Contesting Globalization: Organized Labor, NAFTA, and the 1997 and 1998 Fast-Track Fights

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INTRODUCTION

Since the late 1970s or early 1980s and for the third time in the past 100 years, the world has witnessed a major wave of economic "globalization"—of trade, production, and finance.[1] In an ever-widening debate, many scholars have argued that globalization both constrains sovereign states from pursuing autonomous national economic policies and thwarts resistance by domestic actors to the adverse consequences of globalization.[2]

One such allegedly constraining process is the globalization of trade. First, the expansion of world trade is said to undermine popular support for and thus the option of protectionism by raising the aggregate efficiency, price, and employment costs of market closure and retaliatory trade wars, especially for countries with relatively small and relatively open economies.

Second, the globalization of trade is said to have shifted the balance of domestic interest group forces against protectionism and toward support for free trade. On one hand, the growth of trade has structurally strengthened the economic position and therefore also the political influence of trade-dependent, pro-free-trade business interests, including exporters, importers, intermediate goods users, and multinational corporations (MNCs).[3] On the other hand, globalization, especially if accompanied for whatever reasons by initial steps toward trade liberalization, eventually either erodes the position of import-competing sectors of business and

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55. For studies that find evidence of labor PAC influence on congressional voting on labor issues, see Gregory M. Saltzman, "Congressional Voting on Labor Issues: The Role of PACs," *Industrial and Labor Relations Review* 40, no. 2 (1987): 163-79; Allen Wilhite and John Theilman, "Labor PAC Contributions and Labor Legislation: A Simultaneous Logit Approach," *Public Choice* 53, no. 3 (1987): 267-76; Woodrow Jones, Jr. and Robert K. Keiser, "Issue Visibility and the Effects of PAC Money," *Social Science Quarterly* 68, no. 1 (1987): 170-76; Alan Neustadtl, "Interest Group PACsmanship: An Analysis of Campaign Contributions, Issue Visibility, and Legislative Impact," *Social Forces* 69, no. 2 (1990): 549-64.

For reviews of the wider literature on the effects of PAC spending on congressional voting behavior, see Baumgartner and Leech, *Basic Instincts*; Wright, *Interest Groups and Congress*; Thomas Gais, *Improper Influence: Campaign Finance Law, Political Interest Groups, and the Problem of Equality* (Ann Arbor: University of Michigan Press, 1996).

56. See the studies of congressional voting on NAFTA cited in note 12 above. For other studies that find PAC effects on congressional trade voting, see Cletus C. Coughlin, "Domestic Content Legislation: House Voting and the Economic Theory of Regulation," *Economic Inquiry* 23, no. 3 (1985): 437-48; Suzanne C. Tosini and Edward Tower, "The Textile Bill of 1985: The Determinants of Congressional Voting Patterns," *Public Choice* 54, no. 1 (1987): 19-25; Stephen V. Marks, "Economic Interests and Voting on the Omnibus Trade Bill of 1987," *Public Choice* 75, no. 1 (1993): 21-42; Stanley D. Nollen and Dennis P. Quinn, "Free Trade, Fair Trade, Strategic Trade, and Protectionism in the U.S. Congress, 1987-88," *International Organization* 48, no. 3 (1994): 491-525.

57. For general discussions of PACs and their strategies, see Gais, *Improper Influence*; Theodore J. Eismeier and Philip H. Pollock III, *Business, Money, and the Rise of Corporate PACs in American Elections* (New York: Quorum, 1988); Frank J. Sorauf, *Inside Campaign Finance: Myths and Realities* (New Haven, CT: Yale University Press, 1992); Dan Clawson, Alan Neustadt, and Mark Weller, *Dollars and Votes: How Business Campaign Contribution Subvert Democracy* (Philadelphia, PA: Temple University Press, 1998).

58. Gais, *Improper Influence*, 167-69; Eismeier and Pollock, *Business, Money, and the Rise of Corporate PACs in American Elections*; Clawson, Neustadtl, and Weller, *Dollars and Votes*, 150-57; Brooks Jackson, *Honest Graft: Big Money and the American Political Process* (New York: Knopf, 1988).

59. In 1982, business PACs gave only about 40 percent of their contributions in House races to Democrats. By 1992, this had jumped to almost 57 percent.

On the advantage in the receipt of corporate PAC contributions enjoyed by members of the House majority party, see Thomas J. Rudolph, "Corporate and Labor PAC Contributions in House Elections: Measuring the Effects of Majority Party Status," *Journal of Politics* 61, no. 1 (1999): 195-206; Gary W. Cox and Eric Magar, "How Much Is Majority [illegible] in the U.S. Congress Worth?" *American Political Science Review* 93, no. 2 (1999): [illegible].

60. Including contributions from both "corporate" and "trade, membership, and health" PACs.

61. See Cohen, "Dems Feel the Squeeze"; Cohen and Barnes, "Divided Democrats"; Beinart, "The Nationalist Revolt"; Abramson with Greenhouse, "The Trade Bill"; Edsall, "Big Labor Flexes Its Muscle Once Again"; Meyerson, "No-Brainer, No Votes."

62. While business PACs gave $47.5 million to House Democrats in 1994, that figure had dropped to $33 million in 1996. Meanwhile, labor PACs increased their contributions to Democrats from $32.5 million in 1994 to $37.3 million in 1996.

63. The figure for all Democratic challengers, including both winners and losers, was 71 percent.