOREST CERTIFICATION: FROM BOYCOTT TO BRAND

Forest certification was initially developed as an alternative to tropical timber boycotts, but the path from boycotts to an overarching certification system was intertwined with both markets and politics. In response to reputation and competitive threats, one segment of woodworking firms initially raised the idea of independent forest certification, much as the market-based approach would expect. Yet environmental NGOs, with support from governments and foundations, became key institutional entrepreneurs of the first certification association (the Forest Stewardship Council, or FSC), in a way that fits the political-institutional approach. It was only *after* the formation of the FSC that industry associations developed certification programs, contrary to strong market-based arguments that expect large-scale collective action by industry to be the

TABLE 3
Organizational Actors in the Formation of Certification and Monitoring Associations

Forests: Members of the Certification Working Group (Precursor to the FSC), 1991	Labor Standards: Members of the Apparel Industry Partnership (Precursor to FLA), 1996
NGOs/Advocacy Organizations	
WWF	Lawyers Committee for Human Rights
Greenpeace	International Labor Rights Fund
Cultural Survival	National Consumers League
Rainforest Action Network	Business for Social Responsibility
Sierra Club	Robert F. Kennedy Memorial Center for Human Rights
Rainforest Alliance	Retail, Wholesale, and Department Store Union[b]
	UNITE[b]
	Interfaith Center on Corporate Responsibility[b]
Companies	
Ecological Trading Company	Liz Claiborne
A&M Wood Specialty	Phillips-Van Heusen
Scientific Certification Systems	Reebok
Herman Miller[a]	Nike
Milland Fine Timber[a]	Patagonia
Smith & Hawken[a]	L.L. Bean[b]
	Nicole Miller
	Tweeds[b]
	Karen Kane[b]
Other	
Homeland Foundation	Kathie Lee Gifford
Sylvania Forestry	
Experience International	

Sources.—Memos of the Certification Working Group, personal records of FSC organizer; "Apparel Industry Partnership Members List," Department of Labor (http://www.dol.gov, accessed via Internet Archive); "List of Participants, White House Apparel Industry Partnership," AIP records compiled by Arnold and Porter, LLP.
[a] No record of involvement after this point.
[b] Dropped out prior to the FLA's founding or soon thereafter.

main driver of institutional emergence. These events are analyzed in more detail below and sketched over time in figure 2.

Certification as a Market Differentiation Device

Supply chains in the forest products industry became increasingly global in the 1980s and 1990s, making it more likely for timber to pass from a

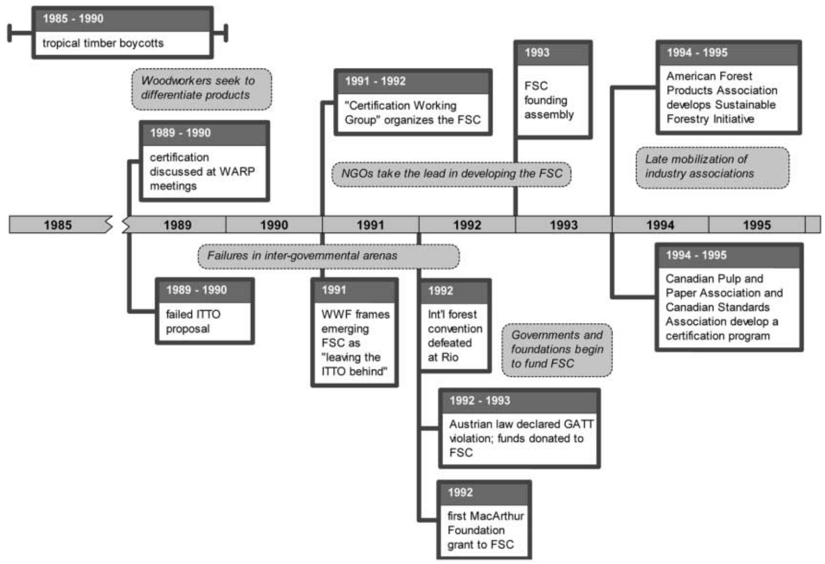

FIG. 2.—Forest certification timeline

logging concession in Brazil, Indonesia, or Malaysia through a series of mills, brokers, manufacturers, distributors, and retailers to consumers in Europe and North America (Gellert 2003; Jenkins and Smith 1999). The reach of the industry fueled environmentalists' strategy of waging boycotts in affluent countries, while the complexity of supply chains made it costly for a firm acting on its own to monitor credibly the actual environmental conditions of production.[13]

Threatened by boycotts in the late 1980s, timber importers and exporters began making a variety of claims about the environmental friendliness of their products. Environmentalists soon challenged this "remarkable mix of fact, conjecture and allusion together with a smokescreen of diverting but wholly irrelevant information" (WWF 1994, p. 7), leading to what one participant called a "confusing deluge of claims and counterclaims" (Counsell 1995, p. 1). In this context, small specialty woodworking firms that had been seeking out ecologically sound timber began to worry about how to differentiate their products. In 1989, they formed the Woodworkers' Alliance for Rainforest Protection (WARP) and began meeting

[13] Although some large forest products firms (e.g., International Paper, Weyerhaeuser) are vertically integrated, and there is some concentration in retailing, many parts of the industry remain fragmented and highly competitive. Even wood from the United States can be difficult to trace if cut from one of the thousands of small nonindustrial private forests that dot some regions of the country.

with foresters and environmentalists. WARP members soon called for an international organization that could monitor forest conditions, validate credible claims, expose opportunists, and assist in what one woodworker called a "propaganda battle with the timber trade" (Dennis 1991, p. 1; interviews, certifier, 7/8/02; WARP, 7/30/02; FSC, 2/25/04). The proposal for an overarching organization to perform these tasks was first laid out by the U.K.-based Ecological Trading Company, one of the leaders of WARP: "To ensure that timber that is marketed with the label 'sustainable' indeed conforms to certain production standards, and to separate genuine companies from opportunists, a watchdog in the form of an independent monitoring organization will be necessary" (Ecological Trading Company 1990).

This proposal proved influential—so much so that its author is sometimes credited with inventing forest certification (Cashore et al. 2004; interview, FSC, 2/25/04). Discussions about this proposal during the 1990 WARP meeting led to the formation of an informal "certification working group," which met separately the following year and began drawing up plans for what eventually became the FSC (interviews, FSC, 8/22/02, 8/23/02, 9/2/02).

Thus, consistent with the market-based approach, the initial calls for a forest certification system came from firms looking for a solution to collective action problems in the market. Certification was an attractive option because it allowed high-cost, environmentally conscious firms to distinguish themselves from the bulk of the forest products industry, therefore providing competitive advantages for some firms and addressing reputational issues while excluding free riders and opportunists. One WARP member articulated the interaction between reputation and competition problems in recalling that "in early conversations, we would talk about certification as a UL [Underwriters Laboratories] symbol, that the market could . . . eventually come to trust. It would separate the wheat from the chaff" (interview, WARP, 7/30/02). Creating a credible system for certifying forests and tracking products was also in part a solution to monitoring and information problems—much as expected by economic accounts of how voluntary institutions that provide credible information can facilitate the functioning of trade over long distances, where localized sources of knowledge have broken down (Milgrom et al. 1990). One WARP member made this point explicitly in describing the certification model as

> a kind of extension for the knowledge base that would develop in a cohesive community. . . . If we knew the families that cut the wood, . . . you would have a comfort level and an understanding with the ways those forests were being managed. But because we don't for the most part live in those

> communities, and the mechanisms for moving wood around the world now are so sophisticated, [that] certification was a way of providing that kind of comfort level . . . on a global scale. (Interview, WARP, 7/30/02)

The design of this institutional model, then, reflected problems of monitoring global supply chains and differentiating reputation in a competitive environment.

Contention and the Political Promises of Private Regulation

Tropical timber boycotts did much more than just disrupt markets, however, and firms were far from the only interested actors. Boycotts activated political conflicts that led NGOs, governments, and charitable foundations to become key supporters of forest certification—a finding consistent with the core claims of the political-institutional approach. This approach helps explain, for instance, why some of the most prominent actors in the certification working group and meetings that followed were representatives of NGOs like the Rainforest Action Network, Greenpeace, and WWF (World Wildlife Fund/Worldwide Fund for Nature)—the latter of which is widely recognized as the most avid supporter of the FSC (interviews, certifiers, 7/8/02, 3/17/04; FSC, 7/22/02; WARP, 7/30/02; NGO representative, 3/8/04). This approach also explains the often-overlooked role that governments played in providing early funding for forest certification, as discussed later in this section.

Environmentalists were divided over the legitimacy of boycotts. Some charged that boycotts ultimately devalued forested land and encouraged its conversion to agriculture (Johnson and Cabarle 1993). Even the strongest supporters of boycotts sought to identify "positive alternatives." Friends of the Earth, U.K., produced a "Good Wood" guidebook, as did the Rainforest Action Network in the United States. Furthermore, in 1989, Friends of the Earth convinced the U.K. government to propose that an existing *intergovernmental* organization—the International Tropical Timber Organization (ITTO)—consider developing a system for certifying ecologically acceptable forest products. The idea immediately generated controversy, as governments of timber-exporting countries charged that such a system would impinge on national sovereignty, discriminate against tropical timber, and constitute an illegal barrier to trade under GATT. This charge proved sufficient to turn the proposal into what one environmentalist within the ITTO called merely an "insignificant study" (International Tropical Timber Organization 1989, p. 25) and effectively cut off consideration of certification being set up at the intergovernmental level (Elliott 2000; Gale 1998; interview, NGO activist, 9/23/02).[14]

[14] As Gale (1998) points out, while tropical timber–exporting countries were the most

This episode illustrates how international conflict and neoliberal rules combined to foreclose one possible institutional design. The failure of this proposal for an intergovernmental approach also provided rhetorical resources for private alternatives—specifically the nascent Forest Stewardship Council, which supporters framed in 1991 as "leaving the ITTO behind" (quoted in Elliott 2000, p. 48) and which one FSC official described as "a response to the failure of international organizations that ought to have had the remit to enforce, to implement and develop good forestry standards—ITTO in particular" (interview, FSC, 7/25/02).

Conflict in intergovernmental arenas also led to a type of forum shifting by NGOs that generated wide-ranging support for the emerging FSC. Environmentalists' frustration with intergovernmental arenas intensified after the 1992 UN "Earth Summit" in Rio de Janeiro failed to generate a binding international forest convention, as many environmentalists had hoped it would (Dudley, Jeanrenaud, and Sullivan 1995; Upton and Bass 1996). Some interpreted Rio, and the numerous but tentative intergovernmental panels that followed it, as additional evidence that private initiatives were the place to focus their energies (interviews, FSC, 8/9/02; foundation officers 2/20/04, 3/5/04).[15] Referring to a void created by the failure of intergovernmental approaches, one influential report argued that "the timber-certification movement is critical to filling that gap" (Johnson and Cabarle 1993, p. 51). WWF was especially affected by these failures in intergovernmental arenas. A WWF representative became the first chair of the interim FSC board in 1992, and the group increased its involvement in and funding for the FSC around this time (Elliott 2000; FSC 1992; interviews, FSC, 7/25/02, 9/2/02). Although WWF had also been involved prior to this, the analysis of conflict and forum shifting sheds light on how the group became what one person called the "incubator and surrogate mother" of the FSC (interview, FSC, 8/9/02).

Governments also provided early support for forest certification. This was a negotiated response to political pressures to expand consumer boy-

vehement critics, representatives from North American and European governments may have been willing accomplices in the derailment of this intergovernmental certification proposal. The ITTO did go on to study certification systems and eventually even to endorse private certification, but it never again considered developing a certification system itself.

[15] "People were certainly upset before . . . but it reached heightened proportions, unprecedented proportions, post-Rio—because the expectations were so high," explained one individual involved (interview, FSC, 8/9/02). As another observer put it, "had [there] been a world forestry commission—and you know there were some attempts to create those in the wake of Rio—but if there had been something that look[ed] more potentially successful, I think the . . . rush to find an alternative way forward [i.e., forest certification] might not have been as . . . powerfully motivated as it was" (interview, foundation official, 3/5/04).

cotts into legislative bans, combined with neoliberal rules about free trade. In the early 1990s, hundreds of European cities, several European countries, and a few American cities and states passed restrictions on the import of ecologically unsound timber (Johnson and Cabarle 1993; MacKerron and Cogan 1993). The ban imposed by the Austrian parliament in 1992 proved especially critical. This legislation restricted the import of tropical timber unless it could be shown to be sustainably produced. Tropical timber–exporting countries quickly charged that this amounted to a protectionist "nontariff barrier to trade" and threatened to challenge the law under GATT. Faced with the prospect of being found in violation of international trade rules, the Austrian government rescinded the law in 1993. In a fascinating turn, the Austrian government then took the money allocated for the implementation of the law and funneled it into a *private* program—the emerging FSC, to which it gave approximately $1.2 million (U.S.) just as the program was being founded, which one FSC official called "a major area of funding for certainly the first two years" (interviews, FSC, 7/25/02, 9/2/02; Dudley et al. 1995; Elliott 2000). This move effectively bypassed the constraints of GATT, since nongovernmental actors typically fall out of the purview of rules about barriers to trade (Bernstein and Cashore 2004). The Austrian incident also had several indirect effects. By establishing that state action on tropical timber imports was vulnerable to challenge under global free trade rules, it made governmental solutions less likely and provided a further rationale for private certification (Cabarle 1994; Crossley 1996).[16] It even spurred a dynamic in which several other European governments, including the Dutch and the Swiss, contributed to the emerging FSC as a way to relieve domestic pressure from environmentalists while not running up against GATT rules (interview, FSC, 9/2/02).

In sum, as suggested by the political-institutional approach, forest certification grew in part out of a series of institutionally embedded conflicts over the legitimacy of different strategies (boycotts, government bans, intergovernmental regulation) for regulating the timber trade. With proposals for governmental and intergovernmental solutions generating stalemates, NGOs and governments turned to the private sector and soon came to see private certification systems as useful policy tools. Certification represented a legitimate alternative to boycotts and bans, unencumbered

[16] As Crossley (1996, p. 16) argued, "Importing countries have generally taken heed of the pitfalls encountered by the Austrian approach and moved away from using mandatory, legislative means to address timber trade issues. It has become clear that they are likely to be GATT-illegal and subject to challenges under the World Trade Organization (WTO)." Similarly, one FSC supporter pitched certification as an alternative to legislative bans, saying that "recent rulings and agreements under GATT create an unfavorable environment for such tactics in the future" (Cabarle 1994, p. 7).

by the failures that had plagued intergovernmental efforts and unconstrained by the free trade rules to which governments had bound themselves. In short, a series of conflicts embedded in a neoliberal order led NGOs to become institutional entrepreneurs for the FSC and led governments to provide important material support.

Roles of Foundations, Retailers, and Trade Associations

While casual observers—and some proponents of market-based approaches—often assume that certification is a response to consumer demand, it was charitable foundations that funded the expansion of forest certification and worked to "make the market" for certified wood. As part of a larger project to build private sector alternatives to governmental regimes, a group of foundations adopted the forest certification project and contributed roughly $40 million (U.S.) to it from 1993 to 2001.[17] In 1992, the MacArthur Foundation made the first of what would become a series of grants to the FSC and affiliated organizations.[18] The Ford Foundation, Rockefeller Brothers, Pew Charitable Trust, and several others soon followed suit and formed the "Sustainable Forestry Funders Network" to allocate funds collectively to the FSC, its certifiers, and supporting groups, and to spur increased demand for certified wood (Ford Foundation 2002; Jenkins and Smith 1999; Koenig and Headley 1995; MacArthur Foundation 1998; interviews, foundation officers, 2/20/04, 3/5/04; certifier, 7/8/02; FSC, 7/22/02, 9/2/02; retail executive, 3/22/04). For foundations, forest certification represented a promising *policy* tool, not merely a market differentiation device. In the words of one official:

> I think the logic of certification was very powerful, and I think that all the shifts that were going on in the background were saying . . . we need to pay attention to the private sector—we can no longer use these traditional regulatory approaches because they're just not working anywhere. . . . Certification had tremendous promise—very exciting. . . . It was kind of at the beginning so we were creators, which was a wonderful kind of feeling. And it was easy to coalesce a bunch of foundations around that. (Interview, foundation officer, 2/20/04)

[17] This figure is based on all grants to forest certification projects, using data from a custom search of the Foundation Center's yearly grants database. See Bartley (2007) for a more elaborate analysis.

[18] The MacArthur program officer who made the grant had ties to several of the FSC founders through previous work on community forestry projects in Central and South America, which led some to fondly dub this group the "Peace Corps–Paraguay mafia" (interviews, certifier, 7/8/02; FSC, 8/22/02; former foundation official, 2/20/04; Koenig and Headley 1995).

Foundations' enthusiastic support suggests that forest certification emerged as part of a broader political and cultural project. It was valuable to actors other than firms, for reasons that went well beyond the market problems that the woodworkers of WARP initially envisioned it solving.

Home improvement retailers became early supporters of forest certification, but their actions appear to have been driven as much by political pressures as by any consumer demand for "green" products. The U.K.-based home center B&Q became a developer and supporter of the FSC in the early 1990s, after Friends of the Earth, U.K., waged a series of protests in its stores' parking lots. The mere threat of such a campaign soon brought the Home Depot into the FSC as well (interviews, retail executive, 3/24/04; FSC, 7/24/02). These retailers also joined with small manufacturing firms and others in "buyers' groups" that concretized their commitment to certified wood. Yet even as they made commitments to certified wood, retailers often discounted the significance of consumer demand. For instance, the Home Depot's environmental marketing director suggested that "the momentum [for certification] thus far has largely been in anticipation of customer demand, rather than in response to it" (quoted in *Journal of Forestry* 1993, p. 34).[19] The anticipation remained largely unfulfilled, leaving one retail executive to explain that "certification didn't come with a built in demand. It's creating its own demand, but it's actually kind of putting the cart before the horse in that sense" (interview, retail executive, 3/24/04). Although surveys have found that somewhere between 16% and 68% of American consumers say they are willing to pay more for certified forest products, there is no experimental or observational evidence of a "green premium" (Anderson and Hansen 2004; Ozanne and Vlosky 2003), and analysts and players in this field tend to agree that consumer demand was not a particularly important factor in spurring the initial rise of certification (Conroy 2001; Gulbrandsen 2006; Jenkins and Smith 1999; interviews, foundation officer, 2/20/04; certifier, 3/17/04).[20]

[19] Similarly, another executive said, "We have seen only limited interest in the demand for certified solid hardwood products. The inquiries received have largely been from individuals and not from a marketable consumer interest" (quoted in *Journal of Forestry* 1993, p. 34).

[20] The plethora of contingent valuation surveys on certified forestry is better understood as an attempt to *symbolically construct* consumer demand than to merely measure it. While it is beyond the scope of this article, one could hypothesize that companies and environmentalists have used these studies as legitimating devices even while discounting their validity and locating the real incentives in the political and status games in the organizational field. As one informant said, "How many people when you walk around have a clue about certification? None. But does that stop a Home Depot from saying this is what we're going to do? . . . No, because . . . they're betting that their ability to operate is going to be based on the fact that they are perceived as being a leader in the environmental field" (interview, foundation official, 2/20/04).

If not motivated by consumer demand, then why would retailers make commitments and contributions to the forest certification project? As others have shown (Cashore et al. 2004; McNichol 2000), NGOs and social movement actors skillfully goaded firms into supporting certification, using both the carrot and the stick to "make the market" for certified wood. NGOs and foundations created buyers' groups, while engaging in tacit cooperation with more disruptive environmental groups to pressure retailers through protest. Thus, activist pressure led some image-conscious firms to support external certification systems, consistent with the market-based approach. It is significant, however, that these firms did not merely organize themselves but were partially *organized by* NGOs—a process that bears more affinity to the institution-building projects emphasized by the political-institutional approach.

Conspicuously absent from the story of forest certification's emergence are the bulk of forest products firms and their trade associations. Trade associations are commonly seen as vehicles for capitalist collective action, but in this case they were slow moving and more likely to reproduce old forms than create new ones. As criticism of the U.S. industry mounted in the 1990s, for instance, the American Forest Products Association responded with a traditional, and largely symbolic, code of ethics—called the Sustainable Forestry Initiative (SFI)—which was first put on paper in 1994 and released in 1995, after the founding of the FSC (Wallinger 1995; interview, SFI, 7/29/02). Interestingly, over time this initiative evolved into a certification program designed to compete with the FSC (interviews, SFI, 3/22/04; FSC, 7/12/02)—evidence of the power of actors other than firms to introduce a dominant institutional form in the industry. The Canadian forest products industry also developed a certification initiative primarily *in response* to the FSC. In 1993, just as the FSC was being officially founded, the Canadian Pulp and Paper Association called for a certification program that provided an "equal opportunity for input" from industry, which was developed from 1994 to 1996 by the Canadian Standards Association (CSFCC 1997; Elliott 2000; interview, CSA, 7/30/02). The entry of industry associations into the forest certification arena triggered conflict over the credibility of different sets of standards—but notably, the fact that this competition involved *different variants of the same form* signals the success of the certification model. Industry associations have contributed to the evolution of forest certification (by introducing competition), but they were not a driving force behind its emergence.

On the whole, explaining the rise of forest certification requires attention to both firms cooperating for collective benefits and broader trajectories of political contention and compromise. The initial mobilization of eco-conscious woodworkers mirrors the market-based cooperation for collective benefits logic, with its emphasis on the reputation commons problem, the need for credible information, and competitive dynamics. Yet to explain why emerging forest certification plans quickly garnered support that far outstripped their expected market benefits—from NGOs, governments, and foundations—one needs a broader political approach that pays attention to bargaining and forum shifting in a neoliberal context. Employing both approaches, it becomes clear that forest certification emerged as a hybrid and multivalent form of governance—partly a mechanism for managing markets, partly a policy instrument for a neoliberal era.

SWEATSHOP STANDARDS: THE RISE OF LABOR STANDARDS MONITORING AND CERTIFICATION

Analysts often treat initiatives for monitoring and certifying labor conditions either as promising vehicles for "ratcheting labor standards" in a world of diminishing state capacities (Sabel et al. 2000) or as thin public relations scams that protect corporate reputations more than workers' rights (Esbenshade 2004; Labor Rights in China 1999). What is lost in this debate is a careful analysis of how this form emerged, which reveals more nuance, less capitalist collective action, and more state involvement than one might expect. With antisweatshop pressures mounting in the mid-1990s, corporations began adopting codes of conduct and sending auditors to assess factories' compliance, but these activities did not automatically translate into full-fledged certification systems. It was the institutional entrepreneurship of government officials, and to a lesser extent NGOs and some companies, that created the first associations to coordinate monitoring and certify compliance—namely, the FLA and SAI. Certainly, these actors were operating in terrain shaped by the power of corporations to limit more stringent regulatory options. But to explain the rise of labor standards certification fully, one must look not only at the strategies of firms, but also at the factors that led nonmarket actors to craft what in hindsight may appear to be purely market-driven forms of governance. These processes are sketched in figure 3 and discussed in more detail below.

Reputation Threats and Firm Responses

Apparel is produced through complex global networks of contracting and subcontracting.[21] Most apparel "manufacturers" are in fact just "brands"

[21] The globalization of apparel production results from the industry's high capacity

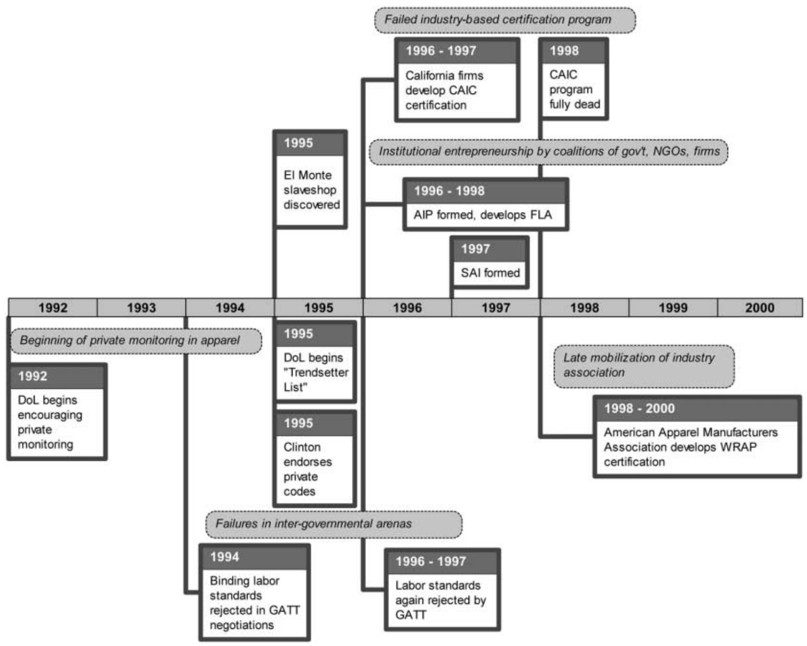

FIG. 3.—Labor standards certification timeline

that outsource their production to a web of contract factories, as do the retailers that sit in power at the top of the supply chain (Abernathy et al. 1999; Bonacich et al. 1994; Collins 2003; Gereffi 1994). At the bottom of the chain, intense competition and low levels of mechanization make contractors likely to "sweat" their (largely female) workers (Piore 1997). Given the multiple layers of brokers, contractors, and subcontractors, firms at the top of supply chain have often found it easy to ignore labor conditions at the point of production and disavow responsibility for hazardous work environments, unpaid wages, harassment, and intimidation (Bonacich and Appelbaum 2000). To some degree, this problem is connected to the globalization of the industry and the costs of monitoring, as described (albeit in exaggerated terms) by one observer:

> When everybody was doing [business] locally in the U.S., you'd buy your widgets from Smith and Sons down the road, you know. Everybody knew Smith and Son—you'd have a drink with them over lunch and you'd ne-

for mobility and the system of import quotas set by the (now defunct) Multi-Fibre Agreement (MFA), which prevented the industry from concentrating production in one particular country. For an excellent account of the political construction of the post–World War II global apparel industry, see Rosen (2002).

> gotiate, you'd make a deal, and the expectation is that Smith and Son did right by U.S. law. But with increasing overseas sourcing, yes, companies required compliance with the law, but then they did nothing to oversee that that was in fact being respected by the supplying organizations. (Interview, certification consultant, 3/3/04)

Corporate disavowals of responsibility or knowledge declined in credibility as social movement campaigns, media exposés, and government enforcement efforts took hold. Campaigns in the early 1990s exposing child labor in the production of garments, toys, soccer balls, and rugs, as well as the human rights implications of Chinese imports, marked the beginning of a wave of antisweat protests, often targeting high-profile firms (Cavanagh 1997; Spielberg 1997). Two particular scandals in the mid-1990s dramatically increased the visibility of sweatshops and raised the reputational stakes for companies. First, in the summer of 1995, government officials discovered Thai immigrants working as indentured servants in an apartment complex in El Monte, California, producing garments to be sold by major retailers (Su 1997; interview, labor rights activist, 3/29/04). Several months later, Kathie Lee Gifford became a celebrity lightning rod for the sweatshop issue, following the unearthing of a Honduran factory employing children and a New York City sweatshop that were both producing Kathie Lee's line of clothing, sold exclusively at Wal-Mart (Krupat 1997; interviews, U.S. Department of Labor, 7/19/02, 8/23/02). The growing antisweatshop movement also built a variety of "naming and shaming" campaigns targeting the Gap, Liz Claiborne, Nike, Disney, and other high-profile companies. Meanwhile, congressional representatives introduced a number of bills in the mid-1990s focusing on child labor and human rights abuses in the production of imported garments, and the Department of Labor increased its efforts to enforce domestic labor law in garment factories in the United States (Barrett 1994*b*; Bonacich and Appelbaum 2000; Esbenshade 2004; Ramey and Barrett 1996; interviews, Department of Labor, 6/27/02, 7/19/02, 8/23/02).

In this context, companies displayed increasing concern about what trade journals called the various "public black eyes for the garment industry" (WWD 1996, p. 1) and activists' attempts to "publicly tarnish the reputation of the industry as a whole" (Nett 1997, p. 38). Faced with threats to their images and autonomy, some began adopting codes of conduct for their supply chains in order to, as one industry advisor put it, "put a muzzle on these watchdog groups" (Rolnick 1997, p. 72). Some also hired accounting firms, quality assurance companies, or nonprofits to monitor factories' compliance. Yet unions and labor rights activists quickly challenged these symbolic responses, showing that codes of conduct were often not even posted in factories, exposing shoddy monitoring by accounting firms, and generating continued media attention (Campaign for Labor Rights 1997; O'Rourke 1997; Shaw 1999).

Given these conditions, one might expect firms to band together to organize a *system* for shielding themselves and generating credibility for their avowals, perhaps through certification. This is certainly the prediction of market-based theories of certification, and it did occur in one instance, directly following the El Monte incident. El Monte generated a "reputation commons" problem for firms in California, as described by a *Bobbin* editor in an article called "Bad Apples Need Not Apply": "Unfortunately, the old saying about a bad apple spoiling the whole bunch can be true—at least on the surface. Perhaps no one knows this better than reputable contractors, who must bend over backwards to distance themselves from illegitimate businesses that tend to give the whole apparel industry a bad rap. . . . How do the 'good' contractors, manufacturers and retailers convince John Q. Public that the El Monte situation is not the norm?" (Black 1995, p. 2). The answer, for some domestic contractors and manufacturers, was to develop certification and labeling systems that could repair the industry reputation and preempt additional government action. In 1995, a group of firms developed the "Compliance Alliance" to coordinate monitoring and consider developing a no-sweat labeling program (Bonacich and Appelbaum 2000; Marlow 1995; interview, Department of Labor, 8/23/02). The Coalition of Apparel Industries in California (CAIC) also developed a plan to certify contractors and manufacturers at this time, and by early 1997 it was setting up a separate nonprofit organization to administer it, called the California Apparel Industry Certification Board (CAICB). This was designed as a "voluntary certification program [that] will allow manufacturers and contractors to be recognized for their efforts to curb labor law violations" (*Bobbin* 1997, p. 44). Within the industry, the CAIC program was touted as an attractive, industry-based initiative, through which "companies meeting the standards would be 'certified' and retailers and manufacturers would be encouraged to use only those firms that are certified, driving out the sweatshop operations," as one trade journal put it (Black 1997, p. 1).

Yet this moment of forward-looking capitalist collective action did not spur the rise of certification in the apparel industry, since none of the initiatives designed in the wake of El Monte took hold. The Compliance Alliance never developed a labeling program, and the CAIC program was pronounced definitively dead in 1998 (Black 1998). Thus, although public attention and reputation dilemmas spurred collective action by firms and an early moment of institution building—just as market-based approaches would expect—cooperation quickly faltered, and this episode was lost to history.

Large, image-conscious firms also developed an interest in voluntary labor standards, but here again the market-based argument is only partially borne out. Faced with antisweatshop pressures, companies like Levi Strauss, Nike, Reebok, and the Gap quickly developed their own codes of conduct and factory monitoring programs between 1992 and 1996. Furthermore, corporations had long advocated for voluntary commitments as alternatives to binding legal or legislative labor standards (Barrett 1994*a*; Bartley 2005). But even as these firms searched for ways to make their "no sweat" claims credible and stay competitive, they tended *not* to engage in collective institution building at this point. As one executive explained, "There was one effort in 95 or 96 where we attempted to reach out to our primary competitor and share, and we were rebuffed. And you know, there was a lot of sort of backroom competition between the companies in those days, so sharing was not easily possible" (interview, apparel executive, 9/30/05).[22] Here, as with the El Monte response, events began to unfold much as the market-based cooperation for collective benefits theory would expect, but cooperation proved tenuous.

In sum, corporations' embrace of voluntary codes of conduct and self-monitoring certainly shaped the terms of the sweatshop debate, and they made some partial (but ultimately failed) moves toward the construction of external certification systems. Firms would soon come to play an important role, once a forum had been created for them. To fully explain how the first collective certification and monitoring organizations were created, one must look to this other set of actors and processes.

Politics and the Turn toward Private Regulation

Government and NGOs played important and often overlooked roles in creating private associations to monitor and certify global labor conditions. In the United States, the Clinton administration provided both leadership and financial support for labor standards certification/monitoring, first by creating the AIP in 1996 and then by providing substantial

[22] This same executive framed this as a missed opportunity, suggesting that companies would have accomplished more in the area of labor standards "if we had understood the benefit—or to put it in a business term, the return on investment—in 1996. It's pitiful progress if you look at it from that perspective. Much more can and should have been done earlier to bring the collective power of an industry to bear to address those 80% of the problems that we all agree on" (interview, apparel executive, 9/30/05).

funding for the AIP spinoff FLA and for SAI.[23] Representatives of consumer, labor, and human rights NGOs—especially the Council on Economic Priorities, Lawyers Committee for Human Rights, International Labor Rights Fund, and National Consumers' League—often took the lead in building these programs and negotiating with companies. One participant described NGOs' role as pushing for systematization, since otherwise there would merely be "companies dabbling, experimenting, ad hoc pilot projects . . . 'til the cows come home" (interview, NGO and FLA organizer, 7/18/02; see also Ramey 1997*a*). Even organized labor—via the Union of Needletrades, Industrial, and Textile Employees (UNITE), now a strident critic of private monitoring systems—contributed to the formation of the AIP/FLA, which it later quit in protest. Referring to the union's call for a "National Partnership for Responsibility," one UNITE official recalled, "At the union, we often thought that we were kind of indirectly responsible for the whole formation of the FLA, which we came to regret, in some sense" (interview, union official, 4/5/04; see also Mazur 1996; Golodner 1997). Consistent with the political-institutional approach, the field of labor standards monitoring and certification grew out of contention and negotiation among an array of actors, with the U.S. government playing a particularly important role.

The AIP/FLA began as essentially an outgrowth of the U.S. Department of Labor. Since the early 1990s, Department of Labor officials had been pressuring apparel manufacturers to privately monitor their domestic contractors for wage and hour violations, as a response to the agency's declining capacity to police the industry (Esbenshade 2004; Ross 2001; interview, Department of Labor, 8/23/02). Following the El Monte incident, secretary of labor Robert Reich extended this program into a series of experiments designed to mobilize consumer pressure—most notably the "Trendsetter List," created in 1995 to publicize the names of firms that had agreed to monitor their contractors. Companies and critics both complained of the irrationality of the criteria for inclusion on the list, creating controversy that dogged this initiative until it was abandoned several years later (Bonacich and Appelbaum 2000; Levy 1998; interviews, Department of Labor, 6/27/02, 7/19/02; NGO-based FLA organizer, 8/22/02).

In the summer of 1996, amidst controversy over the Trendsetter List and in the immediate wake of the Kathie Lee Gifford scandal, Clinton and Reich convened several meetings of labor rights advocates and ap-

[23] In 1999, the Clinton administration created a $4 million per year grant program to support private labor standards initiatives, which provided nearly half of the funding for the FLA and SAI as these programs grew in 2000 and 2001. In those years, government funding accounted for 48% of the FLA's $2.46 million in revenues and 46% of SAI's $3.92 million in revenues (analysis of IRS forms 990 accessed via http://www.Guidestar.org).

parel executives—including firms from the Trendsetter List and several other high-profile companies (e.g., Nike)—first in a "fashion industry forum" and then in a presidential task force that became known as the AIP. Over the next two years, the AIP developed a code of conduct and spawned the FLA to oversee the monitoring and certification of participating companies. Although earlier notions of a "no sweat" label quickly fell out of favor, the group developed a system for participating companies to be recognized as complying with the FLA code.

To explain the U.S. government's role, one must consider the intersection of domestic politics and a turn toward neoliberal trade policy and "reinventing government" (Osbourne and Gaebler 1992) in the second Clinton administration. Clinton first entered office promising not to sign the North American Free Trade Agreement (NAFTA) without labor and environmental standards. Yet within two years, he had signed NAFTA with only a set of "side agreements" generally considered to be weak and had delinked China's "most favored nation" status from human rights considerations (Tsogas 2001; Varley 1998)—both decisions that put the administration at odds with organized labor and left-leaning constituencies. It was at this moment that the Clinton administration began to endorse *private, voluntary* approaches to labor standards, introducing a set of "model business principles" in 1995 that encouraged companies "to adopt and implement voluntary codes of conduct for doing business around the world" (quoted in Varley 1998, p. 8). When the El Monte and Kathie Lee Gifford scandals hit, the Clinton administration continued this direction by fostering a private-sector response—the AIP. In a sense, the AIP was a compromise between doing nothing (a *laissez faire* response) and building stronger domestic or intergovernmental regulation (which some constituents would have preferred). What limited efforts the administration made in international arenas—such as Reich's proposal for a "social label" administered by the International Labor Organization (ILO)—fell by the wayside under the weight of charges of protectionism (Zaracostas 1996, 1997). Analytically, the U.S. government's actions illustrate the interplay of political bargaining and the ascendancy of neoliberal policy scripts—as emphasized by the political-institutional approach.

While the U.S. government laid the groundwork for the AIP/FLA—and indirectly for SAI—the work of crafting these programs was led by loose coalitions of NGOs and companies. Negotiations over the appropriate standards (especially regarding international wage rates and freedom of association in China) and systems for verifying compliance were often highly contentious. Fights over the flexibility of standards and the independence of monitors culminated, in the case of the AIP/FLA, in the exit of organized labor and one NGO, which soon became its sharpest critics.[24] In the midst of this conflict, a handful of remaining NGOs and companies became the key architects of the FLA's monitoring program—specifically, representatives of the Lawyers' Committee for Human Rights, International Labor Rights Fund, National Consumers League, Business for Social Responsibility, Liz Claiborne, Reebok, and a few government advisors (Arnold and Porter 1996; interviews, NGO-based FLA organizers, 8/22/02, 2/19/04, 8/8/02; apparel executive/FLA organizer, 3/9/04; independent monitor, 7/18/02). In the case of SAI, the project was led by the nonprofit Council for Economic Priorities, which received help on its SA8000 standard from Toys 'R' Us, Avon, plus several apparel firms and the global certification firm Société Générale de Surveillance (Larson and Cox 1998; interview, SAI, 7/18/02).[25]

Similar to the forest certification case, the institutional entrepreneurship of these NGOs grew out of failures in intergovernmental arenas and a strategy of forum shifting. For some, like the Council on Economic Priorities, labor standards certification was simply an extension of a long-standing project of identifying socially and environmentally conscious companies for consumption and investment purposes, through its *Shopping for a Better World* series, for instance (Council on Economic Priorities 1991; interview, SAI, 7/18/02). But for groups like the International Labor Rights Fund (ILRF) and the Lawyers Committee for Human Rights, support for certification represented a turn toward private, consumer-oriented models, as an alternative to the governmental and intergovernmental regimes on which they had previously focused. In 1994, leaders of the ILRF argued forcefully for a "global New Deal" based on enforceable "social clauses" in trade agreements like the GATT (Collingsworth, Goold, and Harvey 1994). Yet several years later, the ILRF emerged as one of the important (and most credible in the social movement community) architects of private programs like the FLA. This shift in forum occurred as proposals for embedding labor standards in trade agreements fell to defeat in the GATT negotiations of 1994 and again in 1996–97, not to mention earlier defeats related to NAFTA and the Generalized System of Preferences (Tsogas 2001; interview, NGO and FLA organizers, 7/18/02, 8/22/02). With GATT negotiators refusing to link trade and labor standards, NGOs like the ILRF and the Lawyers Committee for Human

[24] Following this exit, the FLA began recruiting universities, which were facing antisweatshop protests on campus and which soon became a major source of financial support for the FLA. Meanwhile, FLA critics created the Worker Rights Consortium (WRC), which rejected the certification model and also began recruiting universities (interviews, WRC, 6/26/02, 8/12/02).

[25] SAI was originally called the Council on Economic Priorities Accreditation Agency, changing its name in 2000. Once SAI took off, the Council on Economic Priorities ceased to exist as a separate organization.

Rights turned increasingly to private, market-based arrangements. Reflecting on this moment, one NGO representative suggested that, given the failure of unionization and law enforcement, "it seemed like we needed to add consumer pressure to legal, diplomatic, and trade pressures. And so it became not a choice of either this or that, but an additional weapon in the arsenal for human rights" (interview, NGO-based FLA organizer, 8/22/02).[26] Whether or not this indeed constituted an "either-or" choice is a difficult question, although trade-labor linkages certainly never fell completely off the agenda. Nevertheless, the perceived closure of political opportunities for intergovernmental solutions led several major NGOs to shift some of their resources and energy to the market, where they became major players in the construction of labor standards certification.

On the whole, understanding how NGOs and government actors became institutional entrepreneurs for private regulation requires attention to ways in which they maneuvered through a complex and contentious political environment—processes central to the "political construction of market institutions" account.

Corporate Support for Labor Standards Certification

Recognizing the role of NGOs and the state should not lead us to ignore large companies. In addition to recognizing a kind of structural power that corporate agendas exerted on the entire arena of social and environmental regulation (making binding regulation extremely hard to secure), it is instructive to examine the specific relationships between companies and certification programs. Although apparel firms did not organize robust collective systems of their own *prior* to the AIP and SAI arriving on the scene (as discussed above), they did shape the content and structure of these programs. Major players included Liz Claiborne, Reebok, and Toys 'R' Us, as well as Business for Social Responsibility (whose members included Levi Strauss, Phillips Van-Heusen, and the Gap), which served as a "space where competitors could sit and look across the table and see their counterparts without horns on their heads" (interview, apparel executive, 9/30/05).[27] Consistent with the market-based approach, these tended to be image-conscious companies that viewed certification as a

[26] Another NGO actor explained the turn toward the market as a response to government failure. "I would say that it's taken for granted that, as of 1996—or even 2002—government action is not forthcoming. I don't take it for granted that government action is not possible, I just think . . . it's not gonna happen" (interview, NGO-based FLA organizer, 7/18/02).

[27] Although Nike was also at the table, the firm was described as resistant and "difficult to deal with" (interview, FLA, 2/19/04), with a "problematic" style of participation (interview, apparel executive, 9/30/05).

vehicle by which, as one executive put it, "companies will be better able to protect their reputations" (quoted in Ramey 1997*b*, p. 14). There is also evidence that they expected competitive benefits, since as one executive explained, "You don't want to be out there on your own as a business, you want your competitors to be similarly involved. And it just seemed like a good way to learn and a good way to maybe have protection, if this was blessed by a diverse group of people" (interview, apparel executive/FLA organizer, 3/9/04). However, while some were at the table negotiating with NGOs, many other large and highly visible firms were conspicuously absent—including retailers like Wal-Mart, Sears, Target, and Federated (owner of Bloomingdales and Macy's). Among the 50 largest apparel and footwear manufacturers and retailers in 1996, only six had any type of documented affiliation with the FLA or SAI between 1996 and 2001.[28] This is not a trivial number, but it suggests that the vast majority of firms remained cautious about the promise of external, multistakeholder certification systems that they could not fully control.

Early corporate participation in certification associations was also intertwined with the institution-building projects of government and NGOs. The majority of early FLA members had previously been on the Department of Labor's Trendsetter List. In fact, companies from the Trendsetter List were far more likely than their competitors to become members of the FLA.[29] In addition, several years prior to creating SAI, the Council on Economic Priorities organized a group of companies into a "Partnership for Responsible Global Sourcing" to promote voluntary codes of conduct throughout the industry. Among the participants were Levi Strauss, Liz Claiborne, Reebok, L.L. Bean, and Eileen Fisher, all of which became important early supporters of SAI and the FLA (Council on Economic Priorities 1994; Ramey and Barrett 1996; interview, SAI, 7/18/02). At the least, this evidence suggest that prior contact with government and NGO initiatives is important for explaining firm behavior, whether in addition to or combined with more commonly cited reputational factors.

[28] Size is measured by total assets, using Standard & Poor's Compustat data. Records of firms that affiliated at any point with the FLA and SAI were compiled from interviews, organizational records, and archived versions of organizations' web sites. While a full-scale analysis of firm participation is beyond the scope of this article, it is notable that both the FLA and SAI have struggled to increase their corporate membership.

[29] This result is based on an analysis of publicly traded apparel, textile, and footwear firms with at least $300 million in sales or assets any time between 1993 and 2000 ($N = 179$), using Compustat data, Department of Labor press releases, and FLA membership records. Among these companies, being on the Trendsetter List is associated with a much greater chance of becoming an FLA member (odds ratio $= 22.3$; $P < .001$). Results available from the author upon request. See also Esbenshade (2004) on this point.

Similar to the forestry case, industry associations were laggards rather than leaders when it came to certification systems. The American Apparel Manufacturers Association (AAMA) began working on labor standards certification only *after* the initial programs (AIP/FLA and SAI) had been created, having written off sweatshops as "a couple of bad apples in Southern California and Central America" (AAMA official, quoted in *Bobbin* 1998, p. 8). The result was a weaker system of factory certification, the Worldwide Responsible Apparel Production (WRAP) program, developed from 1998 to 2000 to compete with those in which NGOs and image-conscious firms predominated (interviews, WRAP, 7/17/02, 8/23/02). On the retail side, the National Retail Federation had only a rudimentary and largely symbolic code of conduct throughout the 1990s. Clearly, industry associations were the rear guard, not the avant garde, of labor standards certification.

On the whole, the compromise of private regulation in the labor case was several steps away from the strong standards that activists sought, and those companies that were involved managed to design the programs such that their supply chains would not be overly disrupted. Furthermore, "market-making" projects have been less successful in the labor case than in forestry. While surveys have highlighted consumer interest in ethically produced garments (Dickson 2001; Marymount University Center for Ethical Concerns 1999), no labor standards certification program developed an unambiguous "no sweat" product label, and any actual market for "sweat-free" apparel has been slow to develop. In part, this reflects the highly contentious character of the sweatshop debate, disagreements among labor rights advocates on the appropriateness of the certification model, and the low rate of commitment by retailers.[30] Yet it also illustrates the degree to which certification programs embody political settlements, not just market demands.

In sum, the processes by which globalization and sweatshop controversies got translated into a new form of governance can be described partially in terms of collective action problems in the market, but attention to the ways in which governments and NGOs negotiated contentious political arenas is also necessary. Firms faltered in their earliest attempts to solve collective reputation problems and cooperate with their competitors. Government (especially the Clinton administration) and a few NGOs played key roles in creating new venues for standard setting and bringing

[30] I hypothesize that the differing role of retailers reflects the fact that *no* firm is a pure retailer when it comes to apparel, since retailers all contract for the manufacture of their own "private label" apparel. This puts apparel retailers in essentially the same position as manufacturers, whereas home improvement retailers have greater leeway to support standard-setting projects without disrupting their own core operations.

firms to the table. The institutional entrepreneurship of these actors is understandable when viewed in the context of power struggles in domestic and international arenas and the ascendant neoliberal model, both of which facilitated the rise of *private* regulation instead of intergovernmental orders.

DISCUSSION

The market-based theory of private regulation—with its emphasis on firms' responses to reputation, information, and competition problems—illuminates several aspects of the rise of social and environmental certification. In the forest products case, it explains how a group of woodworkers planted the seed of forest certification in an attempt to differentiate themselves from the rest of the industry (reputation problems), generate credibility for their environmental claims (information problems), and retain their position in the market (competition problems). Similar dynamics occurred in the apparel industry, where companies attempted to address image and credibility problems in the wake of sweatshop scandals. Although cooperation here often proved tenuous (among California-based companies responding to the El Monte incident and among larger companies developing monitoring programs), corporate responses did shape the sweatshop debate and prepare companies for a greater role once such associations were imminent. In both cases, the mobilization of firms clearly mattered for the rise of certification, although to different degrees and in different ways. Yet it is also notable that in both cases, trade associations were slow to respond and adopted certification late in the game—a finding that casts doubt on strong versions of the market-based approach that expect industries to mobilize on a mass scale quickly.

The "political construction of market institutions" approach that I have offered provides different insights. From this perspective, building certification systems is an inherently political project, driven in particular by institutional entrepreneurship *around* the market (not merely in it), strategic negotiation of a complex set of policy arenas, and a neoliberal context. This approach explains how governments and NGOs became supporters of—and in some instances even the "missionaries" for—certification associations. In general, conflicts over the legitimacy of governmental and intergovernmental regulation created spaces for private systems to emerge and gave a wide range of actors a stake in these nascent institutional arrangements. While both NGOs and states mattered in each case, NGOs played a larger role in the forest certification case, while government loomed larger over labor standards.

Government support for private regulation was a function of political pressures intersecting with neoliberal rules and scripts. In the forest products case, European governments funded nascent forest certification initiatives after being constrained by neoliberal rules about "nontariff barriers to trade" that kept them from regulating the international timber trade directly. In the apparel case, the Clinton administration built and supported private labor standards systems as a way to promote a market friendly model of regulation while still responding to the "sweatshop crisis."

International conflict and forum shifting help explain why NGOs played important roles. Initially, NGOs and social movements pursued fairly conventional solutions, such as intergovernmental agreements—involving primarily the ITTO and UN for forests, GATT and the WTO for labor rights. But with these arenas hostile to standards campaigns, some NGOs defined the market as a promising arena for pursuing programmatic goals and became key architects of certification associations. In this way, strategic action, embedded in a complex, multilevel environment, generated innovative institutional forms.

While many processes are similar across the two cases, several differences provide further insights. First, while firms helped to create and support certification systems in each case, the particular segments of firms differed. The eco-minded woodworkers that inspired the rise of forest certification had no real parallel in the apparel case. In their place were big firms like Liz Claiborne and Reebok, which were more interested in fending off sweatshop allegations than in promoting truly alternative production methods. In addition, while home improvement retailers like B&Q and the Home Depot became early supporters of forest certification, apparel retailers like Wal-Mart, Sears, and Target stayed away from labor standards certification—at least until weaker versions had been created by industry associations. These differences help to explain why forest certification has gained both more market penetration and more legitimacy among social movements than has labor standards certification. Both cases generated "compromised" forms of regulation, but the compromises made on the labor side have been both more controversial and less influential.

Second, while government support was critical in both cases, it is instructive to consider differences among governments. European governments have generally demonstrated a greater willingness than the United States to support significant social and environmental protections, and their roles in these cases are consistent with this image.[31] Governments

[31] While the Clinton administration arguably treated private standards systems as a preferred solution, the European governments that came to support forest certification had initially pursued legislative solutions. For this reason, European governments can

in developing countries have often been skeptical of labor and environmental standards—although unions and advocacy groups in these countries occasionally support them (Chan and Ross 2003)—due to fears that they will impede international competitive advantages. These governments did not play a direct role in creating private certification systems, though their opposition to binding international standards may have indirectly paved the way for the rise of this form.

CONCLUSION

What explains the recent rise of transnational private regulation—and particularly the certification model? Drawing on different traditions in institutional theory and the multidisciplinary literature on private regulation, I have considered a market-based approach rooted in images of institutions as *solutions* to collective action problems, and I have developed a political-institutional approach that treats institutions as *settlements* of conflict. Empirically, I have moved beyond single case studies to examine patterns of institution building in both the apparel and forest products fields.

The analysis traces the rise of certification both to market-based collective action problems and to the "political construction of market institutions." In some instances, groups of firms did envision certification and monitoring systems as a way to manage reputations, make claims credible, and rationalize competition—as expected by the market-based account. This did not automatically translate into actual certification associations though, and firms did not mobilize around this model as much as strong versions of the market-based theory would expect. The critical role of other actors—especially NGOs, governments, and sometimes foundations—in building and crafting certification associations becomes intelligible through the lens of a political-institutional perspective. Consistent with this account, early support for certification grew out of institutionally embedded conflicts over the legitimacy of divergent strategies for regulating international supply chains. As these conflicts—occurring in a neoliberal context—delegitimated governmental or intergovernmental standards, some NGOs and governments shifted their energies toward the market. Thus, a market-oriented model of institutional design (certification) emerged not so much because actors within the market were its sole creators, but because politics—that is, the constellation of political and ideological powers—took other possible models off the table and provided opportunities for this particular institutional design.

reasonably be portrayed as *responding* to neoliberal constraints, while the U.S. government appears to have been more willing to *push* the neoliberal project.

I have shown how both markets and politics matter for the analysis of transnational private regulation. But what are the implications of this beyond simply saying that each theoretical perspective has something to offer? First, it is a reminder to avoid reductionist, decontextualized models of governance. Such analyses appear to be arising especially from market-based perspectives, with scholars theorizing corporate social responsibility initiatives as a function of the enlightened self-interest of firms, responses to the "reputation commons problem," and similar collective action dilemmas (King et al. 2002; Spar 1998)—and in some cases even suggesting that the rise of voluntary, reputation-based systems obviates the need for a state (Klein 1997). While not without analytical purchase, these models tend to strip the phenomena of their historical and political context, which my research has shown to be a constitutive force.

Second, these findings point to the importance of theorizing combinations of conditions and employing conjunctural conceptions of causation to explain new institutional forms. At the most basic level, the emergence of private regulatory associations appears to require the combination of two things—interested actors within the market (i.e., some segment of firms, though not necessarily a large segment) and entrepreneurial actors in the organizational field (typically in government or NGOs) that adopt the project, organize firms, and mobilize broader bases of support. Indeed, one could hypothesize that these two factors are necessary conditions for the creation of certification and similar forms of governance. Scholars have often emphasized the first of these conditions, but have often relegated nonmarket actors to the role of "pressuring" firms, rather than treating them as institutional entrepreneurs in their own right. Activist pressure is certainly an important motivating factor for firms; indeed, the apparel and forest products cases suggest that companies will do little in the absence of sustained pressure (and often make only minimal moves even when pressures are present). But it is also important to theorize the conditions under which NGOs, SMOs, and governments go beyond pressuring to construct new institutions for the market.

This is precisely what is put in the foreground by an analysis of the "political construction of market institutions." The central idea is that political maneuvering by nonmarket actors can create new industry governance institutions—as illustrated by the role of states and NGOs in creating certification systems. This idea resonates with work showing how state building creates the conditions for markets (Carruthers 1996), how social movements generate new organizational forms (Rao et al. 2000), and how political authority and market making intertwine (Fligstein and Sweet 2002). Yet by incorporating these ideas into the analysis of transnational standard setting in the areas of environment, labor, social justice, and human rights, we get an account that builds on but also pushes on some prominent sociological arguments about global governance.

One such set of arguments comes from economic sociology, where scholars have usefully theorized governance as the outcome of conflict, but have focused on firms as the key players. Fligstein (2005), for instance, argues that historically, "most market institutions were the outcome of political struggles whereby one group of capitalists captured government and created rules to favor itself over political opponents" (p. 194), while the recent rise of global governance "comes from global firms trying to create and stabilize regional or worldwide markets" (p. 195). This is appropriate in economic domains where other groups have relatively low stakes or are unorganized, but once we move into conflicts about the social or environmental impacts of business, firms are unlikely to be the only relevant actors. In fact, my research suggests that in social and environmental domains, firms may be relatively slow to act collectively, while nonmarket actors—especially NGOs—may do much of the work of developing new institutions. This is consistent with charges that systems of industry governance are often corporate dominated, but it means that corporations are more likely to co-opt forms created by others than to create them *de novo*. Other researchers have documented similar cases of industries free riding on innovations introduced by advocacy organizations (Lounsbury, Ventresca, and Hirsch 2003).[32] Furthermore, the power and cohesion of NGOs relative to firms and governments is likely to be a major factor in determining whether global industries get embedded in private systems of governance (and how strong these are) or intergovernmental regimes, or if they escape the constraints of external governance altogether. Much can be gained analytically from considering how the strategies and political opportunities of NGOs shape the architecture of markets.[33]

Finally, another prominent set of arguments about global governance comes from the "world culture" school of neoinstitutionalism (Meyer et al. 1997). This literature has demonstrated the tremendous impact of international NGOs but treats them as *cultural carriers*, spreading a transcendent model of "universalism, individualism, rational voluntaristic authority, progress, and world citizenship" around the globe (Boli and Thomas 1999, p. 45). In contrast, my research highlights the strategic,

[32] While scholars once argued that the nation-state does for capital what capital cannot do for itself, in some instances it appears that international nongovernmental organizations (along with states) are taking on this role in a global context.

[33] Research on transnational advocacy networks provides a starting point for thinking about NGO strategies (e.g., Finnemore and Sikkink 2005; Keck and Sikkink 1998) and their implications for models of firms and markets in economic sociology.

political side of NGOs and demonstrates the analytical utility of paying attention to conflict, not just consensus. Even if a shared cultural frame allows a wide array of actors to view deforestation or child labor as problems, divergent interests and overt conflicts will come to the fore when it comes to determining *whose* problem it is and *how* it should be addressed. Boli and Thomas (1999) do note that "actors within the same cultural frame are likely to find more bases for conflict (and cooperation) than actors from barely intersecting frames" (p. 19), but scholars within this tradition have failed to follow up on this idea. How these conflicts play out determines many substantively and theoretically important outcomes—such as whether global concerns are addressed through governments, market mechanisms, NGO projects, benevolent corporate hierarchies, innovative hybrid systems, or are merely recognized as problems but neglected in practice.

As practice and scholarship on transnational private regulation continue, much can be gained by further broadening the scope of research. First, my analysis takes one step toward combining institutional theories in economic sociology with research on global commodity chains, as Gereffi (2005) suggests, but more is possible. While research in the institutionalist tradition often emphasizes the actions of nation-states (e.g., in adopting or creating institutional models), and commodity chain research often decenters the state to look at transnational processes, my research suggests that the intersection of these dynamics is increasingly important. Second, the relationship between public and private forms of governance deserves to be interrogated at the point of production, not just at the policy level (see Rodríguez-Garavito 2005). Only with this sort of evidence can scholars truly assess whether the compromise of private regulation is ultimately a Faustian bargain or an imperfect but useful social compact. Finally, additional leverage could be gained by applying arguments developed here to cases in which private regulatory systems have *not* emerged or have been slow to develop, such as the consumer electronics, oil, or mining industries. With these extensions, scholars can better understand the conditions under which some measure of social and environmental governance may be usefully institutionalized in global industries.

APPENDIX A

TABLE A1
Primary Organizations Represented by the Informants

Organization	No. of Informants
Forest certification associations:	
Forest Stewardship Council	15
Sustainable Forestry Initiative/Board	4
Canadian Standards Association	2
Certifiers (for profit and nonprofit)	4
Charitable foundations	2
Forest products manufacturers or retailers	3
Environmental advocacy organizations	10
Labor standards certification associations:	
Apparel Industry Partnership/Fair Labor Association	7
Social Accountability International	4
Worldwide Responsible Apparel Production	3
Monitors/auditors (for profit and nonprofit)	5
Government	3
Apparel manufacturers or retailers	4
Labor, human rights, or consumer advocacy organizations	8
Legal, financial, or consulting firms	4
Collegiate apparel monitor: Worker Rights Consortium	3

Note.—Informants were considered connected to an organization if they worked for it, with it, or helped to create it. The table is based on the main affiliation(s) (past or present) of each individual, as revealed in the interview. The table does not sum to the total number of informants ($N = 57$) because some individuals had ties to multiple organizations.

REFERENCES

Abernathy, Frederick, John Dunlop, Janice Hammond, and David Weil. 1999. *A Stitch in Time: Lean Retailing and the Transformation of Manufacturing: Lessons from the Apparel and Textile Industries*. New York: Oxford University Press.

Ackard, Patrick J. 1992. “Corporate Mobilization and Political Power: The Transformation of U.S. Economic Policy in the 1970s.” *American Sociological Review* 57:597–615.

Anderson, Roy C., and Eric N. Hansen. 2004. “Determining Consumer Preferences for Ecolabeled Forest Products: An Experimental Approach.” *Journal of Forestry* 102:28–32.

Armstrong, Elizabeth A. 2005. “From Struggle to Settlement: The Crystallization of a Field of Lesbian/Gay Organizations in San Francisco, 1969–1973.” Pp. 161–87 in *Social Movements and Organization Theory*, edited by Gerald F. Davis, Doug McAdam, W. Richard Scott, and Mayer N. Zald. New York: Cambridge University Press.

Arnold and Porter, LLP. 1996. "Monitoring Precedents (prepared for Apparel Industry Partnership)." November 1. Archives of FLA organizer.

Barrett, Joyce. 1994*a*. "Baucus Wants Importers Working to Improve Human Rights in China." *Women's Wear Daily*, May 10, p. 23.

———. 1994*b*. "Senate Hears of Brutal Child Labor Conditions." *Women's Wear Daily*, September 22, pp. 9–10.

Bartley, Tim. 2005. "Corporate Accountability and the Privatization of Labor Standards: Struggles over Codes of Conduct in the Apparel Industry." *Research in Political Sociology* 12:211–44.

———. 2007. "How Foundations Shape Social Movements: The Construction of an Organizational Field and the Rise of Forest Certification." *Social Problems* 54: 229–55.

Berenbeim, Ronald E. 1987. "Corporate Ethics." Research report no. 900. New York: Conference Board.

Bernstein, Steven, and Benjamin Cashore. 2004. "Non-state Global Governance: Is Forest Certification a Legitimate Alternative to a Global Forest Convention?" Pp. 33–63 in *Hard Choices, Soft Law: Voluntary Standards in Global Trade, Environment and Social Governance*, edited by John J. Kirton and Michael J. Trebilcock. Aldershot: Ashgate.

Black, Susan. 1995. "Bad Apples Need Not Apply." *Bobbin*, October, p. 2.

———. 1997. "Can We Live with Big Brother?" *Bobbin*, June, p. 1.

———. 1998. "AAMA's Compliance Plan: A Mammoth Undertaking." *Bobbin*, November, p. 1.

Bobbin. 1997. "CAIC Works toward Non-profit Compliance." *Bobbin*, February, p. 44.

———. 1998. "Can the Apparel Industry Curb Sweatshops?" *Bobbin*, August, pp. 8–12.

Boli, John, and George M. Thomas. 1999. "INGOs and the Organization of World Culture." Pp. 13–49 in *Constructing World Culture: International Nongovernmental Organizations since 1875*, edited by John Boli and George M. Thomas. Stanford, Calif.: Stanford University Press.

Bonacich, Edna, and Richard P. Appelbaum. 2000. *Behind the Label: Inequality in the Los Angeles Apparel Industry*. Berkeley and Los Angeles: University of California Press.

Bonacich, Edna, Lucie Cheng, Norma Chinchilla, Nora Hamilton, and Paul Ong. 1994. "The Garment Industry in the Restructuring Global Economy." Pp. 3–18 in *Global Production: The Apparel Industry in the Pacific Rim*, edited by Edna Bonacich, Lucie Cheng, Norma Chinchilla, Nora Hamilton, and Paul Ong. Philadelphia: Temple University Press.

Bowman, John R. 1989. *Capitalist Collective Action: Competition, Cooperation, and Conflict in the Coal Industry*. New York: Cambridge University Press.

Braithwaite, John, and Peter Drahos. 2000. *Global Business Regulation*. New York: Cambridge University Press.

Cabarle, Bruce. 1994. "The Timber Trade and the Search for 'Good Wood.'" Paper presented at the Timber Certification: Implications for Tropical Forest Management conference, Yale University, February.

Campaign for Labor Rights. 1997. "Newsletter #9." September–November. Washington, D.C.: Campaign for Labor Rights.

Campbell, Donald T. 1975. "'Degrees of Freedom' and the Case Study." *Comparative Political Studies* 8:178–93.

Campbell, John L. 2004. *Institutional Change and Globalization*. Princeton, N.J.: Princeton University Press.

Campbell, John L., and Leon N. Lindberg. 1990. "Property Rights and the Organization of Economic Activity by the State." *American Sociological Review* 55:634–47.

Carruthers, Bruce G. 1994. "When Is the State Autonomous? Culture, Organization Theory, and the Political Sociology of the State." *Sociological Theory* 12:19–44.
———. 1996. *City of Capital: Politics and Markets in the English Financial Revolution*. Princeton, N.J.: Princeton University Press.
Cashore, Benjamin, Graeme Auld, and Deanna Newsom. 2004. *Governing through Markets: Forest Certification and the Emergence of Non-state Authority*. New Haven, Conn.: Yale University Press.
Cavanagh, John. 1997. "The Global Resistance to Sweatshops." Pp. 39–50 in *No Sweat: Fashion, Free Trade and the Rights of Garment Workers*, edited by Andrew Ross. New York: Verso.
Chan, Anita, and Robert J. S. Ross. 2003. "Racing to the Bottom: International Trade without a Social Clause." *Third World Quarterly* 24:1011–28.
Clemens, Elisabeth S. 1997. *The People's Lobby: Organizational Innovation and the Rise of Interest Group Politics in the United States, 1890–1925*. Chicago: University of Chicago Press.
Clemens, Elisabeth, and James Cook. 1999. "Politics and Institutionalism: Explaining Durability and Change." *Annual Review of Sociology* 25:441–66.
Collingsworth, Terry, J. William Goold, and Pharis Harvey. 1994. "Time for a Global New Deal." *Foreign Affairs* 48:8–13.
Collins, Jane L. 2003. *Threads: Gender, Labor, and Power in the Global Apparel Industry*. Chicago: University of Chicago Press.
Conroy, Michael E. 2001. "Can Advocacy-Led Certification Systems Transform Global Corporate Practices? Evidence and Some Theory." PERI Working Paper no. 21. http://ssrn.com/abstract=338723.
Council on Economic Priorities. 1991. *Shopping for a Better World: A Quick and Easy Guide to Socially Responsible Supermarket Shopping*. New York: Ballantine Books.
———. 1994. "How to Develop Guidelines for Corporate Action on Child Labor." New York: Council on Economic Priorities.
Counsell, Simon. 1995. "Briefing: Timber: Eco-Labelling and Certification." London: Friends of the Earth, U.K. http://www.foe.co.uk/resource/briefings/timber_labelling_certification.html.
Crossley, Rachel. 1996. "A Review of Global Forest Management Certification Initiatives: Political and Institutional Aspects." Paper presented at the Econonomic, Social and Political Issues in Certification of Forest Management conference, Malaysia, May.
CSFCC (Canadian Sustainable Forestry Certification Coalition). 1997. "Frequently Asked Questions." http://web.archive.org/web/19971009051803/www.sfms.com/rece73.htm.
Cutler, A. Claire, Virginia Haufler, and Tony Porter, eds. 1999. *Private Authority and International Affairs*. New York: SUNY Press.
Dennis, Don. 1991. Letter, March 1. Personal archives of a member of the Certification Working Group.
Dezalay, Yves, and Bryant G. Garth. 2002. "Legitimating the New Legal Orthodoxy." Pp. 306–34 in *Global Prescriptions: The Production, Exportation, and Importation of a New Legal Orthodoxy*, edited by Yves Dezalay and Bryant G. Garth. Ann Arbor: University of Michigan Press.
Dickson, Marsha A. 2001. "Utility of No Sweat Labels for Apparel Consumers: Profiling Label Users and Predicting Their Purchases." *Journal of Consumer Affairs* 35:96–119.
DiMaggio, Paul. 1991. "Constructing an Organizational Field as a Professional Project: U.S. Art Museums, 1920–1940." Pp. 267–92 in *The New Institutionalism in Organizational Analysis*, edited by Walter W. Powell and Paul DiMaggio. Chicago: University of Chicago Press.
DiMaggio, Paul, and Walter W. Powell. 1991. "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields." Pp. 63–82 in *The*

New Institutionalism in Organizational Analysis, edited by Walter W. Powell and Paul DiMaggio. Chicago: University of Chicago Press.
Djelic, Marie-Laure, and Sigrid Quack. 2003. "Theoretical Building Blocks for a Research Agenda Linking Globalization and Institutions." Pp. 15–34 in *Globalization and Institutions: Redefining the Rules of the Economic Game*, edited by Marie-Laure Djelic and Sigrid Quack. Northhampton, Mass.: Edward Elgar.
Domhoff, G. William. 1990. *The Power Elite and the State: How Policy Is Made in America*. New York: Aldine de Gruyter.
Dudley, Nigel, Jean-Paul Jeanrenaud, and Francis Sullivan. 1995. *Bad Harvest? The Timber Trade and the Degradation of the World's Forests*. London: Earthscan.
Ecological Trading Company. 1990. Letter, July. Personal archives of a member of the Certification Working Group.
Elliott, Chris. 2000. *Forest Certification from a Policy Network Perspective*. Jakarta: Center for International Forestry Research (CIFOR).
Elliott, Kimberly Ann, and Richard B. Freeman. 2003. *Can Labor Standards Improve under Globalization?* Washington, D.C.: Institute for International Economics.
Esbenshade, Jill. 2004. *Monitoring Sweatshops: Workers, Consumers, and the Global Apparel Industry*. Philadelphia: Temple University Press.
Evans, Peter. 1997. "The Eclipse of the State? Reflections on Stateness in an Era of Globalization." *World Politics* 50:62–87.
———. 2000. "Fighting Marginalization with Transnational Networks: Counter-hegemonic Globalization." *Contemporary Sociology* 29:230–41.
Finnemore, Martha, and Kathryn Sikkink. 2005. "International Norm Dynamics and Political Change." *International Organization* 52:887–917.
Fligstein, Neil. 1996. "Markets as Politics: A Political-Cultural Approach to Market Institutions." *American Sociological Review* 61:656–73.
———. 2001. "Social Skill and the Theory of Fields." *Sociological Theory* 19:105–25.
———. 2005. "The Political and Economic Sociology of International Economic Arrangements." Pp. 183–204 in *Handbook of Economic Sociology*, edited by Neil Smelser and Richard Swedberg. Princeton, N.J.: Princeton University Press.
Fligstein, Neil, and Alec Stone Sweet. 2002. "Constructing Polities and Markets: An Institutionalist Account of European Integration." *American Journal of Sociology* 107:1206–43.
Fombrun, Charles J. 1996. *Reputation: Realizing Value from the Corporate Image*. Boston: Harvard Business School Press.
Ford Foundation. 2002. "Funders Collaborative: Sustainable Forestry" (video recording). New York: Ford Foundation.
Fourcade-Gourinchas, Marion, and Sarah L. Babb. 2002. "The Rebirth of the Liberal Creed: Paths to Neoliberalism in Four Countries." *American Journal of Sociology* 103:533–79.
Friedland, Roger, and Robert R. Alford. 1991. "Bringing Society Back In: Symbols, Practices, and Institutional Contradictions." Pp. 232–63 in *The New Institutionalism in Organizational Analysis*, edited by Walter W. Powell and Paul DiMaggio. Chicago: University of Chicago Press.
FSC (Forest Stewardship Council). 1992. "List of Participants." Procedings of the FSC conference, Toronto.
Gale, Fred P. 1998. *The Tropical Timber Trade Regime*. New York: St. Martin's.
Garcia-Johnson, Ronie. 2001. "Beyond Corporate Culture: Reputation, Rules, and the Role of Social and Environmental Certification Institutions." Manuscript. Duke University, Nicholas School of the Environment and Earth Sciences.
Garcia-Johnson, Ronie, Gary Gereffi, and Erika Sasser. 2000. "Certification Institution Emergence: Explaining Variation." Manuscript. Duke University, Nicholas School of the Environment and Earth Sciences.
Gellert, Paul K. 2003. "Renegotiating a Timber Commodity Chain: Lessons from

Indonesia on the Political Construction of Global Commodity Chains." *Sociological Forum* 18:53–84.

Gereffi, Gary. 1994. "The Organization of Buyer-Driven Global Commodity Chains: How U.S. Retailers Shape Overseas Production Networks." Pp. 95–122 in *Commodity Chains and Global Capitalism*, edited by Gary Gereffi and Miguel Korzeniewicz. Westport, Conn.: Praeger.

———. 2005. "The Global Economy: Organization, Governance, and Development." Pp. 160–82 in *The Handbook of Economic Sociology*, edited by Neil J. Smelser and Richard Swedberg. Princeton, N.J.: Princeton University Press.

Gereffi, Gary, Ronie Garcia-Johnson, and Erika Sasser. 2001. "The NGO-Industrial Complex." *Foreign Policy*, July/August.

Golodner, Linda F. 1997. "Apparel Industry Code of Conduct: A Consumer Perspective on Social Responsibility." Notre Dame Center for Ethics and Religious Values in Business. October 6. http://www.nclnet.org/notredam.htm.

Guillen, Mauro F. 2001. *The Limits of Convergence*. Princeton, N.J.: Princeton University Press.

Gulbrandsen, Lars H. 2006. "Creating Markets for Eco-Labelling: Are Consumers Insignificant?" *International Journal of Consumer Studies* 30:477–89.

Hafner-Burton, Emilie M., and Kiyoteru Tsutsui. 2005. "Human Rights in a Globalizing World: The Paradox of Empty Promises." *American Journal of Sociology* 10:1373–1411.

Hall, Peter A. 2003. "Aligning Ontology and Methodology in Comparative Research." Pp. 373–404 in *Comparative Historical Analysis in the Social Sciences*, edited by James Mahoney and Dietrich Rueschemeyer. New York: Cambridge University Press.

Hall, Peter A., and David Soskice. 2001. "An Introduction to Varieties of Capitalism." Pp. 1–68 in *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, edited by Peter A. Hall and David Soskice. New York: Oxford University Press.

Hall, Peter A., and Rosemary C. R. Taylor. 1996. "Political Science and the Three New Institutionalisms." *Political Studies* 44:936–57.

Hall, Rodney Bruce, and Thomas J. Biersteker, eds. 2002. *The Emergence of Private Authority in Global Governance*. New York: Cambridge University Press.

Haufler, Virginia. 2001. *A Public Role for the Private Sector: Industry Self-Regulation in a Global Economy*. Washington, D.C.: Carnegie Endowment for International Peace.

———. 2003. "New Forms of Governance: Certification Regimes as Social Regulations of the Global Market." Pp. 237–47 in *The Social and Political Dimensions of Forest Certification*, edited by Errol Meidinger, Chris Elliot, and Gerhard Oesten. Remagen-Oberwinter: Forstbuch.

Hechter, Michael. 1990. "The Emergence of Cooperative Social Institutions." Pp. 13–33 in *Social Institutions: Their Emergence, Maintenance and Effects*, edited by Michael Hechter, Karl-Dieter Opp, and Reinhard Wippler. New York: Aldine de Gruyter.

———. 2000. "Agenda for Sociology at the Start of the Twenty-First Century." *Annual Review of Sociology* 26:697–98.

Immergut, Ellen M. 1992. "The Rules of the Game: The Logic of Health Policy-Making in France, Switzerland, and Sweden." Pp. 57–89 in *Structuring Politics: Historical Institutionalism in Comparative Analysis*, edited by Sven Steinmo, Kathleen Thelen, and Frank Longstreth. New York: Cambridge University Press.

Ingram, Paul, and Karen Clay. 2000. "The Choice-Within-Constraints New Institutionalism and Implications for Sociology." *Annual Review of Sociology* 26:525–46.

International Tropical Timber Organization. 1989. Proceedings of a conference on

International Tropical Timber Council, 7th session, Yokohama, October 30–November 7.
Jenkins, Michael B., and Emily T. Smith. 1999. *The Business of Sustainable Forestry*. Washington, D.C.: Island Press.
Johnson, Nels, and Bruce Cabarle. 1993. *Surviving the Cut: Natural Forest Management in the Humid Tropics*. Washington, D.C.: World Resources Institute.
Jones Luong, Pauline. 2002. *Institutional Change and Political Continuity in Post-Soviet Central Asia: Power, Perceptions and Pacts*. New York: Cambridge University Press.
Journal of Forestry. 1993. "Certifying Sustainable Forest Products: A Roundtable Discussion." *Journal of Forestry* 91:33–38.
Kahler, Miles, and David A. Lake. 2003. "Globalization and Governance." Pp. 1–30 in *Governance in a Global Economy: Political Authority in Transition*, edited by Miles Kahler and David A. Lake. Princeton, N.J.: Princeton University Press.
Keck, Margaret, and Kathryn Sikkink. 1998. *Activists beyond Borders: Trans-national Advocacy Networks in International Politics*. Ithaca, N.Y.: Cornell University Press.
Keohane, Robert O. 1984. *After Hegemony: Cooperation and Discord in the World Political Economy*. Princeton, N.J.: Princeton University Press.
———. 2002. "Ironies of Sovereignty: The European Union and the United States." *Journal of Common Market Studies* 40:743–65.
King, Andrew, and M. Lenox. 2000. "Industry Self-Regulation without Sanctions: The Chemical Industry's Responsible Care Program." *Academy of Management Journal* 43:698–716.
King, Andrew A., Michael J. Lenox, and Michael L. Barnett. 2002. "Strategic Responses to the Reputation Commons Problem." Pp. 393–406 in *Organizations, Policy, and the Natural Environment*, edited by Andrew J. Hoffman and Marc J. Ventresca. Stanford, Calif.: Stanford University Press.
Klein, Daniel B. 1997. "Trust for Hire: Voluntary Remedies for Quality and Safety." Pp. 97–113 in *Reputation: Studies in the Voluntary Elicitation of Good Conduct*, edited by Daniel B. Klein. Ann Arbor: University of Michigan Press.
Klein, Naomi. 1999. *No Logo: Taking Aim at the Brand Bullies*. New York: Picador.
Knight, Jack. 1992. *Institutions and Social Conflict*. New York: Cambridge University Press.
Koenig, Karen M., and Jean Headley. 1995. "Sustainable Forest Management: Where Do You Fit In?" *Wood and Wood Products* 100:44–48.
Krupat, Kitty. 1997. "From War Zone to Free Trade Zone: A History of the National Labor Committee." Pp. 51–77 in *No Sweat: Fashion, Free Trade and the Rights of Garment Workers*, edited by Andrew Ross. New York: Verso.
Labor Rights in China. 1999. *No Illusions: Against the Global Cosmetic SA8000*. Hong Kong: Labor Rights in China.
Larson, Elizabeth R., and Bonnie Cox. 1998. "Social Accountability 8000: Measuring Workplace Conditions Worldwide." *Quality Digest*, February.
Levy, Stanley. 1998. Testimony, U.S. House of Representatives Committee on Education and the Workforce, American Worker at a Crossroads Project. http://commdocs.house.gov/committees/edu/hedo&i5-105.000/hedo&i5-105.htm.
Lipschutz, Ronnie D., and Cathleen Fogel. 2002. "'Regulation for the Rest of Us?' Global Civil Society and the Privatization of Transnational Regulation." Pp. 115–40 in *The Emergence of Private Authority in Global Governance*, edited by Rodney Bruce Hall and Thomas J. Biersteker. New York: Cambridge University Press.
Lounsbury, Michael. 2001. "Institutional Sources of Practice Variation: Staffing College and University Recycling Programs." *Administrative Science Quarterly* 46:29–56.
Lounsbury, Michael, Marc J. Ventresca, and Paul M. Hirsch. 2003. "Social Movements, Field Frames and Industry Emergence: A Cultural-Political Perspective on U.S. Recycling." *Socio-economic Review* 1:71–104.

MacArthur Foundation. 1998. *The Business of Sustainable Forestry: Case Studies (A Project of the Sustainable Forestry Working Group)*. Chicago: MacArthur Foundation.

MacKerron, Conrad B., and Douglas G. Cogan. 1993. *Business in the Rainforests: Corporations, Deforestation and Sustainability*. Washington, D.C.: Investor Responsibility Research Center.

Marlow, Michael. 1995. "L.A. Contractors: A New Set of Rules." *Women's Wear Daily*, June 22, pp. 9–10.

Martin, Roger L. 2003. "The Virtue Matrix: Calculating the Return on Corporate Responsibility." Pp. 83–103 in *Harvard Business Review on Corporate Responsibility*. Boston: Harvard Business School Press.

Marymount University Center for Ethical Concerns. 1999. "The Consumer and Sweatshops." http://www.marymount.edu/news/garmentstudy.

Mazur, Jay. 1996. "UNITE President Calls for Global Industry-wide Reform at Fashion Industry Forum." July 16. UNITE press release, http://web.archive.org/web/19980127051026/www.uniteunion.org/sweatshops/sweatshoparchive/globalreform.html.

McNichol, Jason. 2000. "Contesting Governance in the Global Marketplace: A Sociological Assessment of British Efforts to Build Markets for NGO-Certified Wood Products." Working Paper no. 2000–06. University of California, Center for Culture, Organization, and Politics.

———. 2003. "The Forest Stewardship Council as a New Para-regulatory Social Form." Pp. 249–64 in *The Social and Political Dimensions of Forest Certification*, edited by Errol Meidinger, Chris Elliot, and Gerhard Oesten. Remagen-Oberwinter: Forstbuch.

Meidinger, Errol E. 2003. "Forest Certification as a Global Civil Society Regulatory Institution." Pp. 265–89 in *The Social and Political Dimensions of Forest Certification*, edited by Errol Meidinger, Chris Elliot, and Gerhard Oesten. Remagen-Oberwinter: Forstbuch.

Meyer, John M., John Boli, George M. Thomas, and Francisco O. Ramirez. 1997. "World Society and the Nation State." *American Journal of Sociology* 103:144–81.

Milgrom, Paul R., Douglass C. North, and Barry R. Weingast. 1990. "The Role of Institutions in the Revival of Trade: The Law Merchant, Private Judges, and the Champagne Fairs." *Economics and Politics* 2:1–23.

Mizruchi, Mark, and Lisa Fein. 1999. "The Social Construction of Organizational Knowledge: A Study in the Use of Coercive, Mimetic, and Normative Isomorphism." *Administrative Science Quarterly* 44:653–84.

National Research Council. 2004. *Monitoring International Labor Standards: Techniques and Sources of Information*. Washington, D.C.: National Academies Press.

Nee, Victor, and Paul Ingram. 1998. "Embeddedness and Beyond: Institutions, Exchange, and Social Structure." Pp. 19–45 in *The New Institutionalism in Sociology*, edited by Mary C. Brinton and Victor Nee. Stanford, Calif.: Stanford University Press.

Nett, A. J. 1997. "California Makers Squeezed, Come out Fighting." *Bobbin*, December, pp. 34–38.

North, Douglass C. 1990. *Institutions, Institutional Change and Economic Performance*. New York: Cambridge University Press.

O'Riain, Sean. 2000. "States and Markets in an Era of Globalization." *Annual Review of Sociology* 26:187–213.

O'Rourke, Dara. 1997. "Smoke from a Hired Gun: A Critique of Nike's Labor and Environmental Auditing in Vietnam as Performed by Ernst and Young." Transnational Resource and Action Center, http://nature.berkeley.edu/orourke/PDF/smoke.pdf.

———. 2003. "Outsourcing Regulation: Analyzing Non-governmental Systems of Labor Standards and Monitoring." *Policy Studies Journal* 31:1–29.

Osbourne, David, and Ted Gaebler. 1992. *Reinventing Government*. New York: Addison-Wesley.

Ostrom, Elinor. 1990. *Governing the Commons: The Evolution of Institutions for Collective Action*. New York: Cambridge University Press.

Ozanne, Lucie K., and Richard P. Vlosky. 2003. "Certification from the U.S. Consumer Perspective: A Comparison from 1995 and 2000." *Forest Products Journal* 53:13–21.

Pierson, Paul. 2000. "Increasing Returns, Path Dependence, and the Study of Politics." *American Political Science Review* 94:251–67.

Piore, Michael. 1997. "The Economics of the Sweatshop." Pp. 135–42 in *No Sweat: Fashion, Free Trade and the Rights of Garment Workers*, edited by Andrew Ross. New York: Verso.

Polanyi, Karl. 1944. *The Great Transformation*. Boston: Beacon.

Post, James E. 2000. "Global Codes of Conduct: Activists, Lawyers, and Managers in Search of a Solution." Pp. 103–16 in *Global Codes of Conduct: An Idea Whose Time Has Come*, edited by Oliver F. Williams. South Bend, Ind.: University of Notre Dame Press.

Potoski, M., and A. Prakash. 2005. "Green Clubs and Voluntary Governance: ISO 14001 and Firms' Regulatory Compliance." *American Journal of Political Science* 49:235–48.

Powell, Walter W. 1991. "Expanding the Scope of Institutional Analysis." Pp. 183–203 in *The New Institutionalism in Organizational Analysis*. Chicago: University of Chicago Press.

Prasad, Monica. 2005. "Why Is France So French? Culture, Institutions, and Neoliberalism." *American Journal of Sociology* 111:357–407.

Ragin, Charles C. 2000. *Fuzzy-Set Social Science*. Chicago: University of Chicago Press.

Ramey, Joanna. 1997*a*. "Sweatshop Taskforce, at Impasse, Called by White House for Meeting." *Women's Wear Daily*, March 28, pp. 9–10.

———. 1997*b*. "Textile, Apparel Importers Set up PAC." *Women's Wear Daily*, November 25, pp. 13–14.

Ramey, Joanna, and Joyce Barrett. 1996. "Apparel's Ethics Dilemma." *Women's Wear Daily*, March 18, pp. 10–13.

Rao, Hayagreeva. 1998. "Caveat Emptor: The Construction of Nonprofit Consumer Watchdog Organizations." *American Journal of Sociology* 103:912–61.

Rao, Hayagreeva, Calvin Morrill, and Mayer N. Zald. 2000. "Power Plays: How Social Movements and Collective Action Create New Organizational Forms." *Research in Organizational Behavior* 22:237–81.

Raynolds, Laura T. 2000. "Re-embedding Global Agriculture: The International Organic and Fair Trade Movements." *Agriculture and Human Values* 17:297–309.

Rodríguez-Garavito, César A. 2005. "Global Governance and Labor Rights: Codes of Conduct and Anti-sweatshop Struggles in Global Apparel Factories in Mexico and Guatemala." *Politics and Society* 33:203–233.

Rolnick, Alan L. 1997. "Muzzling the Offshore Watchdogs." *Bobbin*, February, pp. 72–73.

Rosen, Ellen Israel. 2002. *Making Sweatshops: The Globalization of the U.S. Apparel Industry*. Berkeley and Los Angeles: University of California Press.

Ross, Robert J. S. 2001. "Sweatshop Police." *The Nation*, September 3, pp. 6–7.

Roy, William G. 1997. *Socializing Capital: The Rise of the Large Industrial Corporation in America*. Princeton, N.J.: Princeton University Press.

Ruggie, John G. 2003. "Taking Embedded Liberalism Global: The Corporate Connection." Pp. 93–129 in *Taming Globalization: Frontiers of Governance*, edited by David Held and Mathias Koenig-Archibugi. London: Polity Press.

Sabel, Charles, Dara O'Rourke, and Archon Fung. 2000. "Ratcheting Labor Standards: Regulation for Continuous Improvement in the Global Workplace." KSG Working Paper No. 00–010; Columbia Law and Economic Working Paper No. 185; Columbia Law School, Pub. Law Research Paper No. 01–21. http://ssrn.com/abstract=253833.
Sassen, Saskia. 1996. *Losing Control? Sovereignty in an Age of Globalization*. New York: Columbia University Press.
———. 2002. "The State and Globalization." Pp. 91–112 in *The Emergence of Private Authority in Global Governance*, edited by Rodney Bruce Hall and Thomas J. Biersteker. New York: Cambridge University Press.
Schneiberg, Marc. 2002. "Organizational Heterogeneity and the Production of New Forms: Politics, Social Movements and Mutual Companies in American Fire Insurance, 1900–1930." *Research in the Sociology of Organizations* 19:39–89.
Schneiberg, Marc, and Tim Bartley. 2001. "Regulating American Industries: Markets, Politics, and the Institutional Determinants of Fire Insurance Regulation." *American Journal of Sociology* 107:101–46.
Scott, W. Richard. 2001. *Institutions and Organizations*. Thousand Oaks, Calif.: Sage.
Seidman, Gay. 2003. "Monitoring Multinationals: Lessons from the Anti-apartheid Era." *Politics and Society* 31:381–406.
Seo, Myeong-Gu, and W. E. Douglas Creed. 2002. "Institutional Contradictions, Praxis, and Institutional Change: A Dialectical Perspective." *Academy of Management Review* 27:222–47.
Shapiro, Susan. 1987. "The Social Control of Impersonal Trust." *American Journal of Sociology* 93:623–58.
Shaw, Randy. 1999. *Reclaiming America: Nike, Clean Air, and the New National Activism*. Berkeley and Los Angeles: University of California Press.
Sikkink, Kathryn. 1986. "Codes of Conduct for Transnational Corporations: The Case of the WHO/UNICEF Code." *International Organization* 40:815–40.
Skrentny, John David. 1996. *The Ironies of Affirmative Action*. Chicago: University of Chicago Press.
Somers, Margaret, and Fred Block. 2005. "From Poverty to Perversity: Ideas, Markets, and Institutions over 200 Years of Welfare Debate." *American Sociological Review* 70:260–87.
Spar, Debora L. 1998. "The Spotlight and the Bottom Line: How Multinationals Export Human Rights." *Foreign Affairs* 77:7–12.
Spar, Debora L., and David B. Yoffie. 2000. "A Race to the Bottom or Governance from the Top?" Pp. 31–51 in *Coping with Globalization*, edited by Aseem Prakash and Jeffrey A. Hart. New York: Routledge.
Spielberg, Elinor. 1997. "The Myth of Nimble Fingers." Pp. 113–22 in *No Sweat: Fashion, Free Trade and the Rights of Garment Workers*, edited by Andrew Ross. New York: Verso.
Stigler, George J. 1971. "The Theory of Economic Regulation." *Bell Journal of Economics and Management Science* 2:3–21.
Stryker, Robin. 2002. "A Political Approach to Organizations and Institutions." *Research in the Sociology of Organizations* 19:169–93.
Su, Julie. 1997. "El Monte Thai Garment Workers: Slave Sweatshops." Pp. 143–49 in *No Sweat: Fashion, Free Trade and the Rights of Garment Workers*, edited by Andrew Ross. New York: Verso.
Thelen, Kathleen. 2003. "How Institutions Evolve: Insights from Comparative Historical Analysis." Pp. 208–40 in *Comparative Historical Analysis in the Social Sciences*, edited by James Mahoney and Dietrich Rueschemeyer. New York: Cambridge University Press.
———. 2004. *How Institutions Evolve: The Political Economy of Skills in Germany, Britain, the United States, and Japan*. New York: Cambridge University Press.
Tolbert, Pamela S., and Lynne G. Zucker. 1994. "Institutional Analyses of

Organizations: Legitimate but Not Institutionalized." Working Paper. University of California, Los Angeles; Institute for Social Science Research.
Tsogas, George. 2001. *Labor Regulation in a Global Economy*. Armonk, N.Y.: M.E. Sharpe.
Upton, Christopher, and Stephen Bass. 1996. *The Forest Certification Handbook*. Delray Beach, Fl.: St. Lucie.
Varley, Pamela, ed. 1998. *The Sweatshop Quandary: Corporate Responsibility on the Global Frontier*. Washington, D.C.: Investor Responsibility Research Center.
Vogel, David. 1995. *Trading Up: Consumer and Environmental Regulation in a Global Economy*. Cambridge, Mass.: Harvard University Press.
———. 2005. *The Market for Virtue: The Potential and Limits of Corporate Social Responsibility*. New York: Brookings Institution Press.
Wallinger, Scott. 1995. "AF&PA Sustainable Forestry Initiative: A Commitment to the Future." *Journal of Forestry* 48:16–19.
World Bank. 2004. "Sustaining Forests: A Development Strategy." Washington, D.C.: World Bank.
WWD (*Women's Wear Daily*). 1996. "Reich Says Kathie Lee Joining His Campaign against Sweatshops." *Women's Wear Daily*, May 24, pp. 1–2.
WWF (World Wildlife Fund). 1994. "Truth or Trickery: Timber Labelling Past and Future" (1991 report). Godalming: WWF-U.K.
Zaracostas, John. 1996. "Reich: Make Labeling a Worldwide Plan." *Women's Wear Daily*, June 13, p. 13.
———. 1997. "White House Insists on Efforts for Global Standards of Labor." *Women's Wear Daily*, June 13, p. 18.