

*Issue Linkage and the Logic of Hybrid Coalitions: Linking Trade and Environmental Protection*

A dissertation presented

by

Boram Lee

to

The Department of Government

in partial fulfillment of the requirements

for the degree of

Doctor of Philosophy

in the subject of Government

© 2020 Boram Lee

All rights reserved.

How do non-trade issue linkages broaden pro-trade coalitions? With a focus on trade-environmental issue linkages in U.S. trade agreements, I ask why some activists and legislators support trade agreements in exchange for environmental clauses despite dilemmas at the stages of negotiation, ratification, and enforcement.

At the negotiation stage, I contend that successful logrolling between activists and pro-trade groups is contingent on credible commitments to enforcement. This is because activists find it risky to partner with pro-trade businesses that can patiently lobby governments to ignore environmental clauses in the post-ratification stage. I argue that environmental IOs bridge the credibility gap for activists with close connections with the IOs. When the enforcement of linkage is delegated to environmental IOs, activists with pre-existing alliances with the IOs tend to support the linkage because they can name-and-shame governments that renege on their environmental commitments. In Chapter 3, I use original data on IO ties to activists to examine how the U.S. government designs linkages to mitigate the credibility gap vis-à-vis activists. My comparative case study shows that activists with ties to delegated IOs are more likely to support trade deals with linkages than those without such ties.

At the ratification stage, legislators serving smaller constituencies may find it difficult to change their positions on trade deals because of environmental linkages; Because the benefit of environmental linkages is geographically diffuse, voters typically do not expect their lower chamber members to promote environmental causes. Faced with close elections, however, members with strong environmental reputations would use issue linkage as an opportunity to mobilize environmental voters and attract pro-trade groups' support, which are often at odds with each other. In contrast, I theorize that this tendency weakens for legislators with larger constituencies (i.e., Senators). In Chapter 4, I provide powerful support of the theory based on my analysis of time-series elite survey data during the evolution and discussion of the NAFTA Implementation Act and a case study of two pro-environmental Democrats in this period.

At the enforcement stage, coalition-making governments face a dilemma in keeping support from coalition members with conflicting preferences for enforcement: Pro-trade groups demand weak enforcement, whereas activists demand strong enforcement. Faced with this dilemma, I argue that the government's enforcement decisions follow *ratification business cycles*. Because the relative importance of activists increases closer to the ratification of new trade agreements, the government strategically implements strong enforcement measures (i.e. trade sanctions) prior to ratification of new trade deals to gain activists' support for those deals. In Chapter 5, I provide evidence in support of the theory based on a case study of the U.S. government's responses to environmental groups' enforcement demands in the context of the U.S.-Peru trade agreement from 2009 to 2016. I also analyze why some activists continue to lend support for linkages despite the business cycle, and how the government mitigates the commitment problem vis-à-vis activists at the enforcement stage.

Finally, I discuss the scope of my theory. In Chapter 6, I analyze how European environmental linkages are similar and different from their American counterparts, and develop theories to explain the differences.

This dissertation unpacks the domestic politics of issue linkage. In so doing, it privileges IOs and electoral competition as important factors that stabilize coalitions between activists and businesses. It enhances our understanding of hybrid coalitions at a time when economic and non-economic issues are increasingly intertwined.



## **Chapter 1. Introduction**

Do issue linkages facilitate international trade cooperation? Since the 1990s, the linking of trade agreements with public goods issues such as environmental protection, human rights, and political rights has served as a fairly common political tool. For example, the Clinton administration signed an environmental side agreement with Canada and Mexico to gain support for NAFTA from protectionist American legislators in 1993. The E.U. has continued to attach Sustainable Development Chapters with environmental and labor clauses to trade agreements to gain support from the center-left political parties and avoid ratification failure. On other occasions, issue linkages seem to have either null or detrimental effects on international cooperation. In 1994, for example, the Clinton administration passed the Uruguay Round Agreement Act without needing to attach environmental issues. In that case, some House Democrats who had strongly opposed NAFTA lined up with the president. And during the E.U.'s trade negotiations with the Gulf Cooperation Council, talks broke down at least in part due to E.U.-based civil society actors' demands for stronger issue linkages, suggesting that the possibility of linkages can elicit further demands to the detriment of trade cooperation.<sup>1</sup>

What explains this variation in the effects of issue linkages on expanding domestic coalitions for trade liberalization? Most existing accounts view issue linkages as a means to expand pro-trade coalitions by directly placating and weakening import-competing interests or providing side-payments to partner states to facilitate their cooperation on trade. Until recently, few studies on issue linkages had considered how the involvement of value-based issue stakeholders such as environmental and human rights activists may alter the effectiveness of issue linkages in expanding policy coalitions (Hafner-Burton 2005, 2011; Mosley & Tello 2015). Further, the literature rarely considers why office-seeking legislators support value-based issue

---

<sup>1</sup> The E.U.'s proposal covered a wide array of social issues ranging from human rights, illegal immigration to terrorism. As a result, the GCC suspended the E.U. negotiations in 2008.

linkages despite the diffuse and uncertain social benefits of those linkages. Taken together, the existing accounts of issue linkages do not consider how the involvement of *value-based* issue stakeholders complicates the effect of issue linkages.

Focusing on environmental issue linkages attached to bilateral and plurilateral trade agreements, this dissertation provides an alternative theoretical account that views value-based issue linkages as a domestic coalition strategy to form *hybrid coalitions* of pro-trade interests and value-based activists. Instead of asking whether environmental issue linkages deliver their promised goals of trade liberalization or environmental protection, I investigate whether the linkage attracts relevant actors' support for package deals. Treating issue linkage as a coalition strategy helps to explain how liberalizing governments often end up forming motley yet stable coalitions in support of domestically unpopular policies.

My theory begins with the premise that such hybrid coalitions involving value-based actors operate differently than coalitions of economic interest groups. This premise is important, because a political executive faces dilemmas in forming and managing the hybrid coalition at the stages of negotiations, ratification, and implementation of issue linkages. In the initial negotiating phase, first, the executive must convince environmental groups of its commitment to the enforcement of issue linkages. Because the executive body that negotiates trade agreements typically has a pro-trade bias (i.e., the U.S. Trade Representative or the Directorate-General for Trade in the European Commission), the environmental constituencies find it difficult to trust the executive's commitment to faithful enforcement of the linkage in the post-ratification stage. The inter-temporal inconsistency of the executive's preferences on enforcement poses a challenge for the executive to make a credible commitment to environmental groups. In the second phase of ratification, the executive must make sure that legislators trusted by the environmental

constituencies lend support for trade agreements that include issue linkages. But, because the policy benefits that the linkage can deliver is not excludable to certain districts, office-seeking legislators do not have a strong incentive to change their positions on trade, even if they care about the attached issue. The last dilemma arises in the implementation stage. The executive must manage the hybrid coalition to keep pro-trade constituencies and environmental groups on board. Because government bodies in charge of enforcement are primarily answerable to pro-trade groups, they face a dilemma as they learn about partner countries' non-compliance with environmental clauses: enforcement failure may undermine their commitment to environmental groups, while strong enforcement may hurt domestic trade constituencies. Given all of these challenges, can value-based issue linkage systematically boost support for trade agreements? If so, how?

To answer these questions, it is important to consider why some environmental groups and pro-trade interest groups would lend support for a package deal despite these various commitment problems. Using as a case study the past twenty-five years of U.S. trade negotiations, this dissertation explains how the design of issue linkage can help the executive earn support for trade deals from suspicious environmental groups while retaining support from pro-trade interests, and from office-seeking legislators struggling to claim credit for their policy positions. To achieve that objective, I draw on a theoretical tradition that relies on the logic of delegation—the idea that voluntary restraint of authority increases the credibility of the government's commitment—but that also goes further by theorizing how *outside delegation* to pre-existing environmental IOs, rather than newly created institutions in charge of enforcing environmental linkages, enhance the credibility of the executive's commitment towards activists. By recognizing the IOs' authority with respect to the enforcement of environmental clauses,

activists can monitor and publicize information on compliance behavior through the IOs, even when the executive branch is not responsive to the demands of activists. A profile then emerges of the design characteristics of issue linkages associated with activists' support for issue linkages: activists with ties to the IOs whose rules are included in trade agreements are more likely to support the trade deals than are other activists without such ties to the IOs.

Although activists' support for package deals is important to the effectiveness of environmental issue linkage, successful ratification requires that their support be translated into legislative support for package deals in Congress. I develop a theory to show that pro-environmental legislators' decisions to support the package deal are moderated by their electoral calculus in their districts. In particular, I highlight the peculiar electoral dilemma faced by those in competitive districts. While they are in dire need of pro-trade campaign finance to reach centrist and median voters whose votes can be easily influenced by an increase in mass media exposure, supporting trade liberalization may lead to the formation of broader anti-trade coalitions joined by environmental activists. A package deal can help pro-environmental legislators in competitive districts support the deal by preventing some activists from joining such protectionist coalitions. A pro-environmental legislator under fire in her home district is thus more likely to emerge as an aggressive advocate of "sustainable trade" policies and to respond well to the package deal on trade than is a pro-environmental legislator who is not subject to electoral competition.

If issue linkage helps broaden pro-trade coalitions among legislators, how does the executive retain the support of activists with preferences for strong enforcement and pro-trade interest groups with preferences for weak enforcement in the implementation stage? What does the executive do when there emerges evidence of violations of an issue linkage? The executive is

more likely to put enforcement pressure on a non-complying partner government when it needs environmental activists' support for new trade agreements. When there are not impending needs for coalition-building for new trade agreements, the executive is likely to adopt soft enforcement tools (i.e., dialogues, technical assistance for compliance). In addition, the executive can use the delegated environmental IOs to satisfy environmental activists in the implementation stage and enforce the violated linkage. This is because the outsourcing strategy allows them to minimize the economic risk of getting into a trade dispute due to coercive enforcement of the environmental linkage. Unilateral coercive enforcement of environmental linkages is less optimal for executives with a pro-trade bias than is enforcement within environmental IOs, as the latter allows them to avoid blame from domestic trade constituencies.

Explaining the effectiveness of issue linkage is not merely an intellectual exercise. It has important implications for international cooperation in difficult times, because recent major stumbling blocks to cooperation tend to have domestic political roots. At a time when protectionist sentiments are surging among low-skilled citizens in developed economies such as the U.S. and the E.U. countries, and when environmental challenges increasingly require global cooperation, it is important to understand the logic of hybrid coalitions. In the past few years, both class and value conflicts have gained political salience in those countries. In the U.S., President Donald Trump justified the decision to withdraw from the Paris Climate Agreement based on the agreement's disadvantageous effect on U.S. jobs in major import-competing industries such as manufacturing, steel and iron.<sup>2</sup> Across the Atlantic, the Yellow Vests Movement in France was precipitated by the French government's policy to increase fuel and motor taxes that would burden low-income citizens. As illustrated, value politics has become an

---

<sup>2</sup> See "Statement by President Donald Trump on the Paris Climate Accord." Remarks by President Donald Trump.

increasingly important element of the political puzzle for governments facing rising tensions between high skilled and low skilled voters. In the midst of the multi-dimensional conflict within states, policymakers have increasingly attempted to use international trade as an instrument to enhance environmental cooperation. In this light, this dissertation contributes to our understanding of the formation of hybrid coalitions by investigating politicians’ incentives to adopt issue linkages and to solicit support for trade liberalization from environmental stakeholders.

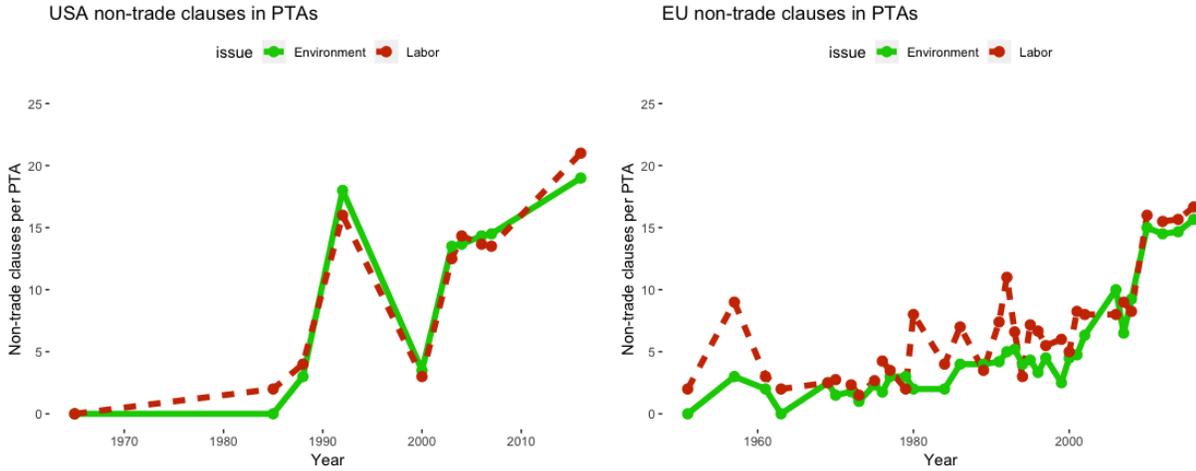


Figure 1. The Average Number of Environmental and Labor Clauses Per Trade Agreement Negotiated by the U.S. and the E.U. (Lechner 2016)

*Puzzles*

A dramatic and continued increase in the number of non-trade, value-based issue linkages has taken hold over the past few decades. From 1990 to 2016, the number of environmental clauses in Preferential Trade Agreements (PTAs) worldwide increased from 157 to 1,940, a trend that was initiated by developed democracies such as the U.S. and the E.U. (Dür et al. 2014). As

Figure 1 illustrates, the U.S. and the E.U. have increasingly tended to attach environmental and labor rights issues to their trade agreements over time.

Why do these and other countries attach environmental clauses to their trade deals? American and European trade negotiators openly recognize that value-based issue linkage is essential to placate value-based issue stakeholders who have increasingly joined protectionist coalitions, to gain support for trade agreements from skeptical legislators in the U.S. Congress or the European Parliament. Taken together, negotiators realize that it is essential to attach issue linkages in order to pass trade agreements in legislatures and broaden the coalitions for trade liberalization.

Taking a step back, do issue linkages actually serve to broaden coalitions? In-depth interviews with stakeholders and trade negotiators indicate that the answer is not as clear-cut as the above policy discourse suggests. Numerous environmental activists have argued that “the European Commission could be more creative in designing and enforcing Sustainable Development Chapters in trade agreements,”<sup>3</sup> or “the U.S.T.R. should include clauses on climate change.”<sup>4</sup> On the other hand, trade negotiators say that “trade agreements should not be treated as environmental agreements.”<sup>5</sup> Pro-trade businesses and trade negotiators openly state that “trade sanctions are not an effective tool for enforcement,” whereas all of the environmental NGOs interviewed for this dissertation suggested that trade ministries could do more to enforce environmental clauses. For their part, legislative actors’ positions on such issue linkages change frequently. Even those who are committed to environmental protection do not always go out on a limb to join such coalitions within legislatures, despite issue linkages. Indeed, if this is to be

---

<sup>3</sup> Personal interview with a representative of an environmental NGO, Brussels, Belgium. March 8, 2019.

<sup>4</sup> Personal interview with a representative of an environmental NGO. Washington D.C., August 23, 2017.

<sup>5</sup> Personal interview with a former E.U. trade negotiator. Brussels, Belgium. March 14, 2019.

referred to as a coalition, it is a highly unstable one. Despite the unstable nature of the coalition, however, developed democracies have continued to attach environmental linkages.

Existing accounts of issue linkage offer some insights to explain how such unstable coalitions boost support for trade liberalization. The literature on issue linkage can be divided into two categories. Farrell and Newman (2018) label the categories as knowledge-based approaches and bargaining approaches (518). The knowledge-based approaches highlight the benefit of linking issues when the substantive relevance of the issues increases. Haas (1980) argues that “issue linkage may also proceed on the basis of cognitive developments based on consensual knowledge linked to an agreed social goal (372).” Similarly, Oye (1993) writes that “[W]here such an intense substantive connection between issues exists, one has nothing to lose and may have something to gain by pointing to the substantive connection and explicitly clarifying the relationship between one’s choice and another’s actions.” By contrast, the bargaining approach directly emphasizes how issue linkage can increase or decrease support for a policy regardless of its substantive relevance to attached issues. Hafner-Burton (2011) explains how a liberalizing executive may consider including human rights issue linkages in trade agreements in an attempt to earn support for trade liberalization from protectionist legislators (26-30). Davis (2004) argues that institutional characteristics of trade negotiations are an important determinant of the effectiveness of issue linkage, as it may increase the credibility of the linkage and weaken the relative influence of protectionist interests vis-à-vis export interests (154-155).<sup>6</sup> As illustrated, the logic of *quid pro quo* is at the heart of the bargaining approach. Taken together, these competing perspectives suggest that the availability of consensual

---

<sup>6</sup> Also, see McKibben (2010, 2013).

knowledge and auspicious institutional environments create a context conducive to “functional” issue linkages.

However, the existing accounts of issue linkage do not offer readily applicable insights to understand the effectiveness of attaching a value-based issue to a trade deal. Taking a step back from the meta-level theoretical debate, let’s again consider the discussion on trade-environmental linkages among policymakers and stakeholders. In policy circles, there is no consensus on whether and how the two issues are substantively relevant. Trade negotiators formulate a version of their argument based on the substantive relevance logic to argue that the scope of environmental linkages should be limited to trade-related aspects. Environmental activists contend that trade negotiators should be more strategic and use trade to enhance environmental outcomes. Of course, the lack of consensus in the normative policy debate has negative effects on the formation of stable coalitions. When a pointed disagreement arises on what trade-environmental linkages “should” do, it is unclear whether and how the linkage meaningfully increases support for sustainable trade.

Altogether, the gap between our theoretical understanding of issue linkage and the policy debate around it suggests that a missing link exists in understanding the effectiveness of issue linkage. Issue linkages change coalitional dynamics in the trade policy-making process. For the linkage to boost support for trade liberalization effectively, coalition makers need to buy support from environmental constituencies, convince pro-environmental legislators of the political worthiness of such linkages, and ally trade-dependent industries’ fears of radical enforcement via trade sanctions.

### *Dilemmas in Issue Linkage Making*

In forming hybrid coalitions that include value-based issues, pro-trade political leaders face three dilemmas that involve distinct groups of actors: environmental activists, legislators, and pro-trade industries. This dissertation identifies the dilemmas that arise in forming hybrid coalitions, and it provides theories to understand the effectiveness of issue linkage by analyzing how the executive resolves these dilemmas.

First, pro-trade political leaders face serious intertemporal commitment problems vis-à-vis environmental activists, in forming pro-trade coalitions. In the pre-ratification period, the coalition maker has a strong incentive to solicit activists' support for trade agreements by attaching environmental issues in order to increase the chances of ratification. However, once the agreement is ratified, the coalition maker, who is primarily answerable to trade constituencies, does not have strong incentives to enforce such linkages, because enforcement of the linkage may have disruptive effects on trade transactions. Understanding the intertemporal inconsistency of the coalition maker's preferences, activists are cautious about lending support for trade agreements even if the executive attaches environmental issues to the deal. As such, the issue linkage is not sufficient to earn activists' support. For an issue linkage to be effective, the executive must make credible commitments regarding the enforcement of the linkage.

Second, the coalition maker must ensure that support from activists is translated into legislative support for the deal. In so doing, the coalition maker faces a challenge. Even if legislators are committed to environmental issues, the addition of an environmental linkage does not necessarily incentivize them to support the package deal. Why? Given the *ex ante* uncertainty about whether or not the linkage will enhance environmental outcomes, legislators must exert efforts to make the linkage credible in the eyes of activists, in order to reap credit for it. Due to

such credibility costs, even pro-environmental legislators are typically cautious to lend support for environmental linkages. The fear is that supporting trade deals for reasons of environmental linkages may be seen as opportunistic by activists, while the political benefits are not significant given the low electoral salience of environmental issues.

The third dilemma arises vis-à-vis pro-trade constituencies, because these pro-trade groups oppose strong enforcement of issue linkages. Pro-trade interest groups have mixed incentives about issue linkages. They have positive incentives to support issue linkages in the hope of levelling the regulatory playing field with respect to their foreign competitors operating in laxer regulatory environments (Vogel 1997). That said, both export and import industries typically oppose the executive's use of trade sanctions as an enforcement tool. They categorically prefer softer approaches such as diplomatic pressure or name-and-shaming. Trade constituencies' preferences on issue linkage enforcement put the coalition maker in a difficult position. Making commitments to using trade sanctions as an enforcement tool may allow the coalition maker to gain support from activists, while doing so may antagonize pro-trade groups.

Taken together, the causal arrow from issue linkages to political support is complicated by coalition makers' commitment problems vis-à-vis activists, legislators, and pro-trade groups. Despite these complexities, coalition makers continue to attach environmental issues to trade deals.

### *The Argument in Brief*

This dissertation proposes a coalitional framework to understand the effectiveness of issue linkages in boosting support for trade liberalization. The framework zooms in on pro-trade political leaders' attempts to resolve the three dilemmas in forming hybrid coalitions for trade

liberalization in their home country. In so doing, the framework aspires to identify the conditions under which activists lend support for package deals, legislators lend support for trade liberalization due to environmental linkages, and pro-trade groups do not withdraw their support for the issue linkage.

It is noteworthy that the three actors—activists, legislators, and pro-trade groups—operate to maximize different types of utility. For activists, reputations for their dedication to the cause are important to maintaining support from their issue constituencies. Legislators are office-seeking. Pro-trade groups attempt to maximize their incomes. As such, coalition makers can resolve the dilemmas by designing issue linkages that allay each actor's peculiar fears with respect to *reputations*, *re-election*, and *material benefits*.

First, does issue linkage boost support for trade deals from activists? If so, under what conditions? Activists are to decide whether to trust a coalition maker whose incentives for enforcement of the issue linkage are intertemporally different. On the part of activists, lending support for a package deal is risky. If the coalition maker does not enforce the linkage despite evidence of violations, their reputations may be undermined. Further, activists may find it difficult to trust the executive to faithfully enforce the linkage because the enforcement power is in the hands of trade ministries, not environmental bureaucrats.

As such, activists' decisions to support issue linkage depend on the coalition maker's ability to allay that fear. The executive can mitigate activists' fear of enforcement failure by voluntarily removing themselves from the enforcement process and deferring to activists. However, activists typically do not have the resources and authority to pressure non-complying parties into compliance. Government's deference to activists may sound hollow, furthermore, when they do not have the means for enforcement. The coalition maker can mitigate activists'

fear of enforcement failure by delegating issue linkages to environmental international organizations (IOs) with ties to activists. IOs with working ties to activists serve as a more credible venue for the enforcement of linkages.

If this theoretical expectation is valid, I should find that environmental activists with ties to delegated IOs are more likely to support trade agreements when issue linkages in the agreements contain references to those IOs. By contrast, activists without ties to IOs should find the linkage less attractive, because the risk of endorsing a non-enforceable package deal still stands.

Second, I develop a theory to explain the conditions under which issue linkage delivers legislative support. While previous studies on issue linkage shed important light on the buy-in effect of issue linkage, the discussions are built largely around legislators' policy motivation. These studies either assume that legislators are more likely to buy into supporting trade agreements with issue linkages if they care about the linked issue (Hafner-Burton 2011), or that such policy motivated legislators will be difficult to convince due to the weakness of the linkage (Moravcsik 1998).

My theory suggests that policy motivation does not fully explain the buy-in effect of issue linkage. While legislators' policy reputations are an important prerequisite, as those with strong reputations are better able to convince activists of the credibility of linkages, the effect of issue linkage is moderated by their electoral calculus. I argue that pro-environmental legislators lend support for trade-environmental package deals only when they are subject to severe electoral competition. While losing trade issue voters does not concern legislators in safe districts, legislators in competitive districts have incentives to hedge against the risk of losing trade voters by attracting support for their trade positions from environmental voters.

If this theory is valid, I should find that pro-environmental legislators support package deals with environmental linkages only when they are facing competitive elections. Further, I expect the electoral logic of issue linkages to be more salient among legislators operating in tighter electoral cycles. For instance, I expect my theory to better explain the buy-in effect in the U.S. House of Representatives than in the Senate, as the former faces elections every two years as opposed to every six.

Finally, another dilemma arises when evidence of violations emerges at the implementation stage. Typically, activists disseminate information on trade partners' compliance behaviors. However, because enforcers of an issue linkage are primarily answerable to pro-trade groups, they face a unique dilemma regarding enforcement. On the one hand, the enforcer feels the acute need to placate anxious pro-trade groups with preferences for weak enforcement. That said, enforcement failure despite such evidence will undermine the enforcer's credibility in the eyes of activists. Faced with this dilemma, the enforcer can retain both groups' support most effectively by refraining from using trade sanctions and delegating enforcement tasks to IOs and activists.

The relationship between the executive and pro-trade groups is an important yet under-considered component in explaining the enforcement of issue linkages. Studies find that issue linkages enhance social conditions in partner countries only when the linkage is enforceable through trade sanctions (Hafner-Burton 2005; Kim 2012b). However, enforcers such as the U.S.T.R. have rarely activated dispute settlement mechanisms in trade agreements to enforce environmental clauses. Despite the absence of coercive enforcement activities, studies routinely suggest that U.S. trade partners adjust their policies to comply with the issue linkages. My theory explains the puzzle by showing that trade ministries are more likely to put enforcement pressure

on the non-complying partner when they can use environmental IOs to enforce the linkage, because doing so allows them to avoid blame from domestic trade groups.

If this conjecture is valid, I should find that trade ministries in developed democracies push for enforcement within environmental IOs that are recognized in their trade agreements with non-complying parties. As one example, the U.S. should be expected to use the export quotas system stipulated in the Convention on International Trade of Endangered Species (CITES) to punish non-compliance on the part of Peru per the issue linkage on illegal logging in the trade agreement between the two countries. If the existing account is correct, I should find that the U.S. uses the dispute settlement system in the trade agreement frequently to punish the partner country's non-compliance.

### *Testing the Theory: Plan of the Book*

This dissertation focuses on the case of the U.S. since NAFTA. The U.S. is not only the most important rule-maker in the realm of trade agreements and issue linkages, but it also represents a hard case for the theory in two respects. First, while U.S.-involved trade agreements negotiated in the 1990s included more environmental linkages than did agreements involving the E.U. (Lechner 2016), American citizens during that time period were generally less interested in environmental issues compared to their German counterparts. Only 18% of American respondents to the World Values Survey had attended a meeting or signed a petition aimed at protecting the environment, compared to 33% in Germany.<sup>7</sup> Similarly, while 72% of American respondents had chosen products that are better for the environment, 88% of German

---

<sup>7</sup> See Inglehart, R., C. Haerper, A. Moreno, C. Welzel, K. Kizilova, J. Diez-Medrano, M. Lagos, P. Norris, E. Ponarin B. Puranen et al. (eds.). 2014. World Values Survey: Round Three - Country-Pooled Datafile Version: [www.worldvaluessurvey.org/WVSDocumentationWV3.jsp](http://www.worldvaluessurvey.org/WVSDocumentationWV3.jsp). Madrid: JD Systems Institute.

respondents had done so. If anything, one would expect the E.U. to negotiate stronger environmental clauses than the U.S. Yet, it was the U.S. government, not the E.U., that negotiated an enforceable environmental side agreement to a major plurilateral trade agreement, in the context of NAFTA. Second, one may not expect U.S. legislators to take positions on trade expansion bills based on environmental issue linkage to the extent that their European counterparts do. In the U.S. electoral context with a plurality voting system, geographically concentrated and narrow interests tend to prevail (Rickard 2012). In this context, value concessions such as environmental and human rights side agreements may not be suitable for placating legislators, because of the geographical diffuseness and the non-targetable nature of those issues. And yet, the U.S. has been at the forefront of linking trade liberalization and environmental protection since NAFTA, and its environmental standards are as elaborate and legalized as those of the European Union. These patterns suggest that the effect of issue linkages cannot be understood solely by studying citizens' raw preferences for environmental protection.

Assessing the effect of issue linkages poses unique empirical challenges. Importantly, the empirical challenge stems from the lack of conceptual clarity as to “what constitutes issue linkage.” In this vein, McKibben (2010) argues that the lack of clarity on whether scholars treat issue linkage as “a tactic or exogenously related” causes analytical confusion (702). The author also notes that studies that view issue linkage as a bargaining tactic tend to treat issue linkage as a form of side-payment.<sup>8</sup> The conceptual problem begets a measurement problem. As researchers treat issue linkage as a form of side-payment or a governmental tactic, the scope of issue linkage research is limited to linkage strategies adopted by state actors. This approach does not allow researchers to examine why state actors adopt such issue linkage strategies in the first place.

---

<sup>8</sup> Also, Poast (2012) considers the lack of data on failed international negotiations as a main obstacle for estimating the effect of issue linkages.

Breaking with the state-centric approach, a recent study by Farrell and Newman (2018) looks inside the state to understand the effect of issue linkages based on a qualitative case study. While this dissertation's analytical approach is similar to theirs, empirical challenges persist in testing this line of hypotheses in a more generalizable context.

Importantly, no readily available data set exists on value-based actors' preferences on trade, let alone their stances on issue linkages. Although a series of fine-grained data measuring the preferences of economic interest groups and firms on trade openness now exists, few studies have paid attention to value-based actors' stances on trade deals and issue linkages. This dissertation identifies three particular measurement problems in capturing preferences on issue linkages.

The first measurement problem stems from uncertainty about the effect of issue linkage. Because trade-environmental issue linkages are a fairly new policy tool, even environmental activists may find it difficult to predict the effects of an issue linkage *ex ante*. As such, activists' initial statements on a new environmental linkage are frequently updated as they learn about its effects. For instance, the Sierra Club initially supported the Bush administration's decision to include seven Multilateral Environmental Agreements (MEAs) in future trade agreements. Soon after, the organization joined forces with steel industries in opposition to further liberalization (See Chapter 3).

Second, measuring politicians' attitudes on issue linkage poses a unique challenge. Legislators cast votes on trade agreements (i.e., congressional roll call votes). However, because final votes are a function of many convoluted factors, it is difficult to accurately estimate the effects of issue linkage. Even if legislators were directly asked about their preferences on issue linkages (i.e., Will you support a trade agreement if it contains supplemental rules for

environmental protection?), their answers may not reflect the ultimate effects of the linkage on their final votes, because they have an incentive to misrepresent their stances.

Lastly, it is not analytically useful to treat actors' issue linkage preferences as binary outcomes. If we look closely at the policy debate on issue linkages in the U.S. and the E.U., environmental activists and business groups do not categorically support or oppose issue linkages as a whole. They have sophisticated design preferences. For instance, pro-trade interests such as the Business Roundtable and the U.S. Chamber of Commerce supported the North American Agreement on Environmental Cooperation, the side agreement attached to NAFTA, as long as it would not allow for trade sanctions as an enforcement tool. Similarly, while most environmental activists typically support the idea of using trade sanctions, some are more lenient than others regarding that demand.

I overcome these problems by constructing original data sets and by conducting interviews with stakeholders. The first data set contains information on approximately 4,300 advocacy groups and business interests' ties to environmental IOs in order to test how IOs unite business interests and activists. The data set provides an opportunity to test my hypothesis that activists with ties to IOs tend to support issue linkage without solely relying on activists' statements on their positions on issue linkage. I also test the theory on legislators' interests based on a monthly elite survey conducted in the run up to the final roll call votes on NAFTA. The information on temporal variation in the legislators' positions on NAFTA provides a rare opportunity to test whether the legislators changed their positions on NAFTA as the executive attached the environmental side agreement. Lastly, the findings from the statistical analyses and case studies are supported by interviews with activists, business interests, and policymakers

conducted over two months of fieldwork in Washington D.C., and an additional four months spent in Brussels, Belgium.

Chapter 2 presents theories of hybrid coalitions. In this chapter, I explain how value-based issue linkages are analytically distinct from linkages of material issues. I then develop a theory that explains activists' decisions to support environmental-trade linkages. Second, I theorize on legislators' decisions to support environmental-trade linkages. Finally, I provide a theory that identifies the conditions under which coalition makers enforce those issue linkages.

Chapter 3, entitled "Bootleggers and Baptists in Trade Politics: How IOs Unite Firms and Activists in Promoting Trade Liberalization," tests the theory on how the political executive attracts support from activists. The chapter shows that environmental issue linkage attracts environmental advocacy organizations' support for trade deals only when the linkage explicitly recognizes the authority of environmental IOs with working ties to the advocacy organizations. Focusing on trade agreements negotiated by the U.S. from 2001 to 2016, I show that the government was more likely to include MEAs/IOs with working ties to U.S.-based advocacy organizations. The chapter then demonstrates with qualitative evidence that those environmental NGOs with working relationships with delegated IOs were more likely to lend support for trade deals with linkages.

Chapter 4 tests the theory on the effects of issue linkage on legislative support. Drawing on monthly elite survey data on legislators' positions on NAFTA before the finalization of the environmental side agreement and their final votes, I estimate the extent to which individual legislators change their votes due to the existence of a side agreement. In competitive districts, pro-environmental legislators are predicted to support NAFTA with the environmental side deal

by 60%, while pro-environmental legislators in safe districts are predicted to support the package deal by 45%.

Chapter 5, entitled “Enforcing Issue Linkages” shows how the executive, in particular trade ministries, handles violations of issue linkages. Focusing on Peru’s non-compliance with the Forestry Annex in the U.S.-Peru trade agreement, I present a case study to show that the U.S. government adopted soft enforcement tools such as foreign aid when there are not any impending needs for coalition-making despite major environmental NGOs’ demands for stronger enforcement. However, the government used stronger enforcement tools (i.e. verification of shipments) when it needed to gain activists’ support for a new trade deal. In addition to the case study, I corroborate my theory based on quantitative tests of the U.S. government’s allocations of financial resources to environmental IOs with ties to activists at the post-ratification stage.

In Chapter 6, I test the theory’s generalizability by considering the case of the E.U. The case of the E.U. is different from the U.S. in two respects: i) environmental activists are more tightly connected to political parties than they are in the U.S. and ii) the European Parliament adopts different electoral rules (i.e. larger constituencies and a PR system) than the U.S. Congress (i.e. smaller constituencies for the House and a plurality system). This chapter explains how these characteristics explain the E.U.’s linkage strategy.

Chapter 7 concludes. In this chapter, I discuss the scope of my theory and propose avenues for future research. Most importantly, I discuss the relevance of this dissertation in times of populism. Since the election of President Trump and the rise of extremist parties in Europe, negotiating trade agreements has become difficult. For example, the Trump administration withdrew from the Trans-Pacific Partnership (TPP), which included elaborate chapters on environmental and labor protection. Further, plans for the Transatlantic Trade and Investment

Partnership (TTIP) were aborted after years of negotiation. Instead, the U.S. and the E.U. have been working to negotiate a streamlined trade deal focusing exclusively on the reduction of tariffs on industrial goods. Given these setbacks to trade agreements, one may consider the post-2016 time as an age of de-linkage. Despite the qualitative differences that characterize the post-2016 age, my framework highlights several sources of continuity and predicts the continued value of the environmental issue linkage strategy. By discussing recent trade negotiations for the U.S.-Mexico-Canada Agreement and the E.U.-Japan Economic Partnership Agreement, I spell out how the theory can explain the reformed practice of linking environmental issues with trade agreements in the post-2016 age.

## **Chapter 2. A Theory of Hybrid Coalitions**

Does environmental issue linkage boost support for trade liberalization? There is suggestive evidence that it does. Immediately after the finalization of the North American Agreement on Environmental Cooperation (NAAEC), six environmental NGOs—the National Audubon Society, the National Wildlife Federation, the Natural Resources Defense Council, the Environmental Defense Fund, the World Wildlife Fund, and Conservation International—pledged to “help the White House fight for Congressional passage of NAFTA.”<sup>9</sup> The support from the environmental community appears to have translated into legislative support in Congress. Out of twenty-seven representatives from swing districts in the U.S. House of Representatives who, according to the World Wildlife Fund (WWF) report in September of 1993, had relevant concerns on NAFTA, fifteen ended up supporting NAFTA (Audley 1997: 99). The success of issue linkage is not limited to NAFTA. As Democrats took control of Congress in 2007, the Bush administration reached agreement with Democrats to include non-trade clauses on environmental and labor protections in several future trade agreements. The Bush administration’s concession on environmental issues attracted support from some Democrats and environmental NGOs for four trade agreements with Colombia, Panama, Peru and South Korea.<sup>10</sup> Specifically, the Humane Society International and the Environmental Investigation Agency publicly supported the trade deals in their congressional testimonies. Further, Representative Nancy Pelosi (the House Speaker) and Representative Charles Rangel (Chair of the Ways and Means Committee) endorsed the package deals with the four countries (Destler 2007).

---

<sup>9</sup> See Schneider, Keith. “Environment Groups Are Split on Support for Free-Trade Pact.” *The New York Times*. September 16, 1993.

<sup>10</sup> Weisman, Steven. “Bush in Accord with Democrats on Trade Deals.” *The New York Times*. May 11, 2007.

On closer inspection, however, numerous environmental NGOs, business interest groups, and pro-environmental politicians did not lend support for those package deals despite the environmental issue linkage. Most notably, the Sierra Club, the Humane Society of the United States, Greenpeace, Friends of the Earth and approximately 300 state, regional and community environmental groups remained opposed to NAFTA despite the environmental side agreement.<sup>11</sup> In the House, twelve out of the twenty-seven swing politicians with relevant environmental issues identified by the WWF cast opposing votes on the NAFTA implementation bill, and they publicly expressed their dissatisfaction with the side agreement (Audley 1997: 99). For their part, major business interest groups including the Business Roundtable, the U.S. Chamber of Commerce, the U.S. Council for International Business, and the Emergency Committee for American Trade, remained strenuously opposed to using trade sanctions to enforce environmental standards.<sup>12</sup>

What explains the divergence? Why do some environmental groups and legislators support package deals while others do not? In the following sections, I discuss existing literature on issue linkage and identify research problems in analyzing the effectiveness of value-based issue linkage. I then present a framework that considers issue linkage as a coalition strategy. Building on the framework, I develop theories that shed light on the microfoundations of activists' decisions to support issue linkages, and legislators' attitudes on trade deals with environmental linkages. I then theorize on how coalition makers retain coalition members (i.e. activists and pro-trade groups) at the implementation stage.

---

<sup>11</sup> See Schneider, Keith. "Environment Groups Are Split on Support for Free-Trade Pact." *The New York Times*. September 16, 1993.

<sup>12</sup> See "Business Groups Urge "Assessments" to Enforce NAFTA Side Pacts." *Inside U.S. Trade*. July 16, 1993.

### *Existing Literature*

The idea that issue linkage enhances the prospect for international cooperation has been at the center of scholarly debates (Keohane and Nye 1977; Tollison and Willett 1979; Haas 1980; Sebenius 1983; Oye 1993; Lohmann 1997; Moravcsik 1998; Koremenos et al. 2001; Conconi and Perroni 2002; Davis 2004, 2009; Hafner-Burton 2005, 2011; McKibben 2010, 2013; Kim 2012a; Poast 2012, 2013; Lechner 2016; Postnikov and Bastiaens 2014; Bastiaens and Postnikov 2017; Mikulaschek 2018; Farrell and Newman 2018). The prevailing view treats issue linkage as a useful solution to various cooperation problems *among states*. Most notably, Keohane and Nye say that the declining role of military force has made contemporary world politics more complex than realist scholars envision (Keohane and Nye 1977). In the past, there was a clear hierarchy among issues due to the primacy of military threats as a tool of governance. As such, non-military issues were considered to be of secondary importance, and those secondary issues were subordinate to the inter-state hierarchy determined by military power. The neo-liberal institutionalists pointed out that this is no longer the case. As secondary issues gain importance of their own, states in the post-conflict age are now more willing to trade issues to enhance cooperation instead of using military force to deliver cooperation. In this tradition, scholars argue that international cooperation is facilitated by issue linkage when states have differential preferences on a set of issues. This is because the difference allows for *quid pro quo* transactions and expands the size of negotiating parties' win-sets (Tollison and Willett 1979; Sebenius 1983; McKibben 2013). Expanding on the functionalist tradition, Rational Design of Institutions scholars argue that issue linkage is more likely when states find it difficult to trust each other's commitment to enforcement or when the benefit of cooperation is concentrated to a few (Koremenos et al. 2001).

Recent studies have shed light on the micro-foundations of issue linkage by shifting the focus from the structure to the agency. If previous studies tended to emphasize the international structure in which issue linkage is created, the new line of research highlights the agency of actors that create issue linkage. While these two approaches are not mutually exclusive, the new approach takes societal interests more seriously. For instance, Davis (2004) shows that trade negotiators strategically package trade negotiations to involve multiple sectors, expecting to counter the strong domestic resistance against liberalization from protectionist industries. Similarly, Hafner-Burton (2011) shows how pro-trade leaders strategically link human rights issues to trade negotiations in order to gain support from pro-human rights legislators. Moravcsik (1998) argues that issue linkage does not enlarge coalitions by weakening well-organized interest groups, because toothless linkage is not sufficient to buy support from concentrated interests. As such, issue linkage facilitates cooperation, the argument goes, when stakeholders of linked issues are diffusely organized (i.e. taxpayers or consumers). Recently, Farrell and Newman (2018) examine how non-governmental actors with a stake in a linked issue gain bargaining power, as linkage creates access to previously unavailable political opportunity structures.

Despite the emergence of these actor-centric studies on issue linkage, important challenges remain in explaining the effectiveness of value-based issue linkages on coalition expansion. Because activists overcome collective action problems differently than economic interest groups, and because the expected electoral utility of attaching value-based issues is different than attaching material issues, value-based issue linkage generates unique dynamics among actors. In the next section, I identify two research problems unique to value-based issue linkage.

### *Identifying New Research Problems on Issue Linkage*

What is unique about value-based issue linkage? Should we think about trade-environmental issue linkage differently than multi-sector issue linkage in trade negotiations (i.e., tying tariff reductions in the agriculture and semi-conductor industries)? I argue that the two types of linkage differ, because value-based issue stakeholders overcome collective action problems differently. Because the environmental benefits of collective actions are diffuse and the costs are concentrated, environmental stakeholders tend to resort to mobilization tactics such as protests and petitions, rather than behind-the-scenes lobbying. This characteristic engenders two unique traits with respect to environmental issue linkage: i) the time-sensitive nature of mobilization exacerbates activists' fear of enforcement failure in the post-ratification period, because well-organized pro-trade interests are better able to influence enforcement decisions in the post-ratification period; and ii) legislators under-prioritize the preferences of environmental voters compared to those of economic interest groups, because it is difficult to claim credit for environmental enhancement via issue linkage.

### *Building Trust Amid Obsolescing Bargaining*

Understanding pro-trade political leaders' commitment problems towards activists and pro-trade interests is key to analyzing the effectiveness of issue linkages. This is because a fundamental mismatch exists in the two groups' goals in their support of trade agreements. Pro-trade interests support a trade agreement in the hope that the agreement will increase their incomes. In this sense, they are genuine supporters of the trade agreement. By contrast, strategic supporters such as environmental activists do not support or oppose a trade agreement based on its effect on their incomes; trade agreements are but an instrument that can help them accomplish their ideational

objectives (i.e., environmental protection). Therefore, strategic supporters of trade agreements may change their views on trade agreements depending on the agreement's instrumental value in enhancing their goals. Due to this mismatch, both activists and pro-trade interests have reasons to be suspicious of the leader's intentions regarding issue linkage. In this section, I explain that the leader faces commitment problems vis-à-vis activists and pro-trade groups respectively. I then argue that the commitment problems are compounded by the intertemporally shifting balance of power between activists and pro-trade groups.

The first commitment problem arises as the political executive attempts to convince activists to lend support for trade in exchange for environmental clauses. Even if environmental clauses are included in a trade agreement, strategic supporters have ample reason to doubt whether the clauses will be enforced in the post-ratification stage, as enforcement of the environmental clauses will necessarily disrupt trade transactions and effectively function as non-tariff barriers. Since this is not in keeping with the pro-trade groups' economic interests in the post-ratification stage, activists have reason to suspect the government's motive during the bargaining stage. To sum up, activists' fear of the executive's defection in the post-ratification stage makes it difficult to lend support to trade agreements during the bargaining stage.

The second commitment problem arises with respect to pro-trade interests as well. On the one hand, pro-trade groups may reluctantly support environmental linkages to pass trade agreements by attracting support from activists in the pre-ratification stage. In some cases, exporters may genuinely want partner countries to adopt stronger environmental standards to level the playing field with foreign competitors (Vogel 1997). That said, pro-trade interests do not want the executive to use trade sanctions as an implementation tool, because using sanctions

for enforcement may cause trade disputes within the World Trade Organization.<sup>13</sup> As a result, exporters will have to bear the cost of retaliation for lost disputes. This suggests that the executive must make a credible commitment to flexible enforcement towards pro-trade interests in order not to lose pro-trade groups' support.

The resulting task for the executive is as follows: it must gain the trust of both activists and pro-trade groups, whose enforcement preferences are at odds with each other's. Activists want commitments to strong enforcement, whereas pro-trade interests want commitments to flexible enforcement.

The two groups' conflicting preferences for enforcement make it difficult to form a stable coalition for sustainable trade. This problem is then compounded by the inter-temporally shifting balance of power between them. While activists can mobilize their constituents to oppose trade deals running up to ratification, their power subsides dramatically once their constituents lose interest in those deals in the post-ratification stage. By contrast, pro-trade businesses with concentrated interests can patiently lobby their governments to ignore violations of environmental clauses after ratification. I explain how the nature of stakeholder interests (i.e. concentrated vs. diffuse interests) explains the temporally-shifting power dynamics.

The logic of collective actions is at the core of the shifting bargaining dynamics. The logic of collective actions is simple for a group of entities whose material interests are naturally aligned. For example, pro-trade interests can pursue collective action when those directly benefiting or losing from trade liberalization tend to be concentrated either economically or geographically (Olson 1965). Even if they are small in number, the ability of interest groups to

---

<sup>13</sup> See various issues in Inside U.S. Trade that cover business groups' opinions about the environmental side agreement attached to NAFTA. Among others, see "TEXT: Industry Letter to Kantor on NAFTA Side Accords." (June 4, 1993). Retrieved from the Inside U.S. Trade online archive.

overcome collective action problems amplifies the effectiveness of issue linkage as an enforcement mechanism. For instance, as Koremenos et al. (2001) illustrate, well-organized U.S. beef exporters can pressure the U.S. government to resist domestic pressure to impose protectionist measures on European wine due to their fear of retaliation. The beef industry can monitor the government's policy behavior in the long run due to their concentrated interests. This means that they can manage to mobilize industry actors against protectionist measures because the actors' material interests are tightly intertwined. Because the government knows that the beef industry will mobilize against enforcement failure, the government will faithfully follow the trade rules.

For activists, the logic of mobilization does not always make issue linkage credible. Importantly, the benefits of environmental enhancement are diffuse and the beneficiaries of environmental protection tend to be weakly organized.<sup>14</sup> As such, environmental movements do not operate in the same way as lobbies for pro-trade interest groups. Like many social movements, environmental movements take place via networks (Hadden 2015). People participate in social movements not simply due to direct benefits; they often do so out of solidarity or a sense of belonging. Recognizing the heterogeneity of motivations for participation, Tarrow (1998) identifies unique traits of social movements distinct from economic interest groups' operations. Due to the heterogeneity of motivations and the fluid organizational structures of NGOs, movement entrepreneurs should "bring together a coalition of groups, organizations and individuals they didn't control in a coordinated campaign of collective action" (Tarrow 1998: 13-16). While such mobilization attempts oftentimes produce successful protests,

---

<sup>14</sup> Environmental stakeholders mobilize to overcome what Hardin (1968) called the tragedy of the commons. By contrast, Olson contends that his framework for collective action problems is designed to explain organizations with an important economic aspect (Olson 1965: 6).

petitions, or awareness campaigns, it is difficult to *sustain* the efforts in the long run. For a social movement to be durable, organizers should constantly implement appropriate organizational strategies within the parameters of their limited resources (McCarthy and Zald 1977; Han 2014). Unlike economic interest groups, social movements are not expected to be self-sustaining without such efforts. In the context of issue linkage, the time sensitive nature of social movements makes it difficult to monitor and check the government in a durable manner.

It is worth emphasizing that the actors' preferences and abilities are intertemporally shifting. Due to the inter-temporality of the game at hand, the commitment problem is felt more acutely by activists (who rely on time-sensitive mobilization tactics) than pro-trade interests (who rely on time-patient lobbying). Mobilization in the form of protests or petitions against trade liberalization is effective in showcasing issue stakeholders' will to act, but their influence is highly time-sensitive. While the show of force can send a strong signal to the executive, organizers operating with limited resources find it difficult to sustain such protests in the long run. In the context of trade-environmental linkages, environmental activists strategically attempt to mainstream environmental issues and ally with protectionist organizations (i.e. labor unions) before ratification. However, such efforts rarely last in the post-ratification period. On the other hand, pro-trade lobbies have comparative advantages in promoting their interests behind the scenes. Recent studies find that inside lobbying in the trade policy-making process is monopolized by export-oriented industries, meaning that their financial resources can help them secure private access to policymakers (Osgood 2017; Woll 2008). While pro-trade interests may have to concede to public interest groups to secure ratification, their influence is time-patient because profit-seeking interest groups will continue to lobby the government even after

ratification out of self-interest. This suggests that the influence of pro-trade businesses will outlive that of activists in the post-ratification stage.

The intertemporal nature of the game makes this ensemble something akin to obsolescing bargaining dynamics.<sup>15</sup> That is, environmental groups have the upper hand vis-à-vis the executive in the pre-ratification stage, because they can mobilize broad networks of issue stakeholders in opposition to trade liberalization. But, once environmental groups lend support for trade agreements due to environmental linkages, their bargaining power in the post-ratification stage subsides. For instance, the U.S.T.R. and the Department of Commerce—two bureaucratic organizations whose main constituents are economic interest groups—usually serve as contact points for matters regarding environmental clauses in trade agreements. Given that the primary mandates of these governmental bodies are to promote trade flows, it is risky for environmental groups to publicly endorse trade agreements as there is little they can do when partner countries violate environmental clauses. If bargaining power obsolesces for green groups in time  $T + 1$ , pro-trade interests would see something akin to juggernaut effects in time  $T + 1$ . Knowing that they can exert more influence in the enforcement stage than in the bargaining stage, pro-trade interests are more willing to let activists have what they want in the bargaining stage.

Considering the intertemporal commitment problems, there is a remaining question that the issue linkage literature needs to address. Why do some activists lend support for trade

---

<sup>15</sup> Vernon coined the term to explain the bargaining dynamics between a host government and Multinational Enterprises (MNEs) with respect to Foreign Direct Investments (FDI) (Vernon 1971). Vernon says that MNEs have the leverage in their bargain with the host government, because the government has the incentive to attract FDI. However, the bargaining dynamics change over time in the government's favor, as the MNEs increase their fixed assets in the host countries.

agreements with environmental linkages, when their bargaining power will undoubtedly  
obsolesce once the deal is sealed?

*The Aggregation Problem: Indivisible Issues with Diffuse Benefits*

Issue linkage is known to be an effective tool to form coalitions to pass trade agreements in legislatures, because legislators can trade issues and broker compromises among various issue stakeholders.<sup>16</sup>

That said, when it comes to linking value politics, issue trading may decrease the chances of any compromise regarding trade liberalization for two reasons: issue indivisibility and diffuse benefits. Politicians operating in the realm of interest group politics could broker a compromise and grant material compensation to those negatively affected by trade openness. In other words, losers of trade openness can be placated with a payment, because their demands are quantifiable and fungible.<sup>17</sup> The same cannot be said of value politics; involving advocates for value-based issues may decrease the chances of any compromise regarding trade liberalization. Because

---

<sup>16</sup> This task may not be necessary if a majority of legislators are already pro-trade. However, that is not always the case. If an insufficiently large number of pro-trade legislators holds seats in the legislature, the executive expends resources and provides concessions to legislators to buy their support until a sufficient number of legislators supports the agreement. As numerous previous studies find, pro-trade leaders (i.e. presidents) use particularistic favors (pork) to build coalitions for trade liberalization. For example, to gain the support of Florida representatives, President Clinton had to make concessions on orange juice concentrate and vegetables including citrus and tomatoes to form a minimum winning coalition to pass NAFTA in Congress. See “Congress OKs North American Trade Pact.” In CQ Almanac 1993, 49th ed., 171-79. Washington, DC: Congressional Quarterly, 1994.

<sup>17</sup> Admittedly, the literature on embedded liberalism takes this question seriously. This line of research shows that the content of international economic order is largely determined by what is considered legitimate by the domestic audiences of powerful states (Ruggie 1982). Accordingly, recent research in this tradition show that states tend to link trade to non-trade issues when they reflect legitimate domestic regulatory objectives (Kim 2012b, 2016). Also, recent IPE studies have paid more attention to the conditions in which governments implement welfare-maximizing policies that benefit consumers despite their geographical and economic diffuseness. Most notably, Milner and Kubota (2005) show that politicians in democracies have stronger incentives to pursue trade liberalization that benefits consumers than their autocratic counterparts, because they need to form broader winning coalitions to win elections. Baker (2005) demonstrates that consumer tastes are an important determinant of individual trade attitudes. Similarly, Naoi and Kume (2015) show that even low-income citizens in developed economies support trade liberalization when they are primed to think about their identities as consumers. These studies suggest that politicians have incentives to care about the diffuse welfare implications of trade liberalization.

activists on these issues tend to treat their agenda as non-divisible, side-payments may not be sufficient to buy the groups' support for globalization-oriented trade policies (Goddard 2006). For instance, despite Australia's threat to halt trade negotiations with the E.U., European human rights organizations and the E.U. pushed hard for the inclusion of civil rights clauses that may affect the rights of Aboriginal Australians. As a result, the E.U.-Australia trade negotiations were deadlocked indefinitely.<sup>18</sup> Taken together, the anecdotal and scholarly evidence suggests that involving value-based issue stakeholders increases the price of side-payments.

This perspective is in line with the skeptical view on issue linkage developed by Moravcsik (1998). In the context of the process of European integration, he finds that issue linkages "were used sparingly," and "linkages involving major losses for a major country appear to have been possible only within particular sectors of the economy because major net losers were unorganized or unrepresented" (Moravcsik 1998: 483). Similarly, Kaufmann and Pape (1999) argue that issue stakeholders' unwavering commitment to their issue may be detrimental to the formation of a value-based issue linkage, if involving the recalcitrant activists is likely to upset the existing balance of power within an existing coalition. Recognizing the difficulty of bipartisan cooperation between British Whigs and Tories in the context of the French Revolutionary War, they write:

Moral movements whose supporters' positions on other issues lie near the middle of the political spectrum will have greater leverage than those whose loyalties are confined to one end. Thus, although the anti-abortion movement is perhaps the group in American society that most nearly approaches the combination of unwavering commitment and substantial numbers of British abolitionists, our

---

<sup>18</sup> See "Australia Says No Deal on E.U. Trade Treaty." Deutsche Presse-Agentur. February 10, 1997.

theory suggests that it would have to occupy a different place in the American political spectrum than it does for a “saintly logroll” to form. Just as early nineteenth century British Whigs and Tories both preferred to make concessions to abolitionists than to each other, Democrats would have to prefer to cooperate with the anti-abortion movement rather than with moderate Republicans (663).

According to the authors, linking a value-based issue with serious partisan implications may alienate even pro-trade legislators, as their negative preferences for environmental protection may undermine the attractiveness of the coalition. Especially when activists’ strategies are confined to political parties such that their involvement in trade activates partisan politics, linking a value-based issue can hinder the formation of a pro-trade coalition.<sup>19</sup> If this view is valid, we reach the conclusion that only weak issue linkages work.

An important question then arises. How does a weak issue linkage with diffuse political benefits incentivize office-seeking legislators to lend support for a policy that they would not support otherwise? Previous accounts find that the linking of taxpayer benefits, the abolitionist agenda, or consumer protection was made feasible because the winners of such policies were weakly organized. The existing accounts, however, do not consider that legislators care about their re-election prospects. Unlike for presidents with stronger incentives to promote the national interest, legislators operating in smaller districts may not have the incentive to change their

---

<sup>19</sup> This happened in the passage of the 2000 China PNTR bill. In the run up to the congressional vote to pass the bill in September 2000, there were eleven roll call votes in the Senate on whether the government should normalize its trade relations with China conditional on human rights conditions such as religious freedom, abolition of prison labor, China’s ratification of the International Convention on Civil and Political Rights, and abolition of forced abortion among others. The Senate rebuffed the amendments, all primarily on the grounds that their inclusion could delay or perhaps destroy the measure’s chances for enactment if the bill were to be sent back to the House. See “Lawmakers Hand Clinton Big Victory in Granting China Permanent Trade Status.” In CQ Almanac 2000, 56th ed., 20-3-20-24. Washington, DC: Congressional Quarterly, 2001.

positions on trade deals based on non-trade issues whose advocates are only weakly organized.<sup>20</sup> Given the non-targetable nature of the welfare enhancing effect of such value-based issue linkages, how do politicians use the linkage in order to claim credit for the enhancement of social welfare?

In the context of environmental issue linkages in trade agreements, how do legislators use the issue linkage to their electoral advantage? Because legislators are better able to claim credit for geographically-targeted and salient concessions such as pork and remedial packages, the existing literature would suggest that strongly determined veto players facing partisan or economic protectionist voters would prefer those traditional concessions, not value concessions such as environmental linkages.<sup>21</sup> This is especially true in the context of U.S. politics, because members of Congress operate in smaller electoral districts under weak party discipline. McGillivray investigates similar dynamics in the U.K. and argues that smaller electoral districts privilege geographically concentrated industries (McGillivray 2004; Rickard 2018). In particular, in the U.S. electoral context with a plurality voting system, geographically concentrated and narrow interests tend to prevail (Rickard 2012). Value concessions such as environmental side agreements may thus not be suitable to placate legislators operating in a plural electoral system, because of the geographic diffuseness and the non-visible nature of those issues. And yet, the U.S. has been at the forefront of linking trade liberalization and environmental protection since NAFTA, and its environmental standards are as elaborate and legalized as those of the E.U. (Lechner 2016).

---

<sup>20</sup> See Howell (2013). Additionally, Kriner and Reeves (2015) show that even presidents resort to particularistic strategies to reward their loyal supporters in the U.S. context. For a more comprehensive analysis of the relationship between presidents and legislators in the realm of international trade, see Milner and Tingley (2015).

<sup>21</sup> Kono (2006) shows that democracies tend to reduce tariff barriers and quotas more than product standards, because politicians find it easier to explain their effects on consumer welfare to voters without expertise. By the same logic, it is difficult to convince pro-protection voters of the worth of environmental standards whose effectiveness as protectionist measures is not readily intuitive.

The remaining question, then, concerns the electoral politics of issue linkage. If linkage should not be too politically salient to be effective, how does such a weak issue linkage help legislators gain support from voters? Why do some politicians who care about environmental issues not change their positions on trade liberalization despite environmental linkages? Why do others with equally strong preferences for environmental protection respond positively to the linkage?

### *A Theory of Hybrid Coalitions*

To explain whether issue linkage boosts public support for trade deals, we need a new microfoundational theory that explains why some activists still support issue linkage despite the difficulty of trusting leaders' commitment to enforcement. To understand the effectiveness of issue linkage in legislatures, it is important to explain why some legislators support issue linkage despite the elusive electoral benefits of the linkage. For this task, we need a theory that explicitly considers the incentives of activists and legislators. In developing the theory, I firstly describe the context in which pro-trade leaders are attracted to value-based issue linkages over other traditional tools for coalition expansion (e.g. pork). I then develop a theory that explains activists' decisions to support trade deals in return for environmental clauses despite the commitment problem. In this section, I argue that environmental IOs bridge the credibility gap for activists with ties to the IOs. I contend that activists with ties to IOs are better equipped to support issue linkage, because they can use the IOs to discuss enforcement failure and name-and-shame non-complying governments. In the next section, I present a theory that explains legislators' decisions to support issue linkage. I argue that legislators trusted by activists increase their support for the linkage, when electoral competition in their districts intensifies. Unlike those

in safe districts, green legislators facing competitive elections are tempted to raise donations from pro-trade businesses without losing support from green voters, who tend to be anti-trade. Given their incentives to keep both environmental voters and pro-trade donations, activists' support of issue linkage can serve as moral cover for supporting trade deals in legislatures.

### *The Promise of Value-based Issue Linkages for Pro-trade Political Leaders*

Why do pro-trade political leaders attach environmental issues to trade agreements? I develop my theories based on the assumption that the leader's goal is to form *winning coalitions in the legislature*.<sup>22</sup> In order to do so, the leader has to gain sufficient support in the legislature. If there is not a sufficiently large number of pro-trade legislators, the leader expends resources and provides *pork* or geographically targeted benefits to legislators to buy their support until a sufficient number of legislators supports the agreement.<sup>23</sup>

Pork is an effective tool to expand pro-trade coalitions and buy anti-trade legislators' support. Because of its targetability, office-seeking legislators, in particular those operating in winner-take-all systems, prefer to use particularistic favors to win elections rather than promising to provide public goods (Lizzeri & Persico 2001). In the context of trade negotiations, pro-trade leaders may promise anti-trade legislators infrastructure projects or protection measures targeted for their local industries in order to earn their support. However, pork is expensive. It is financially costly to grant individual legislators particularistic favors to buy their support (See

---

<sup>22</sup> This is a relatively safe assumption to make, because the leader would not have selected into negotiating a trade agreement that it does not want to implement. However, the logic can be more complicated if a succeeding government has a different preference about a trade agreement under negotiation. A prime example is the U.S. withdrawal from the Trans-Pacific Partnership. A notable counter-example is NAFTA: President Clinton took over NAFTA, which had been negotiated by the Bush administration.

<sup>23</sup> For example, to gain the support of Florida representatives, President Clinton had to make concessions on orange juice concentrate and vegetables including citrus and tomatoes to form a minimum winning coalition to pass NAFTA in Congress. See "Congress OKs North American Trade Pact." CQ Almanac. 1993, 49th edition., 171-79. Washington D.C.: Congressional Quarterly, 1994.

Riker 1962).<sup>24</sup> Most importantly, the payment cycle for pork barrel politics is tightly linked to election cycles, because pork is primarily needed for incumbent legislators in times of electoral campaigns. As such, legislators facing elections are likely to demand that they get earmarks or financial commitments from the leader in return for their support of trade bills. In this case, the leader has to incur high budgetary costs to buy legislative support and must pay for it in a short time span before the election in question.

Value concessions are not as effective as pork in buying protectionist legislators' support, because these concessions are not targetable and visible. In the context of environmental issue linkages, environmental benefits are less geographically targetable than particularistic favors. In the absence of targetable benefits, legislators operating in smaller electoral districts may find it difficult to claim credit for such policies. In addition, any environmental benefits expected from the linkage may not be realized in the short term. Even if there is substantial environmental enhancement after package deals enter into force, it is difficult to claim that the enhancement is due to the linkage. These characteristics of value concessions make it difficult for legislators to claim credit for having lent their support to the linkage. However, value concessions have an important advantage. Specifically, value concessions can be more cost-effective than pork, if done correctly. For instance, including a clause to commit to the Paris Agreement in the Trans Pacific Partnership (TPP) might have sweetened the trade deal for more than fifty members of the House of Representative's bipartisan Climate Solutions Caucus.<sup>25</sup><sup>26</sup> Of course, pro-trade

---

<sup>24</sup> Excessive expenditures for pork can be politically costly as well, because the legitimacy of a trade agreement may be undermined when the public perceives the agreement as a product of illegitimate horse-trading. In line with this conjecture, the Clinton Administration received a flurry of letters requesting for the copies of the letters from President Clinton to the members of the House promising them the pork they will receive in exchange for their pro-NAFTA votes. See Office of Speechwriting and Michael Waldman, "NAFTA – Miscellaneous Correspondence.", Clinton Digital Library. Accessed October 29, 2018. Available here.

<sup>25</sup> As of this writing, the caucus has been dissolved since the election in 2018.

<sup>26</sup> Interview (2017c) reveals that the Obama administration considered including environmental clauses commemorating the Paris Agreement, and faced strong opposition from Republicans. The Administration decided to

leaders often expend fiscal resources to sponsor new environmental projects to signal their commitment to environmental linkages. In the context of the TPP, the Obama administration may have wanted to establish an institution to uphold its commitment to comply with the Paris Agreement to signal its genuine commitment to the linkage, had it been able to include the clause in the text of the trade deal. Even so, such *ad hoc* sponsorship for one environmental project is likely to be less expensive than financing infrastructure projects for the fifty or so representatives in the Climate Solutions Caucus. More importantly, the leader has considerable leeway to smooth out the cost of linkage. Typically, the effectiveness of issue linkage remains untested until major evidence of violations emerges. For instance, voters and green groups do not learn about the effectiveness of environmental linkages immediately after the passage of package deals. If activists find major evidence of violations over time, voters update their understanding of the linkage and pressure the leader to punish non-compliers using sanctions or to provide environmental aid to ensure compliance. As such, unlike the pork barrel payment cycle, the leader can delay paying for issue linkage until pressured to do so.

Taken together, pro-trade leaders aim to form a minimum spending winning coalition that can pass a trade agreement in the legislature using these various tools.

How can pro-trade leaders convince legislators who are otherwise indifferent about trade liberalization to lend support for trade deals in exchange for issue linkages? Office-seeking legislators may not have any incentives to take part in these transactions, unless the linkage helps them gain voters' support. For environmental issue linkage to be effective, environmental issue voters should trust politicians who intend to use environmental concessions as a reason to support trade liberalization.

---

not include this clause, anticipating that the next government led by Clinton would uphold the commitment to the Paris Agreement anyway.

In the context of trade-environmental issue linkages, the causal arrow from the linkage to environmental issue voters' support is complicated by the highly uncertain nature of the relationship between the two issues. On the one hand, studies show that international trade reduces pollution (Frankel and Rose 2005; Vogel 1997; Prakash and Potoski 2006). On the other hand, others show that trade and investment openness increases pollution by incentivizing domestic firms to relocate to foreign countries with laxer environmental regulations (Cole 2004). While the substantive relevance of the two issues has increased dramatically over time, it has been unclear for environmental issue voters, *ex ante*, to predict whether an issue linkage is sufficient to ensure positive environmental outcomes.

In these highly uncertain circumstances, it becomes important for pro-trade political leaders to gain support for environmental linkages from activists to expand pro-trade coalitions in the legislature. Activists' endorsement of issue linkage becomes important to attract support from legislators, who in turn, seek to use the linkage to gain support from environmental issue voters. Environmental issue voters may see the positive aspect of trade agreements, as trustworthy outside watchdogs credibly vouch for the positive effect of trade agreements on environmental outcomes.

To sum up, the above section identifies two research questions: i) Why do activists believe pro-trade leaders' commitment to enforcement despite obsolescing bargaining power?; ii) Why do some legislators lend support for package deals with environmental linkages, if doing so does not help them increase their chances of re-election? The next two sections present theories to explain the microfoundations of issue linkage.

## *Designing Linkages: How IOs Unite Activists in Promoting Trade Liberalization*

Why do environmental activists lend support for package deals with environmental clauses despite the possibility of renegeing after ratification? My main contention is that governments create issue linkages in order to broaden pro-trade coalitions by gaining support from activists. I argue that activists tend to join a pro-trade coalition and remain in the coalition *when the trade-environmental issue linkage is delegated to existing environmental IOs*.

Delegation of linkages incentivizes activists to join pro-trade coalitions despite the possibility of non-compliance, when delegated IOs are expected to coordinate with activists on monitoring tasks and share the credit of monitoring with activists. As governments delegate certain components of environmental linkages to IOs with ties to activists, activists can coordinate with the IOs in monitoring the governments' compliance. Thus, the availability of linkages with IO delegation gives activists a means to enhance environmental outcomes with better monitoring.

In this section, I lay out the incentives of three key actors in my theory: IOs, activists, and government. Next, I propose multilevel delegation strategy as a new concept to understand the policy practice of issue linkage making. Lastly, I develop my theory and present testable hypotheses.

### *- Interests of Three Key Actors*

*IOs* International bureaucrats at IOs vie for organizational survival. Recent studies emphasize international bureaucrats' private incentives to enhance their organizations' standing (Avant et al. 2010; Johnson and Urpelainen 2014; Young and Jinnah 2014; Barnett and Finnemore 2004). In particular, organizational competition can be important when the international regime

complex is loosely coupled across numerous organizations. The loose coupling of multiple IOs has been known to be one of the defining characters of international cooperation regarding environmental issues (Keohane & Victor 2011; Abbott & Snidal 2010; Pratt 2018). When the environmental regime complex consists of multiple IOs, international bureaucrats representing these forums are likely to feel the acute need to prove that their organizations are effective in order to stand out in the crowd.

Linkage to trade agreements offer tempting opportunities for IOs to stand out among many similar environmental IOs. The primary source of IOs' payoff from involvement in a trade agreement is the reputational gains they enjoy as effective monitors. IOs want to be seen as effective defenders of the rules that they promote. When state parties to trade agreements violate environmental clauses and if delegated IOs fail to notice violations, the trade-environment linkages would tarnish the IOs' reputations as effective monitors. Therefore, IOs attempt to maximize their reputations as effective monitors and to publicize the non-compliance of parties to trade agreements to the extent that the cost of monitoring does not exceed the reputational benefits.

In Interview (2019), a source with close ties to environmental IOs noted that “although the Secretariats of the Multilateral Environmental Agreements (MEAs) referred in trade agreements do not co-sign the trade agreements, they value the references because it is important for them to make their rules salient,” and “issue linkages in trade agreements give them opportunities to elevate the status of environmental issues given their resource constraint.” The source highlighted the lack of strong enforcement tools and resources available for environmental IOs. Due to the lack of resources, environmental IOs value the additional opportunities that trade linkages provide. When a linked MEA is exposed to a broader set of

actors operating in trade issue domain via a trade-environmental issue linkage, the Secretariat of the MEA finds it easier to monitor compliance and draw attention to non-compliance.

Certainly, monitoring can be costly. For effective monitoring, IOs are expected to collect information about member states' policy behaviors, and in the environmental issue area, this task can be costlier in that understanding policy changes requires a certain level of expertise (Alchian and Demsetz 1972: 781-782). Hiring experts equipped to understand the policy implications and the science behind them can be costly for IOs competing with other similar IOs, as organizational competition is likely to be associated with stricter resource constraints. Therefore, not every IO can afford to offer the same level of monitoring.

IOs can reduce the cost of monitoring if there is a working relationship with activists with expertise in certain member countries. According to Dai (2002), IOs need activists' input in monitoring the compliance of delegating governments (430-434). Activists are thus an essential part of IO monitoring in the environmental issue domain. Because the victims of environmental degradation often face difficulties in reporting non-compliance due to their lack of expertise, and because governments' incentives for compliance are not always aligned with those of the victims, activists' involvement is crucial to ensure effective monitoring.<sup>2728</sup> In exchange for activists' input in monitoring, IOs grant activists agenda-setting power such that activists can report compliance (or non-compliance) behavior of specific countries of their interest.

---

<sup>27</sup> In addition to Dai (2002), other research finds that the connections of IOs and activists can effectively change state behavior when they coordinate. See Sikkink (1993); Slaughter (2009). Specifically, Sikkink maintains that IGO-NGO networks can take the form of informal coordination (i.e. the exchange of reports, telephone calls, and attendance at conferences and meetings), or the formal granting of consultative status in IOs. Thus, transnational issue networks can shape states' incentive to adjust their human rights or environmental policies.

<sup>28</sup> See Dai (2005). The author finds that the coordination between environmental IOs and NGOs can enrich information that domestic audiences hold on their governments' compliance behavior and mobilize green voters during elections.

*Activists*      The payoffs to activists have two sources: environmental improvement, and reputational costs from making bad coalition decisions.

Intuitively, environmental activists vie for environmental improvement. To the extent that linkages to trade agreements improve environmental outcomes, activists prefer to support trade deals with environmental linkages over the status quo.

That said, activists' payoff from environmental improvement alone does not completely explain activists' utility. Activists may adopt different coalition decisions in order to enhance environmental outcomes.<sup>29</sup> An additional source of utility explains the variation in activists' coalition decisions: the perceived costs to their reputations as moral advocates. A source representing an environmental NGO highlighted the importance of the organization's reputation towards its members, as the source explained the organization's decision to stay out of the U.S. Trade and Environmental Policy Advisory Committee and opposed environmental linkages (Interview 2017). The source said, "For us, it is important that we can explain our decisions to our members. But the secretive nature of the advisory institution does not allow us to share the information we gained through this institution with our members." Taken together, activists consider their reputations as an important factor in making their coalition decisions.

Then, why are some activists more willing to take the reputational risks by joining pro-trade coalitions than others? I contend that their various approaches can be attributed to their different relationships with IOs. When issue linkages are delegated to IOs that are amenable to

---

<sup>29</sup> In line with this conjecture, some activists have stayed out of pro-trade coalitions on the grounds of weak enforcement while others have supported trade agreements. Specifically on the TPP, environmental organizations formed a coalition against the trade agreement demanding stronger enforcement clauses in a letter from 13 U.S. environmental organizations to Congress, October 29, 2015. The thirteen organizations include 350.org, Center for International Environmental Law, Center for Biological Diversity, Food Water Watch, Friends of the Earth, Earthjustice, Green America, Greenpeace USA, Institute for Agriculture and Trade Policy, Oil Change International, Natural Resources Defense Council, Sierra Club, and SustainUS. Similarly, environmentalists have pointed out that even the U.S.-Peru trade agreement with a markedly detailed chapter on forestry failed to clamp down on illegal logging.

activists' influence, the linkages can enhance activists' political influence by granting them access to policy decision-making processes within IOs. Corroborating the conjecture on activists' ties with IOs, Tallberg et al. (2018) and Green (2013) respectively show that NGOs with more opportunities for involvement in IO bodies are more likely to influence policy making in IOs. In line with this reasoning, a source representing an environmental NGO noted that they view their ties with IOs as a valuable tool in publicizing non-compliance behavior of trade partner countries. In so doing, they use both trade and environmental channels simultaneously to attract public attention to non-compliance behavior (Interview 2019).

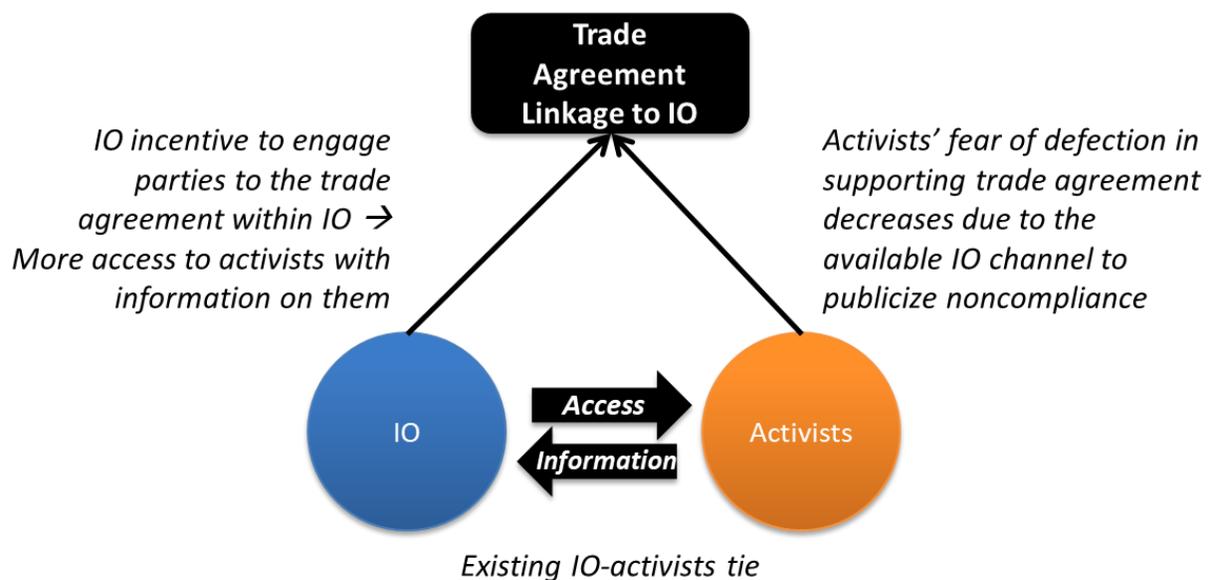


Figure 1. IO-Activist Relationship and Trade Agreement's Linkage to IO

As illustrated, the availability of additional political access through IOs can help activists hedge against the reputational risks of joining pro-trade coalitions. The symbiotic relationship between IOs and activists can mitigate activists' fear of tarnishing their reputation in making decisions to support trade-environmental linkages. When activists do not have any ties to IOs,

joining a pro-trade coalition can be potentially costly for activists if governments violate environmental clauses. If non-compliance ensues, activists who had lent support to the trade agreement will later be criticized for compromising their conviction for short-term material benefits. However, activists that are able to gain political influence through IOs are expected to join pro-trade coalitions despite the risk of tarnishing their reputation, because they can minimize the reputational costs by widely reporting non-compliance and pressure non-compliant governments via their connections to IOs. Figure 1 visualizes the relationship between IOs and activists.

*Government* I theorize that government's primary goal is to pass trade deals at home, and preserve the benefit from an increase in international trade. As such, the government is assumed to be indifferent on non-trade issues such as the environment.

In these circumstances, the government forms a hybrid coalition that includes activists at home. However, forming this hybrid coalition can be costly: if the government were to comply with environmental clauses in trade agreements, compliance could diminish trade benefits in the future. Therefore, when the government complies, the trade benefit is reduced to a portion of the trade benefit without compliance as compliance incurs regulatory adjustments.<sup>30</sup> On the other hand, if the government violates environmental clauses and gets caught, it incurs some risk to pay the cost of violation in the future. Substantively, this cost may take the form of fines or retaliation on exporting industries.<sup>31</sup>

---

<sup>30</sup> For instance, compliance with the Basel Convention would have incurred some costs for chemical industries of industrialized countries, as the Convention was "to make the movement of hazardous wastes so costly that industry will find it more profitable to cut down on waste production and re-use and recycle what waste is produced." At the time of negotiating the Convention, an industry expert noted that "the profits are vast for the waste traders," noting that "the cost of dumping hazardous wastes in Africa can be as little as 1,000th of that in the more ecologically conscious West." See Thomas Land, June 5 1989. "TOXIC WASTE EXPORTS FACE BAN: Companies step up shipments to beat coming restrictions." *The Financial Post* (Toronto, Canada).

<sup>31</sup> See Nzelibe (2005): 217-218, and Davis (2004). For a discussion on the effectiveness of financial compensation as an alternative enforcement mechanism, see Mercurio (2009).

Taken together, trade-environmental issue linkages are costly for government that is indifferent on the environment. Linkages will incur either compliance costs or risks of violating the commitment for linkages. The next section shows how the indifferent government makes its commitment to environmental linkages credible to activists, when activists are aware of the government's preferences.

*- The Practice of Multilevel Delegation Strategy as a Costly Signal to Activists*

I argue that activists with ties to environmental IOs are more likely to lend support for trade agreements, if trade agreements contain specific references to environmental IOs with ties to activists. I call this a Multilevel Delegation Strategy (MDS). Multilevel delegation is an important part of linkage designing that can alleviate activists' fears. How, then, is multilevel delegation different from traditional delegation? Clarifying its differences from our traditional understanding of delegation will prove its usefulness in analyzing non-trade issue linkages.

The delegation literature is centered around clarifying the relationship between principals and agents. Most notably, Hawkins et al. (2006) defines delegation as “a conditional grant of authority from a principal to an agent that empowers the latter to act on its behalf” (7). Further, principals' decisions to empower agents are borne out by contracts, either formal or informal. Through mutually agreed upon contracts, principals proclaim their intention to delegate authority to agents, and the agents express their intention to act on behalf of the principals. Third, principals can monitor and constrain agents in order to minimize agent slack and slippage.<sup>32</sup>

---

<sup>32</sup> Certainly, not all parties constituting a principal may have similar levels of control over an agent. After all, preference heterogeneity of a principal and power differentials across them is what some recent IR research focuses on. For example, see Copelovitch (2010). That said, the discipline's general understanding of delegation is such that a principal altogether, at least formally, holds the right to constrain an agent.

MDS, as I define it, represents a context in which a group of actors delegates its authority to a pre-existing agent, not a new agent. The pre-existing agent exists by virtue of its pre-existing contract with another group of actors, a principal of the original contract. For instance, 12 countries in the TPP negotiation delegated the environmental components of the trade agreement to the Food and Agriculture Organization (FAO), which was established based on a pre-existing contract between FAO member states and the FAO Secretariat. Here, the old principal (or environmental principal) may or may not overlap with the new principal (or trade principal). In this sense, MDS can be adopted only when there is an existing delegatory relationship. Despite its analytical dependence on delegation, MDS is a distinct category of traditional delegatory relationships in two respects. Figure 2 visualizes the differences.

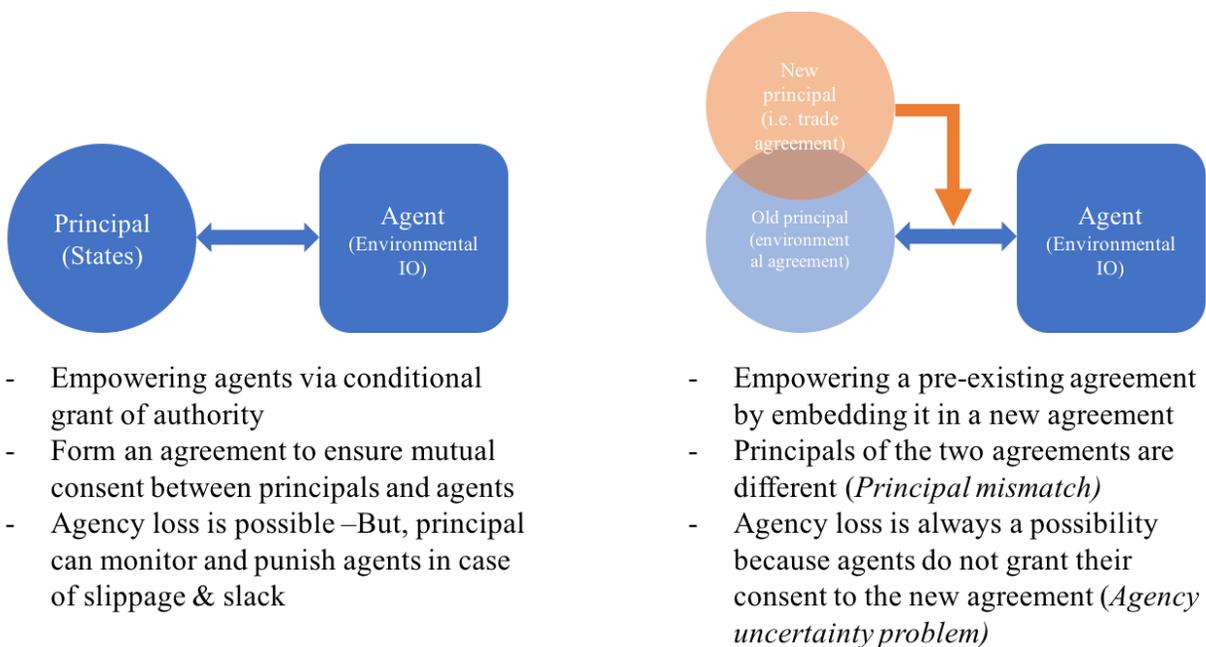


Figure 2. Differences between Traditional Delegation and Multilevel Delegation Strategy

First, there is almost always a mismatch between old and new principals, which I have labeled a principal mismatch problem. The mismatch can generate tensions. As a new principal

creates a linkage to a pre-existing or old agreement in designing a new agreement, the new agreement grants legitimacy and authority for the old principal to pressure the new principal into compliance. The availability of these outside actors without a direct stake in the new trade agreement increases the pressure for compliance on the new principal. Therefore, MDS increases the chances of mobilization from the outside if the new principal does not follow through on its commitment to linkages to the old agreement. Furthermore, the risk of mobilization against non-compliance can be higher, as the mismatch of old and new principals becomes larger.

For example, consider the fact that a mismatch exists between the parties to the TPP (twelve Asia-Pacific countries) and the parties to CITES (183 countries). Due to the TPP members' decisions to delegate interpretation and consultation regarding certain conservation related issues to CITES, the CITES countries that are non-members to the TPP can affect the TPP members' environmental policies. Specifically, politicization of any non-compliance behavior by the TPP countries is more likely in CITES—171 member states whose preferences may not be aligned with those of the TPP states—than within the TPP itself. Compare this to an alternative scenario where the members of NAFTA delegate water-related clauses in that agreement to the U.S.-Mexico International Boundary and Water Commission. Since the environmental preferences of the NAFTA members and the members of the Commission are not vastly different, the chances of mobilization against non-compliance are limited.

Second, MDS is distinct from traditional delegation in that an agent does not grant formal consent regarding their linkages to a new agreement. Layering a new agreement on an old agreement is rather a unilateral process by new principals, in this case trade parties. This means that the agent is not formally and legally bound to ensure the new principals' compliance with the old agreement. Instead, agents have complete autonomy regarding the extent to which they

want to invest their resources in monitoring a new principal's policies. For instance, even if the parties to the U.S.-Peru Trade Promotion Agreement (Peru Agreement hereafter) pledges to use CITES to interpret the legality of Peru's environmental policies, the CITES Secretariat does not have legal obligations to enforce the rules on U.S. behalf.

The unavailability of monitoring mechanisms between new principals and agents generates extremely high uncertainty regarding the agents' behavior. On one extreme, agents can take full advantage of the authority from new principals and invest their resources disproportionately into enforcing environmental-linkage clauses. At the other extreme, agents may ignore linkage clauses in new agreements and focus on their original mandates. As such, designers of new agreements may want to gauge the probabilities that the agents of their choice are either slackers or overachievers. Depending on the type of agent, linkage clauses may have vastly different impacts. If an environmental IO falls into the category of overachievers, the IO may attempt to influence other IOs' agendas, especially trade-related IOs based on the authority granted by parties to trade agreements. If an IO is a slacker (for financial or other reasons), linkages in new agreements may not have any effect. As such, governments in trade negotiations may strategically choose the IOs to whom they delegate, depending on the goals they want to accomplish through linkages. If the primary goal of governments is to send a costly signal regarding their environmental commitment and to attract activists' support for trade, they would be more likely to choose an overachiever. If their goal is to create ineffective linkages and save face, they would likely choose a slacker as their agent.

For example, by choosing to delegate to an IO such as CITES that frequently coordinates with activists in order to monitor member states, new principals are risking agency loss and

confer some level of control on activists (See Green 2013).<sup>33</sup> By contrast, in delegating to an IO whose ties with activists are limited, new principals are minimizing the risk that trade-environmental linkages can affect the costs of violating linkages in the future. For instance, delegating to a bilateral IO such as the U.S.-Mexico International Boundary and Water Commission with limited ties to activists would fall into this category (See Honig 2019).<sup>34</sup>

Taken together, these two traits—principal mismatch and uncertainty problems—represent important components as we analyze governments’ choice of IOs to whom they delegate.

As illustrated, there is neither formal nor legal connection between new principals and agents. Environmental IOs do not participate in trade negotiations, or sign trade agreements as parties. Then, the next question one might ask is, what do governments gain when they insert delegatory clauses without binding effects on IOs?

I argue that activists are the key to understanding government’s motivations to design trade agreements with loose connections to environmental IOs. Primarily, I posit that the government’s motivation for IO delegation is to attract activists’ support for a trade agreement at home. For the government to attract activists into pro-trade coalitions, it needs to mitigate activists’ fears of non-compliance. Therefore, the government will choose IOs that are best equipped to alleviate activists’ fear and to give them what they want.

When it comes to coalition decisions, activists have two incentives. First, they may consider trade-environmental linkages as an opportunity to enhance their goal of environmental

---

<sup>33</sup> Green explains that NGOs coordinate with environmental IOs to police MEAs. Most notably, TRAFFIC, an international NGO, provides data on trade in endangered species and helps CITES police the treaty (3, 58).

<sup>34</sup> In the context of foreign aid performance, Honig shows that tight control of field managers by a principal can have deleterious effects on the performance of the agent. In this book’s context, the agent (environmental IOs-NGOs) is better able to monitor trade governments’ compliance when the trade governments cannot control the agent.

improvement. Simultaneously, they may be wary of joining pro-trade coalitions despite the linkages, if non-compliance is likely. Non-compliance would diminish the activists' reputations as moral advocates. For government to attract activists' support through linkages, it thus needs to provide them with a commitment device to enhance their ability to monitor government and preserve their reputation in case of violation of linkages.

To sum up, linking trade agreements on pre-existing environmental agreements can serve as a costly signal to suspicious activists. First, if U.S.-based activists have close ties to the IOs, it is most likely that the activists will participate in monitoring U.S. and partner countries' compliance with linkage clauses in coordination with the IOs. Therefore, delegation to IOs with ties to activists can enhance the activists' ability to enhance environmental outcomes. Second, when activists can share the credit of monitoring with IOs, activists with ties to IOs have better chances to protect their reputations in the case of non-compliance, because they can be seen catching and reporting the cases of non-compliance. The institutional linkage to IOs allows activists to claim credit for monitoring and preserve their reputations in the face of violations. This mechanism allows activists to lend support for package deals, if the deals contain delegatory clauses to IOs with whom they have working relationships.

In Chapter 3, I test two hypotheses. First, I show that the U.S. government strategically delegates to environmental IOs with more ties to U.S.-based activists to gain support from the activists. Second, I conduct a case study to examine whether activists with ties to delegated IOs were more likely to support trade deals with linkages than those without such ties.

*Ratifying Linkages: Does Issue Linkage Boost Support for Trade Deals in Congress?*

When an executive branch proposes to attach environmental issues to a trade agreement, would pro-environmental legislators be more likely to support a package deal of this sort as opposed to a streamlined deal?

Both proponents and skeptics of issue linkage would say yes, though for different reasons. Proponents may argue that pro-environmental politicians tend to view the linkage as an opportunity to promote their policy agenda and gain green constituencies' support (similar points in the context of human rights see Hafner-Burton 2011, Krueger 1996), whereas skeptics may argue that pro-environmental legislators will lend their support on the logic that losers of linkages are weakly organized (Moravcsik 1998; Kaufmann & Pape 1999). If this portrayal is accurate, the proponent's view fails to address how pro-environmental legislators hedge against the risk of disappointing environmental groups who treat their goals as indivisible. Similarly, the skeptical perspective does not explain why pro-environmental legislators would lend support for trade liberalization due to the linkage, given that the environmental benefits of the linkage is diffuse.

I theorize that the effectiveness of issue linkage in a legislature is conditional on legislators' electoral incentives. The core insight is as follows: i) legislators with long track records of environmental protection are typically more likely to respond positively to issue linkage; yet ii) the effectiveness of linkage is moderated by their electoral incentives: pro-environmental legislators lend support for package deals only when losing a small number of votes (i.e. from environmental issue voters) can have significant electoral consequences.

In this section, I explore the moderating role of electoral politics in explaining legislators' decisions to support issue linkages.

*- Electoral Dilemma in Competitive Districts*

Because the recent focus of the literature has been on corporate lobbies, electoral politics has received less attention in the field of trade politics (Exceptions include Conconi et al. 2014). Even the few studies that investigate the effects of elections in trade politics find that electoral incentives play a marginal role. Importantly, Guisinger (2009) finds that trade policy typically lacks electoral salience to most voters. The author shows that even members of pro-protection groups (i.e. unions) are found unaware of their representatives' positions on trade policy.

While trade may be a low salience issue in general, the issue may still matter in competitive elections. When losing a small number of votes may have severe electoral consequences, legislators have reasons to care about how they cast their votes despite the low salience of the trade issue. As such, legislators in competitive districts face an electoral dilemma even if trade is not an electorally salient issue. They may choose to placate pro-trade interests by supporting trade liberalization, and hope protectionist interests in their districts do not mobilize and punish them at the ballot box. Alternatively, they can oppose trade agreements instead of tapping into pro-trade campaign contributions. Either way, the risk of choosing one side is higher in competitive districts, where losing support from one side can have decisive effects on elections.

The dilemma intensifies due to two specific trends in the U.S. context. The first trend is the rise of protectionist sentiment among voters. The American public, especially those in politically important districts, generally views trade liberalization unfavorably. Numerous studies note that the public generally has a protectionist bias on trade openness (Mayda and Rodrik 2005; Scheve and Slaughter 2001). Notably, Guisinger (2017) shows that more than 60 percent of respondents in the 2006 and 2010 Cooperative Congressional Election Surveys (CCES)

believed that “trade slightly or greatly hurt U.S. employment.” The public antipathy towards economic globalization started rising in the 1990s: In the 1986 American National Election Studies survey, 51% of the respondents reported that they would favor new trade barriers to limit foreign imports. Although the format of the question changed in 1991, the 1990 and 1992 polls show that 58.3% and 57.8% of respondents who had a clear opinion about the issue preferred the status quo or new trade barriers over decreasing the current trade barriers.

Simultaneously, the rise of pro-trade lobbies added to the uncertainty by sweetening the option of supporting trade liberalization for legislators. Rodrik (2018) shows that pro-trade businesses exert stronger influence on trade policy through direct participation than protectionist lobbies (86-87). In the same vein, Blanga-Gubbay et al. (N.P.) show that more productive and pro-trade firms select into lobbying in support of trade agreements, while less productive and protectionist firms remain unorganized. Confirming this line of reasoning, McCarty et al. (2016) document that pro-trade campaign contributions increased around the 1990s as a viable source of campaign finance for both Republicans and Democrats. The availability of access-seeking trade PACs must have served as tempting opportunities for legislators in competitive districts across the aisle.

Taken together, desperate legislators in competitive elections face a dilemma due to the negative and positive incentives to support trade liberalization. The rise of protectionist sentiment can dissuade them from supporting trade agreements in fear of protectionist mobilization on the ballot. But then again, the availability of pro-trade lobbies can incentivize them to support trade deals, because they need campaign finance.

How does the electoral dilemma help us understand legislators’ support for package deals? If pro-environmental legislators in competitive districts can convince environmental issue

voters of the credibility of environmental linkages and earn their support for the package deal with issue linkages, they can compensate for the loss of protectionist voters' support on the ballot. Corroborating this line of reasoning, existing studies show that politicians' responsiveness to environmental groups' demands changes depending on electoral concerns. List and Sturm (2006) show that incumbents are more likely to form their decisions on environmental policies in line with environmental issue voters' demands, "if elections are competitive and attracting additional votes is particularly valuable." Dai (2005) presents a theory to show that well-informed environmental issue voters can pressure governments to comply with international environmental agreements, if policymakers face high electoral pressure. In general, electoral competition increases the electoral significance of environmental voters, hence, the worthiness of the linkage.

Unlike those facing competitive elections, pro-environmental candidates in safe electoral districts do not have a strong incentive to change their positions on trade deals because of issue linkages. Their electoral security in the general election allows them to vote on trade bills according to their own personal conscience, not needing to pursue pro-trade contributions that would provide the financial resources necessary to gain median voters' support.<sup>35</sup>

If this theoretical conjecture is valid, I expect to find that pro-environmental legislators in competitive electoral districts are more likely to increase their support for a trade deal once environmental clauses are attached than if they represent safe districts.

---

<sup>35</sup> Conconi et al. (2014) show that retiring U.S. Senators are more likely to support trade expansion bills, because they are not subject to electoral competition any longer. Because trade is not a salient electoral issue (Guisinger 2009), incumbents in safe districts are more likely to make their decisions based on their personal conscience on trade liberalization or concerns limited to trade issues, even if they care about environmental issues.

*- Legislative Institutions and Linkage Effects*

Is the theory of electoral competition relevant in all types of legislatures? I expect the moderating effect of electoral competition to be weak in a legislature with larger constituencies (i.e., the U.S. Senate). That is, I contend that electoral considerations play a more significant role in legislatures with quick electoral cycles and sub-national mandates (i.e. the U.S. House of Representatives).

Studies show that politicians with larger constituencies are more attentive to the public interest than those with smaller constituencies. In explaining the difference between presidents and legislators, Moe (1990) says that legislators are tied to the “relatively narrow interests of districts and states and thus highly responsive to the appeals of special interest groups,” while presidents are attuned to grander social problems because of their heterogeneous national constituency. In the similar vein, studies on trade politics find that Senators tend to be more supportive of trade liberalization because they represent larger and more diverse constituencies than House members (Baker 1995; Rogowski 1987).

If this line of reasoning is valid in the context of issue linkage, I expect to find that pro-environmental Senators respond more positively to trade-environmental issue linkage than pro-environmental members in the House of Representatives. Typically, environmental linkages in trade agreements touch on global environmental problems such as the protection of the ozone layer and endangered species. Because of the global implications of the linkage, pro-environmental House members typically have to take extra steps to convince their voters why they want to change their positions on trade deals and how the linkage benefits their local districts. In contrast, legislators with larger and more diverse constituencies may not have to

incur extra costs to justify and convince why they intend to support trade deals because of environmental linkages that benefit larger constituencies.

Taken together, I hypothesize that pro-environmental members in the Senate are more likely to increase their support for trade deals when environmental linkages are negotiated. By contrast, I hypothesize that pro-environmental members in the House of Representatives tend to respond positively to issue linkage, only when they represent competitive electoral districts.

#### *After Linkages: How Governments Enforce Linkages to Maintain Hybrid Coalitions*

Governments use issue linkages to build hybrid coalitions and facilitate the passage of trade agreements. Once they build the coalition, how do they retain it? The government faces a dilemma in implementing issue linkage. The dilemma arises from the conflicting enforcement preferences held by coalition members: Pro-trade groups demand weak enforcement, whereas environmental activists demand strong enforcement. Faced with this dilemma, I argue that the government's enforcement decisions follow *ratification business cycles*. Because the relative importance of activists increases closer to the ratification of new trade agreements, the government strategically implements strong enforcement measures (i.e., trade sanctions) prior to ratification of new trade deals to gain activists' support for those deals.

However, the business cycle theory does not fully explain the resilience of hybrid coalitions. Environmental activists are far-sighted. They know governments are only incentivized to enforce linkages when new trade agreements are close to ratification, and still, they lend support for those provisions. Why?

To the question "why support despite the ratification cycle," I develop a theory of *delegated enforcement*. I theorize that enforcers of issue linkage (e.g., the U.S. government) tend

to empower outside IOs to induce compliance. My theory considers that the enforcer has strong incentives to avoid using trade sanctions that will antagonize domestic pro-trade groups. At the same time, the enforcer needs to preserve support from environmentalists who demand strong enforcement. Faced with this enforcement dilemma, the enforcer makes investments in environmental IOs to delegate enforcement activities to activists with ties to the IOs. In this way, the enforcer can preserve activists' support by making them responsible for enforcement activities in legitimate outside forums (i.e., IOs), and can still maintain support from pro-trade businesses by refraining from using trade sanctions.

In Chapter 5, I test the validity of my theory in two ways. First, I build my case for ratification business cycles by analyzing an important case in U.S. trade policy history: The Environmental Investigation Agency (EIA)'s reporting of Peru's violation of the Forestry Annex in the U.S.-Peru Trade Promotion Agreement from 2009 to 2016. I study how the U.S.T.R. handled pro-trade businesses' concerns about enforcement and activists' demands for strong enforcement. In this analysis, I find that the U.S. government did not withhold any material benefits from the government of Peru or activate the dispute settlement mechanism under the trade agreement to placate pro-trade businesses during most of the study period. Consistent with my theory of the ratification business cycle, the U.S.T.R. imposed a strong enforcement measure during a short time window in 2016 after the signing of the Trans-Pacific Partnership (TPP). Second, I quantitatively test the validity of my theory of delegated enforcement. Focusing on the TPP, I examine how the U.S. government empowered the environmental IOs mentioned in the trade agreement to satisfy environmental activists. In this analysis, I find that the Department of Commerce increased its contributions for the environmental IOs mentioned in the TPP by eleven times than before the U.S. signed the TPP.

## *Conclusions*

Do environmental issue linkages expand coalitions for trade liberalization? If so, how? In this chapter, I have argued that we examine closely at a set of dilemmas that a liberalizing government faces in forming such hybrid coalitions that include activists, legislators, and pro-trade groups.

Primarily, pro-trade political leaders strive to earn support from activists, because their endorsements are important to gain legislative support. That said, activists have reasons to suspect the executive's commitment to enforcement of environmental clauses in the post-ratification stage. I argued that the executive designs issue linkage strategically to attract support for trade agreements from activists. By delegating issue linkages to IOs where activists can monitor and publicize violations of environmental clauses, the executive can mitigate their fear of government defection. In Chapter 3, I show that environmental NGOs with ties to IOs that manage MEAs mentioned in trade agreements are more likely to support the trade agreements.

Subsequently, the executive strives to convince pro-environmental legislators to support trade agreements with environmental issue linkages. The dilemma for pro-environmental legislators is that it is uncertain whether they can preserve environmental voters' support by promoting environmental linkages. My theory argues that legislators are more likely to support issue linkage, when they face electoral challenges. This is because electorally pressured legislators have stronger incentives to appeal to environmental voters despite the low salience of environmental issues during elections. Additionally, I theorize that the moderating effect of electoral competition is more salient in a legislature with geographically constricted constituencies such as the House of Representatives. Chapter 4 tests the theory based on a

mixed-methods case study of NAFTA. I statistically show that House members with strong reputational ties with environmentalists were more likely to increase their support for NAFTA after the environmental side accord was finalized, if they were subject to severe electoral competition. If not, the environmental side agreement did not have any effect on their decisions in the final vote. A detailed case study shows how pro-environmental legislators made their decisions on NAFTA in consideration of the side agreement.

Ratification is not the end of the coalition game. The executive continues to manage the hybrid coalition in the implementation phase. Green groups continue to pressure the executive to enforce issue linkage, whereas pro-trade groups do not want coercive enforcement activities such as sanctions that may disrupt trade flows. Retaining both groups' support is important, because the executive knows that this is not an one-shot game. To explain the executive's enforcement decisions, I show that the executive's enforcement decisions follow a ratification business cycle. The executive is more likely to adopt strong and punitive enforcement tools when there are impending needs for coalition-building for new trade deals, while it tends to rely on soft enforcement tools during normal times to placate pro-trade groups. Chapter 5 focuses on Peru's non-compliance with the Forestry Annex in the U.S.-Peru trade agreement. In this chapter, I show that an NGO's disclosure of Peru's non-compliance in the period from 2012 to 2016 elicited different enforcement reactions from the U.S.T.R. depending on the government's incentive to build a new hybrid coalition.

In this chapter, I have advocated a reorientation of our theoretical understanding of issue linkage based on the premise that linking a new issue brings in new actors on the scene. Treating issue linkage as coalition strategies provides several analytical benefits that the existing accounts of issue linkage do not address. First, existing studies that treat social issue linkages as another

form of side-payment have not provided us with a satisfactory account of why some activists do not support the linkage. The coalitional framework provides a novel and groundbreaking perspective to explain the effectiveness of value-based issue linkage by highlighting the commitment problem between a political executive with a pro-trade bias and environmental activists with obsolescing bargaining power. Also, compared to the inter-state framework, my theory on legislators better explains the process through which trade cleavages form among legislators who care about environmental issues. By closely examining office-seeking incentives held by legislators, I propose that new trade cleavages in the U.S. Congress can be better explained when we consider electoral institutions.

Stage	Actor & Question	Theory	Testable hypotheses
Negotiation	<p>- Government: How do governments design linkage to mitigate activists' fear of enforcement failure?</p> <p>- Activists: Why do some activists support issue linkage more than others?</p>	<p>- Multilevel Delegation: Government reduces the credibility gap by delegating enforcement to existing IOs with ties to activists.</p> <p>- Delegation to IOs induces activists with ties to the IOs to support issue linkage, while it does not promote support from activists without such ties.</p>	<p>H1: The U.S. government is more likely to delegate to IOs, if those IOs have more ties to U.S.-based activists.</p> <p>H2: Activists are more likely to support trade agreements and linkages, if IOs they work with are delegated to oversee those linkages.</p>
Ratification	<p>- Legislators: Why do some pro-environmental legislators more supportive of issue linkage than others when they all care about environmental issues?</p>	<p>- Legislature with a sub-national mandate: Pro-environmental legislators respond positively to linkage when they face electoral challenges.</p> <p>- Legislature with larger constituencies: Pro-environmental legislators altogether respond positively to linkages regardless of electoral considerations.</p>	<p>House: Pro-environmental legislators are more likely to increase their support for trade deals in return for issue linkage, when they face electoral challenges.</p> <p>Senate: Pro-environmental legislators are more likely to increase their support for trade deals in return for issue linkage, regardless of their electoral considerations.</p>
Implementation	<p>-Government: How do governments maintain hybrid coalitions in the implementation stage?</p>	<p>- Ratification business cycles (RBS): Governments have stronger incentives to adopt strong enforcement measures closer to ratification of new trade deals.</p> <p>- Delegated enforcement: In addition, governments delegate enforcement tasks to IOs and activists by investing resources to the IOs instead of using punitive measures.</p>	<p>- RBS: Government is more likely to adopt punitive measures to enforce issue linkage, closer to the ratification of new trade deals.</p> <p>- Delegation: Government is more likely to allocate more resources to environmental IOs that are recognized in trade agreements more than IOs without such delegatory recognition.</p>

Table 1. Summary of the Framework, Theories, and Hypotheses

**Chapter 3. Baptists and Bootleggers in Trade Coalitions: How IOs Unite Activists in  
Promoting Trade Liberalization**

Traditionally, environmental activists in the U.S. have been pessimistic about the government's commitment to the enforcement of environmental clauses in trade agreements. In January 2014, a draft of the Trans-Pacific Partnership (TPP) was leaked on Wikileaks. The leaked draft included the environmental chapter. Promptly, major environmental groups in the U.S. expressed concerns about the draft. Jake Schmidt, international climate policy director of the Natural Resources Defense Council (NRDC), said that "there is no enforcement," pointing out that "references to the word 'shall' are very rarely used."<sup>36</sup> The NRDC joined forces with the Sierra Club and the World Wildlife Fund (WWF) in criticizing the environmental chapter. The Sierra Club's Michael Brune said, "If the environment chapter is finalized as written in this leaked document, President Obama's environmental trade record would be worse than George W. Bush's."<sup>37</sup> After the signing of the agreement, some of these environmental organizations remained opposed to the trade agreement. The Sierra Club called the TPP "Multilateral Environmental Agreements Rollback," because the agreement contained only one of the seven MEAs that the Bush Administration had promised to include in 2007.<sup>38</sup> NAFTA was not an exception. During the negotiations and ratification of NAFTA, major environmental NGOs such as the Sierra Club and Friends of Earth formed an adversarial coalition with pro-protection groups such as Mobilization on Development, Trade, Labor, and the Environment (MODTLE) and Citizen's Trade Watch Campaign (CTWC) (Audley 1997). These activists demanded that the government negotiate an environmental supplemental accord that is enforceable by granting the North American Commission for the Environment (NACE) the mandate to use trade sanctions.

---

<sup>36</sup> Howard, Brian. "4 Ways Green Groups Say Trans-Pacific Partnership Will Hurt Environment." National Geographic. January 18, 2014.

<sup>37</sup> *Ibid.*

<sup>38</sup> "The Trans-Pacific Partnership: A Threat to Our Air, Water, and Climate." Sierra Club. 2016.

That said, other environmental groups were more optimistic about the environmental clauses in the TPP and NAFTA. For example, the Humane Society United States and International issued a statement to endorse the TPP in 2015. The organization lauded the TPP as “a critical step forward for wildlife protection,” and made a commitment to “work with the USTR” despite the lack of consideration of farm animal welfare.<sup>39</sup> Similarly, WWF changed its position on the TPP and endorsed the final draft by saying that “[N]o major trade agreement before this one has gone so far to address growing pressures on natural resources like overexploited fish, wildlife and forests.”<sup>40</sup> There was a similar division during the NAFTA negotiations. Against the adversarial coalition of environmental activists, there emerged a coalition of accommodating NGOs. Six environmental NGOs—the National Audubon Society, the National Wildlife Federation, the Natural Resources Defense Council, the Environmental Defense Fund, the World Wildlife Fund, and Conservation International—formally announced their support for NAFTA and constituted the crux of the accommodating coalition (Audley 1997).

Why do some environmental activists support trade liberalization in exchange for environmental clauses, while others do not? In Chapter 2, I argued that environmental activists with time-sensitive mobilization resources have strong reasons to suspect the government’s commitment to enforcing environmental clauses in the post-ratification stage. In the knowledge of the commitment problem, the government can earn support from some environmental activists by voluntarily restraining its authority and delegating environmental clauses in trade agreements to environmental international organizations (IOs) with ties to environmental activists. In this

---

<sup>39</sup> “HSUS/HSI Statement on the Trans-Pacific Partnership.” The Humane Society United States. March 20, 2015.

<sup>40</sup> Carter, Roberts. “WWF Statement on the Close of the Trans-Pacific Partnership Negotiations.” The World Wildlife Fund U.S. Press Release. October 5, 2015.

way, activists with ties to the IOs are better able to monitor and publicize information on compliance behavior through the IOs, even when the executive branch is not responsive to activists' demands.

In consideration of the theoretical expectation, I test two hypotheses. First, if the government intends to expand domestic pro-trade coalitions in designing environmental clauses, the government must include MEAs with IOs where activists have a high standing. This is because the inclusion of such MEAs decreases activists' fear of government defection. As such, I expect to find that the U.S. government is more likely to include MEAs with ties to U.S.-based activists than MEAs without such ties to the activists. Second, is this delegatory practice effective in attracting pro-trade support from activists? If the theoretical expectation is valid, I expect to find that activists whose MEAs are included in trade agreements are more likely to support the trade deals than other activists without such ties to the MEAs.

The chapter proceeds as follows. In the next section, I provide background information on environmental issue linkages in U.S. trade agreements. Then, I introduce alternative hypotheses and generate testable implications. Third, I test the two main hypotheses drawn from the coalitional theory against the alternative hypotheses. In this section, using original data that captures environmental NGOs' ties to environmental IOs, I quantitatively test whether the U.S. government is more likely to include MEAs that provide more access to U.S.-based activists as it designs trade agreements (Hypothesis 1). I then present a comparative case study to test the validity of the hypothesized mechanism, and to show that activists with ties to linked MEAs/IOs are more likely to support trade agreements than those without such ties (Hypothesis 2).

*The Trend: The Rise of Environmental Issue Linkages*

Three key milestones help clarify the development of environmental clauses in U.S.-related trade agreements: i) NAFTA, ii) the 2007 congressional-executive agreement between the Bush administration and the Democratic Party, and iii) the TPP.

NAFTA is the first trade agreement that delegated environmental concerns to IOs. The North American Agreement on Environmental Cooperation (NAAEC), an environmental side agreement to NAFTA, commemorates the parties' obligations to the Rio Declaration on the Environment and Development and the Stockholm Declaration on the Human Environment. More importantly, NAFTA provides that CITES, the Montreal Protocol on Substances that Deplete the Ozone Layer (Montreal Protocol), and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal (Basel Convention) prevail over NAFTA in the event of inconsistency.<sup>41</sup> As such, the trade agreement was designed to defer to the higher interpretive authority of the three IOs.

Since NAFTA, there was a hiatus in IO delegation until 2007. Before 2007, the Bush administration was cautious to not delegate linkages to environmental issues to outside actors, relying for most of the environmental clauses that it designed on national laws and domestic regulations as benchmarks. Once the pro-trade Republican Party lost control of the Congress, however, the Bush Administration had to make concessions to ratify trade agreements under negotiation. The concessions included the 2007 congressional-executive agreement with the Democratic Party. In it, the Bush Administration pledges to include seven MEAs in future trade deals that the U.S. negotiates. These seven MEAs are CITES, the Montreal Protocol, the Ramsar Convention on Wetlands of International Importance (Ramsar Convention), the International

---

<sup>41</sup> See the Article 104-1 in the North American Free Trade Agreement.

Convention for the Prevention of Pollution from Ships (MARPOL), the Inter-American Tropical Tuna Convention (IATTC), the Convention on Conservation of Antarctic Marine Living Resources (CCAMLR), and the International Whaling Convention (IWC). Consistent with this 2007 agreement, the trade agreements that were ratified after 2007 contain a variety of delegation clauses to the seven IOs.

The variation in the government's choice of MEAs is puzzling: some MEAs have continued to leave a strong mark on American trade agreements, whereas other MEAs have been completely absent. Three stylized facts speak to this variation.

First, delegation is more common regarding conservation-related issues than climate change or air pollution issues. Most MEAs brought into American trade agreements have a specific focus on the conservation of endangered species (i.e. CITES, IATTC, CCAMLR). By contrast, delegation to MEAs with a specialty in climate change or air pollution has been minimal, despite the fact that the U.S. is party to many of these MEAs. For example, the TPP does not make any reference to the United Nations Framework Convention on Climate Change (UNFCCC), despite the fact that all TPP countries are parties to UNFCCC (Cimino-Isaacs and Schott 2016). Similarly, the TPP makes only one reference to the Montreal Protocol for legal interpretation, even though the Montreal Protocol is among the seven MEAs in the 2007 congressional-executive agreement.

Secondly, even within the issue scope of conservation, variation exists in the government's choice of MEAs. While the U.S. has had the option of delegating conservation issues to numerous MEAs such as CITES and the FAO, it has exclusively chosen CITES. As CITES and the FAO's mandates over the conservation of aquatic and freshwater species overlap (Young and Jinnah 2014), it is unclear why the U.S. has been drawn to the former.

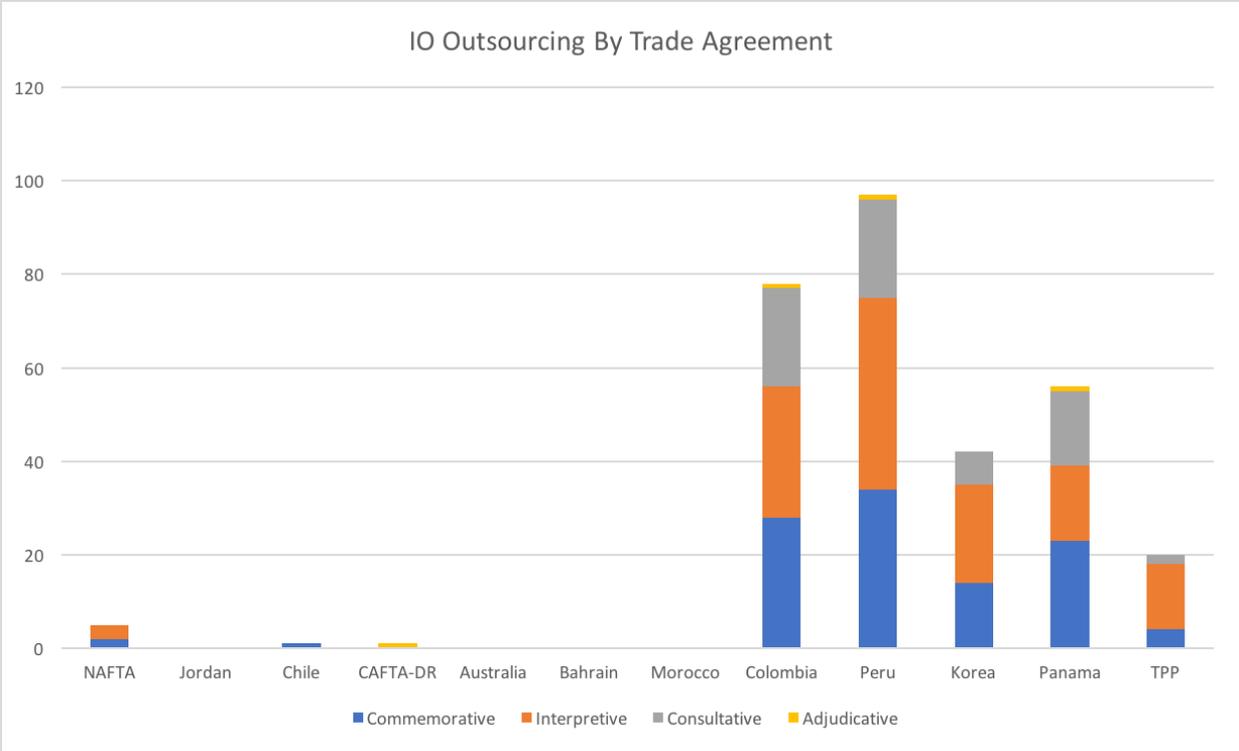


Figure 1. References to MEAs in U.S. Trade Agreements (by Trade Agreement)

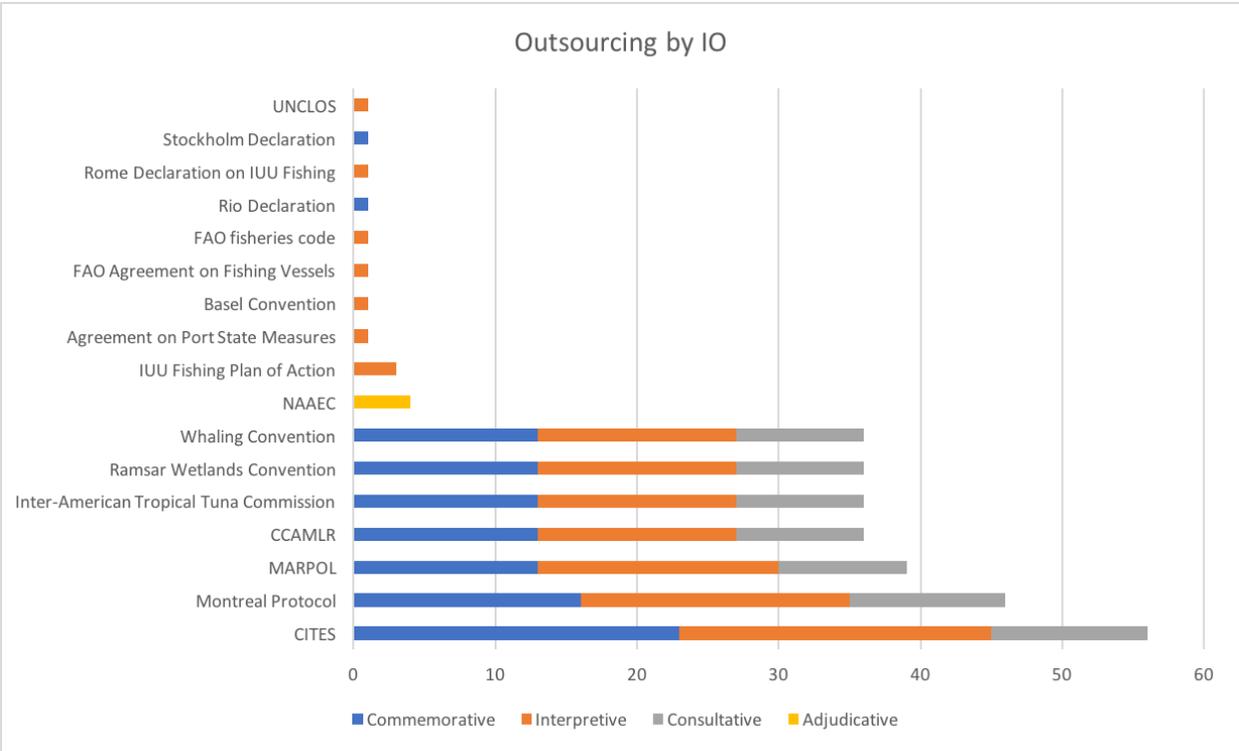


Figure 2. References to MEAs in U.S. Trade Agreements (by MEA)

Lastly, the propensity for delegation is higher regarding aquatic species-conservation issues than either plant or forestry-related issues. For instance, three IOs with specialties in the conservation of marine species were included as “important agreements” in the 2007 congressional-executive agreement. This is in stark contrast to the Bush administration’s approach to the conservation of plant species. While the U.S. was party to the International Tropical Timber Organization (ITTO) and the International Plant Protection Convention (IPPC), forestry-related concerns during the Bush Administration were delegated to CITES. While marine species-specific IOs have made inroads into American trade agreements, the same has not been true for plant species-related IOs. Figure 2 illustrates the patterns of delegation by environmental agreement.

These three stylized facts are not readily explicable. Why do governments choose certain IOs over others in designing trade agreements? The next section sets out the research problem in view of the current literatures understanding of trade politics.

### *Hypothesis 1: Linkage Strategy and Activist-IO Ties*

I statistically test whether the U.S. government is more likely to delegate environmental clauses to IOs, if those IOs have more ties to U.S.-based activists. In so doing, I use a data set on environmental clauses in eleven select trade agreements that involve the U.S.

These are the U.S.-Jordan agreement (2000), the U.S.-Singapore agreement (2003), the U.S.- Australia agreement (2004), the U.S.-Bahrain agreement (2004), the U.S.-CAFTA-DR agreement (2004), the U.S.-Morocco agreement (2004), the U.S.-Colombia agreement (2006), the U.S.-Peru agreement (2006), the U.S.-Korea agreement (2007), the U.S.-Panama agreement (2007), and the Trans-Pacific Partnership (2016). I limit the scope of the data to the post- 2000

agreements, because the 2000 Jordan agreement represents a turning point at which environmental issues made their way into trade discussions on a regular basis.

Because the chapter's goal is to explain the propensity of the U.S. government to delegate to environmental IOs, I select twenty environmental IOs that are relevant to trade agreements.<sup>42</sup> As such, the data structure is trade agreement-environmental IO.

The primary quantitative analyses are based on the data set of environmental linkages in the eleven trade agreements. In this data set, I code environmental clauses in the final texts of the trade agreements, drawing from the environmental chapters in the agreements and environmental side agreements attached to the trade agreements whenever available. In so doing, I code the count of delegatory clauses to each of the environmental IOs.

The main explanatory variable in the analysis is U.S.-based activists' ties to IOs. Activist ties to IOs are measured by the number of U.S.-based advocacy organizations that participated in the annual conferences of the IOs in the year prior to each trade agreement's signing. The data on IO-activist ties is drawn from annual reports of the environmental IOs within the scope of this research. Since environmental advocacy groups tend to have transnational networks, it is not always clear whether they operate in the U.S. I thus measure advocacy groups' ties to the U.S.

---

<sup>42</sup> I select the IOs based on their relevance to trade, as indicated in secondary literature and the USTR's policy reviews. For instance, I include an IO in my data set, if the USTR participated in any of an IO's negotiations or meetings organized by the IO. The twenty environmental IOs are the Vienna Convention on the Protection of the Ozone Layer, Montreal Protocol, Basel Convention, Cartagena Protocol on Biosafety, Convention on Biological Diversity (CBD), CCAMLR, CITES, Convention to Combat Desertification, FAO Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas (FAO Compliance agreement), FAO Code of Conduct for Responsible Fisheries, Inter-American Tropical Tuna Commission (IATTC), International Whaling Commission, International Tropical Timber Organization, International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (IPOA-IUU), MARPOL, Ramsar Convention on Wetlands of International Importance especially as Waterfowl Habitat, Minamata Convention on Mercury, Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, Agreement on the International Dolphin Conservation Program, and Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks.

based on their tax status in the U.S. If an advocacy group falls into the category of tax-exempt organizations under 501(c)(3) or 501(c)(4) as defined in U.S. tax laws, the organization is coded as U.S.-based.<sup>43</sup>

Along with the main hypotheses, I include control variables. First, I control for industry ties to IOs. As existing scholarship has viewed social provisions as non-tariff barriers, the motivation to include these provisions has been understood to originate from protectionist lobbies (Bhagwati 1995). Partially in line with this reasoning, a recent study on non-trade issues in trade agreements shows that issue linkage is more likely when there is a large difference in wage levels between home and negotiating countries (Lechner 2016). In other words, these studies find that import-competing industries push for stricter labor rights provisions and/or environmental provisions. To control for these effects, I include the levels of industry access to environmental IOs. An increasing number of environmental IOs allow non-governmental actors to participate in the law-making processes. The scope of non-governmental actors with access to these IOs varies; some environmental IOs are more likely to solicit participation from industries than from activists. If the protection hypothesis is valid in the context of delegation decisions, the government will be more likely to delegate to IOs with more ties to industry actors than to activists. The *Industry ties* is measured by the number of commercial interest groups that participate in the annual conferences of the environmental IOs as observers. For example, commercial interest groups in this category range from the International Fertilizer Industry

---

<sup>43</sup> Organizations that fall into 501(c)(3) are “organizations for any of the following purposes: religious, educational, charitable, scientific, literary, testing for public safety, fostering national or international amateur sports competition (as long as it doesn’t provide athletic facilities or equipment), or the prevention of cruelty to children or animals.” 501(c)(4) organizations are “Civic leagues, social welfare organizations and local associations of employees, created to promote community welfare for charitable, educational or recreational purposes.” Access dates are January 20-25, 2018.

Association and the International Federation of Fruit Juice Producers to the World Federation of Agricultural and Food Workers.

The second control variable concerns international bargaining dynamics. Existing research finds that the inclusion of human rights provisions to trade agreements was made feasible due to the end of the Cold War (Hafner-Burton 2011; Oye 1993). With the end of the Cold War, advanced economies in the West were able to push developing and underdeveloped countries to accept social provisions that are more closely aligned with western interests. While the U.S. and the E.U. had stronger incentives to forego those social agendas during the Cold War in the hope of consolidating the anti-Communist bloc, the change in the distribution of power in the international system allowed the U.S. and the European Union to force the Global South to accept these provisions after the Cold War.

Following this line of reasoning, one would argue that the inclusion of social provisions is an attempt to tip the balance of bargaining power in the environmental domain in favor of the U.S. by linking to IOs to which partner countries are not parties. By linking to U.S.-ratified IOs that negotiating partners did not ratify, the U.S. can pressure their trade negotiating partners to ratify the linked agreements. In so doing, the U.S. can level the playing fields for U.S. businesses competing with foreign rivals. To control for these dynamics, I include information on U.S. and trade negotiation partners' membership status in the environmental IOs, which is coded 1 when each party has ratified the MEAs that establish the IOs. When trade negotiating parties include more than one country such as in the TPP, I calculate the proportion of IO membership among negotiating partner countries. The summary statistics of the data set are reported in Table 1.

Statistic	N	Mean	St. Dev.	Min	Max
IO delegation (DV)	210	1.22	3.40	0	24
U.S.-based activists' ties to IOs (H1)	210	9.21	10.04	0	41
Industry ties to IOs (Alternative H1)	210	12.97	17.05	0	107
US membership to IO (Alternative H2)	210	0.84	0.37	0	1
Partner membership to IO (Alternative H2)	210	0.64	0.46	0.00	1.00

Table 1. Summary Statistics of the Main Data Set

In the analysis, I use negative binomial regressions, as the outcome variable is highly zero-inflated. I include partner country fixed effects, because my goal is to estimate the probability of IO delegation holding partner country-specific features constant.

Table 2 reports the incident risk ratios of IO delegation. The first model tests the international bargaining hypothesis, one of the alternative hypotheses. If the alternative hypothesis is valid, one would find that *U.S. ratification* has a positive correlation with IO delegation, whereas partner ratification has a negative correlation with delegation decisions. In line with the conjecture, the coefficient on *U.S. ratification* comes out highly significant across all the seven models. By contrast, the coefficients on *Partner ratification* are not statistically significant at any conventional levels in all the models. Substantively, my model predicts that the U.S. government delegates 1.4 more linkages to an IO when the U.S. is a member of the IO compared to when it is not, holding partner membership status constant at its mean. These results may indicate that the U.S. preferences override those of its partner countries when it comes to environmental concerns in trade negotiations.

	<i>Dependent variable: IO Delegation</i>		
	(1)	(2)	(3)
US ratification	31.13*** (0.53)	34.21*** (0.54)	34.29*** (0.61)
Partner ratification	0.61 (0.37)	0.23 (0.36)	0.22 (0.36)
Activist-IO ties		0.03*** (0.01)	0.03*** (0.01)
Industry-IO ties			0.002 (0.004)
Constant	-63.10*** (1.22)	-68.68*** (1.24)	-68.79*** (1.34)
No. of observations	210	210	210
Fixed effects	✓	✓	✓

*Note: SEs clustered at the partner country level.* \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

Table 2. Likelihood Ratio Test of Negative Binomial Models on Delegation Clauses in Trade Agreements Negotiated by the U.S.

The second model tests the first main hypothesis on the relationship between activists' ties to IOs and IO delegation. The coefficient on Activist-IO ties is statistically significant at the 1% significance level. According to the results, the predicted number of IO linkages increases as the number of activists' ties to IOs increases. Figure 3 visualizes the relationship. Substantively, the model predicts that 0.4 delegation is expected to an IO, when there is not any U.S.-based advocacy organization with ties to the IO. When 10-20 advocacy groups have ties to an IO, the government is expected to make close to one delegatory clause to the IO. If 30-40 U.S.-based

advocacy groups have ties to an IO, the predicted number of linkages increases to 2.4. When 40-50 advocacy groups have ties, the predicted number of linkages goes up as high as 3.1.

The next model (M3) is designed to test an alternative hypothesis on the effect of IOs' ties to commercial interest groups on linkages. In this alternative hypothesis, I test whether delegation decisions are more likely when commercial interests wield strong influence on IOs. The alternative hypothesis on protectionism do not have empirical support. The coefficient on *Industry ties* is not significant at any conventional significance levels. This is in line with my conjecture about the government's motivation for IO delegation. According to my theory, the government's main motivation for IO delegation is to assuage the fears of activists, not businesses'. Confirming this, I find that the coefficient on Activist-IO ties is still statistically significant ( $p < 0.001$ ) when Industry ties is added, and its effect is larger than Industry-IO ties, while the latter is not significant.

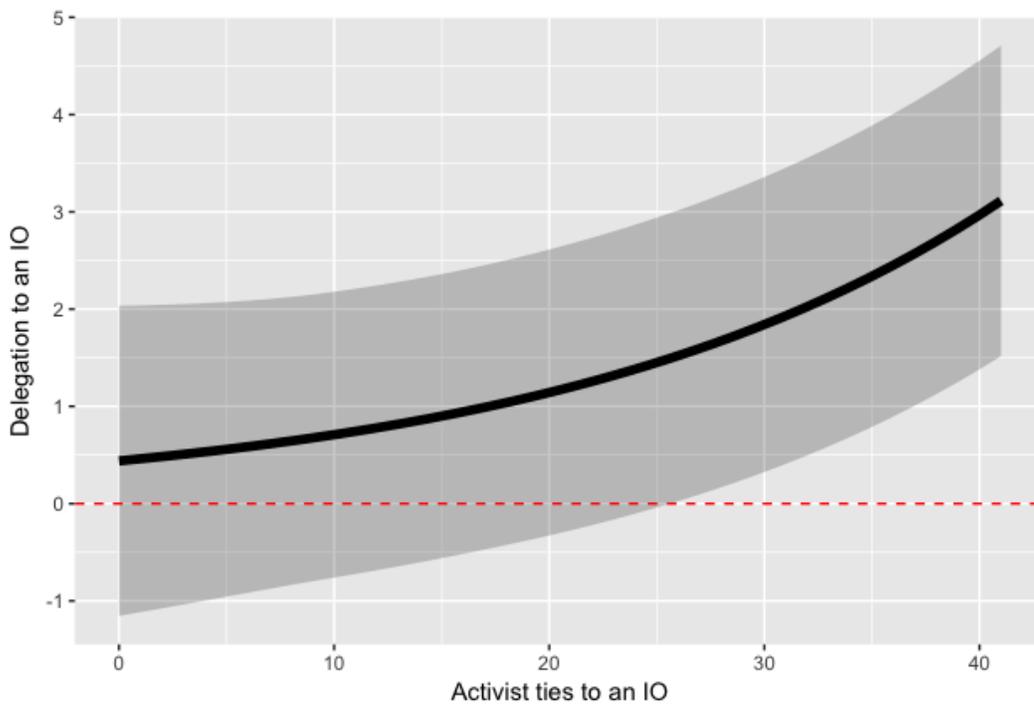


Figure 3. Predicted Numbers of IO delegation: The Effect of Activists-IOs Ties

### *Robustness Test*

I conduct additional analyses based on a second data set that I created based on environmental review documents issued by the U.S.T.R., as a supplementary test of the argument. The U.S.T.R. has conducted written environmental reviews since NAFTA, and the practice has been formalized through a series of laws since 2000. Accordingly, the Office of the U.S.T.R. conducts environmental reviews in consultation with advisory groups at two stages, prior to signature and ratification of a trade agreement. I exploit the contents of each review paper to determine the U.S. government's considerations in choosing which environmental agreements to include in each trade agreement. This data set is distinct from the first, in that it captures the range of MEAs *considered* by the government, not those accepted by their partner countries. That said, the additional tests based on this data set can strengthen the argument and provide an opportunity to test whether the government's delegation decisions are primarily to placate domestic groups not its negotiating partners. Because the review documents are issued during the bargaining stage, any similar results across the two data sets—one on the bargaining phase and the other on the post-bargaining stage—would suggest that U.S. domestic concerns are the main driving force behind environmental issue linkages. If environmental linkages are devised as a policy tool to help developing countries narrow the gap on the environmental front (i.e., green aid), the previous results based on the main data set and those derived from the current tests would come out different because the main data set is a product of both international and domestic bargaining. If we find similar results across the two data sets, this indicates that environmental linkages are more or less a function of proposing countries' domestic preferences.

The U.S.T.R. conducts one or two environmental reviews in order to assess each trade agreement's impact on the environment. The assessments are largely based on the input by the

Trade and Environment Policy Advisory Committee (TEPAC). The TEPAC is an advisory committee that “provides policy advice on issues arising in connection with the development, implementation, and administration of the trade policy of the United States that involve the environment.”<sup>44</sup> The Charter provides that the Committee is to be composed of representatives from “environmental interest groups, industry, agriculture, academia, consumer groups, services, and non-governmental organizations” among others.<sup>45</sup> For instance, the members of the TEPAC as of 2018 include the Nature Conservancy, Environmental Investigation Agency (environmental NGOs), Bumble Bee Seafood (seafood industry), International Wood Product Association (forestry industry), and scholars (academia) among others. These actors collectively assess trade’s impact on the environment, and make proposals on the legal languages that should or should not be included in final texts of trade agreements. As such, the environmental assessment is an important agenda-setting phase for domestic actors.<sup>46</sup>

The dependent variable is the number of references to a MEA in each environmental review document. The unit of analysis is, therefore, review document-MEA. The summary statistics of the data set is reported in Table 3. I include year fixed effects throughout the test.

I estimate negative binomial regression models. Table 4 reports the likelihood ratio test results from the models. I find two noteworthy patterns in the results. Primarily, MEAs with more ties to U.S. activists are more likely to be considered during the assessment phase. These results are statistically significant throughout the models. According to the results from Model 2, for instance, I find that an IO without any ties to U.S.-based activists is mentioned fewer than

---

<sup>44</sup> Charter of the Trade and Environment Policy Advisory Committee.

<sup>45</sup> *Ibid.*

<sup>46</sup> In Putnam (1988)'s two-level framework, the data on the environmental assessment reflects the domestic bargaining at the societal level (Level 2), whereas the main data set used previously reflects the aggregate outcomes that came out of both international and domestic bargaining (Level 1 & 2).

once. This number increases to nine if forty U.S. advocacy groups have ties to the IO. The coefficient on *Activist ties* is statistically significant ( $p < 0.01$ ). Substantively, this is an indication that the review process is largely influenced by activists with connections to IOs. The activists with access to the review process promote the rules of the IOs to which they have access. As shown in the main tests, this tendency survived the international negotiations. Thus, we can conclude that delegation decisions regarding the IOs with numerous ties to activists originated from activist groups' demands.

Second, my results indicate that IOs with more ties to business actors are less likely to be considered as a benchmark during the domestic agenda-setting stage. The results from Model 3 indicate that IOs' ties to commercial interest groups are negatively associated with delegation. The negative coefficients on *Industry ties* throughout the entire models are statistically significant ( $p < 0.01$ ). Substantively, an IO without any ties to commercial interest groups is expected to be mentioned 1.3 times in the assessments. By contrast, if an IO has ties to a hundred commercial interest groups, this number drops to zero. Taken together, the robust significance and magnitude of *Activist ties* in both main and supplementary tests demonstrate that advocacy groups' demands are more important concerns when it comes to the designing of environmental linkages.

Statistic	N	Mean	St. Dev.	Min	Max
IO delegation (DV)	224	1.92	5.72	0	40
U.S.-based activists' ties to IOs (H1)	224	9.15	10.88	0	41
Industry ties to IOs (Alternative H1)	224	10.35	15.25	0	107
US ratification of IOs (Alternative H2)	224	0.78	0.41	0	1
Partner ratification of IOs (Alternative H2)	224	0.74	0.42	0.00	1.00

Table 3. Summary Statistics of the Data Set

	(1)	(2)	(3)
US ratification	2.10*** (0.72)	1.41 (0.89)	1.14 (0.76)
Partner ratification	2.21*** (0.61)	0.92* (0.50)	0.80** (0.39)
Activist-IO ties		0.08*** (0.02)	0.12*** (0.02)
Industry ties			-0.06*** (0.01)
Constant	-5.56*** (0.53)	-5.00*** (0.91)	-4.50*** (0.83)
No. of observations	224	224	224
Fixed effects	✓	✓	✓

Notes: Standard errors are clustered at the year level. \*\*\*p < .01; \*\*p < .05; \*p < .1

Table 4. Likelihood Ratio Test of Negative Binomial Models on Delegation Considerations in the U.S.T.R. Environmental Reviews

### *Hypothesis 2. Activists' Support for Trade Agreements*

In this section, I present qualitative evidence on whether delegation has a positive effect on activists' support for trade agreements. The case of interest is the May 10th, 2007 congressional-executive agreement between the Bush administration and the Democratic Party. In this agreement, the Administration pledged to delegate environmental clauses in trade agreements to seven environmental IOs. In so doing, the administration's approach to delegation decisions varied across the issues of conservation of marine species and deforestation. Regarding the former, the government delegated to the IOs that focused on narrow and specific issues such as the Inter-American Tropical Tuna Commission (IATTC) and the International Whaling Commission (IWC). By contrast, the government chose not to delegate to IOs specializing in deforestation (i.e. ITTO). Instead, the government generally used CITES as the main international platform to address de-forestation and trade.

Focusing on this case, I first show that the Bush administration and the Democratic Party's decision can be explained by the variation in the chosen IOs' ties to U.S.-based advocacy groups. Second, I show that advocacy organizations with pre-existing ties to these IOs changed their stances on the four trade agreements under negotiation and supported the trade agreements since the government's delegation decision.

The Bush administration's decision to delegate environmental clauses is a hard case. During his campaign for presidency, George W. Bush openly expressed his skepticism about linking trade to the environment.<sup>47,48</sup> While his predecessor, President Clinton, and his competitor, Al Gore, supported trade-environmental linkages, Bush was opposed to the idea. Further, once President Bush was sworn into office, the U.S.T.R. under his guidance sought to "re-adjust" the labor and environmental portions of the trade agreement with Jordan.<sup>49</sup> Because the President was skeptical about the idea of linkage itself, it did not make sense for the U.S.T.R. to delegate environmental linkages to IOs. As such, trade agreements negotiated by the Bush administration before 2007 do not include any delegatory clauses. The environmental chapters in the trade agreements ratified in this period instead use national laws as their reference points. For instance, the U.S.-Jordan agreement provides that the parties ensure the "effective implementation of Jordanian environmental laws."<sup>50</sup>

However, the trend changed in 2006 as both the political and economic landscapes shifted. First, the Democratic Party secured a sweeping electoral victory in November 2006, taking control of the House by a thirty-seat margin and the Senate by a close margin. As the

---

<sup>47</sup> Economist, October 21 1999. "Politics of trade". Retrieved from LexisNexis.

<sup>48</sup> Economist, September 28 2000. "Globalisation Blues". Retrieved from LexisNexis.

<sup>49</sup> Mark Lacey, April 11, 2001. "Bush Seeking To Modify Pact on Trade With Jordan". New York Times. Retrieved from LexisNexis.

<sup>50</sup> Article 7 of the United States-Jordan Joint Statement on Environmental Technical Cooperation.

Republican Party lost multiple swing states such as Pennsylvania to protectionist Democrats, it was uncertain whether the Bush administration could pass the four pending trade agreements under negotiation.<sup>51</sup> Second, it was feared that the political loss in the 2006 election would translate into an economic one, as the Bush Administration considered that the passage of these agreements would be essential to boosting the exports of U.S. products. Boosting international trade was considered especially important at the time, as the country ran a record trade deficit in 2006.<sup>52</sup> These developments in 2006 compelled the Bush administration to recalibrate its strategy on linkages despite their initial skepticism.

The Administration made concessions to the Democratic Party on six issues in the May 10th Agreement of 2007, covering the issues of labor, environment, intellectual property, investment, government procurement, and port security. On each of those issues, the government invoked the authority of various outside parties. For example, on labor, multiple clauses in the agreement were designed based on the ILO Declaration on Fundamental Principles and Rights at Work. Similarly, the intellectual property issue used the TRIPS Agreement as a reference point. Regarding environmental issues, the government pledged to incorporate seven IOs—CITES, the Montreal Protocol, MARPOL, IATTC, the Ramsar Convention on Wetlands, IWC, and CCAMLR—in its trade agreements.<sup>53</sup>

On the environmental front, it is not readily explicable why the government and the Democratic Party chose the seven environmental IOs that they did. As of 2006, the U.S. was a

---

<sup>51</sup> The Presidential Trade Promotion Authority (TPA, or fast-track) was set to expire in June, 2007. As the Democratic Party gained control of Congress, House Democrats in House Ways and Means Committee demanded that the government include new language on the environment and labor.

<sup>52</sup> Steven R. Weisman. “U.S. ran a record trade deficit in 2006” - Business - International Herald Tribune. New York Times, February 13, 2007.

<sup>53</sup> See U.S.T.R., May 2007. Bipartisan Trade Deal, Trade Facts

party of 112 environmental IOs.<sup>54</sup> These IOs include global IOs such as CITES, FAO, the Montreal Protocol, and UNFCCC. The U.S. was also a party of IOs that focus on narrower or regional issues, including the IATTC, IWC, the International Tropical Timber Organization (ITTO), and the International Plant Protection Convention (IPPC). While these options were available at the time of the May 10th agreement, only seven environmental IOs were chosen.

Particularly, I focus on the contrast in the government's strategy on the issues of deforestation and marine species. While the U.S. was a party of IOs focusing on deforestation such as the ITTO, as well as aquatic species-conservation IOs, the government delegated linkages exclusively to the latter, not the former. This does not mean that deforestation was not an important issue in this period. In fact, the USTR under Bush paid special attention to illegal logging during the negotiations with Peru and Indonesia.<sup>55</sup> Despite the importance of the forestry issue, however, the Administration did not delegate forestry-related linkages to either the ITTO or the IPPC. Instead, the forestry annex in the Peru Agreement was widely delegated to CITES. This approach is in stark contrast to the administration's strategy on the conservation of marine species. While CITES also protects marine species via its animal committee, the government delegated marine species-related linkages to the IATTC, IWC, and CCAMLR despite their overlap with the CITES jurisdiction. In sum, the government over-delegated environmental linkages to multiple IOs regarding protection of marine species while under-delegating forestry-related linkages, despite its membership in IOs focusing on forest-related issues.

---

<sup>54</sup> The number is calculated based on the data drawn from Ronald B. Mitchell. 2002-2018. International Environmental Agreements Database Project (Version 2017.1). Available here. Date accessed: 24 January 2018. The number does not count the amendments and protocols to existing international agreements that the U.S. ratified.

<sup>55</sup> Environment in Bush Records, Policy memos: A Timeline (2001-2008) United States Trade Representative for Bush Administration's understanding of illegal logging in the trade context. Deforestation was an important trade issue throughout the 2000s. Particularly, the countries with which the U.S. was negotiating trade agreements in the mid-2000s were prone to illegal logging. As such, environmental advocacy groups such as the Greenpeace and World Wildlife Fund (WWF) pushed for banning illegal trade in protected plant species.

What explains the differential approaches? According to the theory presented here, the government delegated to IOs with more ties to U.S.-based advocacy groups in order to attract the support of activists for trade agreements.

Two sets of supporting evidence will be presented. First, I present a snapshot of the ties that CITES, the ITTO, and IWC had with advocacy groups in the years before 2007. In support of the theory, I find that CITES, and IWC had more ties to U.S.-based activists than did the ITTO. The ITTO was mainly dominated by industry actors and activists with bases in developing countries. Secondly, I show how the government's decision to delegate forest linkages to CITES, not the ITTO, had an influence on the activists with ties to CITES. I present evidence that activists with ties to CITES were more supportive of the trade agreements with Peru, Panama, and Colombia.

*- Linkage Decisions in 2007: Why IWC and CITES, not ITTO?*

It is a well-known fact that environmental IOs work closely with non-governmental actors. The types of non-governmental actors working with IOs range from environmental advocacy organizations and scientists to economic interest groups. These actors mobilize relevant audiences and increase the political salience of environmental issues, supply expertise and information about environmental outcomes, and modify environmental policies in light of their impact on incomes. As the non-governmental actors' role is essential in formulating viable policy platforms, IOs maintain close working relationships with these actors.

Existing research shows how each of these groups influences international environmental cooperation. (Haas 1992: p.12) shows how experts—a group of knowledge elites with shared causal and principled beliefs—play an important role in international environmental

cooperation. Other scholars pay more attention to the role of activists in international politics. Among others, Wapner posits that transnational activist groups utilize global civil society and operate “outside the province of state-to-state interaction (Wapner 1995: 316).” Others focus on how commercial interests strategically use environmental issues to promote their material interests. For instance, fishing industries frequently participate in global politics without direct representation by their governments.<sup>56</sup> Taken together, these studies indicate that the interaction of IOs and a variety of non-governmental actors is key to understanding the development of international environmental politics.

Importantly, not all non-governmental actors can gain access to IOs to the same extent. In short, non-governmental actors can gain access to global political platforms when IOs allow them access. In this sense, IOs function as a gatekeeper with the power to empower select groups of non-governmental actors in international politics (Carpenter 2014). As such, the extent to which each of these three groups (scientists, commercial interests, and moral advocates) have access to environmental IOs varies. Some IOs work more closely with advocacy organizations and empower transnational activists in the forums; others allow more room for economic interest groups such as trade associations specializing in forestry or fisheries. In more substantive terms, IOs review non-governmental actors’ requests for observer status at their annual meetings and grant or decline those requests upon deliberation. By selecting non-governmental actors that can have agenda-setting opportunities in global political platforms, IOs shape the contours of global civil society.

Of course, even IOs with similar functions may have different visions about what an ideal global society should look like. In particular, supranational bureaucrats in IOs may have different

---

<sup>56</sup> For example, the whaling industry in Japan is a big part of environmental IOs. For further information, see Blok (2008): 39-66.

ideas about who deserves opportunities to set the agenda at their forums. In line with this conjecture, the composition of ties that CITES, ITTO, and IWC had with non-governmental actors manifest differently across these IOs.

Figure 4 shows the number and proportion of non-governmental actors with access to annual meetings in these IOs in the two years before the May 10th agreement in 2007. Three points are noteworthy. First, advocacy organizations, especially those in the Global North, were better connected to CITES and IWC than to the ITTO. CITES had the largest number of ties to non-governmental actors among the three, and upon closer examination, one notes that CITES had a disproportionately large number of ties to advocacy groups based in the Global North. This trend is more salient in the IWC. Activists with a focus on the Northern hemisphere or those with transnational networks were more likely to gain access to the IWC. NGOs operating solely in developing or underdeveloped countries did not have a presence in the IWC. By contrast, the ITTO tended to receive NGOs with an exclusive local focus on developing or underdeveloped countries.

Second, approximately 30% of these NGOs with ties to CITES operated in the U.S.<sup>57</sup> Similarly, this tendency is highly pronounced in the IWC. Close to 35% of the NGOs with ties to the IWC were operating in the U.S. This is in contrast to the ITTO, where only 15% of the NGOs are U.S.-based. Further, these U.S.-based advocacy organizations with ties to the ITTO are transnational organizations rather than locally focused on developed countries.

Lastly, the presence of commercial interests was more pronounced in the ITTO than in the other two IOs during this period. For instance, the ITTO gave observer status to numerous

---

<sup>57</sup> I code that an advocacy organization has a political base in the U.S., if the organization has a tax exemption status as a non-profit organization in the U.S. The measure is coded by the author based on the information on ProPublica accessed in January 2017.

trade associations such as the Japan Forest Technology Association and the International Wood Products Association throughout the 2000s. The proportion of economic interest groups in the ITTO amounted to 35%, which constituted an almost equal representation of commercial and environmental interests. The presence of commercial interests is not as visible in the other two IOs, especially the IWC. Less than 15% of the non-governmental actors with ties to the IWC represented economic interest groups. Further, the government delegated to the IWC even when the whaling issue was not a big economic concern during the pending trade negotiations.<sup>58</sup>

These three trends seem to suggest a pattern in support of the theory. The Bush administration delegated prolifically to CITES, the IO with numerous ties to U.S.-based environmental advocacy organizations. Further, the government delegated to the IWC, another IO with disproportionate representation of U.S.-based advocacy groups such as the Environmental Investigation Agency, the American Catacean Society, and Humane Society International (HSI). The fact that the IWC does not have any ties to the American whaling industry, which by this point was almost extinct, is consistent with the theory's prediction that IO delegation is not primarily designed to placate commercial interests. Had U.S. advocacy groups not had ties to the IWC, the government might not have been willing to incur high sovereignty costs by delegating environmental clauses to the IWC. Similarly, the lack of delegating motivation for the ITTO is telling evidence that the government's delegation decision is a strategic move to galvanize moral advocates rather than business actors. Furthermore, the government delegated to IOs only when advocacy groups had an influence on U.S. politics. When advocacy groups were not expected to have any influence on the American audience at

---

<sup>58</sup> See Epstein (2008). Epstein argues that the ban of commercial whaling and the persistence of the antiwhaling norm cannot be explained through economic interests. Especially in the case of the U.S., Epstein points out, "there was only one remaining whaling station, in Richmond, California" by the time Nixon banned whaling.

large as was the case for the ITTO, the government was cautious to not delegate to these IOs. In other words, the government selectively delegated only when moral advocates' support for trade outweighed the sovereignty costs of delegation.

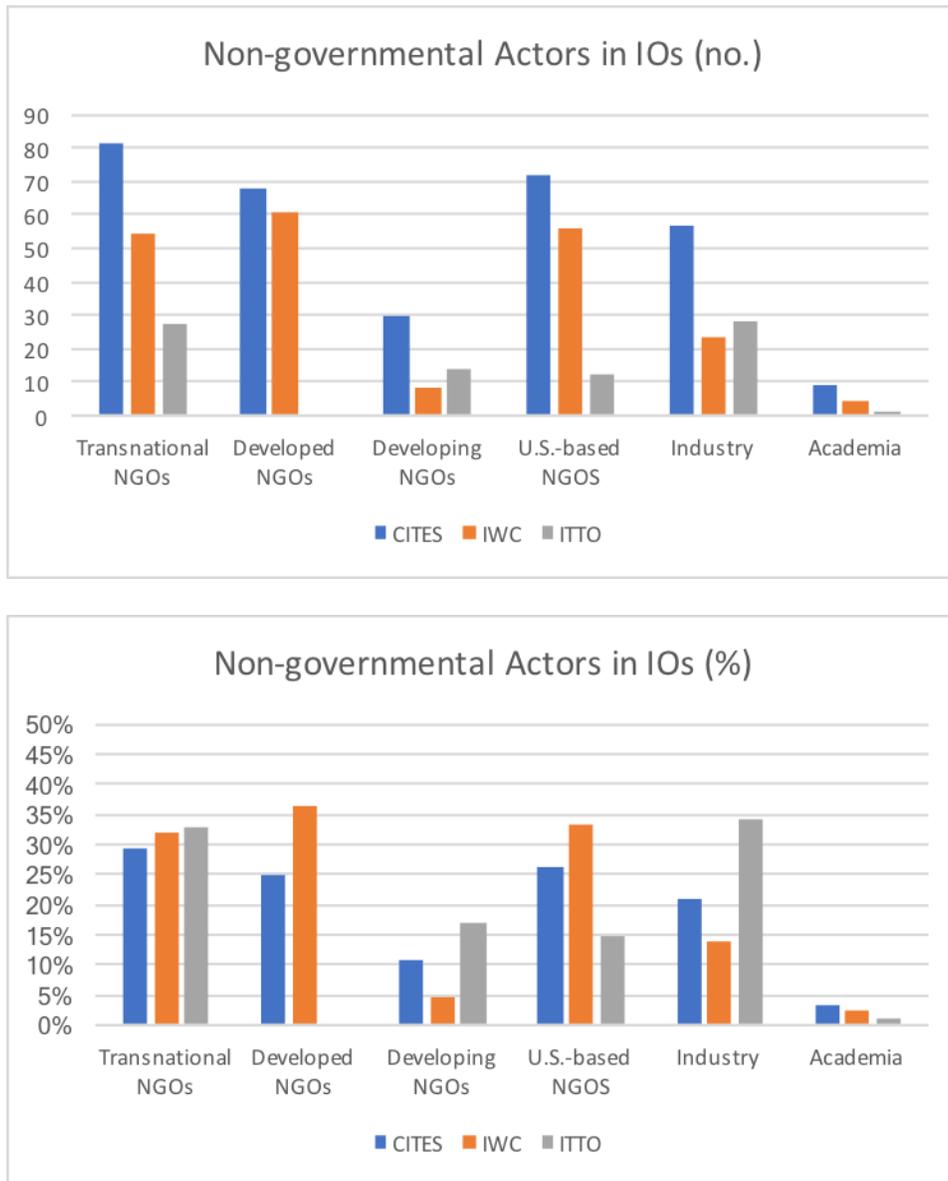


Figure 4. Non-governmental Actors in the CITES, IWC, and ITTO

If my theory is valid, I expect to find that the Bush administration gained support for the pending trade agreements due to IO delegation. In this part, I present two pieces of evidence that support two predictions stemming from my theory. First, I show that environmental advocacy groups across the board supported trade agreements when linkages were delegated to IOs via the May 10th agreement. In this part, I validate my claim by showing the temporal variation in activists' support for two trade agreements before and after the May 10th agreement. That said, secondly, I show that the level of support was more salient and durable among the organizations with ties to the seven IOs than those without.

The level of enthusiasm about the May 10th agreement was high and undivided in the environmental community. At the inception of the May 10th agreement, numerous advocacy organizations across the board issued a statement commending the agreement. Even the advocacy organizations known to have taken a cautious approach to trade-environmental linkages, such as the Sierra Club and Friends of the Earth! (FoE), initially took a positive stance on the government's decision to delegate to the seven MEAs.<sup>59</sup>

The unequivocal endorsement of the May 10 agreement was an exception rather than the norm. For instance, the environmental community had been divided on the merit of the environmental clauses in the Dominican Republic—Central America Free Trade Agreement (CAFTA-DR). Some viewed it as insufficient to ensure enforcement as the reference point for compliance was the parties' national laws. Particularly, the Sierra Club and FoE were unequivocally critical about CAFTA-DR for this reason.<sup>60</sup> Others, such as the Humane Society

---

<sup>59</sup> "Environmental chapter of the Peru trade agreement marks a significant step forward", Statement by Center for International Environmental Law, Defenders of Wildlife, Earthjustice, Environmental Investigation Agency, Friends of the Earth, Natural Resources Defense Council, Sierra Club. June 27, 2007.

<sup>60</sup> Sara Zdeb, "One year and counting: Bush administration still no closer to passing anti-environmental Central American trade deal." News releases and updates by Friends of the Earth.

International (HSI), were more optimistic. Their differing stances on CAFTA-DR are attributable to their disparate views on the adequacy of the parties' national environmental laws. For instance, FoE claimed that the CAFTA-DR countries' environmental laws were weak to ensure sufficient protection of the environment. The then Director at FoE said, "CAFTA does not mandate any country to adopt or maintain a set of basic environmental laws, a serious omission given the weak environmental standards that are currently in place."<sup>61</sup> By contrast, the proponents of CAFTA-DR maintained that the parties' national laws included the MEAs such as CITES that the CAFTA-DR parties had ratified. In another congressional hearing on CAFTA-DR, the then President of HSI supported the agreement based on the fact that the CAFTA-DR countries were parties to CITES, and CITES constituted part of the countries' national laws by virtue of their ratification. She said, "Although some criticize DR-CAFTA on the basis it does not go far enough, I question this because there is clear language in Article 17.2 that the parties undertake to effectively enforce their laws. As I understand it, that also includes multilateral environmental agreements, MEAs, ratified by the parties. So CITES has to be effectively enforced as a result of the CAFTA agreement."<sup>62</sup>

The divisive sentiment on trade agreements was largely subdued at the inception of the government's commitment to delegate environmental linkages to the seven IOs. As expected, advocacy organizations such as the HSI hailed the decision. For instance, President of the HSI stated on the Peru FTA, "We are very pleased that MEAs are specifically provided for."<sup>63</sup> What is more surprising is that the advocacy organizations that had previously been cautious on trade-

---

<sup>61</sup> David Waskow (Friends of the Earth), "Panel Three of a Hearing of the Subcommittee on Commerce, Trade and Consumer Protection of the House Energy and Commerce Committee Subject: Dominican Republic-Central America Free Trade Agreement," April 28, 2005.

<sup>62</sup> Patricia Forkan (Humane Society International), "U.S. Senator Charles E. Grassley (R-IA) holds hearing on United States-Dominican Republic-Central America Free Trade Agreement," CQ Transcriptions. April 13, 2005.

<sup>63</sup> Patricia Forkan (Humane Society International), "Hearing of the Senate Finance Committee; Subject: U.S.-Peru Trade Promotion Agreement," September 11, 2007.

environmental linkages hailed the government's approach. For instance, the Sierra Club, Defenders of Wildlife, and FoE issued a welcoming statement on the May 10th agreement as follows:

We commend the Democratic leadership for achieving important environmental progress in the Peru and Panama FTAs, particularly by requiring enforcement of certain environmental treaties and by addressing trade in illegally-logged timber, especially mahogany.<sup>64</sup>

Also, following the release of the final text of the Peru agreement, the same group of organizations issued a welcoming statement, especially commending the decision to delegate certain clauses in the Annex on Forest Sector Governance:

Among others, the Annex on Forest Sector Governance includes innovative provisions to (...) [D]evelop systems to track CITES-protected tree species from harvest through transport, processing and export. These systems, if effectively implemented, could provide a model for legal chain-of-custody timber tracking worldwide.<sup>65</sup>

That said, advocacy organizations have increasingly taken different stances on trade agreements since May 10, especially depending on their ties to the delegated IOs. The divergence is clear when two advocacy organizations—the Environmental Investigation Agency (EIA) and Sierra Club—are compared. EIA had numerous ties to the seven environmental IOs throughout the 2000s. The organization participated in the annual meetings of not only CITES,

---

<sup>64</sup> States News Service, "Statement by Defenders of Wildlife, Earthjustice, Friends of Earth, Sierra Club regarding trade and environment deal," May. 14, 2007.

<sup>65</sup> "Environmental chapter of the Peru trade agreement marks a significant step forward," Statement by Center for International Environmental Law, Defenders of Wildlife, Earthjustice, Environmental Investigation Agency, Friends of the Earth, Natural Resources Defense Council, Sierra Club. June 27, 2007.

the IWC, and the Montreal Protocol regularly, but also some undelegated IOs such as CBD and the ITTO. By contrast, the Sierra Club was more domestically-oriented. On the international front, the Sierra Club only participated in the 1999 meeting held by the Ozone Secretariat for the Montreal Protocol and in the 2000 meeting at the IWC. If my conjecture is valid, I should find that EIA was more optimistic about the strategic value of environmental-trade linkages and take a more positive stance on the trade agreements due to IO delegation than the Sierra Club.

In line with my conjecture, EIA remained generally optimistic about the May 10<sup>th</sup> agreement five years after the 2007 May 10th agreement. The organization viewed that trade agreements could provide opportunities to “address the biggest global environmental issues in a globalized economy” if done in the right way.<sup>66</sup> Recognizing that there were environmental NGOs that were going to “have a hard time ever being champions of a FTA for very good reasons,” the then director of EIA justified its pro-linkage position based on the May 10th agreement’s positive impact on U.S. environmental laws as follows:

Of the May 10th Agreement, the piece that was specifically looking at Peru, because there you had a country that was selling 90 percent of its wood to the U.S. and 90 percent of that was absolutely illegal based on the assessments of the government itself. That there was a direct addressing of the principle that we do not want to be undermining our trading partners’ governments and laws by accepting products that were cut down against the laws from whence they came. And it was that principle actually that then has since become a very powerful new force in the trading community and resulted in a U.S. law, a separate U.S. law

---

<sup>66</sup> Sacha Von Bismarck (Environmental Investigation Agency). “Democratic Members of the House of Representatives Hold a Briefing on the Five-year Anniversary of the “May 10 Agreement” on Trade,” Financial Market Regulatory Wire. May 10, 2012.

called the Lacey Act Amendments in 2008. (...) And I think it has the potential now to be a new principle in global trade. (...) So, it's an example where FTAs and the connection of the global economy can be used in the service of better governance, better solving environmental challenges in a global economy.<sup>67</sup>

EIA used the linkage clauses to mobilize international audiences in the delegated IOs against Peru's non-compliance. In 2012, EIA released its findings based on a two-year investigation on Peru's forestry sector. In this investigation, the organization found that the Peruvian logging operation involved fraudulent documentation and wood laundering. The illegal logging methods were used for both CITES-protected and non-CITES wood.<sup>68</sup> This means that EIA had two legal avenues, since the illegal logging practice was in violation of both CITES and U.S.-Peru trade agreement. As such, EIA decided to use both. On the one hand, it petitioned the USTR to carry out audits of shipments of bigleaf mahogany and Spanish cedar."<sup>69</sup> Also, EIA recommended to limit the scope of wood into CITES-protected species, bigleaf mahogany and Spanish cedar, as the organization thought it was impossible to get verifiable information on the transactions regarding non-CITES species.<sup>70</sup> It can be inferred that EIA found it difficult to convince the government to take meaningful action without fine-grained information collected under CITES. Also, the USTR would find it difficult to dismiss the U.S. commitment to CITES, especially when it had made an explicit commitment to use CITES as a benchmark to assess trade's impact on the environment. As illustrated, EIA did not simply support trade agreements unconditionally.

---

<sup>67</sup> *Ibid.*

<sup>68</sup> Inside U.S. Trade, "NGO alleges illegal logging shipments from Peru; Will urge USTR to act," April 13 2012.

<sup>69</sup> The Office of the United States Trade Representative. "Review of 2012 EIA Petition Regarding Bigleaf Mahogany and Spanish Cedar Exports."

<sup>70</sup> Inside U.S. Trade, 2012 (fn 68).

The organization lent support because it expected to use the linkages to enhance environmental outcomes.

By contrast, the Sierra Club's view on trade agreements did not change dramatically since May 10, 2007. Although the organization welcomed the government's efforts to strengthen environmental clauses, its fundamental stance on trade agreements remained as was. For instance, the organization commented on trade-environmental and labor linkages as "less prescriptive and more aspirational" in 2009.<sup>71</sup> Particularly, the organization questioned the government's commitment to enforcement of the linkages.<sup>72</sup>

In June 2007, the Sierra Club formed an alliance called Blue-Green Alliance with the United Steelworkers (USW) under the banner of "Good Jobs, A Clean Environment, and A Safer World."<sup>73</sup> In this way, the Sierra Club consolidated its coalition with protectionist interest groups right after May 10 agreement. Unlike EIA, the Sierra Club's strategy was to target unfair trade subsidies that had harmful effects on the environment. The effect of this strategy was magnified due to its alliance with the USW. In 2007, for instance, the Blue-Green Alliance intervened in a case on the Indonesian government's subsidies on paper products. The Sierra Club pushed for the idea in an attempt to curb the trade of illegally logged timber and wood products, while the USW's rationale was protection of the related industries. In this vein, the Sierra Club demanded that the government authorize countervailing duties against companies that profit from illegal logging.<sup>74</sup>

---

<sup>71</sup> E&E News PM, "Trade: Agreements yield uneven environmental gains, need more oversight—GAO," August 11, 2009.

<sup>72</sup> *Ibid.*

<sup>73</sup> "Sierra Club, United Steelworkers Announce 'Blue-Green Alliance'; Good Jobs, Clean Environment, Safer World Cited as Uniting Principles," June 7, 2006.

<sup>74</sup> "News from USW: U.S. Department of Commerce Rules for Fair Trade; USW, Sierra Club Challenge Subsidies from Illegal Logging," Business Wire. October 18, 2007.

Taken together, the two organizations with different levels of ties to environmental IOs tend to develop different stances on trade-environmental linkages. EIA, an organization with numerous ties to the delegated IOs, was more optimistic about the effect of trade environmental linkages, and used the ties to the IOs in order to publicize Peru's poor compliance behavior. On the contrary, the Sierra Club, the organization without those ties, allied with labor unions and demanded protectionist measures in order to protect the environment.

### *Conclusion*

This chapter shows that a liberalizing government can stabilize hybrid coalitions between pro-trade businesses and non-trade issue stakeholders by delegating non-trade components to outside entities. In particular, it demonstrates that trade agreements' linkages to environmental IOs with ties to environmental activists serve as a commitment device towards activists. The thus institutionalized linkage mitigates activists' fear of the government's defection. When activists have pre-existing ties to IOs, the activists can enhance environmental outcomes with intense monitoring and therefore preserve their reputations even when enforcement failure remains a possibility.

In keeping with the theory's predictions, the results indicate that the U.S. government tends to delegate environmental linkages to IOs with more ties to domestically oriented activists. By committing to IOs with a large number of monitors and potential veto players, the government can credibly commit to compliance with environmental provisions to its domestic environmental audience. Further, the case study shows that activists with external ties to linked IOs are more likely to lend support for trade liberalization.

The findings shine light on how American political leaders have patched together pro-trade coalitions in times of a backlash against economic liberalization. Since the 1990s, it has become difficult to form pro-trade coalitions without appealing to non-trade issue stakeholders. In 1993, the Clinton administration had to negotiate an environmental side agreement to placate environmental groups to pass NAFTA in Congress. More recently, the French government demanded that the European Union include the Paris Climate Agreement in every future trade agreement with non-E.U. countries. That said, history shows that it requires sophisticated political skills to form a lasting coalition between Bootleggers and Baptists. For instance, the E.U.'s trade negotiations with the Gulf Cooperation Council and Australia broke down at least partly due to the E.U.-based civil society actors' opposition to the agreements.

My findings presented in this chapter highlight the inherent instability of coalitions between two actors with different enforcement preferences. Existing studies on coalitions between Baptists and Bootleggers do not investigate how groups with different objectives and differential political influence manage to trust each other. This dissertation explains some novel theoretical understanding regarding how liberalizing governments resolve the tension and mitigate the commitment problem towards the weaker coalition partner (i.e., environmental activists) using IOs. Building on existing research on the credibility of issue linkages, it shows that IOs can serve as a substitute commitment device to reassure less powerful domestic groups such as environmental activists.

## **Chapter 4. Issue Linkage as Electoral Insurance: The Case of NAFTA**

In 1993, the Clinton administration signed an environmental side agreement with Canada and Mexico to gain broader support for NAFTA from legislators. It is noteworthy that the administration signed the side agreement despite opposition from pro-trade businesses and the lack of interest from pro-protection groups.<sup>75</sup> Since then, however, history has only repeated itself. President George W. Bush kept environmental provisions in the U.S.-Jordan Free Trade Agreement in 2001, despite his campaign pledge to readjust those clauses negotiated by the Clinton administration.<sup>76</sup> In his second term, President Bush again made concessions on environmental issues to pass his trade deals in Congress. As Democrats took over the House in the 2006 midterm elections, the executive accepted the demands of Democratic Party leadership to include environmental and labor safeguards in future trade agreements.<sup>77</sup>

Studies suggest that these issue linkages facilitate international cooperation, when negotiating parties have differential preferences on a set of issues (McKibben 2013). For example, the prevailing view is that the attachment of environmental issues would facilitate ratification of a hypothetical trade deal between the U.S. and Brazil, because the American public has a stronger interest in environmental issues than does the domestic audience in Brazil. In return, Brazil may demand tariff reductions in agriculture, because the opening of the U.S. market is more important for Brazilian cattle ranchers. The general consensus in the literature is that the logic of *quid pro quo* at the international level tends to facilitate the ratification of trade deals in negotiating countries' legislatures.

Now, let's take a step back, and ask ourselves if linking environmental issues to trade agreements is a viable strategy in those *quid pro quo* efforts to expedite ratification in

---

<sup>75</sup> See Clinton Presidential Records, 1993. "Office of Speechwriting and Michael Waldman. [NAFTA] To David Gergen From Anne Wexler [Binder]."

<sup>76</sup> See "Bush Says Trade Agreement With Jordan Is A Top Priority." The Bulletin's Frontrunner. April 11, 2001.

<sup>77</sup> Weisman, Steven. "Bush in Accord with Democrats on Trade Deals." The New York Times. May 11, 2007.

legislatures. Why would the U.S. chief negotiator, choosing among a set of non-trade issues, choose to attach environmental issues? Considering the low salience of environmental protection as an election issue, how does linkage between trade and environmental protection increase political support for trade liberalization from office-seeking legislators and facilitate the passage of trade agreements? Do environmental linkages boost support for trade liberalization among American legislators?

In Chapter 2, I proposed a theory that explains the conditions under which legislators decide to support package deals with environmental issue linkage. In a legislature with smaller constituencies, I argued that pro-environmental legislators are more likely to support the linkage, when they are subject to electoral competition. I also theorized that pro-environmental legislators in a legislature with larger constituencies are likely to support for trade agreements as negotiators attach environmental concessions to those agreements.

In this chapter, I test the validity of the theory using data from the case of NAFTA. NAFTA is an important and useful case for two reasons. Most importantly, it represents the first trade agreement with an environmental side agreement. Taking advantage of the novelty of the North American Agreement on Environmental Cooperation (NAAEC, the environmental side agreement to NAFTA), I test the theory in a historical context in which regulatory imitation was not an option. Because there was no precedent for linking environmental issues to trade agreements, legislative decisions were not endogenous to a pre-existing institution (Baccini et al. 2015; Davis 2009). As such, the case provides a rare opportunity to test how legislators respond when presidents propose a new policy invention such as trade environmental linkages designed to promote international cooperation on trade.

Second, the U.S. electoral system offers a useful context for testing the theory. Under the plurality voting system of U.S. elections, geographically concentrated and narrow interests tend to prevail (Rickard 2012). Value concessions such as environmental side agreements may thus not be suitable to placate legislators operating in a plural electoral system, because of the geographic diffuseness and the non-visible nature of those issues. And yet, the U.S. has been at the forefront of linking trade liberalization and environmental protection since NAFTA, and its environmental standards are as elaborate and legalized as those of the European Union. As such, the U.S. represents a hard case to test the theory.

The chapter proceeds as follows. First, I discuss the historical background in which the Clinton administration was striving to pass NAFTA in Congress. I then summarize the key theoretical claims in Chapter 2, and draw testable implications from the theory. The third section introduces the data and reports the results from statistical analyses. The last section presents a comparative case study. In this section, I compare how two similar House Democrats with strong reputations among environmental activists—Jay Inslee and Jolene Unsoeld—formed their final decisions on NAFTA differently in consideration of the environmental side agreement.

### *Historical Background: Forming a Coalition under Strain*

In the 1970s and 1980s, the U.S. was still heavily invested in the multilateral form of trade liberalization. However, as the Uruguay Round negotiations stalled, business groups demanded that the government further expand market access through Preferential Trade Agreements (PTAs). In particular, as the opening of the Mexican market was expected to benefit large corporations, big businesses fiercely lobbied Congress to pass NAFTA.<sup>78</sup> Starting in the early

---

<sup>78</sup> See Statements from U.S. Business Leaders, May 21, 1993. For example, Edwin L. Artzt, the Chairman and Chief Executive of P&G, said, “Since the opening of the Mexican market in 1986, P&G’s U.S. export of goods and

1990s, the U.S. thus began to negotiate PTAs with developing countries whose environmental standards were not on par with the U.S. Despite the lobbying pressure from business groups, however, the public remained much more reticent in its support for NAFTA.

In this context, President Clinton was sworn into office in January 1993. By this time, the agreement had already been signed by all negotiating parties, in December 1992. As Clinton had made his support for NAFTA clear during his campaign, his administration considered passing NAFTA in Congress to be a top priority. Clinton also pledged to attach labor and environmental safeguards to NAFTA during the campaign. In 1992 Clinton said, “[F]rom the outset of this campaign, I have stated that I will support a free trade agreement with Mexico so long as it provides adequate protection for workers, farmers and the environment on both sides of the border.”<sup>79</sup>

However, it was not clear at the time whether these issue linkages would be sufficient to pass NAFTA in Congress. In the 1992 general elections, the Democratic Party maintained its majority status in the House and the Senate, with the 103rd Congress comprised of 57 Democratic and 43 Republican Senators, and 258 Democrats, one Independent, and 176 Republicans in the House.

At this point, House Democrats were considered to be the most important veto players. The Democratic Party had remained loyal to labor groups since the 1970s, despite the rise of pro-trade New Democrats (Karol 2009). As Figure 1 illustrates, a staggering majority of House Democrats said they were either undecided or leaning against NAFTA in a congressional survey

---

services to Mexico has grown from almost nothing to more than \$100 million, and it should approach \$200 million once NAFTA is well established.” Available in Clinton Presidential Records, 1993. “Office of Speechwriting and Michael Waldman. [NAFTA] To David Gergen From Anne Wexler [Binder].”

<sup>79</sup> Statement of Gov. Clinton on North American Free Trade Agreement. U.S. Newswire, August 12, 1992. Available here. Accessed November 7, 2018.

conducted in March of 1993.<sup>80</sup> While Republican House members were more favorable than their Democratic counterparts, a significant portion of them also said they were undecided. As such, President Clinton faced an adversarial legislative landscape in which to pass NAFTA. To secure ratification, he had to develop a creative strategy that would expand the pro-NAFTA legislative coalition and that would be palatable to congressional Democrats, especially House Democrats.

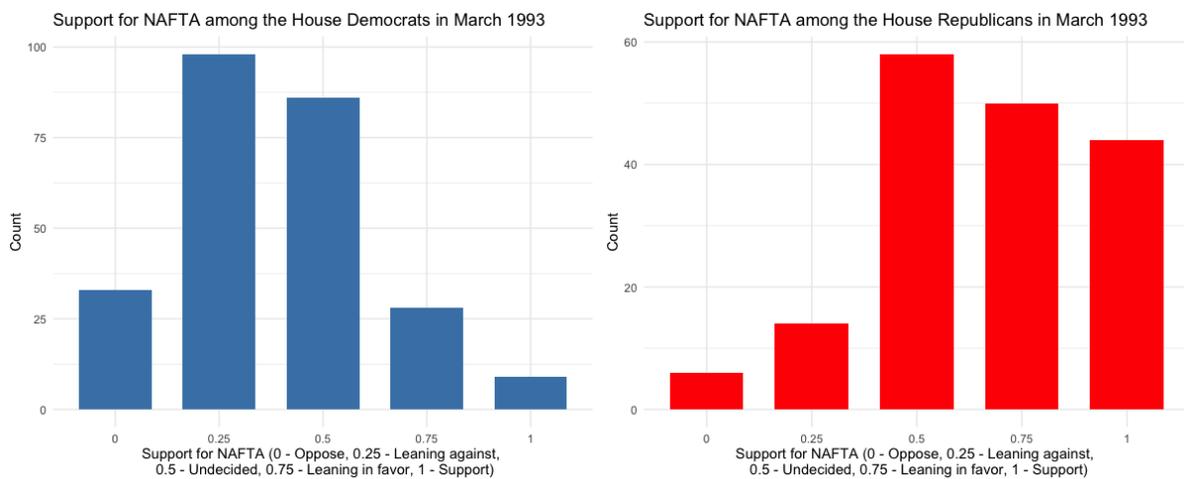


Figure 1. House Members’ Positions on NAFTA by Partisan Affiliation in March 1993

A reader familiar with American politics may consider pork barrel politics as the most viable strategy for presidents facing contentious bidding, and President Clinton was no exception (Groseclose & Snyder 1996; Banks 2000). The Clinton administration used various kinds of pork to gain legislative support for NAFTA.<sup>81</sup> However, the administration knew that pork barrel

<sup>80</sup> See “U.S.A. \*NAFTA Survey.” Inside U.S. Trade. April 9, 1993. Volume 11, Issue 15: Special Report.

<sup>81</sup> A Washington Post article in the run up to the congressional vote neatly describes the prevalence of pork barrel politics as follows: “Rep. Esteban E. Torres (D-CA) was considered a prize catch in the battle over the North American Free Trade Agreement (NAFTA). A prominent Hispanic American legislator and a former official with the United Auto Workers, Torres came under intense pressure from supporters and opponents of the pact. When he finally said yes last week, his vote came at a hefty price: a jointly funded, bi-national North American Development Bank to help cushion the impact of the pact on workers and communities. And on the day he announced his support, not one other legislator stood up with him—even though some administration officials had been led to believe as

politics had its limits. At that time, they were also attempting to build a coalition for a health care bill, and offering particularistic concessions for NAFTA would deplete the available resources that would be essential for this and other important policy agendas. To clarify the point, in August 1993, Robert Pastor, the former Director of Latin American Affairs at the National Security Council (NSC), emphasized the limits of buying votes with particularistic favors. He wrote, "If the President wins NAFTA by a sliver in which he has to make concessions for every last vote, he will emerge weakened to deal with health care."<sup>82</sup>

In this context, environmental issues were considered politically appropriate to make NAFTA popular. In the early 1990s, environmental issues were already being discussed in the context of the NAFTA negotiations before President Clinton came into power. As fast-track authority for GATT was scheduled to expire in June 1990, the Bush administration submitted a request for an extension of the fast-track authority in March of 1990. Activists with stakes in various issues attempted to infiltrate the iron curtain of the trade policy-making process. According to Audley's analysis of media coverage on NAFTA between June 1990 and May 1991, 15% of the coverage focused on environmental issues related to NAFTA, while immigration and human rights aspects of NAFTA gained only 4% and 3% of the newspaper coverage (Audley 1997). On the legislative level, Ron Wyden (D-OR)'s "Dear colleagues" letter channeled the public attention on environmental issues to the legislative body. In response, the Bush administration made a verbal commitment to a parallel track for environmental issues.

Further, environmental protection had become a Democratic issue by this time.

Specifically, more than a third of House Democrats expressed concerns about the environmental

---

many as eight others might join Torres. "One man, one bank," sighed one House Democrat." Cited from Dan Balz, "White House Intensifies NAFTA Push," Nov 1, 1993. The Washington Post.

<sup>82</sup> See Pastor, Robert (Chairman of the NAFTA Task Force). "Dear Mr. Daley." Received by Daley, William. August 29, 1993.

effects of NAFTA by June of 1993. As Figure 2 shows, House Republicans did not consider the environmental impacts of NAFTA to be as serious as the Democrats did. As such, attaching environmental safeguards to NAFTA appeared to be a promising strategy for the administration to appeal to those House Democrats.

Would these self-proclaimed pro-environmental House Democrats lend support to NAFTA if the agreement included environmental clauses? If the executive were certain that they would, this strategy would be the most cost-effective and promising coalition strategy. Yet, the Clinton administration had strong reasons to suspect that many of those pro-environmental Democrats would not support NAFTA even in exchange for an environmental side agreement. As Figure 3 shows, 52% of those self-professed green House Democrats said that they were opposed to or leaning against NAFTA. There was the possibility, then, that these legislators might use environmental issues to justify their protectionist positions. As a result, the executive remained uncertain as to whether the environmental side agreement would pay off and attract adequate support from House Democrats.

In view of these complexities, would environmental linkages to expand a pro-trade coalition among legislators? The next section summarizes the theory, which will help us generate answers to these two questions.

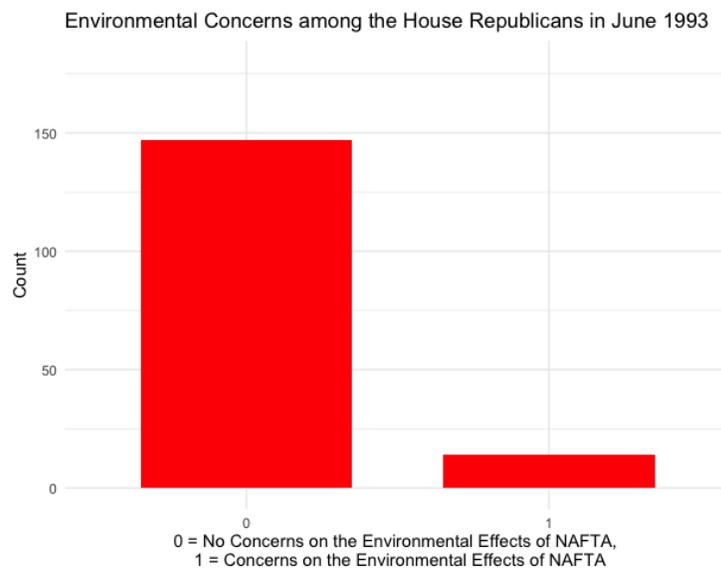
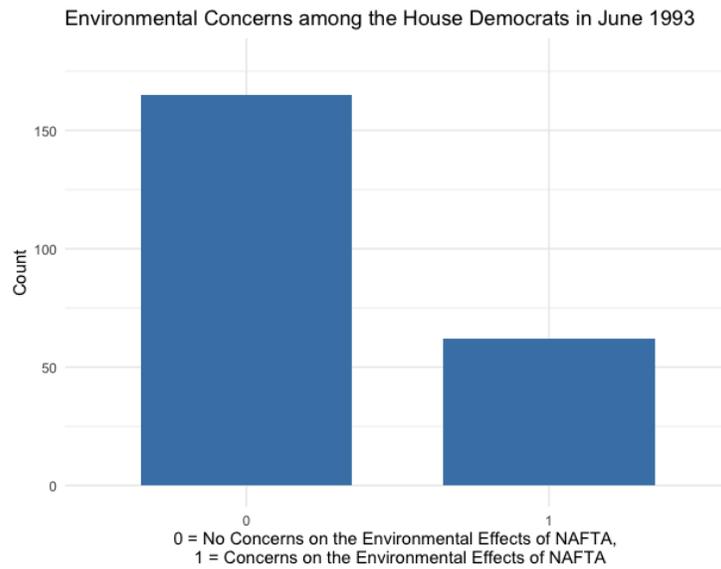


Figure 2. Environmental Concerns about NAFTA in the House of Representatives by Partisan Affiliation (June, 1993)

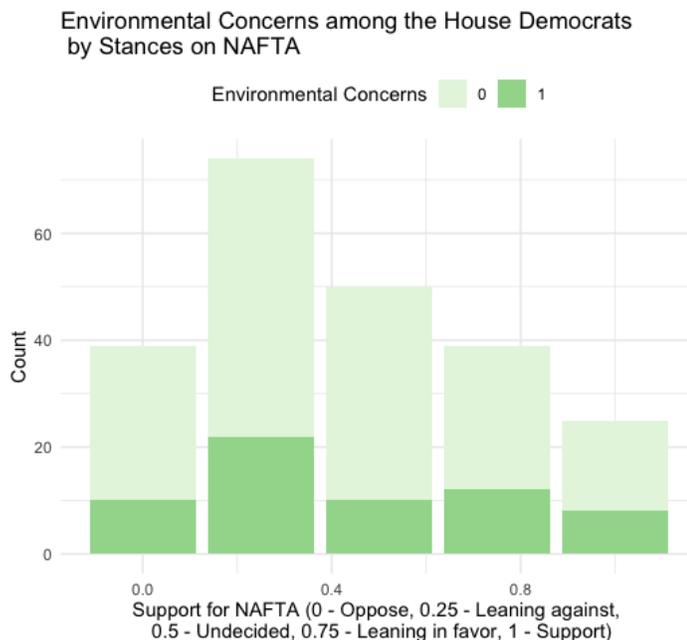


Figure 3. Environmental Concerns among House Democrats by NAFTA Stance (June, 1993)

### *The Theory and Testable Implications*

To the question “does issue linkage promote support for trade deals from pro-environmental legislators,” I developed two arguments. First, I theorize that pro-environmental House members support trade deals with environmental safeguards only when they represent competitive electoral districts. As such, the main task is to test the moderating effect of electoral competition on the relationship between legislators’ environmental reputations and their support for trade deals with environmental safeguards. Second, I contend that electoral considerations are less likely to moderate the effect of linkage on legislative support among Senators with larger constituencies. As such, I expect to find that pro-environmental Senators are altogether more likely to support NAFTA as the president negotiates the environmental side agreement.

I thus estimate a set of statistical models to test these hypotheses. I then rely on a case study to show how two pro-environmental House members operating in different electoral

contexts responded differently to NAFTA, as President Clinton finalized the environmental side agreement in September of 1993.

*Data and Strategy: Testing the Linkage Effects in the House (Hypothesis 1)*

To test the hypothesis on electoral competition, I draw from the surveys of legislators' attitudes on NAFTA. The elite survey was conducted monthly throughout 1993 in the run-up to final votes for the NAFTA Implementation Act in November 1993. The survey was commissioned by the biggest pro-NAFTA business coalition (USA\*NAFTA). The canvassers of the survey visited individual members to conduct face-to-face interviews with the members or their staff.

The primary goal of the survey was to gauge whether individual members had supported or opposed NAFTA and why they held that position. As such, the survey examines elite attitudes on NAFTA over time. The survey's estimates rank each member's attitude toward NAFTA on a scale from zero to one (0=against, 0.25=leaning against, 0.5=undecided, 0.75=leaning in favor, 1=favor).

I investigated three sources for data: trade journals, presidential records, and media coverage. First, a membership-based trade journal, the Inside U.S. Trade, featured two surveys of member attitudes on NAFTA conducted in March and September, 1993 (See Cinar & Gulotty N.P. for the September survey). Because the USA\*NAFTA coalition treated the survey as confidential, they published the results only sparingly. Second, I retrieved survey results dated June 16 through archival research of the Clinton Presidential Records. In June, the USA\*NAFTA coalition shared the survey results with the Clinton administration. Third, I investigated the media coverage of NAFTA. Through these investigations, I recovered two sets of the media-led surveys of member attitudes on NAFTA. Taken together, I retrieved five waves

of the congressional survey on NAFTA.<sup>83</sup> I used the surveys to construct the outcome variable on linkage effects that captures the extent to which individual members increased their support after the environmental side agreement was concluded.

To test the linkage effect, I studied whether certain members became more positive about NAFTA immediately after the conclusion of the environmental side agreement. To construct an outcome variable that captures the effect, I used members' attitudes on NAFTA in surveys conducted at two time points: the first survey on June 16 (pre-linkage) and the second on September 20 (post-linkage). To measure members' change in their attitudes on NAFTA in this time period, I reconstructed the measure such that the greater number indicates a stronger support for NAFTA. I then subtracted the June estimates from September estimates.

Why did I select June 16 and September 20? On May 21, NAFTA parties circulated the first draft text of environmental and labor side agreements.<sup>84</sup> The Composite Draft of the environmental agreement shows that the negotiating parties had divergent preferences on the enforcement: the U.S. proposed that the dispute settlement mechanism in the NAFTA agreement should be used to resolve environmental disputes (e.g., trade sanctions as an enforcement tool) whereas Canada and Mexico were opposed to it.<sup>85</sup> As such, the June 16 survey captures members' baseline attitudes on NAFTA, assuming that the environmental side agreement would lack any meaningful enforcement mechanism. On September 13, NAFTA member parties signed an environmental side agreement with strong enforcement provisions preferred by the U.S. The final agreement allows for monetary fines and the suspension of trade benefits as enforcement

---

<sup>83</sup> For a more detailed explanation, see Lee et al. N.P.. In the June 16 survey, there are 46 missing observations (24 House members in New York, 18 in Texas, three in Tennessee, and one in California). The missingness is due to the accidental omission of two pages of the House survey in the Presidential Records.

<sup>84</sup> See Special Report on NAFTA, Inside U.S. Trade, June 11, 1993. S.6-S.7.

<sup>85</sup> See Inside U.S. Trade, Special Report, October 1. For instance, the U.S. proposed that the environmental Ministerial Body should install a similar implementation scheme as the NAFTA dispute settlement, which would allow for economic sanctions. However, Mexico and Canada were opposed to the idea.

tools. As such, the September 20 survey captures the members' updated attitudes on NAFTA as the Clinton administration delivered a stronger environmental agreement than they had expected on June 16.

The main focus of the current analysis is whether the interaction of environmental reputation and electoral competition has a positive effect on legislative support for NAFTA. In order to measure the legislators' environmental reputations, I use the annual scorecard indicators by the League of Conservation Voters.<sup>86</sup> The scores are based on a scale that ranges from 0 to 1, and are "calculated by dividing the number of pro-environment votes cast by the total number of votes scored." The League selects which votes to include in the indicators based on "the consensus of experts from about 20 respected environmental and conservation organizations." The indicator usually includes environmental issues such as energy, global warming, public health, public lands and wildlife conservation, and spending for environmental programs. I use the legislators' lifetime scores, rather than the annual scores, because the cumulative data better capture their genuine commitment to, and hence reputations regarding, environmental protection.

I interact the *Reputation* variable with another variable that captures electoral competition in each district.<sup>87</sup> I call this variable *Competition*. *Competition* is a binary variable that measures the competitiveness of the most recent past election in which the member of Congress ran. For the House of Representatives, the most recent election was held in 1992. I code congressional districts as competitive if the winning candidate gained less than 60% of the total vote. I conduct a set of robustness checks by varying the threshold for competitive elections.

---

<sup>86</sup> See the League of Conservation Voters website: [scorecard.lcv.org](http://scorecard.lcv.org).

<sup>87</sup> Dallas L. Dendy, Jr. Donald K. Anderson, "Statistics of the Presidential and Congressional Election." 1992, 1990, 1988, 1986. U.S. GOVERNMENT PRINTING OFFICE. Election statistics available here.

My theoretical expectation is that legislators with environmental reputations tend to increase their support for trade deals in return for environmental linkages if they are facing competitive elections. As such, the interaction of *Reputation* and *Competition* is expected to show a positive sign.

I also include several control variables to capture the effect of other important developments during this period of linkage negotiations. For instance, labor groups fiercely lobbied to oppose NAFTA. As a counter, President Clinton finalized the labor side agreement along with the environmental accord. The summer recess also gave legislators better ideas about what their constituents wanted. To control for these changes that arose between June and September of 1993 and that may have affected the outcome of interest, I include *Education*,<sup>88</sup> *Democrat*,<sup>89</sup> and *Labor PAC*.<sup>90</sup>

---

<sup>88</sup> Typically, *Education* is expected to be positively correlated with support for trade liberalization. That said, it is not clear whether *Education* plays an equally important role in explaining the “change” in legislative support for trade deals. Because voter make-up is a relatively static factor, legislators representing highly educated districts may have already taken their constituents’ trade preferences into account in June. If this were the case, the relationship between *Education* and an increase in support for NAFTA is expected to be positive yet weak at best.

<sup>89</sup> All else equal, Congressional Democrats should be more likely to change their positions in opposition to NAFTA after the finalization of the environmental side agreement than Republicans. If parties exercise discipline on trade and individual legislators care about scoring loyalty points with their parties, I expect that Democrats will take protectionist turns more easily than Republicans. However, President Clinton, a Democrat, made NAFTA a key part of his policy platform. As such, Democrats in Congress must have been conflicted between loyalty to the president (pro-trade) and the party (protectionist). To sum up, I do not expect this relationship to be strong.

<sup>90</sup> I include labor donations to control for the effect of the labor side agreement that was negotiated in the same time period and labor lobbies. I expect to find *Labor PAC* to be negatively associated with linkage effect. Labor groups competed with pro-trade lobbies to win legislative support for their side. For members highly dependent on labor contributions, labor’s support was the most important consideration in their decisions on NAFTA. In general, I expect this variable to be negatively correlated with the outcome variable, because labor groups strategically changed their contribution plans closer to the NAFTA vote. However, if the labor side accord negotiated by the Clinton administration convinced some pro-labor legislators to support NAFTA despite labor’s lobbying efforts, the correlation may not be as strong as expected.

*Results: Does Electoral Competition Increase Pro-environmental House Members' Support for Trade Deals with an Environmental Side Agreement?*

I estimate OLS regression models in which *Reputation* is interacted with *Competition*. If the theoretical expectation is valid, I expect to find that the interaction term is positively associated with support for NAFTA.

The results are striking. The results from Model 1 (reported in Table 1) indicate that members with stronger environmental reputation, all else equal, decreased their support for NAFTA from June to September despite the conclusion of a stronger environmental side agreement. Although the significance of the coefficient on *Reputation* weakens as *Democrat* is included, the negative sign of the coefficient suggests that the environmental issue linkage did not dramatically increase support for the trade agreement from pro-environmental members.

The results from Model 2-4 provide evidence in support of my theory. Model 2 is an interaction model where I interact *Reputation* and *Electoral Competition*. The sign of the interaction term is positive in line with the general theory, and statistically significant. The results from Model 2 are visualized in Figure 4.

Substantively, the results indicate that a member with the best environmental voting record running in a safe district is expected to decrease her support for NAFTA by 15.3 percentage points in September from her baseline support in June. A very similar member with the worst environmental voting record in a safe district is estimated to decrease her support by only 2.6 percentage points in September. According to the results, if members in safe districts are strongly committed to environmental issues, we can expect to see a significant drop in their support for trade deals even if environmental safeguards are attached.

In competitive districts, the opposite is true. As the positive and significant coefficient on the interaction term indicates, a legislator with the best environmental voting record is expected to decrease her support for NAFTA by only 5.9 percentage points compared to her position in June. Further, the expected support from pro-environmental members in competitive districts, -5.9 percentage points, is slightly higher than -6.3 percentage points, the estimated support score of a legislator with the lowest environmental reputation score in competitive districts. The estimated support score for a pro-environmental member in a competitive district is 9.4 percentage points higher than the expected support from the most environmentally conscious legislator in a safe district. The results are robust to the inclusion of a set of control variables such as partisanship, ideology, labor lobbies, and education (Model 3,4).

To contextualize the results, the general sentiment about NAFTA in the Congress became significantly negative in early September of 1993. In August, approximately thirty members were either undecided or negative about NAFTA.<sup>91</sup> However, another undisclosed survey conducted on September 10, three days before the signing of the environmental side agreement, records that fifty one members were undecided or negative about NAFTA. In this adverse environment, pro-environmental members in competitive districts stood their ground.

---

<sup>91</sup> *Inside U.S. Trade*, a trade journal, records that the Clinton Administration was thirty votes short as of August 1, and thirty-one votes short as of August 27, 1993. See Special Report in *Inside U.S. Trade*, October 1, 1993.

	Linkage Effect			
	(1)	(2)	(3)	(4)
REPUTATION	-0.07** (0.03)	-0.13*** (0.04)	-0.12** (0.06)	-0.12* (0.07)
COMPETITION	0.03 (0.02)	-0.04 (0.04)	-0.04 (0.04)	-0.04 (0.04)
DEMOCRAT			-0.01 (0.03)	
CONSERVATISM				0.01 (0.05)
LABORPAC			-0.001 (0.003)	-0.001 (0.003)
EDUCATION			0.09 (0.13)	0.09 (0.13)
REPUTATION:COMPETITION		0.14** (0.06)	0.14** (0.06)	0.14** (0.06)
CONSTANT	-0.06*** (0.02)	-0.02 (0.03)	-0.03 (0.04)	-0.04 (0.05)
<i>Observations</i>	387	387	387	387
<i>R-squared</i>	0.02	0.03	0.03	0.03
<i>Adjusted R-squared</i>	0.01	0.02	0.02	0.02
<i>Residual standard error</i>	0.19 (df = 384)	0.19 (df = 383)	0.19 (df = 380)	0.19 (df = 380)
<i>F statistic</i>	3.74** (df = 2; 384)	4.11*** (df = 3; 383)	2.22** (df = 6; 380)	2.21** (df = 6; 380)

Notes: \*\*\*p < .01; \*\*p < .05; \*p < .1

Table 1. Relationship between House Member Characteristics and Increases in Support for NAFTA after the Finalization of the Environmental Side Agreement (OLS Regressions)

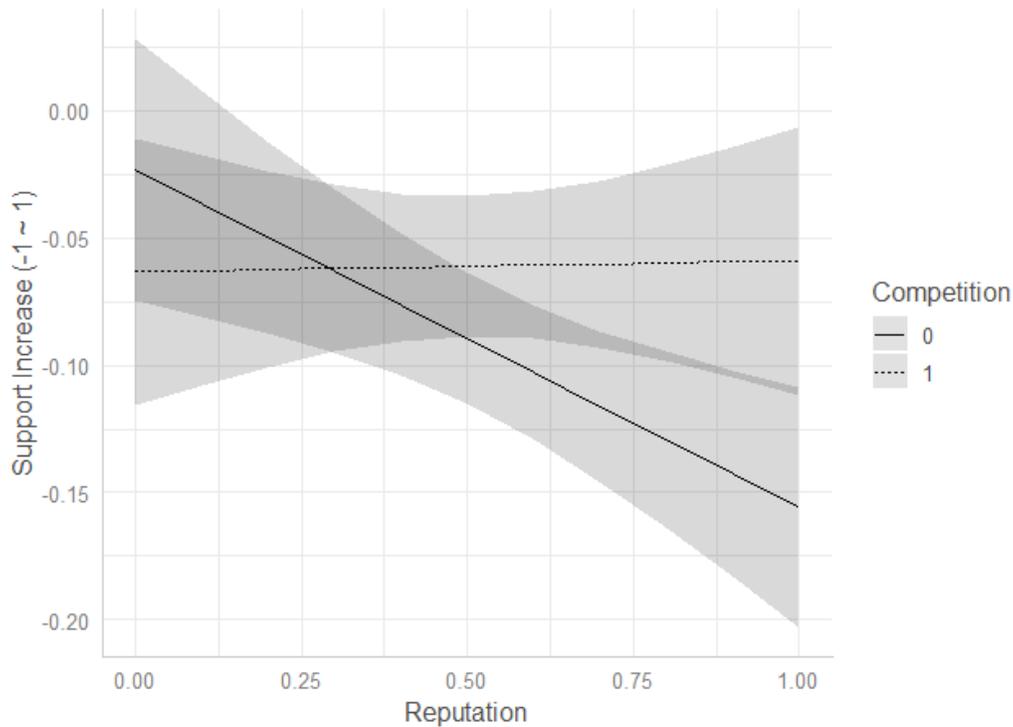


Figure 4. Marginal Effects of Environmental Reputation on Support Increases by Electoral Conditions

Based on the analysis of the elite survey data, we have some evidence to support the theoretical claim that electoral competition increases pro-environmental members' support for trade deals with environmental safeguards only if they represent competitive districts. But, these results do not capture their final decisions. Did the influence of electoral pressure and policy reputations get translated into final votes in Congress? The NAFTA Implementation Act (H.R. 3450) was passed in the House on November 17, 1993, approximately two months after the September survey. I thus test whether the moderating effect of electoral competition is still borne out in the final votes.

In this case, I use logistic regression models to estimate legislators' final votes. It is appropriate to use logistic models in this case because the outcome variable is binary. More importantly, my goal is to estimate individual members' tendency to change their positions on NAFTA given their baseline attitudes in the pre-linkage period. Therefore, I include the estimates of individual members' positions collected in June of 1993 in order to capture the extent to which they changed their positions in the final vote count in November compared to their proclaimed positions in June. If the theoretical expectation is valid, I expect to find members with strong environmental reputations to be more supportive of NAFTA with the environmental side agreement if they are facing competitive elections.

The results reported in Table 2 provide evidence in support of the theory. In Model 4, the interaction term between environmental reputations and electoral competition is positive and highly significant ( $p < 0.01$ ).<sup>92</sup> As the results from Model 5 and 6 show, the hypothesized relationship survives the inclusion of control variables.

---

<sup>92</sup> In this baseline model, I include labor lobbies as a control variable, because the conclusion of the labor side agreement was another important change that might have swayed pro-labor members.

	Final Support					
	(1)	(2)	(3)	(4)	(5)	(6)
JUNE	4.71*** (0.45)	4.54*** (0.47)	4.56*** (0.48)	4.78*** (0.50)	4.58*** (0.51)	4.51*** (0.51)
REPUTATION		-0.34 (0.51)	-0.33 (0.51)	-1.36** (0.66)	-1.20 (0.82)	-0.66 (0.99)
COMPETITION			-0.19 (0.27)	-1.56*** (0.58)	-1.58*** (0.59)	-1.54*** (0.59)
REPUTATION:COMPETITION				2.48*** (0.94)	2.46*** (0.94)	2.33** (0.95)
LABORPAC		-0.06 (0.04)	-0.06 (0.04)	-0.08* (0.04)	-0.07 (0.04)	-0.06 (0.05)
DEMOCRAT					-0.31 (0.45)	
EDUCATION					2.32 (1.96)	2.17 (1.94)
CONSERVATISM						0.90 (0.75)
CONSTANT	-2.44*** (0.28)	-1.63*** (0.50)	-1.55*** (0.52)	-0.90 (0.58)	-1.23* (0.64)	-1.66** (0.71)
<i>Observations</i>	388	387	387	387	387	387
<i>Log likelihood</i>	-183.12	-179.62	-179.36	-175.76	-174.41	-173.94
<i>Akaike information criterion</i>	370.24	367.23	368.73	363.52	364.83	363.87

*Notes:* \*\*\*p < .01; \*\*p < .05; \*p < .1

Table 2. Relationship between Member Characteristics and Support for NAFTA in the Final Roll Call Votes

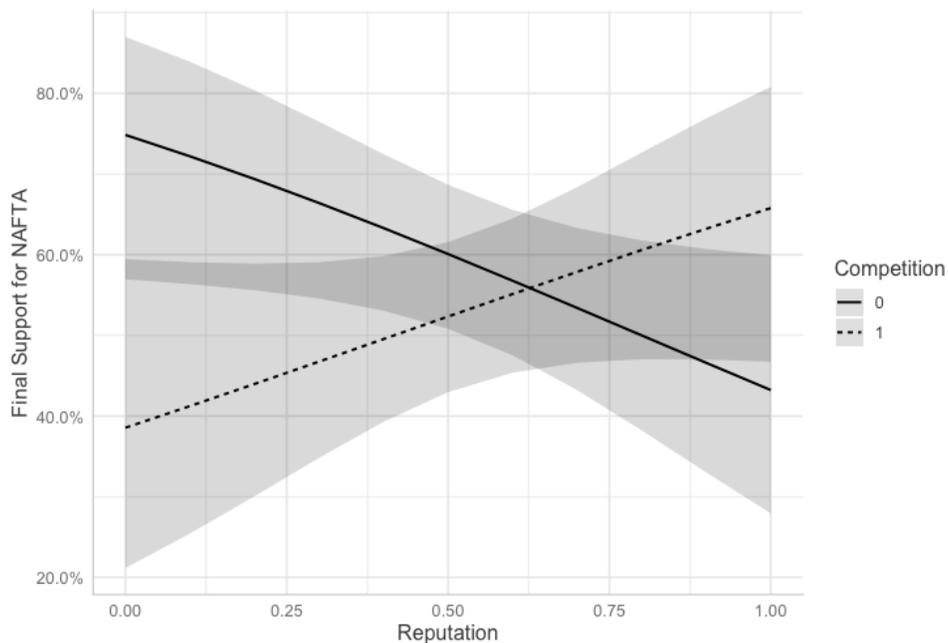


Figure 5. Predicted Probabilities of the Effect of Linkage on NAFTA Support

The results from Model 4 are visualized in Figure 5. Overall, the hypothesized relationship holds up: members' environmental reputations and legislative support for NAFTA are positively associated only for those in competitive electoral districts, not those representing safe districts. Specifically, the predicted probability of supporting the NAFTA Implementation Act increases from 38.92% to 65.12% as an electorally pressured member's environmental reputation increases from the lowest level to the highest level. This suggests that members under fire in their home districts are more willing to use environmental issue linkages to convince even a small number of environmental voters, if they have the reputational capital to convince them.

By contrast, members in safe electoral districts behave in exactly the opposite manner. For these members, their environmental reputations are negatively associated with their support for NAFTA in the final vote. Substantively, the predicted probability of supporting the NAFTA Act decreases from 74.20% to 43.72% as an electorally safe member's environmental reputation score increases from the lowest level to the highest level. This is in line with the theoretical expectation regarding legislative behavior in safe districts. Because these legislators are certain about getting support from median and moderate voters, they do not have strong incentives to pursue pro-trade campaign contributions. These legislators are more interested in sending signals to primary voters with more activist ideologies and in earning partisan loyalty. If they are respected by the environmental community, they can use that reputation as a steppingstone to gaining support from mobilized primary voters by forming broader left-leaning Democratic coalitions that include environmental, labor, and human rights activists. Thus, the natural choice

for these legislators is to oppose NAFTA to send credible signals to the hybrid anti-trade coalition.<sup>9394</sup>

In sum, the most important finding of the article is that pro-environmental members respond differently to environmental linkages because their electoral strategies are different. Compared to pro-environmental members in safe districts, pro-environmental members in competitive districts were 21.4 percentage points more likely to support NAFTA with the environmental side agreement. In safe districts, they have the leeway to use environmental issues to form a coherent partisan brand by connecting pro-protection and environmental agendas. Electoral security provides them with the latitude to consider a relatively non-salient issue like environmental protection as part of their broader partisan package, because doing so is instrumental to earning loyalty from partisan activists. For these legislators, environmental, trade, and security issues are all connected through the partisan logic that will further their political careers. As such, environmental issue linkages alone may not be enough to buy support from these legislators. In contrast, pro-environmental legislators in competitive districts are pressured to frame environmental issues differently to secure their immediate survival. Their primary goal is to secure support from median and moderate voters. As such, they are willing to frame environmental issues as a stand-alone issue detached from other partisan issues and to advocate for the usefulness of environmental clauses in trade agreements, because doing so helps

---

<sup>93</sup> It is worth mentioning the Republican corollary to the theoretical framework. For pro-environmental Republicans in safe districts, they have the electoral leeway to discount environmental voters.

<sup>94</sup> If the executive had attached a Republican issue (e.g., abortion), we would expect to find a similar pattern. Pro-life Republicans may want to appeal to right-wing activist voters by forming broader coalitions of free traders, security hawks, and pro-life activists. They may thus tend to support trade liberalization to appeal to the hybrid pro-trade coalition that would be instrumental in cultivating their partisan loyalty. This expectation is borne out in the passage of the China Permanent Normal Trade Relations Act in 2000. Republican legislators attempted to attach security provisions on nuclear proliferation, a prohibition on abortion, and promotion of American business values, among other measures.

them gain campaign contributions from pro-trade groups and increase their media exposure to median voters.

*Case Study: Linkage as an Electoral Strategy for Pro-environmental House Democrats*

The quantitative analysis shows that electoral concerns moderate the effect of issue linkage on pro-environmental legislators' support for trade deals. However, it does not show whether the legislators who adopted the linkage strategy managed to secure pro-trade campaign contributions without losing support from environmental groups. To examine the mechanism, I intend to show the following: with the inclusion of the environmental side agreement, pro-environmental legislators who changed their votes to support NAFTA were more likely to gain campaign contributions from pro-trade businesses without losing the support of environmental groups.

For this task, I present qualitative evidence in support of the mechanism. To do so, I compare two similar Democratic House members in Washington who adopted different strategies regarding environmental issues in the run up to the final vote on NAFTA. These Representatives are Jolene Unsoeld (WA-3) and Jay Inslee (WA-4).

The two legislators are similar in many respects. In 1993, they were both young Democrats. Rep. Inslee was newly elected in the 4th district in Washington, while Rep. Unsoeld was elected in Washington's 3rd district for the third time. Both had stellar environmental reputations: Rep. Unsoeld scored 85 out of 100 in the League of Conservation Voters' evaluations, and Rep. Inslee scored 92. Considering that the average score in the House was 55 in 1993, one can infer that these two legislators were highly trusted by environmental groups. Furthermore, their districts had similar socioeconomic characteristics. 17% of the population over the age of 25 in the 3rd district held a bachelor's degree, and 16% in the 4th district did.

Rep. Unsoeld's 3rd district was somewhat less export-dependent than Inslee's 4th district, as the Herfindahl-Hirschman index for export industries in 1993 was 0.39 in the 3rd district and 0.54 in the 4th. However, the two districts differed in their levels of education: 17% of the population over the age of 25 held a bachelor's degree in the 3rd district while 31% of those in the 4th district did.

However, their final positions on NAFTA differed despite the environmental side agreement. Unsoeld opposed NAFTA, whereas Inslee supported it in November 1993. Unsoeld said that the environmental side agreement was not sufficiently enforceable to mitigate the adverse environmental effects of NAFTA. In her floor speech, she delineated why the side agreement was not credible, stating the following:

First, the clause would not stop Mexico and Canada from challenging state and local laws that they believe conflict with NAFTA. Second, conflicts between NAFTA and state and local laws will not usually be resolved by American courts or agencies working under open government requirements. They will usually be resolved by NAFTA arbitral panels of 5 trade specialists whose proceedings and documents are secret. State and local officials, represented only by U.S. federal officials, have no right to participate to defend their laws. These panels may well declare state and local laws in violation of NAFTA despite the presence of the savings clause. Third, under political pressure from Washington, state and local agencies can be expected to tilt their laws to favor trade at the expense of their other laws. Fourth, if the savings clause were rigidly applied, it would render much of the NAFTA text meaningless. If cases ever do come before U.S. judges, trade advocates will cite canons of construction that would pressure judges to

uphold NAFTA norms in ways that erode state and local laws without flatly overturning them.<sup>95</sup>

By contrast, Inslee capitalized on his reputation as a pro-environment legislator during the congressional debates on NAFTA. Among others, Inslee devoted a significant proportion of his congressional floor speeches to highlighting the positive effects of the environmental side agreement. He said:

This is the first time we have had a hammer over Mexico to improve their environmental standards. We can punish them with a \$20 million trade tariff, if they do not improve enforcement of their environmental standards. Never had it before. Do not have it now. Will not have it without NAFTA. We have another \$20 million hammer if they do not improve their child labor and worker safety standards. Do not have it now. Have never had it. Will not have it without NAFTA.<sup>96</sup>

What explains their different approaches to the side agreement? Importantly, the electoral landscape in the two districts differed. In the 3rd district, stable electoral landscape gave Unsoeld considerable leeway to link environmental and anti-trade groups. Although Rep. Unsoeld won a competitive election in 1992, defeating her competitor by a 12 percentage point margin, the 3rd district had long been represented by a Democrat. Her Democratic predecessor, Don Bunker, had represented the district for six consecutive terms.

Furthermore, the district's preferences on trade liberalization were notably mixed, as a function of the district's industrial composition. The 3rd district was highly dependent on health services, forestry, and food manufacturing. As of March, 1992, the proportion of employees in

---

<sup>95</sup> See Congressional Record Archive website, 1993.

<sup>96</sup> *Ibid.*

health service industries constituted 10% of the total working population in the district (U.S. Census). The health service industry itself did not have a direct stake in NAFTA (SIC Number: Health service 4000).<sup>97</sup> However, those employed in these sectors would reap the benefits of trade liberalization as consumers. The forestry and food manufacturing industries, conversely, had a clear negative preference for NAFTA. Approximately 9% of the total working population was employed in food-related retail businesses (SIC Number : Eating and drinking 5800). Another 9% of the population were either in logging or lumber and wood products industries (SIC Number: Lumber and wood products 2400, and Logging 2410). As of 1993, the U.S. timber industry was in a trade dispute with Canada over the 6.5% countervailing duty on Canada's softwood lumber products.<sup>98</sup> The fishing and seafood processing industries were opposed to NAFTA due to potential competition from Mexico.<sup>99</sup> In the domestic political context, these industries' economic preferences were typically at odds with environmental groups' preferences.<sup>100</sup> This time, however, was different. In the run-up to the final vote on NAFTA, the seafood industry supported Unsoeld's new bill on seafood safety, which would require "foreign countries exporting shellfish to the U.S. to certify that they have equivalent safety programs."<sup>101</sup> To sum up, because both businesses and environmental groups had incentives to oppose NAFTA, they easily formed a Bootleggers-and-Baptists coalition to oppose NAFTA. As such,

---

<sup>97</sup> "The Mexican Social Security System Preferred National Suppliers." Pharma Marketletter. February 15, 1993.

<sup>98</sup> See Baldreysun, Keith. "Resolve Softwood Dispute First, PM Told." The Vancouver Sun, December 10, 1993.

<sup>99</sup> See Unsoeld, Joelene. "Fighting Bad Fisheries Policy." Christian Science Monitor. November 2, 1993. In the op-ed, she wrote: "After US fishermen pointed out that TEDs made shrimp fishing less efficient and put them at a competitive disadvantage with Mexican fishermen, who aren't required to use the devices, Congress enacted a law prohibiting shrimp imports from Mexico until its fishermen reduced the number of turtles killed to levels comparable to those of US fishermen. This forced Mexico to negotiate with the US and to begin taking responsible action. But under NAFTA, could US laws prohibit importation of shrimp from Mexico caught in violation of our laws?"

<sup>100</sup> In 1990, Unsoeld antagonized loggers by endorsing the government's decision to list the northern spotted owl as an endangered species, because the decision would shut down millions of acres of prized old-growth timber to protect the owl. See Ammons (1990).

<sup>101</sup> "Unsoeld Unveils New Bill on Seafood Safety." National Journal's Congress Daily. March 22, 1993.

Unsoeld faced a lower level of uncertainty about her constituents' preferences on NAFTA.<sup>102</sup> In a congressional hearing on the environmental implications of NAFTA closer to the final vote, Rep. Unsoeld conveyed her dissatisfaction with the side agreement. In the hearing, she highlighted the contrast between the environmental side agreement and the intellectual property rights clauses, in order to emphasize the lack of a reliable enforcement mechanism in the environmental side agreement.

Electoral stability incentivized Unsoeld to appeal to anti-NAFTA groups and environmental groups without having to worry about losing support from health service workers. A significant proportion of the constituents in Lewis County, the only county won by her Republican competitor, was dependent on both health services and forestry. As such, taking an aggressive protectionist stance would have at least marginal electoral consequences. However, Unsoeld could afford to bear the potential risk of losing support from diffuse consumer voters.

By contrast, the level of electoral uncertainty was higher in the 4th district; in fact, the 4th district had traditionally been a Republican district. Inslee was preceded by Sid Morrison who served for five consecutive terms. When Morrison decided to retire, Inslee ran against Richard "Doc" Hasting, winning the election by a narrow margin of 1.7%.

The constituents' preferences were similarly divided in the 4th district, particularly among farmers. The district was dependent on health services and the food and agriculture industries, and wheat farmers in the southern part of Spokane were strongly opposed to NAFTA due to Canadian competition. Because the U.S.-Canada Free Trade Agreement was already in force since 1988, wheat farmers in Washington said that their old customers "just don't want

---

<sup>102</sup> See "Environmental Implications of NAFTA: Hearing before the Committee on Merchant Marine and Fisheries, House of Representatives." November 10, 1993. The Committee on Merchant Marine and Fisheries, House of Representatives, One Hundred Third Congress.

American barley because they're getting all this cheap barley from Canada.”<sup>103</sup> Yet, apple growers were aggressive advocates of NAFTA, anticipating tariff-free access to the Mexican market and a respite from delays in the inspection process imposed by the Mexican government. For example, one apple grower said that “the Mexican officials are kind of waffling around here. They have an inspector up here, but he hasn't issued any permits to export to Mexico yet.”<sup>104</sup> Considering the divisive landscape and the uncertain electoral context, the NAFTA decision must have been a decidedly difficult one for Inslee.

Inslee did not publicly commit to supporting NAFTA until after the environmental and labor side agreements were finalized. As of September 13, the day before the signing of the side agreement, Inslee was recorded as “leaning in favor” by multiple pollsters. After the environmental and labor side accords were finalized, Inslee said that he would study the sidebar closely. In October 7, 1993, President Clinton and Micky Kantor, the U.S. Trade Representative, met a group of undecided representatives regarding NAFTA.<sup>105</sup> Inslee was one of the attendees. In October 26, he publicly endorsed NAFTA at a pro-NAFTA news conference that he and other pro-NAFTA legislators organized.<sup>106</sup>

Inslee, as a freshman Democrat, clearly felt more pressure to justify his decision than did Unsoeld. His 1992 campaign raised less in contributions (\$258K) than his competitor, Hastings who raised \$366K. The margin of victory was narrow; had he lost 3000 votes, he would have lost the 1992 election. For re-election, he anticipated that he would have to raise more in campaign contributions while avoiding a backlash from wheat farmers and other civic

---

<sup>103</sup> Wertheimer, Linda. “Washington Orchardists and Wheat Farmers Dispute NAFTA.” National Public Radio. November 16, 1993.

<sup>104</sup> *Ibid.*

<sup>105</sup> “List of U.S. Representatives Meeting with President Clinton Today on NAFTA.” U.S. Newswire. October 7, 1993.

<sup>106</sup> “News Conference Concerning U.S. Business Opportunities Created by the North American Free Trade Agreement.” Federal News Service. October 26, 1993.

organizations such as environmental activists. To mitigate the wheat farmers' grievances, he brought home pork, by co-sponsoring a resolution that laid political grounds to take action on Canadian wheat imports (H.CON.RES.172). At the same time, it was important to prevent environmental groups from joining forces with wheat farmers, which Inslee did by continuously emphasizing the environmental benefits of the side agreement.

Did Inslee gain pro-trade contributions due to his support for NAFTA? If my conjecture is valid, I should find that Inslee was better able to attract campaign contributions from pro-NAFTA lobbies without being punished by environmental groups, compared to Unsoeld. To test this, I compare the donor profiles of their campaign contributions before and after the final vote on NAFTA. For this task, I trace whether the companies and trade associations that were members of the USA\*NAFTA coalition campaign increased or decreased their contributions to these two candidates before and after the final vote.<sup>107</sup>

In the period between 1992 and 1994, the pro-trade coalition strategically contributed to both Unsoeld and Inslee until 1993, when the final vote was held. However, the coalition's strategy regarding the two legislators diverged dramatically after the final vote in November 1993. Unsoeld did not secure contributions from the pro-trade coalition after the NAFTA vote. In fact, the proportion of USA\*NAFTA coalition money in her campaign coffers increased to 8% in 1993, and then dropped to 1% of total campaign contributions that her campaign raised in 1994. On the contrary, Inslee raised a significant portion of his donation from individuals connected to the USA\*NAFTA coalition after he supported NAFTA in 1993. During his 1992 campaign, he received no donations from individuals connected to the coalition. In 1993, he raised only 3% of his total contributions from pro-NAFTA donors. Then, in 1994, the proportion of his

---

<sup>107</sup> For the data on the membership of the USA\*NAFTA coalition, see Osgood (2017).

contributions from pro-trade individuals shot up to 10%. Thirty three pro-NAFTA donors out of 34 were employed by Westinghouse Engineering Company at the Hanford site. This is notable because Westinghouse employees exclusively donated to his Republican competitors in the previous election held in 1992. At the same time, Inslee gained donations from orchardists, fruit companies, and the international apple institute, presumably due to his pro-NAFTA vote and credit-claiming among local apple growers.

Environmental groups did not punish Inslee for the pro-NAFTA vote. For instance, Inslee's pro-environmental policy score assessed by the League of Conservation Voters remained at 92. Admittedly, Unsoeld's score increased even more dramatically, by 12 points. For the purpose of the argument in this book, however, it is important to note that environmental groups did not interpret Inslee's pro-trade vote as an anti-environmental move. Further, he gained contributions from individuals connected to environmental and conservation advocacy groups.<sup>108</sup> If environmental groups had considered the legislator's vote as having negative effects on the environment, they could have withheld their support for Inslee and allied with protectionist lobbies. This did not happen.

As the qualitative evidence on the Washington legislators shows, the government's issue linkage strategy provided pro-environmental legislators in competitive districts with political cover. In line with my theory's prediction, legislators with good reputations such as Inslee were not punished by environmental groups for having supported NAFTA. That said, the case study also suggests that issue linkages do not monotonically increase legislators' support for trade. As the case of Unsoeld shows, issue linkages may not be effective in buying the support for trade agreements from legislators, when electoral competition is low. More specifically, linking

---

<sup>108</sup> These individuals were employed by the Alpine Lake Protection Society and the Environmental Corporation of America

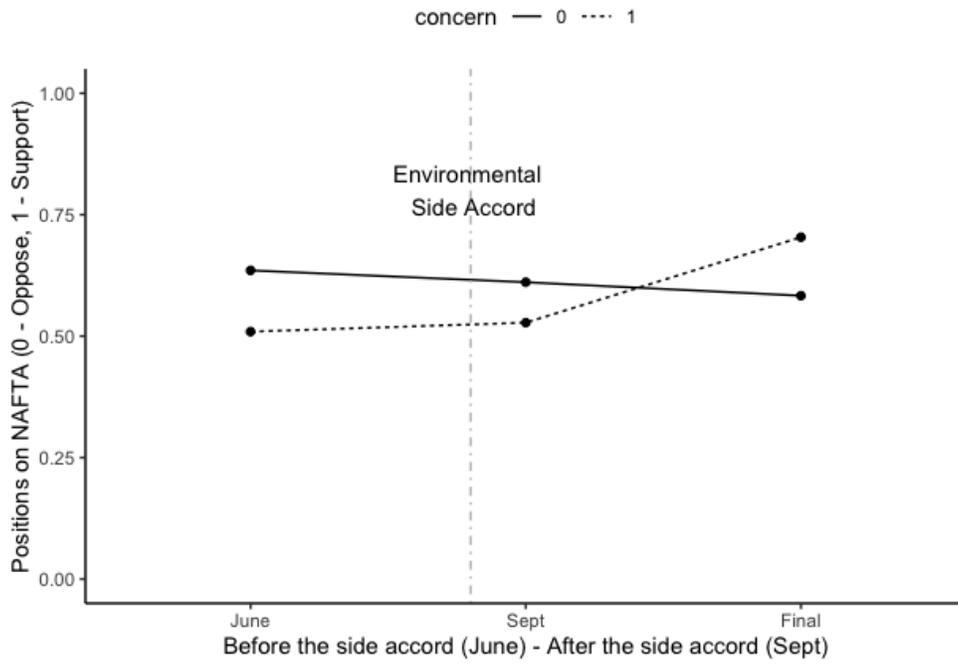
environmental issues may negatively affect trade liberalization by providing protectionist lobbies with opportunities to recruit environmental groups.

*Testing the Linkage Effects in the Senate (Hypothesis 2)*

The last important finding concerns the differential responses to the linkage among Senators and House members. In Chapter 2, I theorized that pro-environmental legislators in the Senate are more likely to increase their support for trade deals because of environmental linkages. I test this hypothesis based on the elite survey data collected by the USA\*NAFTA coalition.

Figure 6 illustrates the relationship between legislators' demands for issue linkage and their support for NAFTA over time in the Senate and the House of Representatives. Senators who demanded environmental linkages in June slightly increased their support in September as the environmental side accord was finalized. By contrast, House Representatives, both those who expressed environmental concerns and those who did not, decreased their support for NAFTA altogether. The contrast manifests itself more visibly in the final congressional votes on the NAFTA Implementation Act in November. Senators who expressed environmental concerns and demanded the linkage ended up supporting the bill more than those who did not. In the House, the exact opposite occurred. House members who had demanded environmental safeguards in June decreased their support in September at the same rate as those who had not. The divergent trends in the two legislative chambers reveal that the logic of issue linkage operates differently in the Senate and the House.

MC Positions on NAFTA by Revealed Environmental Concerns  
The U.S. Senate in 1993



MC Positions on NAFTA by Revealed Environmental Concerns  
The U.S. House of Representatives in 1993

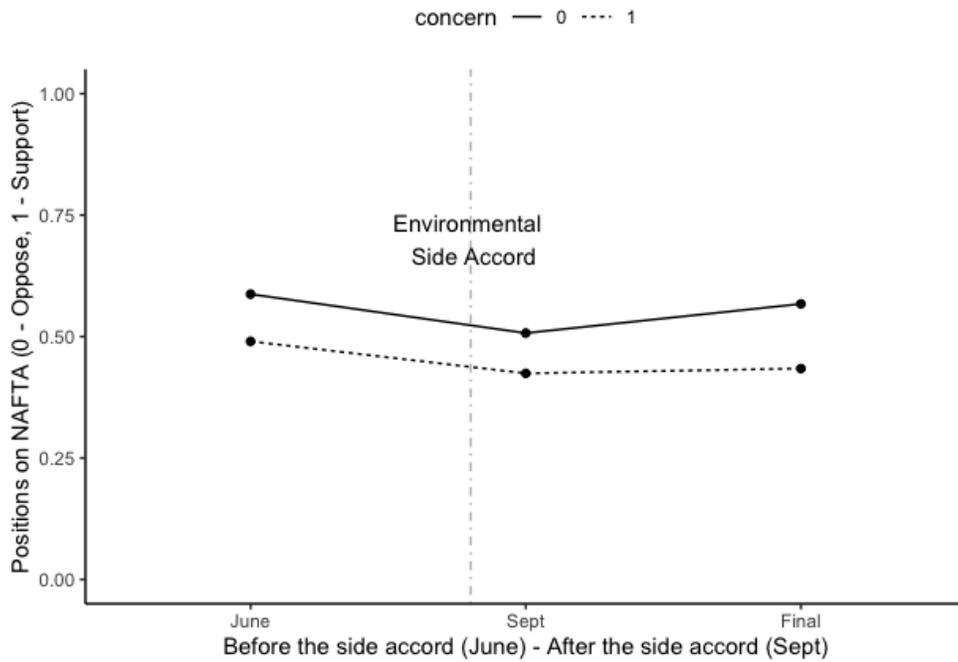


Figure 6. Change of Legislative Support for NAFTA before and after the Finalization of the Environmental Agreement

To test the hypothesis more systematically, I estimate whether Senators and House members responded differently to the environmental side agreement during the negotiation of the side agreement. My outcome variable is the linkage effect, measured by the extent to which legislators increased their support for NAFTA before and after the side agreement. I include a binary variable, *Senate*, to differentiate House members and Senators. I also include control variables such as *Environmental Reputations*, *Electoral Competition*, *Democrats*, *Education*, and *Labor PAC*.

	Support Score
REPUTATION	-0.13 (0.16)
DEMOCRAT	-0.09 (0.10)
EDUCATION	0.30 (0.49)
LABORPAC	0.0003 (0.01)
SENATE	0.25*** (0.08)
COMPETITION	0.13** (0.06)
CONSTANT	-0.32** (0.12)
<i>Observations</i>	486
<i>R-squared</i>	0.04
<i>Adjusted R-squared</i>	0.03
<i>Residual standard error</i>	0.71 (df = 479)
<i>F statistic</i>	3.71*** (df = 6; 479)
<i>Notes:</i>	***p < .01; **p < .05; *p < .1

Table 3. Relationship between Legislator Characteristics and Increases in Support for NAFTA after the Finalization of the Environmental Side Agreement (OLS Regression)

The results are reported in Table 3. The results show that Senators increased their support for NAFTA after the finalization of the environmental side agreement significantly more so than House Representatives. In fact, Senatorial responses in support of NAFTA increased by 0.25 points (on a 0-1 scale) more than the responses from their House counterparts in the post-linkage period. The positive and significant coefficient on this variable suggests that Senators found the side agreement more useful than did Representatives regardless of their policy reputations on environmental issues. This finding is in keeping with the theoretical conjecture that Senators with larger constituencies respond better than House members to issue linkages with public goods implications.

Additionally, I test whether pro-environmental Senators in competitive states respond to the environmental side agreement differently than those in safe states. To test this, I estimate a set of logistic regressions to examine whether electoral competition moderates the effect of the side agreement on legislators' final decisions on NAFTA. The results are reported in Table 4. In line with my conjecture, the results show that electoral competition does not have much influence on Senators' attitudes on NAFTA. With the exception of Democratic partisanship, none of the coefficients on the variables, including environmental reputations and electoral competition, explains Senators' support for NAFTA in a statistically meaningful way. Most importantly, the coefficient on the interaction of *Reputation* and *Electoral Competition* shows a positive sign, yet it is not statistically significant at conventional confidence levels.

Why isn't there any evidence of the mediating effect of electoral competition in this analysis? I consider two possibilities. First, when constituencies are large and thus relatively more diverse, the diversity tends to privilege issues with public implications. Environmental issues are one of those. As such, voters may consider it to be the Senators' duty to address the

environmental implications of trade agreements, to a much greater extent than they hold House Representatives accountable for them. Therefore, pro-trade Senators may generally feel a more pressing need to address the environmental impact of trade liberalization, even if they do not have the reputation to convince environmental voters. In the context of NAFTA, undecided Senators or those leaning in favor might have strategically demanded the side agreement to use it as moral cover before they committed to supporting the trade deal. By contrast, House members, operating in smaller districts, might have been more cautious about demanding the side agreement, because the likelihood of gaining credit for it would be more strongly conditioned by their ability to mitigate the credibility gap vis-à-vis environmental voters.

	Final Support			
	(House 1)	(House 2)	(Senate 1)	(Senate 2)
JUNE	1.19*** (0.12)	1.15*** (0.13)	1.31*** (0.28)	1.29*** (0.29)
REPUTATION	-1.64** (0.64)	-1.20 (0.82)	2.67* (1.57)	2.80 (1.89)
COMPETITION	-1.38** (0.58)	-1.58*** (0.59)	0.87 (1.06)	0.81 (1.09)
DEMOCRAT		-0.31 (0.45)		-0.25 (0.91)
EDUCATION		2.32 (1.96)		2.53 (7.75)
LABORPAC		-0.07 (0.04)		0.01 (0.05)
REPUTATION:COMPETITION	2.19** (0.92)	2.46*** (0.94)	-2.20 (1.79)	-2.27 (1.86)
CONSTANT	-2.69*** (0.56)	-2.38*** (0.69)	-5.01*** (1.47)	-5.37*** (1.98)
<i>Observations</i>	387	387	99	99
<i>Log likelihood</i>	-177.52	-174.41	-45.08	-44.90
<i>Akaike information criterion</i>	365.03	364.83	100.16	105.80

*Notes:* \*\*\*p < .01; \*\*p < .05; \*p < .1

Table 4. Relationship between Legislator Characteristics and Increases in Support for NAFTA in the Final Roll Call Votes (House vs. Senate)

The second possibility is the difference in electoral institutions that the two legislatures adopt. Senators are elected to six-year terms, whereas House members are elected every two years. When electoral cycles are long, the classes whose seats are not scheduled for re-election any time soon may find it difficult to use environmental issue linkages to their electoral advantage due to recency bias. Of course, the possibility exists that those whose seats were up for reelection sooner may be subject to electoral pressures. However, because Senatorial races are staggered, only about one-third of the Senate is subject to electoral considerations during a given cycle. Further, only some of those whose seats are up for reelection are subject to electoral competition. As such, the hypothesized theoretical logic does not explain a legislature like the Senate.

Taken together, the results may suggest an important scope condition of the theory: the electoral logic of issue linkage may be influential in legislative chambers with smaller constituencies and shorter electoral cycles, such as the U.S. House of Representatives.

### *Conclusion*

The environmental side agreement attached to NAFTA represented an unprecedented political experiment to overcome the legislative uncertainty surrounding the ratification of the trade deal. The economic stakes were high, as pro-NAFTA businesses expected that the deal could generate a net gain of 170,000 jobs (Clinton Presidential Records 1993). At the time, the consensus in the Clinton administration was that the environmental side agreement would be essential to attract support from House Democrats who cared about environmental issues. But, did the side accord work as planned? Despite the important economic and environmental consequences of NAFTA,

there have been no rigorous tests of the claim that the issue linkage successfully boosted support for the trade agreement.

Studies on issue linkage rarely delve into the question of why some pro-environmental legislators change their positions due to environmental linkages while other pro-environmental legislators do not. This is an important and unfortunate omission, because most issue linkages ranging from human rights to security, expand coalitions by dividing and conquering existing issue stakeholders. When a new issue is attached, some support the linkage and others resist. Because there are almost always both proponents and opponents of an issue linkage, it is important to answer the question, “who flips?”

In this light, this chapter contributes to our understanding of how issue linkage expands policy coalitions among legislators. The most important finding of the chapter is that electoral competition plays a key role in pro-environmental legislators’ decisions to flip: pro-environmental House members in competitive districts were found to be approximately 20 percentage points more likely to increase their support for NAFTA after the side agreement was attached, compared to pro-environmental legislators in safe districts. Corroborating the hypothesized theoretical mechanism, the case study shows that Jay Inslee, a pro-environmental legislator in a very competitive district, was able to attract pro-NAFTA campaign contributions and avoid blame from environmental constituents by supporting the linkage.

In addition, this chapter shows that electoral competition does not explain the effects of issue linkage in all types of legislatures. The electoral theory of issue linkage does a better job explaining the trends of support in the House of Representatives than in the Senate. In the Senate, where elected officials face larger electoral constituencies and long electoral cycles, the evidence does not suggest that electoral incentives moderate the effect of issue linkage. Instead,

Senators were typically more likely to increase their support as the executive attached the environmental side agreement, regardless of the electoral environment or their policy reputations.

**Chapter 5. How Coalition Management Motivations Explain the Enforcement of Issue  
Linkage**

Governments use issue linkages to build hybrid coalitions and facilitate the passage of trade agreements. Once they build the coalition, how do they retain it?

This chapter focuses on a dilemma that governments face in implementing issue linkage. The dilemma arises from the conflicting enforcement preferences held by coalition members: Pro-trade groups demand weak enforcement, whereas environmental activists demand strong enforcement. Faced with this dilemma, I argue that the government's enforcement decisions follow *ratification business cycles*. Because the relative importance of activists increases closer to the ratification of new trade agreements, the government strategically implements strong enforcement measures (i.e., trade sanctions) prior to ratification of new trade deals to gain activists' support for those deals.

However, the business cycle theory does not fully explain the resilience of hybrid coalitions. Environmental activists are far-sighted. They know governments are only incentivized to enforce environmental provisions when trade deals are close to ratification, and still, they lend support for those provisions. Why? To the question "why support despite the ratification cycle," I develop a theory of *delegated enforcement*. I theorize that enforcers of issue linkage (e.g., the U.S. government) tend to empower outside IOs to induce compliance. Faced with the enforcement dilemma to satisfy both pro-trade and environmental groups, the enforcer makes investments in environmental IOs to delegate enforcement activities to activists with ties to the IOs. In this way, the enforcer can preserve activists' support by making them responsible for enforcement activities in legitimate outside forums (i.e., IOs), and can still maintain support from pro-trade businesses by refraining from using trade sanctions.

I test the validity of my theory in two ways. First, I analyze the validity of the theory of *ratification business cycles* based on an important case in U.S. trade policy history: The

Environmental Investigation Agency (EIA)'s reporting of Peru's violation of the Forestry Annex in the U.S.-Peru Trade Promotion Agreement from 2009 to 2016. I study how the U.S.T.R. handled pro-trade businesses' concerns about enforcement and activists' demands for strong enforcement. In this analysis, I find that the U.S. government did not withhold any material benefits from the government of Peru or activate the dispute settlement mechanism under the trade agreement to placate pro-trade businesses during most of the study period. Consistent with my theory of the ratification business cycle, the U.S.T.R. imposed a strong enforcement measure during a short time window in 2016 after the signing of the Trans-Pacific Partnership (TPP).

Second, I quantitatively test the validity of my theory of delegated enforcement. Focusing on the TPP, I examine how the U.S. government empowered the environmental IOs mentioned in the trade agreement to satisfy environmental activists. In this analysis, I find that the Department of Commerce increased its contributions for the environmental IOs mentioned in the TPP by eleven times than before the U.S. signed the TPP.

This chapter proceeds as follows. First, I make a case for studying the enforcement of issue linkage based on the case of Peru, the first prominent instance in which U.S. environmental groups mobilized to demand strong enforcement of the environmental chapter. I then develop a theory of delegated enforcement to explain how the U.S. government managed the hybrid coalition in the long run. Next, I present a set of evidence based on the U.S. government's financial contributions to IOs before and after the TPP. Finally, I conclude by discussing the importance of *delegated enforcement* as a concept that sharpens our understanding of how issue linkages can indirectly enhance environmental outcomes.

### *Enforcing Issue Linkage: The Case of Peru*

By 2009, the U.S. environmental community developed strong grievances about the enforcement mechanism embedded in trade agreements. Their complaints were tri-fold: a) the lack of speediness in the process,<sup>109</sup> ii) the heavy burden of proving the persistence of illegality,<sup>110</sup> and iii) proving the relevance of environmental rule-breaking to trade.<sup>111</sup> These three conditions made it exceptionally difficult for activists to pursue environmental allegations through the trade dispute mechanism.

In the midst of this learning period, the U.S.-Peru Free Trade Agreement (PTPA) went into force in February, 2009. The agreement included an extensive annex on Forest Sector Governance to reduce illegal logging in Peru. Despite the ambitious commitment in the Annex, it was difficult for the environmental community to present the evidence of violations that meet the three conditions. Without that evidence, the U.S.T.R. would not use the issue linkage in the PTPA to put pressure on the Peruvian government.

In April 2012, the Environmental Investigation Agency (EIA), an environmental NGO, published a landmark report detailing its investigation into illegal logging in Peru.<sup>112 113</sup> In this report, the EIA identified at least seventy seven illegal shipments that contained timber of either Spanish cedar or bigleaf mahogany, both protected species under the Convention on

---

<sup>109</sup> See Paul Weinberg, “Trade-Environment: NAFTA under Fire on Environmental Policy.” Oct 25, 1997. IPS-Inter Press Service. For example, numerous environmental activists complained that “the NAFTA side agreement would take years to pursue an allegation of inaction by the NAFTA parties.”

<sup>110</sup> *Ibid.* Activists would have to show that the pattern of violations was “systematic and persistent” to be eligible for the enforcement procedure.

<sup>111</sup> In my personal interviews with a U.S.-based environmental activist (2017), and a E.U. trade negotiator in charge of the Sustainable Development Chapter (2019), both sources confirmed that the relevance to trade matters constitutes a key hurdle that filters potential environmental allegations.

<sup>112</sup> Of course, this does not mean that activists did not push for strong enforcement before 2012. NGOs (e.g., EIA, NRDC, and WWF) started lobbying the USTR immediately after the U.S.-Peru trade agreement went into force in 2009. While the USTR would discuss the enforcement matters with the environmental community, their efforts did not produce any written response on the part of the USTR until 2012. See “Environmental NGOs to Pressure USTR on Peru FTA Next Week.” *Inside U.S. Trade*. March 27, 2009.

<sup>113</sup> The Environmental Investigation Agency, “The Laundering Machine,” Available [here](#).

International Trade of Endangered Species (CITES). Based on the investigation, the EIA petitioned the U.S.T.R. to exercise its rights under the PTPA Annex on Forest Sector Governance.<sup>114</sup> In this request, the EIA demanded that the U.S.T.R. request the Government of Peru to investigate specific shipments, producers, and exporters of bigleaf mahogany and Spanish cedar that the EIA considered to be in violation of the Annex in the agreement.<sup>115</sup> The petition was widely regarded as landmark, as the EIA identified specific sources of illegal exports based on its multi-year investigation, and proved those transactions' relevance to international trade. The EIA hoped that the exercise of the authority might lead to strong enforcement in the form of "audit and verification of shipments." Specifically, the organization held a press conference, and said "should the U.S. exercise this authority, future shipments could be stopped and companies could receive fines or even face criminal charges."<sup>116</sup>

Upon an eight month-long review of the petition, the U.S.T.R. decided to not exercise its rights for enforcement under the trade agreement. In its statement, the U.S.T.R. said it decided not to pursue the allegation "based on the actions taken by the government of Peru to sanction or review the identified concessions," and "exports of bigleaf mahogany and Spanish cedar from Peru to the United States have decreased significantly in recent years." Instead, the U.S.T.R. proposed a five-point action plan to transfer capacity building resources to assist Peru in complying with the Forestry Annex. These action plans were designed to build administrative capacities to help Peru strengthen physical inspections of bigleaf mahogany and Spanish

---

<sup>114</sup> Review of 2012 EIA Petition Regarding Bigleaf Mahogany and Spanish Cedar Exports.

<sup>115</sup> Article 7 of the Annex stipulates that "On the written request of the United States, Peru shall verify whether, with respect to a particular shipment of timber products from Peru to the United States, the exporter or producer of those products has complied with applicable laws, regulations, and other measures of Peru governing the harvest of, and trade in, those products."

<sup>116</sup> NGO Alleges Illegal Logging Shipments from Peru; Will Urge USTR to Act. *Inside U.S. Trade*. April 13, 2012.

Cedar.<sup>117</sup> Altogether, the U.S. government's response put a heavier emphasis on inducement over punishment.

This landmark case—the first response to a major violation of the environmental commitment—is not well explained by the existing studies on issue linkage. The literature on issue linkage highlights the importance of *hard enforcement*. Most notably, Hafner-Burton's study on human rights linkages in PTAs (2005) shows that issue linkages enhance human rights practices only when the enforcement of linkage is credible due to the availability of trade sanctions. Subsequent studies on issue linkages also focus on the effectiveness of the sanction-based enforcement mechanism, which the U.S.-related trade agreements adopt. Kim (2012) and Postnikov & Bastiaens (2014, 2017) show that U.S. trade partners pre-emptively strengthen their domestic social regulations in order to avoid sanctions and satisfy the U.S. before the ratification stage. As much as these studies convincingly demonstrate the positive correlation between the design of enforcement mechanism in PTAs and partner countries' compliance behavior, they do not present convincing evidence to explain why partner countries adjusted their policies despite the absence of any credible threat of sanctions.

Based on a close examination on the U.S. government's implementation of issue linkages in 2012, however, I find that the *threat of sanctions hypothesis* does not hold up. The U.S.T.R. was careful to avoid using the “consultation” clause under its trade agreement with Peru to handle the environmental matters. According to the prior literature on issue linkage, the U.S. government should have considered using the dispute resolution mechanism in the trade agreement, which would have increased the credibility of the political will for enforcement.

---

<sup>117</sup> U.S. and Peru Agree to Illegal Logging Action Plan Following NGO Petition. *Inside U.S. Trade*. January 25, 2013.

Contrary to this expectation, the U.S.T.R. was consistently reluctant to use the trade-based dispute resolution mechanism, let alone imposing sanctions to enforce environmental linkages.<sup>118</sup>

Instead, the U.S.T.R.'s approach at this time can be better characterized as an *inducement approach*. Two sets of evidence support this line of reasoning. First, while the existing literature points to the *ex ante* effect of punishment before the ratification period, the trend in the U.S. government's aid giving to Peru points to the possibility that the U.S. had an incentive to help the partner country comply with the stringent issue linkage. As Figure 1 illustrates, the U.S. government increased its environmental aid to Peru from 4 million USD to 15 million in 2010, one year after the ratification in 2009 (the dotted black line). While the literature focuses on the threat perceived by U.S. partner countries, the Peru case shows that the U.S. also had a strong incentive to help Peru prepare for the implementation of the stringent Forestry Annex before the trade agreement would enter into force. Second, when the EIA reported Peru's violation of the Forestry Annex in 2012, the U.S. government again increased its environmental aid for Peru in 2013 (Figure 1, the red dotted line). Most notably, U.S. private sector donors unprecedentedly increased their obligations to Peru in 2013 from less than \$1 million to \$18 million. Among these new obligations, 79% (14 mil out of 18 mil) was assigned to the projects under the title of "Peru Trade Promotion Agreement Forest Governance and Environmental Implementation."<sup>119</sup>

Together, the evidence suggests that enforcers with a pro-trade bias (i.e., the U.S.T.R.) were invested in Peru's compliance with the Forestry Annex as much as the Peruvian government.

---

<sup>118</sup> One can better understand the U.S.T.R.'s cautious attitude on sanctions based on its decision-making process on the enforcement of environmental clauses. The Obama administration formed an *Intra-agency Committee on Trade in Timber Products from Peru* composed of high-ranking officials from various ministries. They are i) the U.S.T.R., ii) the Department of State, iii) the Department of Agriculture, iv) the Department of the Interior, v) the Department of Justice. The representation of agricultural interests and the lack of representation of the environmental interest (e.g., the EPA) explain the committee's weak enforcement decision.

<sup>119</sup> Data source: U.S. AID database, accessed April 2019.

Under what conditions does the enforcer of issue linkage (i.e. the U.S.) prefer to use an inducement strategy, instead of a threat strategy that would enhance the credibility of punishment? While there is well-developed literature on compliance, few studies examine why the enforcer might prefer inducement over punishment.<sup>120</sup> In the next sections, I provide an answer with a specific focus on the enforcer’s coalition management goal in mind.

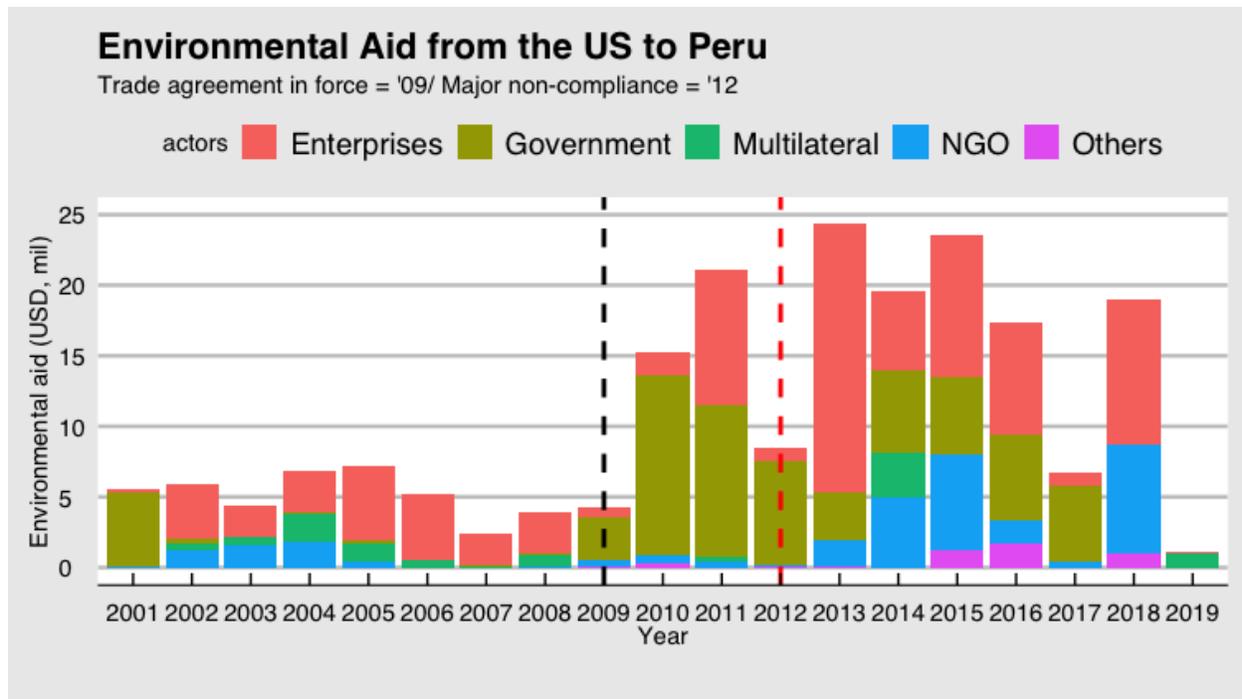


Figure 1. U.S. Environmental Aid to Peru, 2001-2019 (Source: U.S. AID)

### *How Governments Manage Hybrid Coalitions: The Ratification Business Cycles*

When do governments with a pro-trade bias adopt an inducement strategy over punishment in implementing issue linkages? I argue that the government is prone to what I call “ratification

<sup>120</sup> Of course, the emphasis on inducement is well known in the literature on compliance. Most notably, Chayes and Chayes (1993, p. 193) say that developing countries like Peru may not deviate from their previous commitments to regulatory agreements (i.e. environmental linkages) based on deliberate calculations. Instead, they highlight that “the deficit in regulatory capacities” may constitute an important factor that explains non-compliance, especially for developing countries.

business cycles.” The government tends to adopt punishment-oriented tools (i.e. trade-based dispute resolution, sanctions) only when it needs the support for new trade deals from environmental groups for their ratification. When there aren’t any impending needs for coalition expansion, the government tends to resort to inducement (i.e. back patting partner countries, technical assistance for compliance). To explain the logic, I spell out the enforcer’s interest in coalition management, and how the incentive for coalition management deepens the enforcer’s preference for an inducement approach during non-ratification cycles. In so doing, I apply this theory to the U.S.T.R.’s handling of Peru’s alleged violation of the Forestry Annex.

Environmental issue linkage in trade agreements expands pro-trade coalitions by promoting support for trade from environmental activists. For governments, this type of coalition-making is not a one-shot game. A government typically negotiates multiple trade and investment agreements simultaneously. For example, the Clinton administration negotiated NAFTA and the GATT Agreement along with approximately 300 other trade agreements. In this highly iterative environment, environmental activists who lent support for a trade deal in exchange for the inclusion of environmental linkages would update their expectations on the utility of the linkage once they observed the government’s enforcement records. At the same time, pro-trade business groups with preferences for weak enforcement would also re-calibrate their expectations on the linkage after the initial round of implementation phase. As such, forming a hybrid coalition is not the end of the game. For the government to use the issue linkage strategy in the long run, it must satisfy both pro-trade businesses and environmental activists during the implementation stage.

While it is important for governments to *manage* hybrid coalitions, it is far from clear which enforcement tools—verbal or material sanctions—are best equipped to help them attain

the goal. The government will choose an enforcement option depending on the relative importance of coalition members. Figure 2 visualizes coalition members' preferences regarding enforcement tools. Material sanctions (i.e. a withdrawal of trade benefits, inspection of shipments) would satisfy environmental groups. Non-material enforcement (i.e. naming-and-shaming) would satisfy pro-trade groups, because they prefer to avoid any disruptions on trade flows.



Figure 2. Enforcement Tools

However, the conflict in coalition members' enforcement preferences makes it challenging for governments to use one of the two methods. If the government resorts to trade sanctions to punish non-compliant partner countries, pro-trade businesses will not support issue linkage in future trade negotiations. By the same logic, environmental groups will point to the inadequacy of enforcement efforts and will not support issue linkages in future trade agreements if the government does not use trade tools to enforce the linkage. Thus, if the government chooses one side, it risks losing the other in future negotiations.

This type of interaction is likely to be highly cyclical, somewhat akin to political business cycles in democracies. The literature on political business cycles examines how politicians will boost demand in order to gain support from myopic voters who vote based on the performance of the economy prior to elections (Nordhaus 1975). The implementation of issue linkages is prone

to the same type of cycling: when the government needs environmental groups' support for the impending ratification of other trade deals, it will lean towards trade sanctions to placate them. However, when there is not any impending ratification of new trade agreements, the enforcer is likely to side with its main constituency (i.e. pro-trade groups).

To test the validity of this theory, I analyze how the U.S.T.R. handled the allegations on Peru's violations of the Forestry Annex from 2009 to 2016. The chronology can be divided into four phases: a) normal times, b) the TPP negotiation cycle, c) normal times, and d) the TPP ratification cycle (See Table 1).

a) *Normal times*: At the inception of the trade agreement in 2009, the U.S.T.R. refrained from using the environmental clauses in the agreement despite three major environmental groups' demand to review Peru's implementation of the new forestry law. Instead, the government increased its technical assistance for Peru in 2010 (Figure 1).

b) *The TPP negotiation business cycle*: In 2010, this soft stance changed as the first round of the negotiation for the TPP began. In 2010, major NGOs including the EIA and the Sierra Club mobilized to demand that the U.S.T.R. include enforceable environmental clauses in the TPP. To gain environmental groups' support for the TPP, the U.S.T.R. had an acute incentive to prove its determination to push Peru hard for compliance with the environmental clauses. In response, the then U.S.T.R. Ambassador Ron Kirk signaled his resolve to put pressure on Peru and said, "We are deeply concerned that the Government of Peru has not yet taken all necessary steps to ensure complete implementation of the Annex on Forest Sector Governance under the PTPA by the August 1, 2010 deadline."<sup>121</sup>

---

<sup>121</sup> (July 31, 2010 Saturday). Statement by Ambassador Kirk on Annex on Forest Sector Governance of United States-Peru Trade Promotion Agreement. US Fed News.

c) *Normal times:* The stance changed again, as the public attention ebbed from the TPP in 2012-2013. This is when the EIA published its two-year study of the illegal logging practice in Peru and petitioned the U.S.T.R. to activate the dispute resolution mechanism under the trade pact. This time, the U.S.T.R.'s response was different: It refrained from publicly blaming the Peruvian government. Instead, the U.S.T.R.'s response to the petition highlighted Peru's recent accomplishment in enhancing its environmental regulations. In the absence of any impending need for coalition expansion, the U.S.T.R. was careful to avoid using the dispute resolution mechanism in the trade agreement.

d) *The ratification business cycle:* The stance again changed in 2015-2016. In October 2015, the TPP negotiations among the participating countries came to an end. Subsequently, the U.S.T.R. had to prepare itself for domestic bargaining to enlarge the pro-TPP coalition. Major environmental groups anticipated the increasing leverage they would gain during the TPP ratification; they mobilized to demand stronger enforcement of the Forestry Annex. Specifically, the EIA and the NRDC published leaflets urging their members to oppose the TPP based on the U.S.T.R.'s soft stance on Peru's alleged violations of the Forestry Annex. This time was different from the 2012-2013 period when the U.S.T.R. brushed off the EIA's petition. The U.S.T.R. was faced with the task of maintaining the pro-trade hybrid coalition that made it possible to pass the U.S.-Peru trade deal. Without support from environmental groups, the TPP would not pass in Congress. To measure up to the environmental groups' expectations, the U.S.T.R. followed through in January 2016. It requested that the Peruvian government verify whether a 2015 timber shipment was in compliance with the Forestry Annex in the U.S.-Peru trade agreement. The U.S.T.R. used the dispute resolution mechanism in the seven-year-old trade

agreement for the first time, as domestic coalition-building for a new trade deal became an imminent task.

Phases	Dates	Actors	Actions
Normal times	March, 2009	Environmental groups	- <i>Demand actions:</i> EIA, NRDC, and WWF sent a letter to the U.S.T.R. demanding a formal review of Peru's implementation of its new forestry law. <sup>122</sup>
	April, 2009	U.S.T.R.	- <i>Back patting &amp; Inducement:</i> Joint meeting to discuss the implementation of the logging Annex and plan for technical assistance for implementation
Negotiation Business Cycle	March, 2010	T.P.P.	<i>The business cycle kicks in:</i> - The Trans-Pacific Partnership (TPP): The first round of negotiations started in Melbourne, Australia. <sup>123</sup>
	June 2010	Environmental groups	- <i>Demand actions on the TPP</i> Six major NGOs—Defenders of Wildlife, Earthjustice, EIA, FoE, and Sierra Club—submitted comments urging USTR to include language replicating the U.S. Lacey Act that prohibits trade in illegally sourced wildlife in the TPP. <sup>124</sup>
	July, 2010	U.S.T.R.	- <i>Moral sanction:</i> Ron Kirk (U.S.T.R. Ambassador) criticized the Peruvian government. <sup>125</sup>
Normal times	June, 2012	EIA & Pro-environmental legislators	<i>Mobilization for implementation:</i> - Sent a letter to the U.S.T.R. and published a report based on a two-year study of the logging industry in Peru <sup>126</sup> - Petitioned to the U.S.T.R. to exercise its rights to consultation under the trade agreement - Lloyd Doggett, a ranking member in the Ways & Means committee exchanged letters with Mike Froman (U.S.T.R. Ambassador) to support environmental groups
	Jan, 2013	U.S.T.R.	<i>Back patting &amp; Inducement:</i> - Issued a response to the EIA petition, explaining why the U.S.T.R. decided to not request audit and verification from Peru - The U.S.T.R. further increased its technical assistance for the implementation of the Forestry Annex
Ratification Business Cycle	March, 2015	Environmental groups	- <i>Strategic mobilization anticipating the ratification business cycle:</i> With the knowledge of the congressional vote on the Trade Promotion Authority for the TPP, nine NGOs sent a letter to the U.S.T.R. demanding stronger enforcement of the trade pact with Peru. <sup>127</sup>
	June, 2015	T.P.P.	- <i>The ratification business cycle:</i>

<sup>122</sup> (March 27, 2009). Environmental NGOs To Press USTR On Peru FTA Next Week. Inside U.S. Trade.

<sup>123</sup> (October 21, 2015 Wednesday). The Calm Before the TPP Storm. *Federal Newsfeed China Law Blog*.

<sup>124</sup> (June 4, 2010). U.S. Environmental Groups Urge Inclusion of Lacey Act Language in TPP. Inside U.S. Trade.

<sup>125</sup> (July 31, 2010 Saturday). Statement by Ambassador Kirk on Annex on Forest Sector Governance of United States-Peru Trade Promotion Agreement. US Fed News.

<sup>126</sup> (March 26, 2012) Re: Request for Audit and Verification under the Forestry Annex of Chapter 18 of the U.S.-Peru Trade Promotion Agreement.

<sup>127</sup> (March 4, 2015 Wednesday). The U.S. must enforce its Existing Trade Agreement with Peru before Signing the Largest Trade Agreement in History. *US Official News*.

			The U.S. Congress considered and approved the Trade Promotion Authority that would allow the Obama administration to pass the TPP bill based on simple majority vote, without amendments.
June, 2015	EIA & Pro-environmental legislators		<u><i>Demanding actions</i></u> - Published a report detailing how the Forestry Annex in the U.S.-Peru trade pact has failed to lift up environmental standards in Peru - Ways & Means Committee ranking members, Sander Levin and Lloyd Doggett, criticized the U.S.T.R. for its inaction <sup>128129</sup>
October, 2015	T.P.P.		<u><i>The ratification business cycle kicks in:</i></u> - TPP was concluded by participating countries. <sup>130</sup> - The TPP timeline kicks in, requiring the Obama administration to send notifications of its intention to sign the deal to the Congress 90 days before the signing.
Feb, 2016	U.S.T.R.		- <u><i>Material sanction:</i></u> - For the first time in U.S. history, the U.S.T.R. asked the Peru's government to verify that a 2015 timber shipment complied with the Forestry Annex in the trade deal. <sup>131</sup>

Table 1. The Chronology of the U.S.T.R.'s Handling of the Allegations of Peru's Violations of the Forestry Annex

Together, this analysis provides supporting evidence for the theory of ratification business cycles. Faced with activists' demands for strong enforcement based on their multi-year research, the U.S.T.R. adopted inducement tools such as environmental aid in 2012. However, the U.S.T.R. tended to use punitive measures when it had to prepare itself for domestic bargaining to expand the pro-TPP coalition.

*A Third Way: Delegated Enforcement as a Coalition Management Strategy*

We now know that the enforcement of issue linkage is affected by enforcing governments' cyclical interest in maintaining hybrid coalitions. There is one remaining puzzle on coalition management: Why did some environmental groups still support future trade deals (i.e., the TPP)

---

<sup>128</sup> (March 4, 2015 Wednesday). The U.S. must enforce its Existing Trade Agreement with Peru before Signing the Largest Trade Agreement in History. US Official News.  
<sup>129</sup> (June 5, 2015). Dear Ambassador Froman. Doggett's letter to the U.S.T.R.  
<sup>130</sup> (October 21, 2015 Wednesday). The Calm Before the TPP Storm. *Federal News Feed China Law Blog*.  
<sup>131</sup> (February 27, 2016 Saturday). US trade officials ask Peru to verify logging shipment. *Agriculture Monitor Worldwide*.

despite the cyclical nature of the U.S.T.R.'s enforcement decisions? In particular, activists are typically aware of the government's incentive to manipulate its enforcement decisions right before the ratification of new trade deals (See Alesina, Cohen, and Roubini 1993). While the business cycle theory makes sense to explain the behavior of myopic private agents, environmental groups are far from myopic. Because they tend to closely monitor the government's enforcement decisions, far-sighted actors such as environmental activists would withhold their support for new trade deals to gain leverage vis-à-vis the government.

Despite the cyclical nature of the government's response to activists' demands, some major environmental groups (i.e., the World Wildlife Fund, Oceana) still supported the TPP.<sup>132</sup> The World Wildlife Fund (WWF) was one of the major NGOs that had pressured the U.S.T.R. to use trade sanctions to enforce the Forestry Annex and regulate Peru's logging practice since 2009. Despite the U.S.T.R.'s soft enforcement stance, however, the WWF joined the pro-TPP coalition to support the trade deal in 2014-2015. In a statement to endorse the TPP, the CEO of the WWF, Carter Roberts, said:

No major trade agreement before this one has gone so far to address growing pressures on natural resources like overexploited fish, wildlife and forests. Now that the negotiations have closed, we expect to see a strong environment chapter that promotes and enforces both legal and sustainable trade.<sup>133</sup>

---

<sup>132</sup> As of March, 2015, the U.S.T.R. stated that the following organizations endorsed the TPP. They are the World Wildlife Fund, World Animal Protection International, the International Fund for Animal Welfare, the Nature Conservancy, the Humane Society, Oceana, Seafood Watch, and Bloomberg Philanthropies. See Targeted News Service. (March 31, 2015 Tuesday). What They're Saying: Environmental Advocates Point to the Trans-Pacific Partnership as a Historic Opportunity to Protect Our Oceans, Forests, and Wildlife. Targeted News Service.

<sup>133</sup> (October 25, 2015) WWF Statement on the Close of the Trans-Pacific Partnership Negotiations. Carter Roberts.

Why did major NGOs such as the WWF lend support for the TPP when they knew that the U.S.T.R.'s commitment to enforcement would not be always credible?

In this section, I develop a theory that explains how governments with a pro-trade bias enhance the credibility of their commitment to enforcement towards activists in the long run. In Chapter 3, I showed that when governments design environmental linkages, they delegate certain enforcement functions to environmental IOs with ties to activists. In this chapter, I show that designing delegation clauses is not sufficient to keep environmental groups in pro-trade coalitions in the long run. I argue that the government acts strategically to empower delegated IOs with ties to activists by increasing financial contributions to the IOs. In this way, the NGOs can work with the IOs to enhance the likelihood of compliance; anticipating the increased resources for enforcement, NGOs with close ties to these IOs are more likely to support future trade deals despite the government's weak enforcement records.

As numerous previous studies show, principals often enhance the credibility of their commitment by delegating authority to impartial agents in designing international agreements (Hawkins et al. 2006; Cooper et al. 2008; Brown 2010; Hooghe & Marks 2015). However, few studies examine whether the principal follows through with its delegation commitment in the post-designing stage, and whether such a commitment helps maintain domestic support for the international agreement in the long run. In the context of environmental linkages in trade agreements, I show that delegation may remain a credible tool to maintain the unlikely coalition between businesses and activists in the post-designing stage, only if the principal continues to signal its endorsement of the delegated agent (i.e., delegated environmental IOs).

I apply the theory to explain how U.S. government agencies with a pro-trade bias strategically allocated their monetary contributions to the environmental IOs whose roles were

recognized in the TPP. The premise of the theory is that even a government whose primary goal is to increase trade benefits has incentive to increase contributions to delegated environmental IOs, and empower the IOs.

In order to test this, I use data on the U.S. government's contributions to IOs before (fiscal year 2014) and after the signing of the TPP (fiscal year 2016, as the TPP was signed in February, 2016). The data set contains information on five U.S. government agencies' contributions to IOs, not limited to environmental IOs. The five agencies are the Department of State, Department of Commerce, Department of Labor, Department of Interior, and the Environmental Protection Agency (EPA). In the years of 2014 and 2016, these agencies contributed to diverse IOs across different issue areas including the environment, labor, intellectual property, human rights, disarmament, and peacekeeping, among others. This data set contains information on each agency's monetary obligations to these IOs in the two years (pre-treatment year = 2014 and post-treatment year = 2016). Then, I use the change in monetary obligations from 2014 to 2016 in each agency's contributions to these IOs. As such, the data structure is agency-IO.

If my theoretical conjecture is valid, I expect to find two patterns. First, government agencies such as the Department of Commerce that primarily respond to pro-trade interests must have increased contributions to the IOs mentioned in the TPP in order to empower activists with ties to those IOs. In a similar vein, I secondly expect to find that these pro-trade agencies selectively contribute to the IOs mentioned in the TPP, rather than categorically increasing contributions to IOs in the issue areas covered by the TPP. These issues are the environment, labor, and intellectual property. If the U.S. government's purpose is to empower activists with

ties to delegated IOs in light of its effect on trade coalitions, it does not have to increase contributions to environmental IOs in bulk.

First, I include issue area denominators as control variables. I divide the IOs in the data set into six categories: i) environment-related, ii) labor, iii) human rights, iv) disarmament, v) peacekeeping operations, and vi) general purpose. If there were any issue-specific time trends (i.e. Paris Climate Agreement), these variables would capture the variation. However, if the TPP had any issue-specific effect rather than IO-specific effects, I would find positive associations between the U.S. government's contributions to IOs in the first three issue areas, while I expect null effects on its contributions to IOs in human rights, disarmament, and peacekeeping issues. This is because the first three issue areas are explicitly included in the TPP as separate chapters. Summary Statistics are reported in Table 2.

Second, I include three variables to note which agency among the Department of State, the Department of Commerce, and the EPA, made contributions. Here, I assume that the Commerce represents pro-trade interests, while the EPA is answerable to environmental interests. As for the State, there are no theoretical grounds to assume that the signing of the TPP would significantly increase its IO contributions, as the State Department is answerable to stakeholders in diverse issue areas.

Lastly, the data set has a binary variable that indicates the IOs mentioned in the final text of the TPP. If my theory is valid, I expect to find a positive correlation between this variable and the outcome variable.

Ultimately, I estimate whether the Department of Commerce (a government agency with a pro-trade bias) increased its contributions to the IOs mentioned in the TPP compared to its baseline contributions in the pre-TPP period. As such, I estimate an interaction model in which

*Commerce* is interacted with the binary variable of *IOs in TPP*. If my theory is valid, I expect the coefficient on the interaction term to be positive and significant.

Statistic	N	Mean	St. Dev.	Min	Max
log(2014)-log(2016) contributions	715	1.43	5.01	-19	20
Environmental IOs	715	0.22	0.42	0	1
Labor IOs	715	0.01	0.08	0	1
Intellectual Property IOs	715	0.01	0.08	0	1
Human Rights IOs	715	0.08	0.27	0	1
Disarmament IOs	715	0.06	0.23	0	1
Peacekeeping IOs	715	0.20	0.40	0	1
General purpose IOs	715	0.43	0.50	0	1
IOs in TPP	715	0.06	0.24	0	1
State Department	715	0.20	0.40	0	1
Commerce Department	715	0.20	0.40	0	1

Table 2. Summary Statistics of Government Agencies' IO Contributions

I conducted OLS regression analyses to test the hypothesis on delegated enforcement. The results are reported in Table 3. The results are largely in line with my theoretical conjectures. Model 1 tests the effect of the TPP signing on contributions to IOs in the issue areas linked to the TPP (i.e., the environment, labor, and intellectual property). I expected to find null effects, as the government is expected to invest selectively in delegated IOs rather than IOs in the linked issue areas in bulk. As expected, none of the issue area variables is statistically significant.

In the second model, I add a binary donor agency variable, *State Department*. I expected that the *State Department* variable captures the overall temporal variation in the dependent variable that can be attributed to exogenous diplomatic events that made it necessary to increase IO contributions. Even when the State variable is added, the issue area variables are not significant.

In the third model, I include a binary variable where 1 indicates that the donor agency is the *Department of Commerce*. As expected, the Commerce increased its contributions to IOs in this period ( $p < 0.01$ ). Keeping in mind that the outcome variable is  $\log(2016 \text{ contributions to an IO from an agency}) - \log(2014 \text{ contributions to the IO from the agency})$ , the coefficients substantively can be interpreted as  $\log(2016 \text{ contributions}/2014 \text{ contributions})$ . As such, I report exponential values of the coefficients as multiplicative terms. The results indicate that the Commerce is estimated to contribute to IOs in general 1.35 times more in 2016 than in 2014 as a trade agreement is signed.

In the fourth model, I add another binary variable indicating whether an IO has linkage(s) in the TPP. The sign of *IOs in TPP* variable is negative. However, it is not statistically significant at the 5% or even 10% level.

Most importantly, I am interested in understanding the interaction of *Commerce* and *IOs in TPP*. As shown in Model 5 and Figure 3, the results from the model provide evidence in support of my theory. The results show that the Commerce increased contributions to the IOs in the TPP more than the other agencies (i.e., the EPA and the State) in this period. The relationship is significant at the 1% level ( $p < 0.01$ ). The results indicate that the rate of change in the Commerce's contributions to the IOs in the TPP is 11 times larger after the signing of the trade agreement. By contrast, the Commerce increased its contributions to the non-TPP IOs only by 1.2 times in 2016 than in 2014.

In Model 6, I test whether the Commerce's contribution decisions are a function of issue characteristics rather than delegation considerations. Particularly, I test if the Commerce would increase contributions to environmental IOs altogether instead of IOs in the TPP. If my theory is valid, I expect to find a null effect on the interaction of *Commerce* and *Environment*.

Corroborating this conjecture, the coefficient on the interaction term is not statistically significant.

Taken together, the evidence supports the theory of delegated enforcement. The results show that the Commerce, a government body without any reason to increase contributions to environmental IOs, selectively increased investments into the IOs with linkages to the TPP. The pattern of financial allocations indicates that the government was willing to make financial investments to gain support from environmental groups that work with the IOs in the TPP.

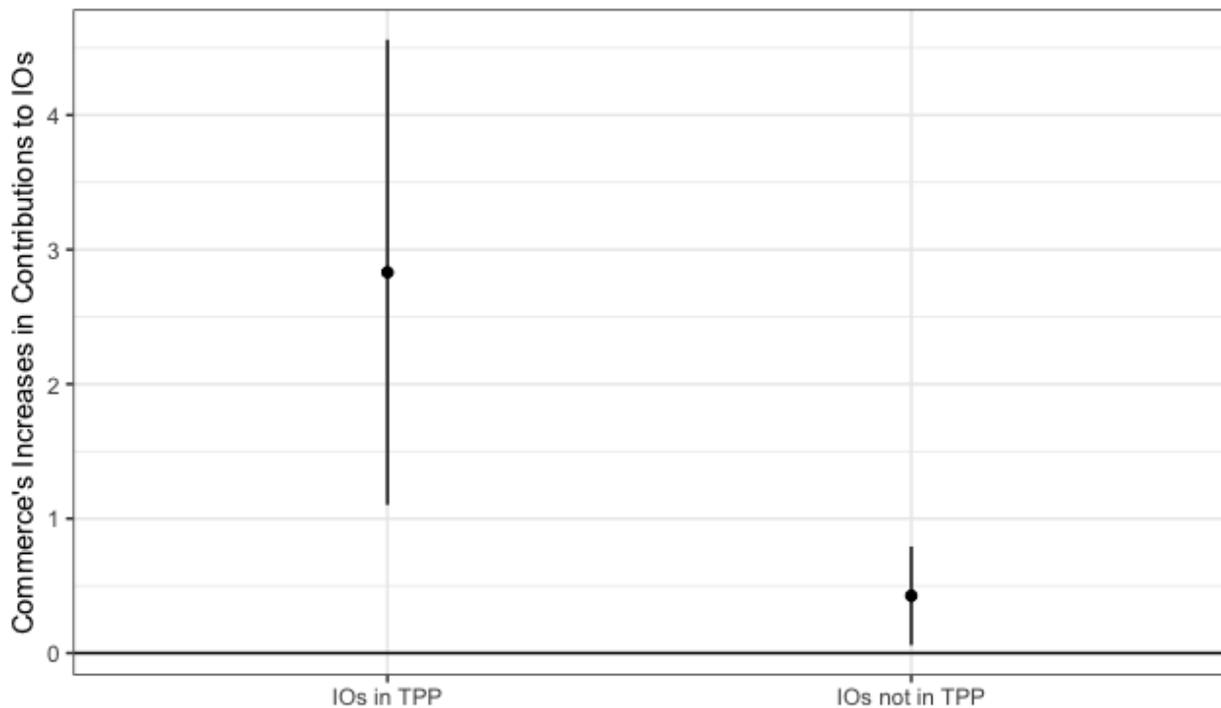


Figure 3. Changes in the Commerce's Contributions to IOs in TPP vs. IOs not included in TPP

	<i>Dependent variable:</i>					
	(1)	(2)	(3)	(4)	(5)	(6)
Environment	0.31 (0.21)	0.31 (0.21)	0.31 (0.21)	0.43** (0.21)	0.43** (0.21)	0.25 (0.25)
Labor	-1.88 (1.68)	-1.88 (1.68)	-1.88 (1.69)	-0.39 (0.98)	-0.39 (0.98)	-1.88 (1.69)
Intellectual Property	-2.05 (1.84)	-2.05 (1.84)	-2.05 (1.84)	-0.55 (1.11)	-0.55 (1.11)	-2.05 (1.85)
Human Rights	-1.23 (1.02)	-1.23 (1.03)	-1.23 (1.03)	-1.31 (1.07)	-1.31 (1.07)	-1.23 (1.03)
Disarmament	-1.22 (1.01)	-1.22 (1.01)	-1.22 (1.01)	-1.29 (1.05)	-1.29 (1.06)	-1.22 (1.01)
Peacekeeping	-1.68 (1.48)	-1.68 (1.48)	-1.68 (1.48)	-1.76 (1.53)	-1.76 (1.53)	-1.68 (1.48)
State		6.10*** (0.08)	6.17*** (0.03)	6.17*** (0.03)	6.17*** (0.03)	6.17*** (0.03)
Commerce			0.30*** (0.03)	0.30*** (0.03)	0.15** (0.07)	0.23 (0.17)
IOs in TPP				-1.57 (1.15)	-2.05* (1.15)	
Commerce:IOs in TPP					2.41*** (0.84)	
Commerce:Environment						0.29 (0.75)
Constant	1.88 (1.68)	0.66 (0.45)	0.59 (0.45)	0.67 (0.50)	0.70 (0.50)	0.60 (0.42)
Observation	715	715	715	715	715	715

*Note:* \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

Table 3. Relationship between U.S. Government Agencies and Increases in Contributions to IOs after the Signing of the TPP (OLS Regressions, Standard Errors Clustered at the Department Level)

## *Conclusion*

Existing studies find that U.S. issue linkages enhance social and environmental conditions in partner countries, because the linkage is enforceable through trade sanctions. However, in light of the evidence presented in this chapter, the support for this theory is mixed at best. In this chapter, I examine whether the threat of enforcement was credible to partner governments. Supporting this skepticism, my case study shows that the enforcer of issue linkage (i.e. the U.S.T.R.) has rarely activated dispute settlement mechanisms in trade agreements to enforce environmental clauses.

Instead, my findings portray an alternative mechanism through which issue linkages in U.S. trade agreements enhance environmental outcomes in U.S. partner countries. My findings from the case study of Peru suggest that the U.S. government does not always have the incentive to punish violators of issue linkage. Only during a very short window prior to the ratification of the TPP did the U.S. government have the incentive to punish a partner government that violated issue linkage.

Furthermore, the U.S. government, even a government body without any environmental mandate such as the Commerce, has as much incentive as its partner governments to enhance environmental conditions to maintain hybrid coalitions. As the case study on Peru illustrates, serious allegations of partner governments' violations of issue linkage would divide the hybrid coalition, thus decreasing the likelihood of maintaining pro-trade support from environmental groups. To avoid conflict within the hybrid coalition, the U.S. government encouraged the Peruvian government to comply with the Forestry Annex in the PTPA. Further, the government increased its financial contributions to environmental IOs in the TPP to gain support from environmental groups. Together, the evidence in this chapter reveals that issue linkage enhances

environmental outcomes in partner countries because the needs for long-term coalitional management persist, not solely due to the threat of enforcement.

## **Chapter 6. Issue Linkage: The Case of the European Union**

My empirics draw predominantly from the case of the U.S. However, the European Union (E.U.) is another important rule maker in the domain of trade and environmental issue linkages. As Figure 1 demonstrates, the E.U. gradually began including provisions on environmental and labor protection in its trade agreements starting the late 1980s. The E.U. formalized this practice in the 2000s: Since its Free Trade Agreement with Korea, the E.U. has implemented the “Sustainability Development Chapter,” which touches on labor and environmental issues.

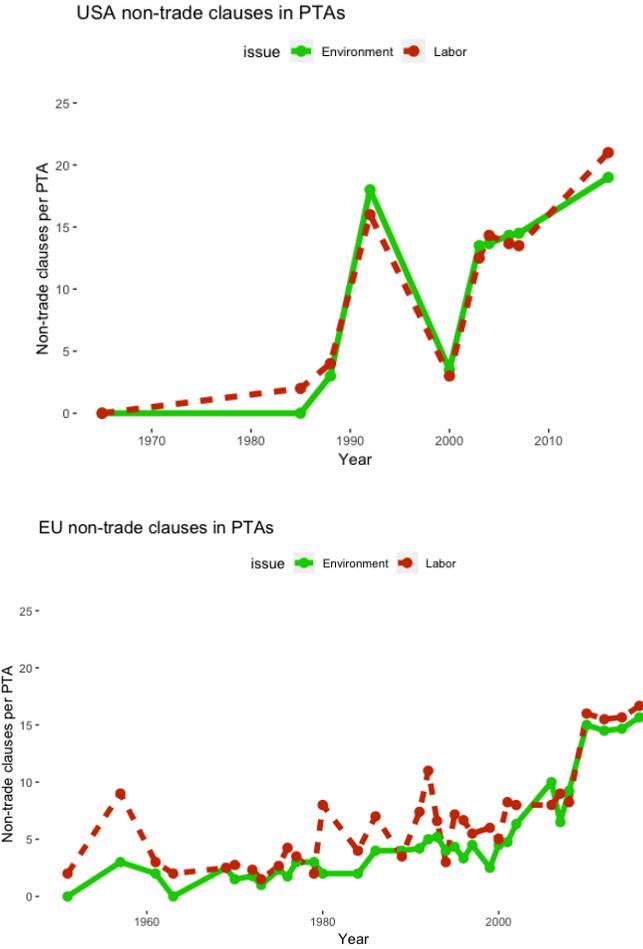


Figure 1. Environmental and Labor Clauses in PTAs Negotiated by the U.S. and the E.U. (Lechner 2016)

This chapter surveys the linkage practice adopted by the E.U. with the goal of identifying its similarities and differences relative to the U.S. I analyze the E.U.'s linkage practice in two steps: *negotiation* and *ratification*.

In analyzing the E.U.'s linkage practice during the negotiation phase, I face an interesting puzzle. While the salience of environmental issues is generally higher in major E.U. countries than in the U.S., I find that the U.S. designs stronger environmental linkages than the E.U. Specifically, I find that i) the E.U. relies on IO delegation less than the U.S., and ii) the E.U. relies solely on soft mechanisms based on dialogues to enforce linkages, whereas the U.S. government has used hard enforcement tools (i.e., verification of shipments as shown in Chapter 5) when necessary.

Second, I study whether issue linkage affects members of the Parliament (MEPs)'s attitudes on trade deals. Focusing on the E.U.'s trade negotiations with the U.S., I study how MEPs changed their attitudes on the trade deal during discussion and evolution of the trade negotiation. My analysis reveals that pro-environmental MEPs significantly withdrew their support for the trade deal with the U.S. as the U.S. proposed to scrap environmental issues. In this sense, MEPs behave somewhat similarly as U.S. senators, who respond positively to issue linkage.

This chapter proceeds as follows. I first analyze the E.U.'s linkage practice during negotiations. I then discuss the analysis on how MEPs' attitudes changed depending on environmental issue linkages during the evolution of the E.U.-U.S. trade negotiations. Finally, I conclude with the implications on future research.

### *Negotiating Linkages: Specialized Delegation vs. Aspirational Delegation*

Both the U.S. and the E.U. adopt delegation strategies to promote support for trade deals from environmental issue stakeholders. As I showed in Chapter 3, the U.S. government strategically delegates oversight and interpretation of environmental clauses to environmental IOs to enhance the credibility of those clauses in the eyes of activists. Is this pattern generalizable to the case of the E.U.?

Based on Morin and colleagues' data cataloging environmental provisions in PTAs (2019), I visualize the coverage of environmental issues and delegation to environmental IOs in Figure 2. The upper plot in Figure 2 illustrates the average number of environmental clauses on various environmental issues. Overall, the U.S. tends to include more provisions in its trade agreements than the E.U. Among others, U.S. linkages focus heavily on the protection of endangered species, the ozone, wetlands, and the prevention of whaling than those of the E.U. With the exception of climate change, desertification, and domestic waste control, the U.S. linkages tend to cover more environmental issues with higher levels of precision.

The gap between the U.S. and the E.U. becomes more pronounced once we focus on the frequency of delegation. The U.S. has widely cited Multilateral Environmental Agreements (MEAs) and delegated linkages to environmental IOs. As the lower plot in Figure 2 illustrates, approximately one out of five U.S.-related PTAs contains delegatory clauses to the Convention on International Trade of Endangered Species (CITES) and the Montreal Protocol on Substances that Deplete the Ozone Layer. By contrast, approximately one out of forty E.U.-related PTAs contain delegatory provisions recognizing the role of those MEAs. Furthermore, the U.S. has drawn most heavily from the rules of environmental IOs that have precise and strong enforcement mechanisms, such as the Convention on International Trade of Endangered Species

(CITES) and the Montreal Protocol on Substances that Deplete the Ozone Layer. The E.U., on the other hand, delegates sparingly to aspirational IOs that touch on various non-environmental issues (i.e. the Convention on Biological Diversity).

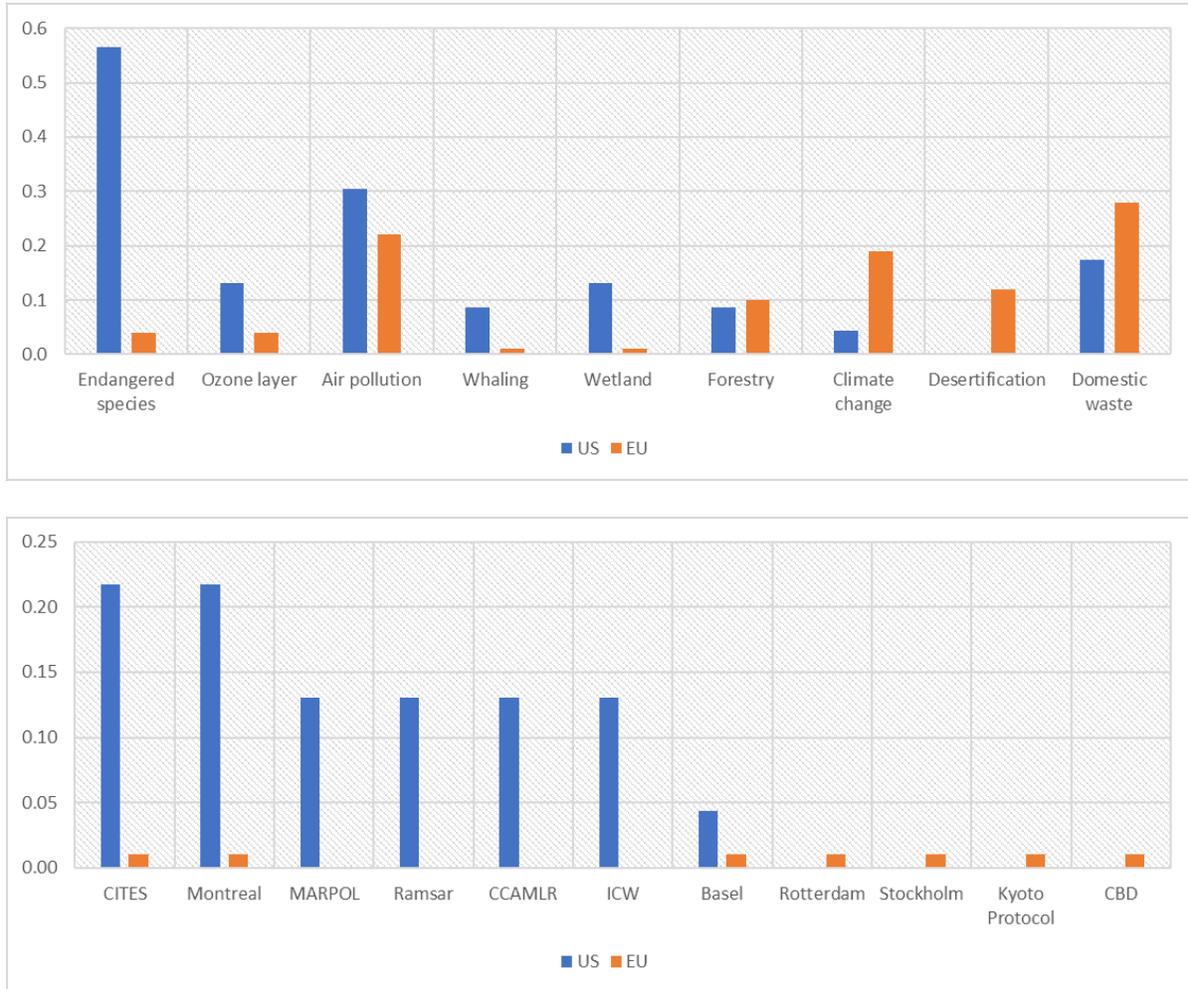


Figure 2. Coverage and Delegation of Environmental Clauses in U.S. vs. E.U. PTAs

To sum up, there are two key differences. First, the E.U. adopts delegation strategies more sparingly than the U.S. Second, when it does delegate, the E.U. tends to delegate to aspirational IOs with ambitious goals and universalistic reputations, while the U.S. tends to delegate to specialized IOs with narrow mandates.

What explains the difference? Why does the U.S. use delegation strategies more frequently, while the E.U. is reluctant to delegate the oversight and interpretation of those linkages to environmental IOs? What explains the difference in their choices of IOs?

I call these two practices *specialized delegation* and *aspirational delegation*. I differentiate these two practices based on two characteristics of delegated agents (IOs): scope of issues, and enforcement (See Table 1). With regard to the scope of issues, specialized IOs tend to have precise rules to define the scope of their mandates. For example, the CITES, an IO that focuses on the protection of wild fauna and flora, defines and updates the protected species based on the appendix system. All trade in species in Appendix I, for example, requires the “prior grant and presentation of an export and import permit.”<sup>134</sup> In order to amend the species included in Appendix I and II, a party shall propose such an amendment 150 days prior to the upcoming meeting of the Conference of the Parties, and the amendment shall be approved by a two-thirds majority of the Parties present and voting.<sup>135</sup> As such, for specialized IOs to implement their mandates on such a granular basis, they need high levels of coordination with scientists and activists who hold expertise and hands-on information about individual items. For instance, individual parties to the CITES would not be able to make a convincing argument to remove a species from Appendix I without support from activists or scientists.

In contrast, aspirational IOs focus on laying out broad rules and future directions. One such example is the Convention on Biological Diversity (CBD). Technically, the CBD’s mandate is similar to that of the CITES, as both IOs are designed to preserve biodiversity. However, the CBD’s approach is different. Instead of managing individual at-risk species, the CBD adopts a holistic approach. For instance, the IO’s focus area covers adjacent issues such as “indigenous

---

<sup>134</sup> Article VI of the CITES.

<sup>135</sup> Article XV of the CITES.

people and local communities, food, water, poverty reduction, climate change, and business/women/youth stakeholders.” Instead of specializing in endangered species *per se*, the CBD presents a big picture strategy for mainstreaming biodiversity problems among broader audiences. Because aspirational IOs want to mainstream their issues, they would prefer to work with broader ranges of activists not limited to environmental groups.

Second, these two types of IOs differ on how they enforce their rules. Specialized IOs adopt punitive and regulatory measures to enforce their rules. For example, the CITES heavily relies on export-import permits to regulate the international trade of endangered species. Furthermore, the CITES parties can penalize those who violate the rules or confiscate prohibited specimens.<sup>136</sup> For specialized IOs to implement punitive measures, they need fine-grained information. However, IOs themselves may not always have the resources to monitor their members’ compliance behavior. Activists who operate on the ground provide detailed information on members’ compliance behavior and report it to IOs (Dai 2002).

On the other hand, aspirational IOs tend to adopt soft enforcement tools. Without loosening enforcement ambitions, aspirational IOs aren’t able to attract member states’ support for their ambitious causes. Because they aim to put forth ambitious future directions, they rely on flexible enforcement mechanisms (i.e., dialogues, aid for compliance). For example, the CBD puts a heavier emphasis on capacity building for non-complying parties instead of penalizing them. As such, aspirational IOs typically design compliance committees to identify capacity building needs for developing countries.<sup>137</sup>

---

<sup>136</sup> Article VIII of the CITES.

<sup>137</sup> For example, the Cartagena Protocol on Biosafety to the Convention on Biological Diversity has a compliance committee. The committee’s main role is to design assistance packages. The committee can discuss penalties if such needs arise. However, there is no formal rule on penalties.

	Specialized IOs	Aspirational IOs
Issue coverage	Precise and limited scopes - Define issue scope on an item-by-item basis - Requires <i>expertise</i> in relevant fields (i.e. science, field knowledge) - Coordination with activists and scientists is highly desired  Example: CITES	Ambiguous and broad scopes - Define issue scope based on long-term ultimate goals - Requires <i>political momentum</i> to put forth new issues - Needs support from politicians  Examples: CBD, Paris Climate Agreement
Flexibility	Punitive - Monitoring - Regulating and withholding relevant resources to punish non-compliers	Hortatory - Rely heavily on self-reporting - Providing aid for compliance
Domestic partners	Environmental activists, scientists	Activists interested in environmental and other related issues, politicians with progressive ideas

Table 1. Specialized IOs vs. Aspirational IOs

I argue that these two types of IOs develop ties with different domestic stakeholders. Specialized IOs tend to develop ties with scientists and activists with specialized skills and knowledge on their narrowly defined issues, because they need granular information to enforce their specialized rules. In contrast, aspirational IOs need to cultivate ties with activists with various agendas and like-minded politicians who can help mainstream their causes to the public. Taken together, specialized and aspirational IOs attempt to accomplish different goals. Specialized IOs aim to regulate states' behavior to promote their causes, whereas aspirational IOs want to mainstream their causes. Due to the different emphases, they choose different domestic partners who are best equipped to help them accomplish their goals.

Circling back to environmental linkages, why does the U.S. prefer to delegate to specialized IOs while the E.U. typically delegates to aspirational IOs? As Figure 2 illustrates, the

U.S. has predominantly delegated to environmental IOs with specific mandates and punitive enforcement mechanisms, while the E.U. has chosen aspirational IOs such as the CBD and the Paris Climate Agreement.

To explain the difference, I unpack the domestic politics in the two polities and analyze why they delegate to different agents. Scholars of delegation discuss how the delegation of decision-making power from principals to agents can change various policy outcomes (Hawkins et al. 2006; Lyne et al. 2006).<sup>138</sup> Building on this tradition, I argue that the nature of relationships between political parties and environmental activists in the two polities affect which IOs (agents) these principals choose. Specifically, I theorize that U.S. activists demand delegation to specialized IOs with regulatory teeth because their weak ties to the left-wing party increase the needs for self-help measures (mobilizing international audiences in IOs). In contrast, European activists are less likely to demand delegation to IOs because they can expect to mobilize their left-wing allies in the European Parliament and domestic legislatures if the executive fails to enforce linkages.

Figure 3 visualizes the differences. In the U.S., I theorize that weak political connections between activists and the left-wing Democratic Party incentivize American negotiators to choose specialized delegation. Out of thirty-six O.E.C.D. countries, the U.S. is one of the five in which Green parties have never won any seat in the lower house of parliament. While studies suggest a strong positive correlation between the representation of left-wing parties and pro-environmental policies (Neumayer 2004), environmental issues have rarely been one of the top priorities for the Democratic Party. While Democratic politicians tend to adopt pro-environmental policies more

---

<sup>138</sup> Specifically, Lyne and colleagues show how the relationship between the executive and legislative branches in the U.S. affect agents' behavior in the context of foreign aid allocations. Building on this tradition, I focus on how executives (i.e. trade negotiators) choose their agents (environmental IOs) differently depending on the relationship between legislators and activists.

readily than their Republican counterparts, the Democratic Party has other major coalition groups (i.e., labor groups) whose interests typically conflict with those of environmental groups (Karol 2019). Because U.S.-based activists are pressured to compete with other left-leaning partisan activists to gain the Democratic Party's attention, they cannot rely on the party to jointly mobilize the public in times of enforcement failure.

When activists' fear of enforcement failure is high due to their weak political connections, U.S. trade negotiators can mitigate the credibility gap vis-à-vis activists via delegation that does not have to involve political parties. Instead, the negotiator can effectively mitigate the credibility gap by directly empowering activists. Delegation to specialized IOs is an effective way to empower activists. By delegating enforcement power to specialized IOs with ties to activists, the negotiator can help activists mobilize the international community to enforce environmental linkages without the involvement of the Democratic Party.

This line of reasoning is well supported by congressional testimony provided by an environmental activist in 2016. Glenn Prickett, the Chief External Affairs Officer at the Nature Conservancy, said that the precision and delegation of the environmental clauses in the U.S.-Peru Trade Promotion Agreement are key features that made those linkages more enforceable and credible. He said:

I mention in my written remarks that there was a landmark agreement in 2007 between the Bush administration and the Congress on the environment to specify multilateral environmental agreements within trade agreements so that commitments countries have made under environmental agreements are actionable under trade agreements. And that -- that has been a breakthrough. (...) Because the commitments are more specific and they're enforceable. Again, that's

only good if they are enforced. But the, you know, the precision and the weight of trade agreements on environmental matters at least has gone up significantly over time.<sup>139</sup>

Most notably, one can infer that the Nature Conservancy, as a pro-trade environmental NGO, considered the enforcement of environmental linkages to be an essential component. In ensuring the credibility of enforcement, however, the NGO advocated for *delegation and precision of issue linkage* to IOs instead of pressuring the left-wing party to mobilize for stronger enforcement.

By contrast, strong political connections between activists and political parties in Europe incentivize European negotiators to develop preferences for aspirational delegation (i.e., delegation to aspirational IOs such as the Paris Climate Agreement). Because E.U.-based activists have stronger ties to pro-environmental political parties, activists may expect those parties to jointly mobilize the public in times of enforcement failure. European trade negotiators can thus lower the credibility gap for activists without delegation. When they do delegate, it is better to delegate environmental provisions to aspirational and ambitious IOs that may resonate well with pro-environmental parties.

---

<sup>139</sup> March 3, 2016. “Senator Orin G. Hatch Holds a Hearing on Free Trade Agreement Implementation,” CQ Transcriptions.

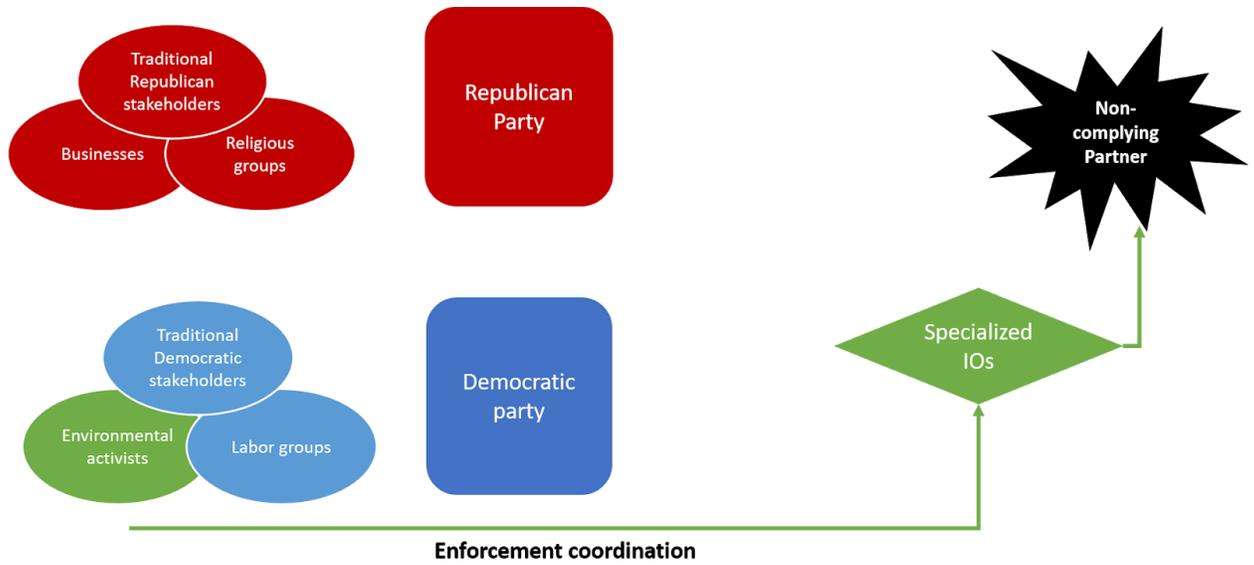


Figure 3-1. Specialized Delegation and the Two-Party System in the U.S.

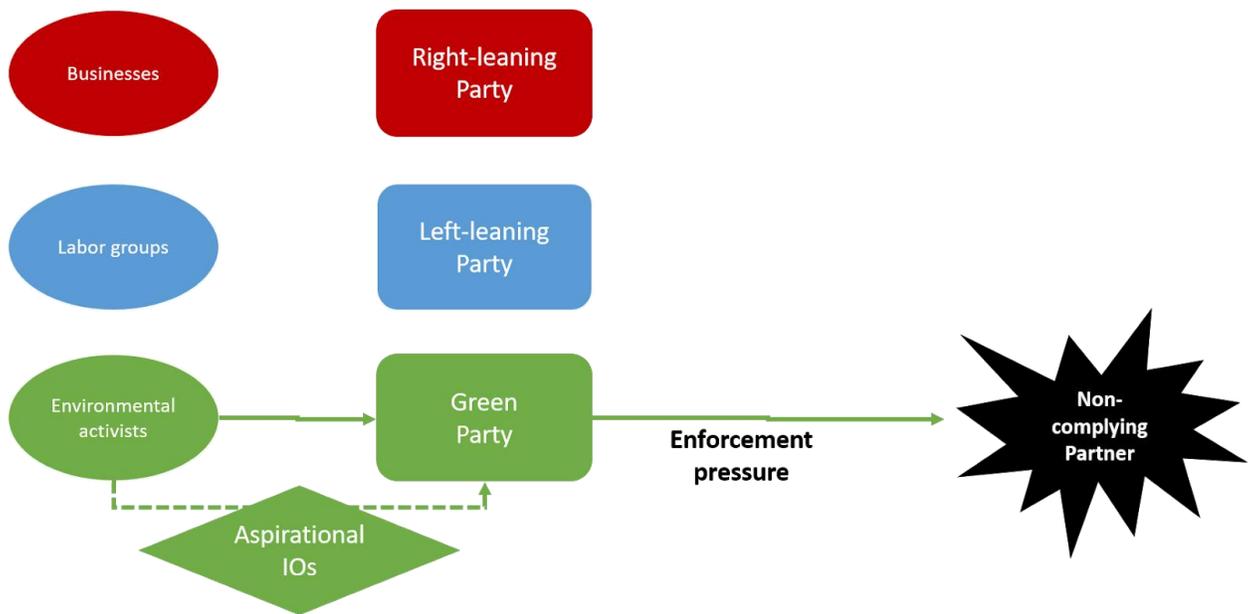


Figure 3-2. Aspirational Delegation in the Presence of Green Parties in the E.U.

*Ratifying Linkages: Do Linkages Boost Support for Trade Deals in the European Parliament?*

If the E.U. and the U.S. behave differently at the negotiating stage, would the effect of issue linkage also be different on legislators during the ratification stage in the two polities? In the previous chapters, I argued that the electoral institution (i.e. constituency size) matters in explaining the effect of issue linkage on legislative attitudes toward trade agreements. In the case of the U.S., senators were categorically more likely to respond positively to the environmental side agreement to NAFTA, whereas not all pro-environmental house representatives increased their support for NAFTA due to the side deal.

In this section, I test how environmental linkages affect legislators' attitudes in the European Parliament. The European Parliament is more similar to the U.S. Senate than the House. The electoral cycle is relatively long: elections take place every five years. The size of constituency is larger: except for a few member states such as Belgium, Ireland, and the U.K., MEPs represent a single constituency covering the entire state. When legislators represent larger constituencies and face relaxed electoral pressures because of longer electoral cycles, I expect environmental linkages to sway pro-environmental legislators regardless of their electoral incentives.

How do I test this theory? I analyze how MEPs changed their attitudes on the streamlined trade agreement with the U.S. in 2019 compared to their previous positions on the Transatlantic Trade and Investment Partnership (TTIP). On April 15th, the European Council authorized mandates for the Commission to open trade negotiations with the United States.<sup>140</sup> Compared to the now-defunct Transatlantic Trade and Investment Partnership (TTIP), the mandates for the

---

<sup>140</sup> See Council of the E.U., "Trade with the United States: Council authorises negotiations on elimination of tariffs for industrial goods and on conformity assessment," April 15, 2019.

new trade talks are limited in scope.<sup>141</sup> Most notably, while the negotiating mandates on the TTIP emphasized trade's impact on environmental protection, the new mandates do not require negotiating explicit wording on environmental issues.

The omission of environmental issues in the mandates caused political challenges in the E.P. and European Council. On March 14th, the resolution for negotiations with the U.S. was defeated in Parliament. All the amendments proposed by the EFDD, ENF, Greens/EFA, GUE/NGL, S&D parliamentary groups called for the inclusion of environmental issues.<sup>142</sup> In the Council, France remains opposed to “any negotiations with countries outside the Paris Climate Agreement.”<sup>143</sup>

I hypothesize that the omission of environmental issues may have negative effects on ratification of the new trade deal in the European Parliament. Since the Lisbon Treaty, Parliament's consent has been a prerequisite for the ratification of trade agreements. As shown in Parliament's rejection of the Anti-Counterfeiting Trade Agreement in 2012, the institution plays an important role as a potential veto-player in trade liberalization. As such, it is important to understand Parliament's calculus about trade agreements, in order to avoid ratification failure.

To better understand the political effect of excluding environmental issues from trade negotiations, I analyzed the individual MEPs' votes on March 14th on the U.S.-E.U. negotiations. In particular, I estimate whether MEPs changed their votes on the new trade talks compared to their votes on the recommendations on the negotiations for the TTIP in 2015. In this analysis, I test whether the MEPs who recently supported a resolution in support of the Paris

---

<sup>141</sup> Council of the European Union, Directives for the negotiation on the Transatlantic Trade and Investment Partnership between the European Union and the United States of America. 17 June, 2013.

<sup>142</sup> Motion for a resolution to wind up the debate on the statement by the Commission pursuant to Rule 123(2) of the Rules of Procedure on the recommendations for opening of trade negotiations between the E.U. and the U.S. August 3, 2019.

<sup>143</sup> Silvia Amaro, “France against EU-US trade talks unless Trump supports climate deal.” April 18, 2019, CNBC Markets.

Climate Agreement withdrew their support for the new trade deal due to the omission of climate considerations in the mandates.

I conduct logistic regression analyses to estimate MEPs' probability of supporting the streamlined talks with the U.S. in 2019. I include "MEPs' votes on the climate resolution 2019" as the main explanatory variable. If environmental linkages affect MEPs' attitudes towards trade deals, I expect this variable (*climate*) to be negatively associated with the outcome variable (support for a streamlined deal without environmental linkages). As controls, I include "the MEPs' votes on the TTIP in 2015", "agriculture, forestry, and fishing value added (% of GDP)" of the MEPs' home countries, "High technology exports (% of total manufactured exports)" of the MEPs' home countries, and the stance on trade held by the political parties of individual MEPs.

In line with my conjecture, my analysis suggests that pro-climate MEPs opposed the new negotiations with the US more strongly than those indifferent to climate policies. All else equal, if a MEP is not supportive of a stronger climate policy, the MEP is predicted to support trade talks without environmental mandates with a likelihood of 83%. However, the predicted probability of approval drops to 40% if the MEP supports a stronger climate policy in line with the Paris Agreement (See Figure 4).

Importantly, the effect of leaving out environmental issues is most pronounced with respect to the MEPs in the center-left S&D group. As Figure 5 shows, an S&D MEP who opposed the Paris climate resolution is predicted to be 83% likely to support the current trade talks without environmental considerations, whereas the probability drops to only 17% for a pro-climate S&D member. The results reported here are based on a model in which I control for each

political group’s idiosyncratic stance on trade liberalization and environmental protection using a political group fixed effect.

The results make sense, considering the current landscape in Parliament. Other political groups such as the EPP (pro-trade) and the Greens/EFA (anti-trade) have clear stances on trade liberalization independent of trade’s impact on climate change. By contrast, for the center-left MEPs in the S&D group, climate issue linkages are an important consideration in deciding their positions on trade liberalization. Because the pro-trade groups (EPP and ALDE) will need the second largest S&D group’s support to form a majority coalition for trade liberalization, the S&D’s considerations will prove pivotal in salvaging the trade deal in Parliament. Together, the results show that issue linkage plays an important role in the formation of pro-trade coalitions in the European Parliament.

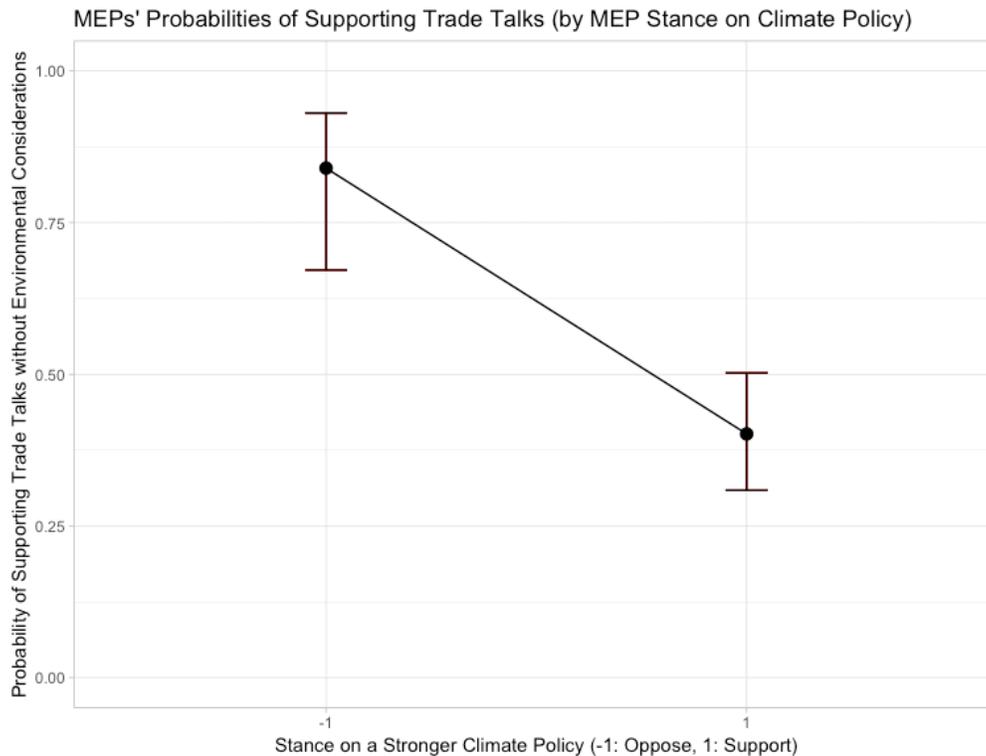


Figure 4. Predicted Probabilities for MEPs’ Support of the US Trade Talks without Environmental Linkages, Conditional on their Stances on Climate Issues

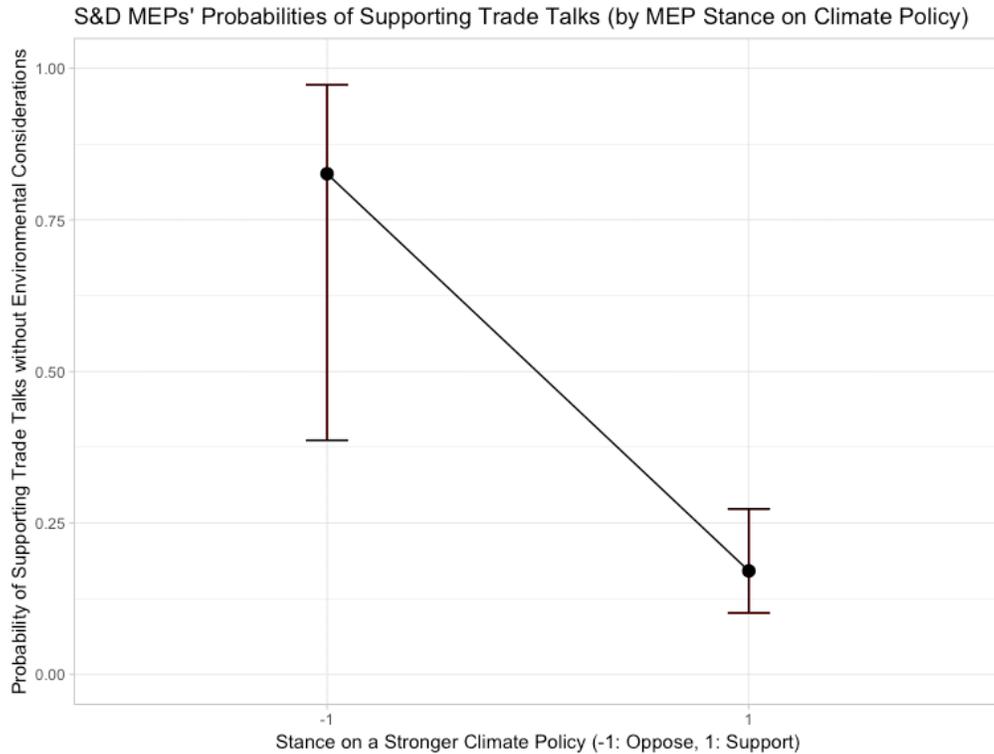


Figure 5. Predicted Probabilities for S&D MEPs' Support of the U.S. Trade Talks without Environmental Linkages, Conditional on their Stances on Climate Issues (S&D only)

There are two potential pathways by which the lack of a stable majority coalition on trade deals can negatively affect ratification in Parliament in future. First, Parliament's influence tends to increase when the Council is internally divided. Currently, member countries are divided on trade: France is opposed to any deal without climate linkages, whereas Germany needs the agreement due to its export industries (i.e. auto). As such, pro-environmental factions in the new Parliament may emerge as an important veto-player if the French opposition remains unmoved. If the divide in the Council continues, the needs for issue linkage would prove even more important to pass any trade deals in the future.

Second, the legislative landscape since 2019 calls for a need for stronger environmental linkages. In the 2019 European elections, the Greens won seventy seats, up from fifty-one in the

last Parliament. Further, the center-right and center-left parties lost their joint majority in Parliament. This introduces higher policy uncertainty in forming a pro-trade coalition within Parliament. Substantively, the new majority coalition may have to incur more concessions—such as the inclusion of climate and labor issues—to keep the support for the trade agreement from the center-left S&D, because losing even a few centrist votes may lead to ratification failure. As a result, the Greens are now in a better position to demand stronger concessions in the form of linkages.

### *Conclusions and Future Research*

This chapter shows that issue linkage is an important part of trade coalition-building in the E.U. That said, first, there is a lower need for delegation of linkage in the E.U. as environmental groups work more closely with political parties than they do in the U.S. Second, I used the case of the TTIP to show that issue linkage sways pro-environmental legislators in the European Parliament.

There are two important avenues for future research. First, I hypothesized that the relationship between left-wing political parties and environmental groups is an important factor affecting the frequency of delegation of issue linkage. Future research can directly test the relationship using legislators' demands for delegation in legislative speeches data. I plan to compare whether there are different patterns in delegation proposals made by MEPs in the European Parliament Committee on International Trade, and U.S. members of Congress in the Finance Committee and Ways and Means committee. This research will shed light on how pro-environmental legislators in the two polities use IOs as a means to assuage the fear of enforcement failure on the part of activists.

Second, electoral competition is another important component that requires further future study. Legislative elections in the U.S. Congress and the E.P. are different. Elections to the E.P. adopt a form of Proportional Representation (PR), while the U.S. institutions adopt majoritarian systems. In the PR system, parties exercise stronger influence on electoral campaigns. As such, individual candidates, whether they be pro-environmental or indifferent, may not have strong incentives to deviate from their party lines to support or oppose trade deals due to electoral outcomes. As such, a future study on the E.P. must consider the role of political parties more seriously.

## Chapter 7. Conclusions

Who links? Why are some environmental activists and legislators more willing to join pro-trade coalitions because of environmental linkages than others? This dissertation advances a simple theory to answer this question. To understand which groups are willing to link, we must closely consider the *institutional environment* in which these actors operate. In this light, I argued that internationally-oriented activists with more ties to environmental IOs are more likely to respond positively to issue linkages as those IOs can serve as alternative forums to pressure for enforcement; I also theorized that legislators facing geographically constricted constituencies tend to support issue linkages only when they face close elections, while the tendency weakens for legislators with larger constituencies.

However, this is not to say that the international balance of power or the economic and environmental preferences of domestic actors do not play a role in shaping the effect of issue linkage. Rather, it is my contention that institutional environments, including activists' ties to IOs or electoral institutions in which pro-environmental politicians operate, shape actors' incentives to go out on a limb to join hybrid coalitions, despite the risk of alienating their core constituency. Some of them care more about environmental issues than others; some of them are more dependent on international trade. However, their tendency to link these two issues is not set in stone. Various institutional traits determine how they do business. And, these institutional traits affect the extent to which each of them takes the risk of supporting issue linkage and joining the hybrid coalition.

### *Summary of Findings*

In Chapter 2, I advanced a framework to understand how issue linkage expands coalitions at the stages of negotiation, ratification, and implementation. At each step, I offered theories to explain

why some activists join and stay in hybrid coalitions because of issue linkage, and why some legislators change their positions on trade deals due to issue linkage. Together, these theories explain the shape of the new trade cleavages that include environmental activists. It further shows that trade cleavages are no longer a simple function of economic preferences.

This dissertation uses various methodologies to test the theories. In Chapter 3, I test the first stage theory of issue linkage at the stage of negotiations. In particular, I examine why some major environmental activists supported linkages in U.S. trade agreements in the 2000s while other activists allied with protectionist interest groups despite the linkages. My case study compares the pro-linkage activist group (i.e., EIA, WWF, Humane Society) and the anti-linkage cleavage (i.e., Sierra Club). I carefully trace why these two groups of activists took different stances on issue linkage while they both deeply care about environmental issues. I theorize that the U.S. government delegates issue linkage to IOs with ties to activists to enhance the credibility of their commitment to the enforcement of issue linkage. My statistical analysis of the environmental clauses in U.S. trade agreements in this period lends support for this theory. I find that the government is more likely to delegate to IOs with ties to U.S.-based environmental groups. In addition, the government (i.e., U.S.T.R.) tends to consider the rules set by these IOs with ties to activists more frequently than other environmental rules in designing its trade agreements. Together, the evidence in this chapter provides powerful microfoundational support for my theory that issue linkage broadens pro-trade coalitions only when the linkage is delegated to IOs.

The findings in this chapter offer a nuanced understanding of how the U.S. environmental community has coped with the rise of trade liberalization. Some protectionist-oriented commentators have criticized pro-linkage (hence, pro-trade) environmental groups as *corporate*

*sell-outs*. Some policy pundits with pro-trade orientations would portray anti-linkage environmental groups as bigots who would never change their positions no matter how many concessions the pro-trade camp makes. Breaking with the unfair binary categorization, my findings suggest that these groups view issue linkage differently depending on whether they have access to outside forums (i.e., IOs) to mobilize for enforcement. This coalitional story can also explain why the government has used certain international environmental standards more than others.

In Chapter 4, I turn to legislators. Without the legislative representation of activists' stances, activists' support of issue linkage might have little bearing on the passage of trade agreements. My case study of NAFTA in Chapter 4 provides supporting evidence for my theory. NAFTA was a foundational moment for trade-environmental issue linkages, as it was the first trade agreement with an enforceable environmental side agreement. Taking advantage of the time gap between the passage of the trade agreement and the conclusion of the side agreement, I closely examine how legislators, especially pro-environmental politicians, changed their attitudes on the trade deal after the conclusion of the environmental agreement. In so doing, I use novel survey data that captures how legislators in the Senate and the House of Representatives updated their positions on NAFTA during the discussion and evolution of the NAFTA Implementation Act in 1993. My analysis of the data indicates that Senators with pro-environmental beliefs altogether increased their support for NAFTA after the conclusion of the environmental side deal. However, the analysis also reveals that the logic of issue linkage is more complicated in the House, a legislature with sub-national mandates. I find that pro-environmental House members support issue linkage only when they represent electorally competitive districts. Because the benefit of environmental linkages is geographically diffuse, voters typically do not expect their

lower chamber members to promote environmental causes. Faced with close elections, however, members with strong environmental reputations would use issue linkage as an opportunity to mobilize environmental voters and attract pro-trade groups' support, which are often at odds with each other.

I support the quantitative analyses based on a comparative case study of two House Democrats with strong environmental reputations: Jolene Unsoeld (WA-3) and Jay Inslee (WA-4). The case study demonstrates that the two legislators' stances on NAFTA's environmental side agreement diverged depending on their electoral prospects. Inslee, operating in a competitive electoral district, supported the linkage and gained campaign finance from pro-NAFTA donors and satisfied pro-environmental groups. Unsoeld did not change her anti-NAFTA position as her seat was relatively safe. Together, the evidence offers powerful support for my theory that pro-environmental legislators align themselves with environmental concerns only when they are in electorally competitive districts.

Chapter 5 examines what happens to hybrid coalitions once trade deals pass in legislatures, and how coalition-making governments maintain the coalition in the long run. I find that the maintenance of the coalition is largely dependent on the government's enforcement decisions in the implementation period. I theorize that the coalition-making government is more likely to adopt strong enforcement decisions (i.e., sanctions) when it needs environmental activists' support for new trade agreements. To test the theory of ratification business cycles, I survey the U.S. government's responses to environmental groups' enforcement demands in the context of the U.S.-Peru trade agreement. The case study shows that the U.S.T.R. predominantly adopted soft enforcement tools such as technical assistance and dialogues when there were not any impending needs for coalition-building. The U.S.T.R. toughened its stance on Peru's

compliance with forestry-related clauses, as it completed the negotiation for the Trans-Pacific Partnership. As the government needed pro-TPP support from the environmental community to expand the pro-TPP coalition, it had to signal its resolve to enforce environmental clauses in the past trade agreement.

This is not the end of the story. Coalition-making governments go further to maintain hybrid coalitions; In so doing, they use environmental IOs. In my statistical analysis of the U.S. government's spending on IOs in various issue areas, I find that the government allocated financial resources to environmental IOs that are mentioned in the TPP once it knew which IOs were included in the agreement. In particular, pro-trade government agencies such as the Department of Commerce significantly increased their contributions to the environmental IOs mentioned in the trade agreement. Together, the evidence shows that coalition-making is not a one-shot game. Using its understanding of the iterated nature of the coalition-making, the government attempts to maintain support from activists by empowering environmental IOs with ties to those activists.

Chapter 6 discusses the scope of my theory in the context of the E.U. The E.U. is an important rule maker in the domains of trade and the environment. In this chapter, I discussed how European environmental linkages are different from their American counterparts. The chapter shows that the E.U. has relied on delegation less frequently than the U.S. in designing their environmental linkages. I theorized that the strong political connections between environmental groups and pro-environmental parties reduce the fear of enforcement failure, thus lowering the demand for delegation. As for legislators, I showed that environmental linkages play an important role in broadening pro-trade coalitions within the European Parliament. Pro-environmental members of the European Parliament significantly decreased their support for the

streamlined trade deal with the U.S. compared to their baseline support for the TTIP with extensive climate change commitments. Overall, I conclude that the major difference in European linkages (i.e. the lack of delegation and the larger effect of linkage) stems from the availability of ecological parties in the E.U.

### *Broadening the Scope*

This study has several limitations. First, this dissertation draws heavily from the cases of the U.S. and the E.U. It is true that these advanced democracies tend to propose including environmental linkages in trade agreements. However, I must be careful not to overstate the generalizability of the theory in the context of South-South trade agreements. Data shows that some trade agreements between developing countries also include environmental clauses. Along this line, a recent study by Bernhauer and Nguyen (2015) demonstrates that the inclusion of environmental issue linkages enhances domestic support for trade agreements in developing countries such as Vietnam. However, my theory of coalition-making may not be applicable to authoritarian countries in which domestic environmental activists have to risk their own lives to promote the environmental cause or legislatures do not have any power to hold leaders accountable for their policies.<sup>144</sup> Similarly, my theory may not be generalizable in developing countries where a staggering majority of legislators and domestic groups prioritize economic development over environmental protection.

Second, the focus on “environmental” issue linkages implies that my theory is not generalizable to all types of issues. I focus on environmental linkages, because their implications

---

<sup>144</sup> For example, the Vietnamese government arrested an environmental activist and blogger, Nguyen Ngoc Anh, and other anti-government activists for organizing an environmental protest. See “Vietnamese blogger sentenced to 6 years in jail for environmental protest,” June 7, 2019. CNN.

on the public welfare would make coalition expansion more difficult. Because environmental benefits are not excludable to certain districts, few legislators might have a strong incentive to promote environmental linkages. Similarly, my theory is built on the assumption that activists' power is time sensitive because the collective actions problem serves as an obstacle to keeping public attention on environmental linkages in the long run. As such, the scope of my theory must be limited to issues with public welfare implications. These include various human rights issues ranging from gender equity and, religious freedom to civil rights.

This logic does not apply to other non-trade issues that have been increasingly attached to trade agreements. One notable issue that is at the opposite of the spectrum is the protection of intellectual property (IP) rights. Well-organized interest groups such as the pharmaceutical industry in the U.S. have lobbied hard to attach strong IP chapters in trade agreements. While religious and human rights groups have opposed IP linkages,<sup>145</sup> they have been less successful than pro-IP businesses with concentrated interests.

Finally, this study tests the coalition theory of issue linkage against lower-level politicians facing relatively narrower constituencies. I implemented this research design based on careful examination of how U.S. presidents from 1993 to 2016 have built pro-trade coalitions. In my study of this period, I discovered a surprising level of continuity across Republican and Democratic presidents in their propensities to liberalize international trade and use environmental linkages. Supporting this observation, studies reveal that presidents with larger constituencies have stronger incentives to pursue policies with public welfare implications than politicians serving sub-national constituencies (Rogowski 1987).

---

<sup>145</sup> Human rights activists and religious groups have raised concerns about IP linkages, because they might limit developing countries' access to cheap medicines. See "Q&A: The Trans-Pacific Partnership." January 12, 2016. *Human Rights Watch*. Alternatively, see Joan Frawley Desmond, "Does the Church Have a Stake in the TPP Trade-Bill Debate?" May 15, 2015. *National Catholic Register*.

However, this continuity appears to have become less relevant in the U.S. starting in 2016 when President Donald Trump was elected. The anti-trade and anti-environmental position of the Trump administration challenges my theory, as there seems to be a variation in the extent to which presidents (i.e. politicians with large constituencies) want to form pro-trade coalitions. That said, despite his own anti-environmental predisposition, President Trump had to maintain and even update the environmental side agreement in re-negotiating NAFTA in the form of U.S.-Mexico-Canada Agreement (USMCA) in 2019. The U.S.T.R. under Trump included additional provisions on air quality, protection of marine species, and illegal fishing. Further, at the request of the Democratic Party, it included a new obligation that requires the USMCA parties to implement seven multilateral environmental agreements.<sup>146</sup> Without the strong labor and environmental linkages, it would have been unlikely to pass the USMCA in the House of Representatives where Democrats hold a majority. In this sense, the coalitional account of issue linkage might be more or less applicable to anti-trade coalition makers. As long as the president's goal is to build a coalition for an unpopular policy, whether it is a pro-trade or anti-trade policy, they have to use issue linkage to buy support from unlikely stakeholders.

#### *Issue Linkage and Foreign Policy: Avenues for Future Research*

The field of international institutions has largely treated practices such as issue linkages as byproducts of inter-state bargaining; IPE studies on economic cleavages have paid scant attention to non-economic interest groups such as activists and religious groups. Of course, there have been crucial exceptions. Important studies shed light on the role of various domestic

---

<sup>146</sup> The Office of the United States Trade Representatives, "UNITED STATES–MEXICO–CANADA TRADE FACT SHEET Modernizing NAFTA into a 21st Century Trade Agreement." Available [here](#).

actors—activists and legislators—in the formation and operation of international institutions. My dissertation is built on the shoulders of this previous research.

That said, there are multiple avenues for future research on how issue linkage can facilitate international cooperation. First, international political economy scholars could consider how these issue linkages affect the political dynamics in multilateral and bilateral economic negotiations. In explaining the effect of issue linkages on coalitions, I limited my focus only to one side of the strategic interaction: the more pro-environmental and economically developed side. By narrowing the focus to economically advanced countries such as the U.S., I have left open the question of the ripple effects of linkage proposals in partner countries. International negotiations, whether they be bilateral or multilateral, are highly interactive. For example, the inclusion of environmental chapters in the U.S.-Korea trade agreement did not elicit pro-trade support from environmental groups in Korea; similarly, the labor clauses in the E.U.-Korea trade agreement were not endorsed by major labor groups in Korea. This anecdotal evidence suggests that issue linkage devised in proposing countries might have null or negative effects on enlarging pro-trade coalitions in receiving countries.

A related line of inquiry could examine the relationship between domestic political institutions and the design of international institutions other than issue linkage. My dissertation only focuses on issue linkage. However, we know that the scope of issue linkage tends to change in tandem with other key features of international institutions. For instance, the inclusion of issue linkage may limit the scope of membership or increase the flexibility of arrangement (Koremenos et al. 2001). These design features of international agreements altogether might be affected by a host of domestic political dynamics: the design of legislative institutions (i.e. two-party or multi-party systems; new legislatures in emerging democracies), electoral institutions

(i.e. PR or majoritarian voting systems), or environmental activists' relationships with left-wing parties. Together, IR scholars should consider launching a full research program on the design of international institutions that takes domestic political institutions more seriously.

Finally, scholars could study the normative implications of issue linkages. Some might argue that environmental linkages greenwash trade agreements. Others counter that trade agreements provide the opportunity to enhance environmental outcomes in rapidly developing countries. I attempted to avoid the normative question of "Are linkages good?" Although some studies provide answers to this question by examining the effect of linkages on environmental outcomes, other normative aspects of issue linkage must be considered as well. Specifically, it is unclear whether environmental issue linkage empowers or weakens environmental stakeholders. One policymaker I interviewed said, "environmental linkages enhance the status of environmental issues by categorizing them into the same priority as trade issues." However, it is equally likely that inputs from environmental activists might be taken less seriously than inputs from businesses as the linkage transformed the policy domain in which environmental issues are dealt with. Without the appropriate institutional support for new issue stakeholders such as activists, issue linkage may systematically disenfranchise environmental stakeholders. Together, the normative implications of issue linkage must not be limited to short-term policy outcomes such as environmental enhancement. Policymakers must consider the long-term implications of issue linkage on inter-group dynamics among stakeholders.

## Bibliography

- Abbott, K. W. and Snidal, D. (2010), 'International regulation without international government: Improving IO performance through orchestration', *The Review of International Organizations* 5(3), 315–344.
- Abramson, P. R. and Inglehart, R. (1994), 'Education, security, and postmaterialism: A comment on Duch and Taylor's "Postmaterialism and the economic condition"', *American Journal of Political Science* 38(3), 797–814.
- Alchian, A. A. and Demsetz, H. (1972), 'Production, information costs, and economic organization', *American Economic Review* 62(5), 777–795.
- Ammons, D. (1990), 'Timber plays tall role in Washington congressional race.', *Associated Press*. August 29, 1990. (Retrieved from Nexis Uni.).
- Audley, J. J. (1997), *Green Politics and Global Trade: NAFTA and the Future of Environmental Politics*, Georgetown University Press, Washington, D.C.
- Avant, D. D., Finnemore, M. and Sell, S. K. (2010), *Who Governs the Globe?*, Cambridge University Press, New York, N.Y.
- Baccini, L., Dur, A. and Haftel, Y. Z. (2015), *Imitation and innovation in international governance: The diffusion of trade agreement design*, in A. Dur and M. Elsig, eds, 'Trade Cooperation: The Purpose, Design and Effects of Preferential Trade Agreements', Cambridge University Press, Cambridge, pp. 167–194.
- Baker, A. (2005), 'Who wants to globalize? Consumer tastes and labor markets in a theory of trade policy beliefs', *American Journal of Political Science* 49(4), 924–938.
- Baldwin, R. E. (1985), *Political Economy of U.S. Import Policy*, MIT Press, Cambridge, M.A.
- Banks, J. S. (2000), 'Buying supermajorities in finite legislatures', *American Political Science Review* 94(3), 677–681.
- Barnett, M. and Finnemore, M. (2004), *Rules for the World: International Organizations in Global Politics*, Cornell University Press, Ithaca, N.Y.
- Bastiaens, I. and Postnikov, E. (2017), 'Greening up: The effects of environmental standards in E.U. and U.S. trade agreements', *Environmental Politics* 26(5), 847–869.
- Bechtel, M. M., Bernauer, T. and Meyer, R. (2012), 'The green side of protectionism: Environmental concerns and three facets of trade policy preferences', *Review of International Political Economy* 19(5), 837–866.

- Bhagwati, J. (1995), 'Trade liberalisation and fair tradedemands: Addressing the environmental and labour standards issues', *World Economy* 18(6), 745–759.
- Blanga-Gubbay, M., Conconi, P. and Parenti, M. (N.P.), 'Globalization for sale', Unpublished Manuscript.
- Blok, A. (2008), 'Contesting global norms: Politics of identity in Japanese pro-whaling countermobilization', *Global Environmental Politics* 8(2), 39–66.
- Brady, D. W., Han, H. and Pope, J. C. (2007), 'Primary elections and candidate ideology: Out of step with the primary electorate?', *Legislative Studies Quarterly* 32(1), 79–105.
- Carpenter, D. P. (2002), 'Groups, the media, agency waiting costs, and FDA drug approval', *American Journal of Political Science* 46(3), 490–505.
- Cimino-Isaacs, C. and Schott, J. (2016), *Trans-Pacific Partnership: An Assessment*, Columbia University Press, New York, N.Y.
- Clinton Presidential Records (1993), 'Office of speechwriting and Michael Waldman'. [NAFTA] To David Gergen From Anne Wexler [Binder]. URL: <https://clinton.presidentiallibraries.us/items/show/44492>
- Cole, M. A. (2004), 'Trade, the pollution haven hypothesis and the environmental Kuznets curve: examining the linkages', *Ecological Economics* 48(1), 71–81.
- Conconi, P., Facchini, G. and Zanardi, M. (2014), 'Policymakers' horizon and trade reforms: The protectionist effect of elections', *Journal of International Economics* 94(1), 102–118.
- Conconi, P. and Perroni, C. (2002), 'Issue linkage and issue tie-in in multilateral negotiations', *Journal of International Economics* 57(2), 423–447.
- Converse, P. (1964), *The Nature of Belief Systems in Mass Publics*, Free Press of Glencoe, New York, N.Y.
- Cooley, A. and Snyder, J. (2015), *Ranking the World: Grading States as a Tool of Global Governance*, Cambridge University Press, Cambridge, United Kingdom.
- Copelovitch, M. S. (2010), *The International Monetary Fund in the Global Economy: Banks, Bonds, and Bailouts*, Cambridge University Press, New York, N.Y.
- Dai, X. (2002), 'Information systems in treaty regimes', *World Politics* 54(4), 405–436.
- (2005), 'Why comply? The domestic constituency mechanism', *International Organization* 59(2), 363–398.

- Davis, C. L. (2004), 'International institutions and issue linkage: Building support for agricultural trade liberalization', *American Political Science Review* 98(1), 153–169.
- (2009), 'Linkage diplomacy: Economic and security bargaining in the AngloJapanese alliance, 1902–23', *International Security* 33(3), 143–179.
- Destler, I. M. (2007), 'American trade politics in 2007: Building bipartisan compromise', Peter G. Peterson Institute for International Economics Policy Brief 07(5), 1–27.
- Doshi, R., Kelley, J. G. and Simmons, B. A. (2019), 'The power of ranking: The ease of doing business indicator and global regulatory behavior', *International Organization* 73(3), 611–643.
- Dunlap, R. E. and Mertig, A. G. (2014), The evolution of the U.S. environmental movement from 1970 to 1990: An overview, in 'American Environmentalism', Taylor & Francis, Philadelphia, pp. 13–22.
- Dur, A., Baccini, L. and Elsig, M. (2014), 'The design of international trade agreements: Introducing a new dataset', *The Review of International Organizations* 9(3), 353–375.
- Dur, A. and Mateo, G. (2016), *Insiders versus Outsiders: Interest Group Politics in Multilevel Europe*, Oxford University Press, Oxford.
- Ehrlich, S. D. (2010), 'The fair trade challenge to embedded liberalism', *International Studies Quarterly* 54(4), 1013–1033.
- Eichengreen, B. and Frieden, J. (1993), 'The political economy of European monetary unification: An analytical introduction', *Economics & Politics* 5(2), 85–104.
- Epstein, C. (2008), *The Power of Words in International Relations: Birth of an Anti-whaling Discourse*, MIT Press, Cambridge, M.A.
- Farrell, H. and Newman, A. L. (2018), 'Linkage politics and complex governance in Transatlantic surveillance', *World Politics* 70(4), 515–554.
- Federico, C. M. and Hunt, C. V. (2013), 'Political information, political involvement, and reliance on ideology in political evaluation', *Political Behavior* 35(1), 89–112.
- Fischer, R. and Serra, P. (2000), 'Standards and protection', *Journal of International Economics* 52(2), 377–400.
- Frankel, J. A. and Rose, A. K. (2005), 'Is trade good or bad for the environment? Sorting out the causality', *Review of Economics and Statistics* 87(1), 85–91.
- Gawande, K., Krishna, P. and Olarreaga, M. (2009), 'What governments maximize and why: The view from trade', *International Organization* 63(3), 491–532.

- Goddard, S. E. (2006), 'Uncommon ground: Indivisible territory and the politics of legitimacy', *International Organization* 60(1), 35–68.
- Green, J. F. (2013), *Rethinking Private Authority: Agents and Entrepreneurs in Global Environmental Governance*, Princeton University Press, Princeton, N.J.
- Groseclose, T. and Snyder, J. M. (1996), 'Buying supermajorities', *American Political Science Review* 90(2), 303–315.
- Guisinger, A. (2009), 'Determining trade policy: Do voters hold politicians accountable?', *International Organization* 63(3), 533–557.
- Guisinger, A. (2017), *American Opinion on Trade: Preferences without Politics*, Oxford University Press, Oxford.
- Haas, E. B. (1980), 'Why collaborate? Issue-linkage and international regimes', *World Politics* 32(3), 357–405.
- Haas, P. M. (1992), 'Introduction: Epistemic communities and international policy coordination', *International Organization* 46(1), 1–35.
- Hadden, J. (2014), 'Explaining variation in transnational climate change activism: The role of inter-movement spillover', *Global Environmental Politics* 14(2), 7–25.
- Hadden, J. (2015), *Networks in Contention*, Cambridge University Press, New York, N.Y.
- Hafner-Burton, E. M. (2005), 'Trading human rights: How preferential trade agreements influence government repression', *International Organization* 59(3), 593–629.
- Hafner-Burton, E. M. (2011), *Forced to be Good: Why Trade Agreements Boost Human Rights*, Cornell University Press, Ithaca, N.Y.
- Hainmueller, J. and Hiscox, M. J. (2006), 'Learning to love globalization: Education and individual attitudes toward international trade', *International Organization* 60(2), 469–498.
- Han, H. (2014), *How Organizations Develop Activists: Civic Associations and Leadership in the 21st Century*, Oxford University Press, Oxford.
- Hardin, G. (1968), 'The tragedy of the commons', *Science* 162(3859), 1243–1248.
- Hawkins, D. G., Lake, D. A., Nielson, D. L. and Tierney, M. J. (2006), *Delegation and Agency in International Organizations*, Cambridge University Press, New York, N.Y.
- Honig, D. (2019), 'When reporting undermines performance: The costs of politically constrained organizational autonomy in foreign aid implementation', *International Organization* 73(1), 171–201.

- Howell, W. G. (2013), *Thinking about the Presidency: The Primacy of Power*, Princeton University Press, Princeton, N.J.
- Inglehart, R. (1995), 'Public support for environmental protection: Objective problems and subjective values in 43 societies', *PS: Political Science & Politics* 28(1), 57–72.
- Interview (2017), Personal interview with a lawyer representing an environmental organization, Washington D.C., USA.
- Interview (2019), Personal interview with a representative of an environmental NGO, Brussels, Belgium.
- Johnson, T. and Urpelainen, J. (2014), 'International bureaucrats and the formation of intergovernmental organizations: Institutional design discretion sweetens the pot', *International Organization* 68(1), 177–209.
- Karol, D. (2007), 'Does constituency size affect elected officials' trade policy preferences?', *The Journal of Politics* 69(2), 483–494.
- Karol, D. (2009), *Party Position Change in American Politics: Coalition Management*, Cambridge University Press, New York, N.Y.
- Kaufmann, C. D. and Pape, R. A. (1999), 'Explaining costly international moral action: Britain's sixty-year campaign against the Atlantic slave trade', *International Organization* 53(4), 631–668.
- Kelley, J. G. and Simmons, B. A. (2015), 'Politics by number: Indicators as social pressure in international relations', *American Journal of Political Science* 59(1), 55–70.
- Kennard, A. (N.P.), 'Firms' support for climate change legislation: Industry competition and the emergence of green lobbies', Unpublished Manuscript.
- Keohane, R. O. and Nye, J. S. (1977), *Power and Interdependence: World Politics in Transition*, Little Brown and Co., Boston, M.A.
- Keohane, R. O. and Victor, D. G. (2011), 'The regime complex for climate change', *Perspectives on Politics* 9(1), 7–23.
- Kim, I. S. (2017), 'Political cleavages within industry: Firm-level lobbying for trade liberalization', *American Political Science Review* 111(1), 1–20.
- Kim, M. (2012a), 'Disguised protectionism and linkages to the GATT/WTO', *World Politics* 64(3), 426–475.
- Kim, M. (2012b), 'Ex ante due diligence: Formation of PTAs and protection of labor rights', *International Studies Quarterly* 56(4), 704–719.

- Kim, M. (2016), 'Enduring trade disputes: Disguised protectionism and duration and recurrence of international trade disputes', *The Review of International Organizations* 11(3), 283–310.
- Kono, D. Y. (2006), 'Optimal obfuscation: Democracy and trade policy transparency', *American Political Science Review* 100(3), 369–384.
- Koremenos, B., Lipson, C. and Snidal, D. (2001), 'The rational design of international institutions', *International Organization* 55(4), 761–799.
- Kriner, D. L. and Reeves, A. (2015), 'Presidential particularism and divide-the-dollar politics', *American Political Science Review* 109(1), 155–171.
- Krueger, A. B. (1996), 'Observations on international labor standards and trade', *National Bureau of Economic Research Working Paper* 5632.
- Larcinese, V. (2007), 'Does political knowledge increase turnout? Evidence from the 1997 British general election', *Public Choice* 131(3-4), 387–411.
- Lechner, L. (2016), 'The domestic battle over the design of non-trade issues in Preferential Trade Agreements', *Review of International Political Economy* 23(5), 840–871.
- Lele, S. M. (1991), 'Sustainable development: A critical review', *World Development* 19(6), 607–621.
- List, J. A. and Sturm, D. M. (2006), 'How elections matter: Theory and evidence from environmental policy', *The Quarterly Journal of Economics* 121(4), 1249–1281.
- Lizzeri, A. and Persico, N. (2001), 'The provision of public goods under alternative electoral incentives', *American Economic Review* 91(1), 225–239.
- Lohmann, S. (1997), 'Linkage politics', *Journal of Conflict Resolution* 41(1), 38–67.
- Mayda, A. M. and Rodrik, D. (2005), 'Why are some people (and countries) more protectionist than others?', *European Economic Review* 49(6), 1393–1430.
- McCarthy, J. D. and Zald, M. N. (1977), 'Resource mobilization and social movements: A partial theory', *American Journal of Sociology* 82(6), 1212–1241.
- McCarty, N., Poole, K. T. and Rosenthal, H. (2016), *Polarized America: The Dance of Ideology and Unequal Riches*, MIT Press, Cambridge, M.A.
- McCubbins, M. D., Noll, R. G. and Weingast, B. R. (1987), 'Administrative procedures as instruments of political control', *Journal of Law, Economics & Organization* 3, 243.
- McCubbins, M. D. and Schwartz, T. (1984), 'Congressional oversight overlooked: Police patrols versus fire alarms', *American Journal of Political Science* pp. 165–179.

- McGillivray, F. (2004), *Privileging Industry: The Comparative Politics of Trade and Industrial Policy*, Princeton University Press, Princeton, N.J.
- McKibben, H. E. (2010), 'Issue characteristics, issue linkage, and states' choice of bargaining strategies in the European Union', *Journal of European Public Policy* 17(5), 694–707.
- McKibben, H. E. (2013), 'The effects of structures and power on state bargaining strategies', *American Journal of Political Science* 57(2), 411–427.
- Mercurio, B. (2009), 'Why compensation cannot replace trade retaliation in the WTO dispute settlement understanding', *World Trade Review* 8(2), 315–338.
- Mikulaschek, C. (2018), 'Issue linkage across international organizations: Does European countries' temporary membership in the UN Security Council increase their receipts from the E.U. budget?', *The Review of International Organizations* 13(4), 491–518.
- Miller, G. J. and Whitford, A. B. (2016), *Above Politics: Bureaucratic Discretion and Credible Commitment*, Cambridge University Press, New York, N.Y.
- Milner, H. V. (1997), *Interests, Institutions, and Information: Domestic Politics and International Relations*, Princeton University Press, Princeton, N.J.
- Milner, H. V. and Kubota, K. (2005), 'Why the move to free trade? Democracy and trade policy in the developing countries', *International Organization* 59(1), 107–143.
- Milner, H. V. and Tingley, D. (2015), *Sailing the Water's Edge: The Domestic Politics of American Foreign Policy*, Princeton University Press, Princeton, N.J.
- Moravcsik, A. (1998), *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht*, Cornell University Press, Ithaca, N.Y.
- Mosley, L. and Tello, L. (2015), 'Labor rights, material interests, and moral entrepreneurship', *Human Rights Quarterly* 37, 53.
- Naoi, M. and Kume, I. (2015), 'Workers or consumers? A survey experiment on the duality of citizens interests in the politics of trade', *Comparative Political Studies* 48(10), 1293–1317.
- Nzelibe, J. (2005), 'The credibility imperative: The political dynamics of retaliation in the World Trade Organization's dispute resolution mechanism', *Theoretical Inquiries in Law* 6(1), 215–254.
- Olson, M. (1965), *The Logic of Collective Action: Public Goods and the Theory of Groups*, Harvard University Press, Cambridge, M.A.

- Osgood, I. (2017), 'The breakdown of industrial opposition to trade: Firms, product variety, and reciprocal liberalization', *World Politics* 69(1), 184–231.
- Oye, K. A. (1993), *Economic Discrimination and Political Exchange: World Political Economy in the 1930s and 1980s*, Princeton University Press, Princeton, N.J.
- Palfrey, T. R. and Poole, K. T. (1987), 'The relationship between information, ideology, and voting behavior', *American Journal of Political Science* pp. 511–530.
- Poast, P. (2012), 'Does issue linkage work? Evidence from European alliance negotiations, 1860 to 1945', *International Organization* 66(2), 277–310.
- Poast, P. (2013), 'Can issue linkage improve treaty credibility? Buffer state alliances as a hard case', *Journal of Conflict Resolution* 57(5), 739–764.
- Postnikov, E. and Bastiaens, I. (2014), 'Does dialogue work? The effectiveness of labor standards in E.U. preferential trade agreements', *Journal of European Public Policy* 21(6), 923–940.
- Prakash, A. and Potoski, M. (2006), 'Racing to the bottom? Trade, environmental governance, and ISO 14001', *American Journal of Political Science* 50(2), 350–364.
- Pratt, T. (2018), 'Deference and hierarchy in international regime complexes', *International Organization* 72(3), 561–590.
- Putnam, R. D. (1988), 'Diplomacy and domestic politics: The logic of two-level games', *International Organization* 42(3), 427–460.
- Rickard, S. J. (2012), 'Electoral systems, voters' interests and geographic dispersion', *British Journal of Political Science* 42(4), 855–877.
- Rickard, S. J. (2018), *Economic Geography, Electoral Institutions, and the Politics of Redistribution: Political Institutions, Economic Geography, and Government Subsidies*, Cambridge University Press, New York, N.Y.
- Riker, W. H. (1962), *The Theory of Political Coalitions*, Yale University Press, New Haven, C.T.
- Rodrik, D. (2018), 'What do trade agreements really do?', *Journal of Economic Perspectives* 32(2), 73–90.
- (2019), 'Elizabeth Warren's trade makeover', Project Syndicate . August, 8, 2019. URL: <https://www.project-syndicate.org/commentary/elizabeth-warren-progressive-trade-policy-by-dani-rodrik-2019-08>
- Rogowski, R. (1987), 'Trade and the variety of democratic institutions', *International Organization* 41(2), 203–223.

- Ruggie, J. G. (1982), 'International regimes, transactions, and change: Embedded liberalism in the postwar economic order', *International Organization* 36(2), 379–415.
- Schattschneider, E. E. (1935), *Politics, Pressures and the Tariff*, Prentice-Hall, New York, N.Y.
- Scheve, K. F. and Slaughter, M. J. (2001), 'Labor market competition and individual preferences over immigration policy', *Review of Economics and Statistics* 83(1), 133–145.
- Sebenius, J. K. (1983), 'Negotiation arithmetic: Adding and subtracting issues and parties', *International Organization* 37(2), 281–316.
- Sikkink, K. (1993), 'Human rights, principled issue-networks, and sovereignty in Latin America', *International Organization* 47(3), 411–441.
- Slaughter, A.-M. (2009), *A New World Order*, Princeton University Press, Princeton, N.J.
- Solingen, E. (2001), 'Mapping internationalization: domestic and regional impacts', *International Studies Quarterly* 45(4), 517–555.
- Tallberg, J., Dellmuth, L. M., Agn e, H. and Duit, A. (2018), 'NGO influence in international organizations: Information, access and exchange', *British Journal of Political Science* 48(1), 213–238.
- Tarrow, S. (1998), *Power in Movement: Social Movements and Contentious Politics*, Cambridge University Press, New York, N.Y.
- Tollison, R. D. and Willett, T. D. (1979), 'An economic theory of mutually advantageous issue linkages in international negotiations', *International Organization* 33(4), 425–449.
- Vernon, R. (1971), *Sovereignty at Bay: The Multinational Spread of U.S. Enterprises*, Basic Books, New York, N.Y.
- Vogel, D. (1997), 'Trading up and governing across: Transnational governance and environmental protection', *Journal of European Public Policy* 4(4), 556–571.
- Von Bu low, M. (2009), 'Networks of trade protest in the Americas: Toward a new labor internationalism?', *Latin American Politics and Society* 51(2), 1–28.
- Wapner, P. (1995), 'Politics beyond the state environmental activism and world civic politics', *World Politics* 47(3), 311–340.
- Woll, C. (2008), *Firm Interests: How Governments Shape Business Lobbying on Global Trade*, Cornell University Press, Ithaca, N.Y.
- Young, O. R. and Jinnah, S. (2014), *Post-Treaty Politics: Secretariat Influence in Global Environmental Governance*, MIT Press, Cambridge, M.A.

Zaller, J. R. (1992), *The Nature and Origins of Mass Opinion*, Cambridge University Press, New York, N.Y.