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Article abstract
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The debate on the North American Free Trade Agreement (NAFTA) focussed mainly on its net impact on employment. At least as important, however, is its net impact on labour movement power in the NAFTA countries. This paper explores this question for Canada and the United States. The Mexican case requires a separate analysis, given the authoritarian character of its current political and labour relations regimes (Middlebrook 1991; LaBotz 1993; Reding 1989, 1991, 1994). However, aspects of the NAFTA's impacts on Mexico's workers and unions are considered briefly where this is essential

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to understanding the NAFTA’s impacts on their Canadian and American counterparts.

The paper is divided into four parts. The first explores the concept of “labour movement power” employed here, sketching its principal components. The second briefly considers why we should care about labour movement power. The third and fourth parts explore the NAFTA’s negative and positive impacts on labour movement power, respectively. It is argued that it is possible, though far from certain, that the NAFTA’s positive impacts on labour movement power will outweigh its immediate negative impacts over the medium to long run.

WHAT IS LABOUR MOVEMENT POWER?

Power is a relational concept: if your stock of power resources increases, while my stock of power resources remains constant, my power over you — understood as my capacity to influence or control your behaviour — diminishes, other things equal (Lukes 1977). A thorough analysis of the NAFTA’s impact on labour movement power must therefore examine its impact on the power resources not just of the labour movement, but also its principal interlocutors — employers and the state. It makes sense, however, to begin with the power resources available to labour movements.

We can distinguish two basic sources of such power resources: (1) structural characteristics of the movement’s principal organizations, and (2) the capacity of these organizations to mobilize their members and wider public support for their collective actions. The comparative political economy literature cited below focuses exclusively on the former, identifying four organizational structure variables that affect power resources:

a. union density — that is, the share of the workforce belonging to unions. The higher union density, the greater union bargaining power in labour markets, and the greater the support for political parties allied with the unions, since union members are more likely to vote for such parties than non-members.¹

¹ In the United States, union members are more likely to register and vote, and they are more likely to vote Democrat. In the last three presidential elections, the gap between union and non-union support for the Democrat candidate was 19 (1984), 15 (1988), and 13 (1992) percentage points (Roper 1994: 12). In Canada, even in the disastrous 1993 election, 22 percent of those in union families supported the NDP, as against only 7 percent of those who voted (Gidengil 1994). Historically, union members have been between two and three times more likely than non-union members to vote NDP (Archer 1990: 56-57).
b. left party legislative strength — that is, the share of seats in the legislature and the cabinet held by the representatives of parties allied with organized labour. The larger this share, the greater the potential for laws, regulations and government policies favourable to labour movement objectives.

c. organized labour’s unity and coherence — that is, the degree to which all unions belong to a single federation, and all unions are structured along non-overlapping, industrial lines. The greater the degree of unity and coherence, the greater organized labour’s capacity for coordinated collective action, other things equal.

d. collective bargaining centralization — that is, the degree to which central federations have the authority to negotiate national collective bargaining terms and conditions, and to control strike funds. The higher the level of centralization, the greater the potential for “political exchange” between organized labour and governments. Political exchange permits organized labour to exchange wage restraint for government policies that reduce unemployment and increase the “social wage.” These public policies reduce worker vulnerability to changes in labour markets (e.g., rising unemployment), thus increasing labour movement power.

The labour movement’s mobilizational capacity refers to the ability of its unions, political parties, and other organizations to secure the voluntary participation of union members and supporters in various types of collective action. Such actions may range from participating in a letter-writing campaign to accepting routine union administrative posts, to volunteering for relatively high cost activities such as organizing drives, strikes or civil disobedience. While often taken for granted, mobilizational capacity is really the most fundamental source of labour movement power, because all four of the structural variables depend upon it for their efficacy. Higher union density means greater potential collective bargaining power, but only if a substantial portion of union members are sufficiently motivated to volunteer to picket or strike or get out the vote when called upon by the union.

Similarly, higher organizational unity and coherence permit the formation and execution of more comprehensive and long range strategies — including “political exchanges” of wage restraint for lower unemployment and higher social wages (Cameron 1984) — but it takes membership support to turn that potential into actual political bargaining power. The same is true for the other two power resource variables: centralization and left party strength.

The literature on social movements identifies a number of ways in which their organizations may overcome collective action problems. Different

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2 See Klandermans (1988) for an example of how to measure union mobilizational capacity.
theories privilege different kinds of solution. Resource mobilization theorists, drawing on the work of neoclassical economists such as Mancur Olson (1965), focus primarily on material incentives that can be channelled to members who participate and denied to those who do not.

However, a growing body of theoretical and empirical work suggests that such incentives are seldom as important in motivating participation as two other types of motive (Klandermans, Keiesi, and Tarrow 1988; Morris and Mueller 1992). One is the belief that one has a moral obligation to participate, and that this moral obligation "trumps" preferences flowing from perceived economic self-interest (Sen 1979; Hirschman 1986). The other is the belief that the collective action has a reasonable chance of increasing desired public goods, and that one's own participation can improve those odds (Klandermans 1984, 1988).

What is true for the genus social movements is true for the species labour movements. A labour movement's mobilizational capacity — insofar as it rests on these latter types of motives — depends upon its "moral critique," its "social project," and its "political strategy." A moral critique is a challenge to the existing order based on moral principles that are accepted by movement members and supporters (e.g., to be very crude, it is unjust that some die of malnutrition while others are billionaires). Such a critique implies a conception of an alternative, more just social order. This alternative is the movement's social project. The labour movement's political strategy is its strategy for getting from the status quo to this alternative order.

If most union members are convinced that the status quo is basically just or that efforts to make it more just are very unlikely to succeed, it will be difficult to mobilize members and supporters except by direct appeals to their individual economic self-interest. But not only are union material resources quite limited in absolute terms, they are also minuscule when compared with those of large employers and the state. In the absence of a strong moral commitment on the part of the membership, then, unions are dependent upon the good will and tolerance of employers and governments. But where labour movements are weak, neither employers nor states tend to be very sympathetic to their values and objectives. Labour movement mobilizational capacity — and power more generally — thus depends to a substantial degree on the capacity of union and party activists and leaders to construct and maintain broadly compelling moral critiques, and plausible social projects and political strategies.
WHY CARE ABOUT LABOUR MOVEMENT POWER?

Studies of the OECD countries consistently show that in the 1970s and 1980s, high levels of labour movement organizational power resources were strongly correlated with more extensive welfare states, higher levels of government employment as a share of total employment, lower levels of unemployment and inflation, and lower levels of poverty and income inequality before and after taxes and transfers (Stephens 1979; Cameron 1978, 1984, 1988; Muller 1989; Hicks and Swank 1990; Korpi 1991; Swank 1993). Most of the labour movement power effect on income inequality appears to be due to the labour market aspects of this situation: lower unemployment and a wider range of jobs receiving high wages. However, some of it is also due to more extensive and universalistic social policies funded by more progressive tax systems — a higher “social wage” (Cameron 1988).

It is often claimed that the United States is “exceptional” in the area of labour relations and labour movements (see, e.g., Lipset 1986). Proponents of this view might question whether the relationships found in the OECD data hold for the United States, despite its membership in that group. There is no doubt that the current American labour movement is exceptionally weak by OECD standards, but statistical analysis suggests that the consequences of that weakness are the same in the United States as elsewhere. American states in which labour movement power is relatively high, like their national OECD counterparts, tend to be characterized by governments that provide a higher social wage and by lower income inequality levels, other things equal (Hicks, Friedlander, and Johnson 1978).

In both Canada and the United States, union density — a key labour movement power resource — declined in the 1980s. But it declined much faster, and from a much lower baseline, in the United States. In Canada, it fell from 37.6 to about 36 percent, while it fell from 23.2 to about 16 percent in the United States, between 1980 and 1990 (Kumar and Coates 1989: 447). Greater power resources enabled Canadian unions to resist employer demands for contract concessions, and efforts to cut back on the welfare state, somewhat more successfully than their American counterparts, despite the higher Canadian unemployment rate.3

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3 For the period 1979-1990, real hourly earnings in manufacturing increased at an average annual rate of 0.6 percent in Canada, while they declined by 1.2 percent in the United States. Similarly, Canadian real compensation per employee increased at an average rate of 0.8 percent per annum in this period, as opposed to a decline of 0.2 percent per annum in the United States. Canadian employment growth averaged 1.8 per cent per annum, versus the 1.6 per cent per annum generated by “the great American jobs machine,” from 1981 to 1990. But Canadian unemployment in these years averaged 9.4 percent, as opposed to 7.1 per cent in the United States (Card
If the OECD correlations between labour movement power and these other variables are valid for Canada and the United States, we would expect to see higher income inequality and poverty levels, increasing more rapidly over the 1980s, in the United States. The income inequality and poverty data summarized in Table 1 are consistent with these expectations.\textsuperscript{4} Rows 1, 2 and 3 indicate that levels of income inequality and poverty were indeed lower in Canada in the 1980s, and that the size of this gap increased over the decade. Rows 4 and 5 allow us to distinguish the effects of labour market developments from taxes and transfers on child poverty in the two countries. We see in Row 5 that the welfare state reduced labour market-based poverty levels in both countries, but by a much larger margin in Canada, particularly in the latter part of the decade. Lemieux (1993: 96) estimates that about 40 percent of the difference in national labour market-based inequality is due to differences in the extent and pattern of unionization in Canada.

Perhaps the most common claims made in support of the NAFTA are that it will increase economic efficiency, international competitiveness and the size of the national economic pie. The same argument is advanced to support other free trade and capital agreements, and neoliberal policies more generally.\textsuperscript{5} Such an increase in aggregate national wealth makes it possible to improve the income of all, including the poorest and those harmed by the economic restructuring process. But "possible" is not the same as "probable," still less "certain." The Canadian and American trends of the last 15 years dispel complacent assumptions that the bottom 50 percent of the population will benefit from neoliberal economic restructuring of the sort that characterized the 1980s.

Struggles over the distribution of economic resources are always intense. If the outcome of these struggles depends to a substantial degree upon labour movement power, one reason to care about labour movement power is what it implies for the main argument advanced in favour of neoliberal policies. To the degree that neoliberal policies undermine labour movement power, they reduce the likelihood that economic restructuring will benefit most citizens and Freeman 1993: 4). On trends in the welfare states of the two countries in the 1980s, see Blank and Hanretty (1993).

\footnote{4} If the OECD generalizations held true, Canada would have lower unemployment levels than the United States. For a recent exploration of the reasons for higher unemployment levels in Canada, see Card and Riddell (1993). The authors conclude that most of the unemployment gap is attributable to the fact that individuals who are not working are more likely to be classified as "unemployed" in Canada than in the U.S.

\footnote{5} "Neoliberalism," as the term is employed here, is a political ideology deriving academic legitimacy primarily from the discipline of neoclassical economics. Neoliberals hold that the determination of domestic and foreign economic outcomes by "market forces" is generally to be preferred to their determination by governments.
TABLE 1
Income Inequality and Poverty in Canada and the United States in the 1980s

<table>
<thead>
<tr>
<th>Variable</th>
<th>Country</th>
<th>1979</th>
<th>1986/7</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gini Coefficient for Family Income</td>
<td>Canada</td>
<td>0.373</td>
<td>0.371</td>
<td>-0.002</td>
</tr>
<tr>
<td>2. Poverty Rate of Non-Elderly Headed Families (%)</td>
<td>United States</td>
<td>0.398</td>
<td>0.411</td>
<td>0.013</td>
</tr>
<tr>
<td>3. Poverty Rate of Single-Parent Families w/ Children (%)</td>
<td>Canada</td>
<td>7.8</td>
<td>7.1</td>
<td>-0.7</td>
</tr>
<tr>
<td>4. Pre-Tax and Transfer Child Poverty (%)</td>
<td>United States</td>
<td>9.0</td>
<td>11.6</td>
<td>2.6</td>
</tr>
<tr>
<td>5. After-Tax and Transfer Child Poverty (%)</td>
<td>Canada</td>
<td>31.5</td>
<td>25.9</td>
<td>-5.6</td>
</tr>
<tr>
<td>6. Impact of State Redistribution (4-5)/4 (%)</td>
<td>United States</td>
<td>34.0</td>
<td>40.5</td>
<td>6.5</td>
</tr>
</tbody>
</table>

* 1981 data.

— a conclusion not without its ironies, given what neoliberals generally think of labour movements.

NAFTA’S NEGATIVE IMPACTS

The NAFTA will increase transnational corporate (TNC) power resources while at the same time reducing all four basic types of labour movement organizational power resources in the short to medium run. Because, as noted previously, power is relational, the first change is as important as the second. Consider each in turn.

Increased TNC Power Resources

The power of employers vis-à-vis unions and governments is enhanced as the mobility of the former is increased, because the latter are not mobile.
Unions and governments need investment and jobs in a particular place; the employer needs only disciplined workers and state protection of its property rights. The more countries in which these basic needs can be met, the more leverage employers have against any particular government or union. The NAFTA increases the mobility of employers large enough to relocate investment and production internationally by reducing the risks they face *qua* foreign investors.

It does this in three basic ways. First, it reduces the chances that a substantial increase in manufacturing exports from Mexico to Canada or the United States will be met with increased tariff or "non-tariff barriers" (NTBs), undercutting Mexico's viability as an export platform. Second, it creates new foreign investor property rights, and more effective mechanisms for enforcing them, thereby increasing protections against reductions in the value of investments due to the policies of future Mexican governments (Robinson 1993a: Section 2). Third, it locks in the Salinas administration's market liberalization reforms, considered highly desirable by foreign investors. As the U.S. Ambassador to Mexico put it, "NAFTA can be seen as an instrument to promote, consolidate, and guarantee continued policies of economic reform in Mexico beyond the Salinas administration."  

**Reduced Union Organizational Power Resources**

The four elements of union organizational power resources, it will be recalled, are union density, left party power, organized labour's unity and coherence, and the degree to which collective bargaining is centralized. Consider each in turn.

**Union Density**

NAFTA-induced reductions in the risks faced by foreign investors in Mexico can be expected to reduce union density in three ways. First, it will encourage manufacturers to relocate some parts of their production to Mexico, with the result that manufacturing plants in the two northern countries will close. The jobs lost in such plant closings will be disproportionately union jobs, because union members are disproportionately concentrated in the large manufacturing firms that have the resources to relocate significant parts of

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6 The most important forms of government NTBs are government purchasing (or "procurement") policies, subsidies, and government monopolies. See Winham (1992) for a succinct overview of the evolution of the GATT.

their operations to Mexico. Some new manufacturing plants and other types of employment will open as a result of the NAFTA, but almost all of these will be unorganized when they open, and many will be in sectors (i.e., higher skill private services) where the likelihood that they will be organized soon is low.

Even when plants do not close, the threat of their closing reduces union bargaining power, hence wage and benefit gains (Craig 1994). While economic gain is not the only — or the most important — motive for many who form or join unions, reduced collective bargaining gains will nonetheless have a dampening effect on union organizing, other things equal. In Canada and the United States, failure to organize the unorganized is a more important cause of declining union density than the closing of plants and businesses that were organized. Indeed, differences in union “organizing performance” are the most important proximate cause of the dramatic divergence of aggregate Canadian and American union densities (Robinson 1992).

Finally, the NAFTA can be expected to increase levels of employer resistance to union organizing efforts. High levels of employer resistance make it more difficult and expensive to organize the unorganized. Other things equal, this dampens organizing performance, and with it, union density, given finite union resources available for organizing (Robinson 1992). American employer resistance to union organizing efforts, as measured by employer “unfair labour practices” (ULPs), increased from about one per certification election in 1966 to a high of over five per election in 1987 — a 500 percent increase (NLRB various years). The decline of American private sector union density accelerated in this period, due in no small part to these changes in employer behaviour (Freeman and Medoff 1984; Goldfield 1987).

Canadian private sector employer ULPs rose from 0.05 per certification election in 1967 to a high of 0.79 per certification election in 1986 — a much greater increase than that in the US over this period, but from a baseline of only 5 percent of 1967 American levels (Kumar and Coates 1989). As a result, even at their mid-1980s peak, Canadian employer ULPs never reached the United States’ 1967 level. This level of employer resistance is still too small to make much difference to union organizing performance. Consequently, the

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8 In 1986, 22.3 percent of all union members, and 40.6 percent of all private sector union members in Canada were employed in the manufacturing sector. For the United States, the corresponding figures were 28.9 and 44.3 percent, respectively (Meltz 1993: 209).

9 Union “organizing performance” is defined as the number of unorganized workers organized by a union in a year, per thousand union members in the previous year.

10 Aggregate, as distinct from private sector, union densities in the two countries diverged from equality at about 30 percent in each country in 1965 to 36 percent in Canada versus 16 percent in the United States by the early 1990s (Kumar and Coates 1989).

11 For different analyses of why the baseline level of employer unfair labour practices was so much lower in Canada, see Bruce (1993) and Robinson (1992).
rate of Canadian private sector union density decline has not changed much between 1958 and 1990 (Troy 1992: 39).  

The NAFTA will probably exacerbate such employer resistance. Rogers (1993: 61-63) has argued that a substantial part of the increase in American employer ULPs — and of the resulting decline in union density in the 1974-80 period — was due to the dramatic increase in international competitive pressures experienced in these years, as manifest in the ratio of imports to GDP. The NAFTA can be expected to increase such competitive pressures on Canadian and American employers. The principal reason for this is not that Mexican wages are very low. It is that the new foreign direct investment that the NAFTA encourages, when combined with a Mexican state willing and able to hold down wage increases in the Mexican export sector (Bensusán 1993; de la Garza 1993), will facilitate the combination of very high productivity levels and very low wages in a growing number of Mexican plants. This combination generates rock-bottom “unit labour costs,” which are much more important to international competitiveness than low wages per se.  

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12 Troy (1992) exaggerates the size of the Canadian public sector, and as a result, the scale of Canadian private sector density decline. Still, his data can be used to track rates of decline within each country. In the United States, private sector union density fell by only 8 percentage points (from 34 to 26 percent) between its 1958 peak and 1975, but from 1975 to 1990, it fell to 12 percent — a decline of 14 percentage points. Troy estimates that Canadian private sector union density fell by exactly the same amount, from exactly the same 1958 starting point, in the first period. Between 1975 and 1990, however, Canadian private sector union density decline continued at the same pace as in the first period (Troy 1992: 33).

13 Rogers’ (1993) statistical analysis suggests that about one third of the decline in union density rates among blue collar manufacturing workers is explained by increased international price pressures. Blue collar decline in this sector alone in turn explains about one third of aggregate US union density decline between 1974 and 1980, according to Rogers.

14 Neoclassical trade economists routinely assert that it is impossible to combine low wages and high productivity, on the theory that wages and benefits are determined by the marginal productivity of labour (see, e.g., Lawrence and Litan 1987). There are serious theoretical problems with this position — see Botwinick (1993). There are equally serious empirical problems. Shaiken (1987, 1990, 1992) has demonstrated that labour productivity levels close to those prevailing in Canadian and American plants have been achieved in Mexican engine and auto parts plants producing the same goods by almost identical processes. This despite very low wages, much higher turn-over rates, and poor labour relations in these Mexican plants. Such plants are the exception, not the rule, in Mexico today. But given the extraordinary competitive advantages that this combination yields, we may expect that — its practical viability now having been demonstrated by a few pioneers — new investors with the resources to build state-of-the-art plants in Mexico will insist that the Mexican state ensure that low wages are also maintained, so as to capture both sources of competitive advantage. For preliminary empirical evidence on other “newly industrializing countries” in which the same pattern of low wages and high productivity is emerging, see Mead (1991).

15 Stanford, Elwell, and Sinclair (1993) show that, as of 1990, manufacturing sector unit labour costs in Canada were 353 percent, and in the United States, 259 percent, of those in Mexico.
The diffusion of this form of "social dumping"\textsuperscript{16} through market competition will encourage governments and corporations in all three countries — and beyond — to repress worker rights and reduce labour standards, in pursuit of competitive advantage or mere survival (OTA 1992). President Clinton seemed to acknowledge this danger when he stated that labour and environmental "side agreements" to the NAFTA were necessary if the economic integration promoted by the agreement was to have positive effects. Yet the side deals that emerged from seven months of negotiations were so weak and ineffectual that they do not make it necessary to qualify the foregoing assessment (Levinson 1993; Robinson 1993a: Section E).

\textit{Left Party Power}

Declining union density has negative implications for the second structural component of movement power resources — left party legislative strength — since union members are both more likely to support those parties, and more likely to vote, than are non-union members (Piven 1992: 249–251). Declining left party power will be manifest in a lower social wage and higher levels of unemployment, according to the statistical analyses cited previously. Both trends tend to reduce union bargaining power vis-à-vis employers by increasing members’ fear of unemployment. The increased capital mobility promoted by the NAFTA will also tend to reduce the state’s bargaining power vis-à-vis private investors, making it a less powerful tool for market regulation and redistribution. This reduces real labour movement power for any given level of left party legislative strength, other things equal (Winters 1994).

\textit{Unity and Coherence}

North American organized labour has never been noted for its unity or coherence, as those terms were defined above. From the 1930s, the labour movements of Canada and the United States have been a complex amalgam of craft, industrial and general unionism. In Canada, these diverse forms of unionism have long been cross-cut by three or four rival union federations. The result in both countries has been high levels of jurisdictional overlap, conflicting

\textsuperscript{16} "Dumping" involves the sale of an export good at prices that do not incorporate its full production costs. "Social dumping" is dumping in which the full labour and environmental costs of producing that good are not reflected in its price because basic worker rights are repressed, or labour and environmental standards do not exist or are ignored, by governments and employers. For preliminary statistical evidence to the effect that variations in basic human and worker rights have a substantial impact on wage levels, controlling for the level of economic development, see Dorman (1992).
union conceptions of organizing priorities, and considerable resources wasted in raids by affiliates of one federation against another. The economic restructuring associated with the NAFTA and other trade and capital liberalization schemes, together with the international competition that they help to intensify, could further complicate this mix by encouraging the rise of Japanese-style "company unionism," something that had largely disappeared in Canada and the United States in the wake of Wagner-type labour legislation (Pontusson 1992; Golden 1992).

Centralized Collective Bargaining

Intensified competitive pressures and increased plant closings tend to fragment centralized collective bargaining, as union locals demand that their national organization exempt them from pattern bargaining rather than drive their particular employer out of business (Money 1992). In the 1970s and 1980s, national sectoral "pattern bargaining" fell apart in the coal (Money 1992), steel (Daley 1992), meat packing (Moody 1988; Rachleff 1993; Noël and Gardner 1990), and auto (Gindin 1989; Yates 1992) industries.

As collective bargaining over wages, benefits, and working conditions decentralizes from the sectoral level to that of the firm or even the plant, it becomes more difficult for national unions to prevent members in different firms or plants from identifying with their employers and competing with their fellow members, rather than identifying with other union members in their industry in bargaining vis-à-vis all employers. The psychological and institutional incentives are thus put in place for the re-emergence of company unionism not seen on any scale since the Great Depression (Pontusson 1992; Golden 1992).

Collective bargaining in Canada and the United States was never centralized enough to make possible the kind of "political exchange" that proved important in a number of Western European countries. Thus, further decentralization will make little difference to this aspect of structural power resources in Canada and the US. But a tendency toward company unionism would likely make solidaristic cooperation among unions substantially more difficult, and this would have negative consequences for collective bargaining power.

To sum up the arguments in this section, the NAFTA is likely to have negative implications for all four of the most important labour movement organizational power resources, the most important being union density and (in Canada) left party legislative strength. Closely related, it will increase the power resources of the subset of employers capable of relocating their production to Mexico. The combined effect of these two changes in resource levels is to considerably widen the already large gap in the economic and political power of TNCs and labour movements, to the detriment of the latter, other
things equal. But other things may not be equal, for we have not yet considered the NAFTA's impact on labour movement mobilizational capacity.

**NAFTA'S POSITIVE IMPACTS**

The NAFTA's net impact on labour movement power resources will be positive if it enhances labour movement mobilizational capacity sufficiently to offset the negative impacts on movement power just considered. It could do this in three ways. First, if (as expected) it exacerbates income inequality and poverty, it will increase the share of the public that may be receptive to the movement's moral critique of the current economic arrangements. Second, by increasing employer and government hostility to unions, it will help to "select" social unionism as against business unionism. National labour movements in which social unionism is the central tendency will be better able to respond effectively to the political opportunity created by growing public disillusion with neoliberal economic policies. Finally, the fight against the NAFTA stimulated creative thinking about the best alternative to the neoliberal version of globalization among the social movements that cooperated in their efforts to defeat the NAFTA. A common analysis and a common front political strategy among such social movements are necessary if not sufficient conditions for the successful pursuit of foreign and domestic economic policy alternatives that will restore to democratic unions and governments some of the power that they have lost vis-à-vis transnational corporations (TNCs).

**Economic Trends and the Legitimacy of Neoliberal Policies**

Previous experience with increasing the mobility of goods, services and capital — and neoliberal reforms more generally — have been associated with increasing poverty and income inequality. We have already examined the data on the United States — the OECD country which, together with the UK, pursued such policies furthest in the 1980s. It seems reasonable to expect the NAFTA to intensify such trends in the countries that it effects. Of course, other economic developments (e.g., the repudiation of monetarist macroeconomic policy priorities) could swamp these negative trends. But since these policies are also influenced by the balance of power between organized labour and the business organizations that press for such policies, developments on these dimensions of economic policy are more likely to be mutually reinforcing than counter-balancing.

In any event, unless these economic policies and resulting trends are reversed, the existing economic order will become increasingly difficult to defend successfully, just as it did during the Great Depression. As in that
earlier era, the very social and economic trends that reduce union density and collective bargaining power increase the number of people who are receptive to the movement's moral critique of the status quo, and the intensity of their feelings as to the need for fundamental reform. This creates a potential — realized in the 1930s — for an increase in labour movement mobilization capacity large enough to swamp the negative impacts of recession and restructuring on labour movement power. Of course, organizations and social movements other than the labour movement — including conservative movements of the sort formed by Ross Perot in the US and the Reform Party in Canada — may also harness this potential political energy. There were also precedents for this in the 1930s.

Social versus Business Unionism

To transform public disillusion and dissatisfaction with the current political economy into broad support for their reform agenda, labour movements must develop and communicate to the public a plausible account of the causes of these undesirable trends, and what can be done to improve them. Some unions, and some national labour movements, will find it easier to do this than others. As already noted, organizations can solve collective action problems by relying heavily on selective material incentives, or on moral commitments and a sense of common identity, both of which increase expectations of successful collective action.

The conventional distinction between "business unionism" and "social unionism" can be understood in these terms. Business union leaders and members understand unions primarily as sellers of collective bargaining services to members conceived as customers. This conception commands little membership loyalty, and so business unions must rely primarily on appeals to member self-interest (whether carrots or sticks). They do not attempt to alter members' preferences, or their sense of collective identity. Social unions attempt to bring about just such changes — in their members and the wider public — with a view to increasing the reserves of solidaristic commitment upon which they can draw to overcome collective action problems (Robinson 1990, 1993b).

As in the 1930s, so in the 1990s, social unionism's very nature better prepares it to transform economic system failures into fuel for a social movement promoting progressive change. Then, it was the industrial unions of the

17 "Progressive" means committed to ensuring that everyone has access to sufficient material resources to live with dignity and develop their talents and abilities. Since almost every organized interest either claims to be pursuing this goal or denies that it is obstructing it, operationalizing this definition requires assessing empirical claims about the best available means to ensure both good aggregate economic performance and the redistribution of aggregate gains in
Congress of Industrial Organizations (CIO), and its Canadian equivalent, the Canadian Congress of Labour (CCL), that renewed organized labour *qua* social movement, in the process redefining the political agendas of their countries. Today, it is the unions that carry on the traditions of social unionism — notably, the Canadian Auto Workers (CAW) and the Confédération des syndicats nationaux (CSN) in Canada, and the Service Employees International Union (SEIU) and the Oil, Chemical and Atomic Workers (OCAW) in the United States — that are most predisposed and best able to respond to the opportunity that the ongoing crisis of unemployment and social polarization represents.

What determines the relative strength of social unionism within these labour movements? Theory suggests that social unionism should fare much better than business unionism in an environment where employers are hostile to unions, and the state is unwilling or unable to intervene to protect basic worker rights from employer abuses. The selective incentives that unions can offer are easily overwhelmed by the positive and negative incentives that hostile governments and employers can offer and threaten. Something stronger — a sense of moral commitment to one’s organization as an agent for the construction of a better society and the sense that one shares this commitment with a wider community — is therefore required to weather the coercive and cooperative powers that flow from the asymmetrical distribution of material resources.¹⁸

Comparative historical analysis of the Depression and World War Two period — the details of which are found in Robinson (1990, 1993b, 1993c) — supports these theoretical expectations. It shows that social unionism emerged much stronger in Canada than in the United States. The principal reason for this difference was that there was nothing resembling the pro-labour aspects of Roosevelt’s New Deal in Canada until 1944. The relative political exclusion of the intervening decade (1934-44) forced Canadian unions to behave more like social movements, and less like interest groups. Even after the Liberal government passed Wagner-type labour legislation and created the rudiments of a national welfare state, it was understood that this was in response to pressure from below, rather than because the Liberal Party had suddenly taken the values and goals of the Canadian labour movement to heart. The success of

¹⁸ On the labour upsurge of the 1930s, and its relation to the delegitimation of the economic order that had prevailed up to that point, see Brody (1980), Milton (1982) Goldfield (1989, 1990), and Robinson (1993c). For a comparison of the situation of the American labour movement in the early years of the late 1920 and the present, see Fink (1994).
"outsider" social movement tactics in building the Canadian labour movement and redirecting the policies of the state, reinforced the conviction among Canadian labour leaders that the heavy reliance on member commitment and mobilization that they had been forced to adopt in the 1930s and early 1940s could be at least as politically effective as the interest group strategies favoured by American business unionism.

The greater strength of social unionism in Canada is an important part of the reason why the Canadian labour movement was able to weather the economic crises of the 1970s and 1980s more successfully than its American counterpart, retaining greater organizational power resources (i.e., twice the union density) and higher levels of mobilizational capacity (manifest, for example, in higher strike levels). It also meant that the Canadian labour movement was more predisposed to ally with other social movements critical of neoliberal policy prescriptions. But just as the relatively hostile environment selected in favour of social unionism in the Canada of the 1930s and early 1940s, so the more hostile American environment of the last two decades strongly favours social unionism in the United States today. NAFTA will intensify this trend by increasing employer hostility to unions, other things equal. Thus, in addition to contributing to the economic conditions for rejuvenating the labour movements of the two countries, the NAFTA is also likely to encourage the kind of social unionism best able to capitalize on this opportunity, particularly in the United States.

**Anti-NAFTA Common Front as Ideology and Strategy**

In addition to these longer-run consequences of the NAFTA on the type of unionism that will prevail in the United States and Canada, the fight against the NAFTA — despite its outcome — has already had a positive impact on the labour movements of the two countries. Above all, it has been an important catalyst to creative, constructive thinking about what a superior alternative to the neoliberal agenda might be in a post-Cold War world. In the United States, the struggle created the first prototype of the alliance of social movements that is arguably necessary to realize politically such an alternative. In Canada, the fight reinforced the process begun by the alliance against the Canada-US Free Trade Agreement (CUSFTA). Both processes strengthened the sense of mission and hope in labour movements shaken by two decades of neoliberal policy victories.

As Table 2 indicates, the anti-NAFTA "common front" of Non-Governmental Organizations (NGOs) and social movements was
### TABLE 2
National NGO Constituents of the Anti-NAFTA Common Front in Canada and the United States

<table>
<thead>
<tr>
<th>Types of Organisation</th>
<th>Specific Organisations in Canada</th>
<th>Specific Organisations in the United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Front Organizations</td>
<td>Action Canada Network (ACN); Council of Canadians (COC); Common Frontiers; Coalition québécoise sur les négociations trilatérales</td>
<td>Fair Trade Campaign (FTC); MODTLE; Alliance for Responsible Trade (ART); Citizen’s Trade Watch Campaign (CTC); Coalition for Fair Trade and Social Justice; Federation for Industrial Retention and Renewal</td>
</tr>
<tr>
<td>Union Federations (including Affiliates) and Professional Associations</td>
<td>Canadian Labour Congress (CLC); Confederation of Canadian Unions (CCU); Canadian Federation of Labour (CFL); Confédération des syndicats nationaux (CSN); Fédération des travailleurs et travailleuses du Québec (FTQ); Centrale de l’enseignement du Québec (CEQ); Canadian Teachers Federation; National Federation of Nurses’ Unions</td>
<td>American Federation of Labor-Congress of Industrial Organizations (AFL-CIO)</td>
</tr>
<tr>
<td>Human Rights Organizations</td>
<td>Inter-Church Committee on Human Rights in Latin America; Canadian Human Rights Foundation; Human Rights Research and Education Centre; Canadian Lawyers’ Association for International Human Rights; Center for Human Rights and Democratic Development</td>
<td>International Labor Rights Education and Research Fund; La Mujer Obrera; Coalition for Justice in the Maquiladoras</td>
</tr>
<tr>
<td>Environmental Organizations</td>
<td>81 organizations from across the country, led by the Canadian Environmental Law Association (CELA) and Greenpeace — only Pollution Probe and Energy Probe supported the NAFTA</td>
<td>Sierra Club, Greenpeace, Friends of the Earth, Border Ecology Project; National Toxics Campaign, and some 300 local groups — seven national organizations supported the NAFTA</td>
</tr>
<tr>
<td>Anti-Poverty Organizations</td>
<td>Basic Poverty Action Group; Bread Not Circuses; Centre for Equality Rights in Accommodation; Canadian Council on Social Development</td>
<td>Rainbow Coalition</td>
</tr>
<tr>
<td>Types of Organisation</td>
<td>Specific Organisations in Canada</td>
<td>Specific Organisations in the United States</td>
</tr>
<tr>
<td>-------------------------------</td>
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</tr>
<tr>
<td>Consumer Protection Organizations</td>
<td></td>
<td>Public Citizen; National Consumers’ League; Community Nutritional Institute</td>
</tr>
<tr>
<td>Senior Citizens’ Organizations</td>
<td>National Pensioners’ and Senior Citizens’ Federation</td>
<td>Institute for Agriculture and Trade Policy; National Family Farm Coalition; National Farmers’ Union; Association of Farmworker Opportunity Programs; American Agriculture Movement; Farmers’ Union Milk Coop; Rural Coalition</td>
</tr>
<tr>
<td>Farmer Organizations</td>
<td>National Farmers’ Union, Rural Dignity of Canada</td>
<td></td>
</tr>
<tr>
<td>Womens’ Organizations</td>
<td>National Action Committee on the Status of Women (NAC); Woman to Woman (Mujer a Mujer); National Organization of Immigrant and Visible Minority Women</td>
<td>Woman to Woman, La Mujer Obrera; Alternatives for Women in Development; Women for Economic Justice; Women’s Division of United Methodist Church</td>
</tr>
<tr>
<td>Aboriginal Peoples’ Organizations</td>
<td>Assembly of First Nations; Native Council of Canada</td>
<td>South and Meso American Indian Information Center</td>
</tr>
<tr>
<td>Religious Organizations</td>
<td>Ecumenical Coalition for Economic Justice; United Church; Canadian Conference of Catholic Bishops; Jesuit Center for Faith and Social Justice; Canadian Catholic Organization for Development and Peace; Anglican Church; Canadian Coalition of Churches; Council of Christian Reformed Churches; Evangelical Lutheran Church; Presbyterian Church; Religious Society of Friends</td>
<td>United Methodist Church; American Friends Service Committee; National Council of Churches; United Presbyterian Church; Center of Concern; Christian Church; Church of the Brethren; Interfaith Impact for Justice and Peace; Maryknoll Fathers and Brothers; Reform Church; Union of American Hebrew Organizations; Unitarian-Universalist Association of Congregations</td>
</tr>
</tbody>
</table>
TABLE 2 (continued)

<table>
<thead>
<tr>
<th>Types of Organisation</th>
<th>Specific Organisations in Canada</th>
<th>Specific Organisations in the United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Development</td>
<td>OXFAM-Canada; Canadian University Students Overseas (CUSO); Latin American Working Group; Inter</td>
<td>Institute for Food and Development Policy (Food First); Development Group for Alternative Policies (D-GAP);</td>
</tr>
<tr>
<td>Development Organizations</td>
<td>Pares; Canadian Council for International Cooperation; Association québécoise des organismes de</td>
<td>Institute for Local Self-Reliance; Center for Global Education; OXFAM-USA; Highlander Research and Education Center</td>
</tr>
<tr>
<td></td>
<td>coopération internationale</td>
<td></td>
</tr>
<tr>
<td>Peace Movement Organizations</td>
<td>Canadian Peace Alliance</td>
<td></td>
</tr>
<tr>
<td>Student Movement Organizations</td>
<td>Canadian Federation of Students</td>
<td>International Student, Trade, Environment, and Development Program (INSTEAD)</td>
</tr>
<tr>
<td>Public Policy Research</td>
<td>Canadian Centre for Policy Alternatives; Science Council of Canada; Centre for Research on Latin</td>
<td>Economic Policy Institute; Institute for Policy Studies; Center for Ethics and Economic Policy; Texas Center for Policy Studies; Mexico-U.S. Dialogos; Community Nutritional Institute; Center for Science in the Public Interest</td>
</tr>
<tr>
<td>Organizations</td>
<td>America and the Caribbean</td>
<td></td>
</tr>
</tbody>
</table>

Sources: Cavanagh et al. (1993), ACN (1993), Hernandez and Sanchez (1992), and sources cited in footnotes. Where judged appropriate, Quebec coalitions and organizations are treated as national organizations. They often operated independently of organizations drawing most of their members from other provinces of Canada. Provincial, state and local level coalitions and organizations outside of Quebec are not listed.

extraordinarily broad in both countries. It included the labour movement,\(^{19}\) a substantial part of the environmental movement, consumer protection

\(^{19}\) In Canada, the nine building trades unions that quit the CLC in 1981 to form the CFL participated in government advisory bodies, as did the two largest Quebec labour federations, the FTQ and the CSN. However, all three of these federations formally opposed the NAFTA that emerged from the negotiations. The AFL-CIO took the position that it would support the NAFTA if it granted the same type of protections to worker rights as it afforded to intellectual property rights (Robinson 1993a: Section E). When it became evident that neither the Bush NAFTA nor the Clinton labour side-deal would come anywhere close to this standard, it shifted to a stance of outright opposition.
organizations, organizations of retired persons, anti-poverty groups, farmer organizations, the women's movement, Aboriginal peoples' organizations, religious organizations, human rights groups, international development organizations, elements of the peace movement, student organizations, and progressive policy think tanks.

In each country, the activities of these common fronts were coordinated by important new umbrella organizations. In Canada, the fight against the CUSFTA was initially led by the Council of Canadians (COC), formed in March 1985. Non-partisan in character, and oriented to individual membership, the COC attracted many Liberals as well as NDP supporters. It drew significant support from Canadian artists, publishers, and other businesses connected with cultural industries. The Pro-Canada Network (PCN) — an organization encompassing most of the social movements and NGOs found in Table 2 — was born at the "Canada Summit" of April 1987, organized by the COC and other anti-CUSFTA groups as a counterpoint to Reagan-Mulroney summit in Ottawa (Malanowski 1993: 4).

After the 1988 election, when the Tories were re-elected and it became clear that the CUSFTA would be implemented, both the Council of Canadians and the PCN continued their activities. While pressing for the abrogation of the CUSFTA, they also broadened their critical focus to include other neoliberal policy initiatives, notably the introduction of a regressive general sales tax or GST and cuts to the welfare state. Such measures were interpreted as manifestations of the same neoliberal "corporate agenda" that lay behind the CUSFTA (CUPE 1992; ACN 1993). Thus, the COC/PCN agenda gradually broadened beyond trade issues, confounding the expectations of those who believed that the anti-CUSFTA coalition was a grab-bag of protectionist interests with nothing in common beyond that stance on trade issues. 20

In 1989, the PCN and the COC were joined by a third organization that would play an important role in the anti-NAFTA fight, Common Frontiers. Operating with funds from Action Canada Network (ACN) members and other international development organizations, Common Frontiers' initial objective was to analyze the implications of the CUSFTA's implementation and its rules of origin for the Mexican economy, to investigate Canadian economic links with the maquila sector, and to establish links with Mexican counterparts. A number of ACN organizations, such as the Latin American Working Group, as well as other Canadian development organizations, already had connections in Mexico, so these ties developed rapidly. When it became clear, early in 1990, that there might well be a NAFTA, Common Frontiers became an

20 Interview with Tony Clarke, formerly of the PCN/ACN (Ottawa, 23 July 1994).
ongoing working group focussed on building connections and coordinating actions with anti-NAFTA groups in both Mexico and the United States.  

American NGOs critical of neoliberal economic policies entered the 1990s with less experience of working together in a common front than their Canadian counterparts, and a labour movement less inclined in that direction, owing to the greater strength of business unionism in the United States. The CUSFTA had stimulated the formation of the Fair Trade Campaign (FTC), but the American labour movement, while formally opposed to the deal, was only mildly concerned by it. The AFL-CIO did not join the FTC, which had only a marginal impact on the Congressional CUSFTA vote. Still, the FTC initiated many of the contacts that were rapidly developed by the Mobilization on Development, Trade, Labor and the Environment (MODTLE) after President Bush requested that Congress grant an extension of the administration’s “Fast Track” authority to negotiate a NAFTA as well as the completion of the Uruguay GATT (Ritchie 1992).

As Table 2 indicates, the American anti-NAFTA common front was narrower in composition than its Canadian counterpart in some respects, notably the women’s movement and the breadth of support within the environmental movement. But the American common front was stronger in other areas, particularly the consumer protection movement. It may also have had a wider base in the agricultural sector, though further research is required to confirm this hunch. American coalition-building made great strides during the NAFTA fight. The Congressional vote on Fast Track renewal, in May 1991, became the focus of the first major struggle between the Bush administration and an anti-NAFTA coalition that one U.S. Commerce Department official later characterized as “the alliance from hell.” Thorup (1991) describes the dynamics around the Fast Track debate:

The discussions that the [Fast Track] debate provoked enabled the NGO participants to: view their specific issues within a broader framework; to network with a variety of groups with which they would not normally come into contact; to identify areas of common concern and to explore areas of disagreement; to create public forums of high visibility at which to express their points of view; to explore alternative tactics and strategies for the pursuit of their objectives — both trade and non-trade related — with potential political allies; and to identify sources of intellectual and financial support for their efforts.

An important step in this process was the Trinational Exchange held at the University of Chicago between April 26-28, 1991. This meeting brought together 70 representatives from American, Canadian, and Mexican NGOs. Again, Thorup (1991) tells the story of that meeting well:

21 Interview with Ken Traynor of Common Frontiers (Toronto, July 25, 1994).
As the meeting progressed, stereotypes that had caricatured the position of some of the interest groups in the eyes of other such groups were removed and areas of overlapping interest emerged. For example, environmentalists and labor representatives coincided in their concern over workplace environmental standards in the border maquiladora plants. Agricultural representatives and environmentalists began to explore measures that would promote sustainable rural development. Union representatives from all three countries agreed to meet in Mexico to further discuss a variety of common concerns. Finally, participants in the meeting emphasized that they should begin to regularly take into account the collateral impact of their activities on the interests of other NGOs. Environmentalists, for example, were encouraged to incorporate a concern for job creation into their thinking. As the discussion evolved further, the participants began to look beyond the immediate procedural issues surrounding the Fast Track to examine jointly the prospects for the elaboration of an alternative vision of continental integration.

Immediately following the Fast Track vote, the MODTLE members most actively involved in Congressional lobbying created the Citizen's Trade Watch Campaign (CTC), in which Lori Wallach of Public Citizen figured prominently (Ritchie 1992: 148-149). MODTLE, now comprised mainly of smaller organizations whose charitable status denied them the right to lobby, renamed itself the Alliance for Responsible Trade (ART). CTC focused mainly on lobbying to stop the Administration versions of the NAFTA and Uruguay GATT. It also worked closely with the Free Trade Coalition (FTC) in building an anti-NAFTA grassroots network throughout the country. These efforts created, for the first time, something that the ACN recognized as an American counterpart to its national network. ART focused on facilitating the development of a common critique and alternative to the NAFTA and GATT among American NGOs and social movements critical of the neoliberal agenda. Both ART and CTC participated in international meetings with their Canadian and Mexican counterparts (Tompson 1994). 22

While this can be seen as a relatively functional division of labour, the CTC-ART split also reflected personality conflicts and deeper disagreements over strategy, tactics, and funding that had no real parallel between the ACN and the Council of Canadians or Common Frontiers. Another factor that weakened the American common front was the fact that the far right of the American political spectrum — led by Ross Perot and Pat Buchanan in the Republican Party — was anti-NAFTA, in contrast to their Canadian counterparts, the Tory government and the Reform Party. 23 In the United States, the desire to stop the

22 This paragraph and the next are based on a telephone interview with Pharis Harvey (20 July 1994) of the International Labor Rights Education and Research Fund (ILRERF), an important actor in the development of MODTLE and ART.

23 For Perot's official position on NAFTA, see Perot and Choate (1993).
NAFTA thus encouraged tactical cooperation with groups that were among the principal proponents of neoliberal economic ideas in other contexts. This encouraged CTC Congressional lobbyists to downplay talk of alternatives to neoliberal trade deals until very late in the day. Instead, they stressed a few simple themes that both left and right critics could agree to promote (i.e., the fear that American jobs and sovereignty would be lost). The result was that the American public was exposed to a more conservative critique of the NAFTA than their Canadian counterparts.

This very different political dynamic probably stunted the development of a more radical critique of NAFTA, and the emergence of a consensus among NAFTA opponents as to the most desirable alternative to neoliberal policies, in the United States. Nonetheless, in the two and a half years between May 23, 1991 (Fast Track vote) and November 17, 1993 (House vote on the NAFTA package) real progress was made on both of these fronts. Intensified interaction among anti-NAFTA activists encouraged the development of a shared critique of the neoliberal trade policies. As in Canada, albeit to a more limited degree, this critique was gradually broadened to encompass other dimensions of neoliberal economic policy, such as IMF and World Bank "structural adjustment" programs.\(^\text{24}\) Widening and deepening agreement on what was wrong with these policies helped to move the diverse members of the anti-NAFTA coalitions in each country toward a common sense of a more desirable alternative approach to international economic integration.\(^\text{25}\) Efforts to think through what kinds of labour and environmental side-deals would be most desirable, and to what degree even the best social dimension could make up for defects of the NAFTA text itself, were particularly important in stimulating concrete thinking and exchange along these lines.

The alternative conception of globalization that emerged from this process did not involve a return to the multilateral high-tariff protectionism of the 1930s, \textit{pace} the claims of NAFTA proponents. Rather, it called for (1) a more democratic process of foreign economic policy formation and ratification, (2) the subordination of market liberalization to sustainable development rather than the reverse, and (3) to that end, the creation of an international

\(^{24}\) For two statements of this broader critique, see Wilkinson (1993) and Grinspun and Kreklewich (1994). By the mid-1980s, American environmental groups had become very critical of the structural adjustment policies of the World Bank and the IMF. The National Wildlife Federation (NWF) pioneered the coalition of environmental organizations that challenged the lending policies of the multilateral development banks from this period (Bramble and Porter 1992: 325-336). For many of these organizations, the connection with neoliberal free trade came later. The most important catalyst was a GATT panel's ruling (August 1991) on the Tuna-Dolphin case, discussed in detail in Schoenbaum (1992).

\(^{25}\) In the United States, this process took place more under the aegis of the ART, and in the Trinational meetings, than within the CTC, given the latter's focus on Congress.
"social dimension," comprised of enforceable international labour and environmental standards (a "Social Charter") and intergovernmental transfers to the poorer regions and countries ("Structural Funds"). Ideally, most common front members in the two countries favoured multilaterally determined and enforced international rights and standards, but most probably also agreed that it might well be necessary to act unilaterally to create the pressure that would bring other nations to the bargaining table willing to create new multilateral rules and institutions.

As to political strategy, the NAFTA common front was itself a lesson in how to build cooperation among progressive social movements and NGOs, and what such cooperation could achieve in terms of redefining the economic agenda and shaping public opinion. In Canada, at the beginning of the CUSFTA process in June 1985, almost two thirds of Canadians supported the idea of bilateral trade liberalization with the U.S. By the time the details of the deal had been negotiated and made public, in October 1987, support had fallen to about 50 percent. Another year of campaigning reduced support to between 31 and 38 percent, while opposition rose to between 40 and 51 percent. Even the media blitz by pro-CUSFTA corporations in the final month of the November federal election campaign — which centred on the CUSFTA — had only a limited impact. Support in that month averaged 38 percent, while opposition averaged 43 percent (Bashevkin 1991: 128). This translated into a majority of votes for the two anti-CUSFTA political parties on November 21. That the first-past-the-post electoral system transformed voter repudiation into a Tory majority (LeDuc 1991) was a source of intense frustration, but it could not detract from the common front’s success in reshaping public opinion on trade issues.

26 Canadian participants in these trilateral exchanges — with the important exception of some Quebec groups — were unwilling to support the Clinton Administration’s proposed labour and environmental side-deals, even though they accepted the need for a North American social dimension in principle. They reasoned that even good side-deals could not outweigh the harm done by key provisions of the NAFTA text that the U.S. administration proposed to leave untouched. Canadian NAFTA opponents sought to foreclose any temptation to make such a trade-off as long as there was a realistic chance of defeating the NAFTA in the upcoming 1993 federal election. NDP and CLC documents of the period therefore stressed the need for a social dimension at the GATT rather than the North American level (CLC 1992; NDP 1993). For MODTLE’s position, see Cavanagh et al. (1992: 104-107). The essays in this anthology also give a good sense of the perspectives of various member organizations that comprised MODTLE, and later, CTC and ART.

27 For a defense of unilateralism to protect labour and environmental rights from a free trader, the current Policy Director of the Competitiveness Policy Council, see Charnovitz (1993).

28 In this and all subsequent discussions of public opinion for and against the CUSFTA and the NAFTA, support and opposition does not add to 100 percent due to the existence of an often large body of “undecideds.”
The Canadian public associated the job losses of subsequent years, including the loss of about 20 percent of Canadian manufacturing employment, with CUSFTA-exacerbated economic restructuring. By October 1991, in the midst of the worst recession since the Great Depression, 54 percent of Canadians stated that they now opposed the deal, while only 32 percent still supported it. Canadian public opinion regarding the NAFTA began from this CUSFTA-determined baseline. A March 1992 poll found fully 67 percent of Canadians opposed to the idea of a NAFTA and only 29 percent supporting the idea. Support for the NAFTA increased thereafter, reaching its apogee on August 17, a few days after the details of the NAFTA were made public. At this point, 46 percent of Canadians favoured the deal, but 48 percent still opposed it. As critics had time to develop detailed critiques of the deal, support began to fall again. By May 1993, when it was clear that the labour and environmental side-deals would not amount to much if anything, support had fallen back to 37 percent, while opposition stood at 54 percent. This was higher than opposition to the higher-profile CUSFTA had ever been prior to its implementation. The pro-NAFTA forces stepped up their publicity in the final weeks leading up to the October 25 Canadian federal election, but with very limited results: 46 percent of Canadians continued to oppose the deal, as opposed to the 43 percent that favoured it.29

But as in 1988, so in 1993, public opposition was not translated into a new trade policy by the federal election of October 25. This time the problem was not the electoral system's bias in favour of the incumbent government. On the contrary, the electoral system worked against the Tories, reducing them to 2 seats (or 0.67 percent of the total of 295), despite winning 16.1 percent of the vote. In their place, it favoured the Liberals, who won 177 seats (or 60 percent) with only 41.2 percent of the vote. The Liberals' campaign position on the CUSFTA and NAFTA was that they would attempt to renegotiate five key components of these deals, and failing that, they would abrogate. Despite this, the Liberals implemented the NAFTA on schedule without any significant modifications. The NDP, which had favoured outright abrogation and hoped to win enough seats to hold the Liberals to their promises on trade policy,

received only 6.9 percent of the vote and 9 seats (3 percent of all seats). It was thus in no position to keep the Liberals honest.

In the United States, the effectiveness of the common front strategy was also manifest in the polls, but here too the legislature failed to conform to popular opinion. The earliest public opinion soundings, in March 1991, found that 72 percent of Americans believed the impact of a NAFTA would be "mostly good" for the US. Only 15 percent believed it would be "mostly bad." By September 1992 — shortly before Presidential candidate Clinton declared that he could not support the NAFTA unless it was supplemented by strong labour and environmental side-deals — 55 percent felt that the deal would be mostly good, as against 24 percent. Still, the salience of the issue remained low, and only 52 percent of respondents (as opposed to 92 percent in Mexico and 79 percent in Canada) stated that they had read or heard anything about the deal.

In September 1993, when the side-deals were finally made public, 72 percent of respondents had heard of the deal and 44 percent described themselves as following it closely or somewhat closely. At this much higher level of attention, only 35 percent of American respondents supported the NAFTA package, while 41 percent opposed it. Moreover, those who were strongly opposed (21 percent) were three times more numerous as those who were strongly in favour (7 percent). Except for the brief blip immediately following the Gore-Perot debate, these numbers remained stable for the rest of the run-up to the November House vote. Two days before that vote, 38 percent supported the deal, while 41 percent opposed it.

Molyneux (1994) argues that this outcome represents the victory of "national opinion leaders," who were "nearly unanimous" in their support for the deal, over a skeptical public. But pro-NAFTA opinion leaders were not able to win even a plurality of Americans to their cause, though they began their campaign in 1991 with four times more Americans favourably disposed to a NAFTA than were unfavourable. Thus, over a period of less than three years, the anti-NAFTA common front in the United States — with the help, it must be acknowledged, of the recession — was able to reduce support for the NAFTA by 34 percentage points, and increase opposition by 26 percentage points. It was able to do this in part because "national opinion leaders" were

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30 This was a substantial setback for the NDP, which had won 20 percent of the vote and 43 seats in 1988. Only 30 percent of 1988 NDP voters stayed with the party in 1993. About 29 percent defected to the Liberals, and another 19 percent supported the newly formed left nationalist National Party. About 13 percent supported the newly formed right-wing populist Reform Party, and the remainder voted for the Tories or (in Quebec) the Bloc québécois. Factor analysis suggests that voter positions on the CUSFTA and the NAFTA were the single best predictor of how they would vote in the 1993 election, just as voter positions on the CUSFTA were in 1988 (Johnston et al. 1994: 2-5, 15-16, 22-24).
not nearly as unanimous as Molyneux — operating with a very narrow definition of this group — supposes. All of the national spokespersons for the organizations listed in Table 2 — together with Ross Perot and conservative Republicans such as Pat Buchanan — were speaking out publicly against the deal.  

The scale and direction of the shift in public opinion regarding NAFTA is a measure of the relative influence of these competing constellations of national elites.

Thus, President Clinton ultimately won his NAFTA fight in Congress not because most Americans were persuaded that the deal was a good one, but because they were evenly divided enough on the issue to give pro-NAFTA Republicans and Democrats the “wiggle room” to support the deal without paying a high political price. The result in the House was 234 votes for the NAFTA to 200 votes against it. This may seem a comfortable margin, but only one week before the final vote, observers as astute as Mark Shields of the Washington Post were pronouncing the NAFTA “dead in the water.” In the end, fully 60 percent of House Democrats voted against the deal, despite the promises and pleas of their President, and the fact that public opinion among self-identified Democrats had shifted in favour of the deal.

It is still too early to assess the future of anti-neoliberal common fronts in Canada and the United States. It could be argued that cooperation among such diverse groups is only possible on a narrow range of issues, such as certain kinds of trade deals. Even if this were true, there appear to be many more such trade deals in the pipeline in the Americas. Certainly that is the hope of the Clinton administration, and of many Latin American governments intent on “constitutionalizing” neoliberal economic reforms in the hope of increasing their access to foreign investment (Grinspun and Kreklewich 1994). Moreover, many members of the anti-NAFTA common fronts in both countries do see such trade agreements as one facet of a broader neoliberal economic agenda, though this tendency is probably stronger in Canada. So it may

31 The presence of prominent anti-NAFTA spokespersons outside of the progressive anti-NAFTA common front makes it more difficult to assign credit for this influence on public opinion. Perot undoubtedly had a significant effect on those voters who tended to support him, many of whom now describe themselves as “independents.” At the time of the House vote, 47 percent of such Independents opposed the NAFTA, while only 35 percent supported it (Newhouse and Matthews 1994: 31). Still, the parallel shifts in Canadian public opinion, where there was no equivalent to Perot or Buchanan opposed to the NAFTA, suggests that it is not a mistake to assign substantial credit for voter opinion shifts to the progressive common fronts of each country.

32 Opinion polls as late as September 1993, showed that 40 percent of self-identified Democrats opposed the deal and only 32 percent supported it. But by November 19, support among Democrat identifiers was up to 53 percent. Opposition among Republican and Independent identifiers, by contrast, rose over the same interval, by 9 and one percentage points, respectively (Newhouse and Matthews 1994: 31).

33 On Clinton’s eleventh hour tactics, see Geske (1994).
be that neoliberals, in their efforts to entrench and extend past victories, will keep the anti-neoliberal common fronts focused and united. To date, there are no indications that the umbrella organizations created to coordinate the anti-NAFTA fight are winding down, or that the underlying coalitions are disintegrating, in either country.

CONCLUSIONS

The labour movements of Canada and the United States are at a critical juncture. Declining private sector union density, increased capital mobility, and the intensifying competitive pressures flowing from the neoliberal approach to globalization have reduced their economic and political power resources in both countries. The same changes have simultaneously increased the power resources of TNCs able to take advantage of the new potential for international capital mobility. As the bargaining power of labour movements diminishes vis-à-vis TNCs, it becomes more difficult to organize new union members by traditional methods, setting in train a vicious circle of declining union density and labour movement power resources. In the short run, the NAFTA seems likely to reinforce this vicious circle by increasing the pressures to include social dumping in the repertoire of corporate and government competitive strategies.

At the same time, however, the economic crises of the 1980s and early 1990s, together with the struggles against the CUSFTA and the NAFTA, have begun to reorient these labour movements toward a more internationalist critique of the current global political economy. Moreover, it has encouraged the development of strategic alliances with other social movements and NGOs. This has encouraged the emergence of the rudiments of a conception of an alternative social project that all elements of the anti-NAFTA common front can endorse. Such an alternative pursued by such a common front offers a way out of the vicious circle of declining labour movement power. For the alternative would situate globalization in a new regulatory framework more conductive to the protection of workers rights, and so, the rebuilding of union density and labour movement power. Such a common front could also transform public opinion, thereby bringing substantial electoral pressure to bear on the Canadian Parliament and the U.S. Congress to pursue an alternative approach to globalization.

The NAFTA’s most important negative impacts on labour movement power resources will result from its negative impact on union density, and more deeply, the encouragement that it gives to employers to adopt a low wage, high productivity competitive strategy. The magnitude of the NAFTA’s positive impacts on labour movement mobilizational capacity will depend
upon how labour leaders and their counterparts in other social movements and NGOs that formed the anti-NAFTA common front respond to the movement-building potential outlined above. If they seize this potential and channel it effectively, the NAFTA’s positive effects could swamp its negative impacts, as the movement-building potential of the Great Depression swamped the immediate negative impacts of 20 percent unemployment on union density and bargaining power. As in the 1930s, so in the 1990s, the degree to which unions are able to make something of this political opportunity depends mainly on the vision, intelligence and commitment of the leaders and activists at all levels of these movements.

Should this potential be realized, not only will the labour movements of both countries be transformed and rejuvenated, but the character of the international trade regime, and the international economic order more generally, will be altered in important ways. In that case, the NAFTA and its spin-offs will have helped to precipitate the end of the era of neoliberal globalization. Should the social movements and NGOs of the anti-NAFTA common front fail to realize this potential, so that the negative implications of the NAFTA dominate, then labour movement power in both countries may well continue its decline. In that case, both countries must reasonably expect more of what they experienced in the 1980s — economic and social polarization and growing citizen disillusion with democracy.

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**L’ALENA et le pouvoir des mouvements syndicaux au Canada et aux États-Unis**

Cet article traite des effets de l'Accord de libre-échange nord-américain (ALENA) sur le pouvoir des mouvements syndicaux au Canada et aux États-Unis. La première section de l'article définit le concept de «pouvoir du mouvement syndical» et la seconde explique l'importance du sujet. Les deux autres sections considèrent les impacts négatifs et positifs de l’ALENA sur le pouvoir du mouvement syndical.
La définition du pouvoir du mouvement syndical utilisée ici est construite à partir des travaux des économistes en politiques comparatives dans les années 1980. Ces chercheurs se sont davantage penchés sur ce qu'ils pouvaient quantifier, telle la densité syndicale. Selon nous, les sources du pouvoir organisationnel proviennent de la capacité des syndicats de mobiliser leurs propres membres et ceux des partis poliques dans des actions collectives. En se référant aux études récentes, il appert que le pouvoir de mobilisation du mouvement syndical, comme celui de tout mouvement social, dépend de son habileté à impliquer ses membres et à obtenir l'appui du public en général. Pour ce faire, le mouvement syndical doit élaborer et communiquer efficacement une critique du système économique existant, une alternative au statu quo plausible et attirante, ainsi qu'une stratégie politique crédible pour l'atteinte d'une solution de rechange.

Il est important d'étudier le pouvoir du mouvement syndical car, à notre avis, il s'agit d'une variable déterminante permettant d'expliquer les modifications dans les politiques publiques et leurs effets dans les pays de l'OCDE. Par exemple, les pays où l'on trouve les mouvements syndicaux les plus forts semblent afficher des taux de chômage plus bas et de moindres inégalités de revenus. Les différences que l'on constate entre les États-Unis et le Canada en ce qui a trait aux niveaux de chômage et de pauvreté vont dans le sens de cette analyse.

Les effets les plus négatifs de l'ALENA sur le pouvoir du mouvement syndical viennent des nouvelles sources de pouvoir qu'il confère aux entreprises multinationales, plus particulièrement en protégeant les investisseurs étrangers. Cette protection augmente la mobilité des capitaux en réduisant les risques pour les investisseurs, surtout dans les pays moins développés où l'on a connu une réglementation étendue ou même l'expulsion des investisseurs étrangers. La mobilité accrue des capitaux augmente le pouvoir de négociation des multinationales vis-à-vis des syndicats et des gouvernements, qui eux ne sont pas mobiles.

Le pire effet de l'ALENA sur le pouvoir syndical risque d'être l'accélération du déclin de la syndicalisation dans le secteur privé. Ceci peut se produire en raison d'une augmentation des fermetures d'usines, d'un pouvoir réduit de négociation collective dans le contexte de menaces de fermeture de l'entreprise, et de résistance patronale accrue devant la syndicalisation, surtout en raison des pressions croissantes venant des entreprises locales et étrangères non syndiquées.

L'ALENA peut cependant être en bout de ligne positif pour les sources du pouvoir du mouvement syndical s'il augmente suffisamment la capacité de mobilisation des syndicats pour contrecarrer les effets négatifs mentionnés. Ceci peut être accompli de trois façons. Premièrement, l'ALENA, en exerçant les inégalités de revenus et la pauvreté, peut rendre un plus grand nombre de personnes réceptives à la critique syndicale de la situation économique. Deuxièmement, en augmentant l'hostilité patronale envers les syndicats, l'ALENA va contribuer à favoriser une forme de syndicalisme plus sociale que d'affaires. Les mouvements syndicaux nationaux à caractère social sont en meilleure position pour répondre adéquatement à l'occasion politique créée par la désillusion croissante de l'opinion publique au sujet des politiques économiques néolibérales. Ils sont aussi plus ouverts envers l'alliance avec d'autres mouvements ou organismes progressistes. Nous croyons que de telles alliances sont non seulement importantes pour élaborer des solutions de rechange à la situation économique, mais
aussi qu’elles constituent la meilleure stratégie politique pour atteindre avec succès les solutions proposées.

Troisièmement, l’opposition à l’ALENA a déjà favorisé l’émergence d’idées créatrices au sujet de la meilleure solution de rechange à l’approche néo-libérale de globalisation au sein des mouvements sociaux qui ont coopéré en vue d’empêcher l’adoption de cet accord de libre-échange. En conséquence, l’ALENA a déjà contribué considérablement au pouvoir du mouvement syndical de cette autre façon. Le succès du front commun contre l’ALENA à influencer l’opinion publique sur les questions de libre-échange le prouve.

La formation d’alliances et la détermination des règles de fonctionnement qui vont guider leurs activités sont des questions de choix stratégiques pour les dirigeants syndicaux et leurs militants. Nous croyons qu’il existe de bonnes raisons de poursuivre ces stratégies de front commun et cette proposition est de plus en plus supportée par les syndicats canadiens et américains. Cependant, il y a aussi plusieurs obstacles au maintien et au développement de telles stratégies communes et certains dirigeants peuvent être réticents à poursuivre dans cette voie.

Finalement, l’effet net de l’ALENA sur le pouvoir du mouvement syndical dépend de la façon dont les dirigeants syndicaux et militants de chaque pays vont y réagir. S’ils saisissent cette occasion pour faire front commun et revitaliser le mouvement, l’ALENA peut jouer un rôle catalyseur positif semblable à celui de la Dépression des années 1930. Si, par contre, ils ne profitent pas de cette situation, il faut s’attendre à ce que les effets négatifs de l’accord dominent et ainsi que le pouvoir du mouvement syndical continue de décroître dans les deux pays.