

June 10, 2022

A Populist Progressive Path Forward on Trade Policy

Mike Dolan



[Global Solidarity](#)[Share](#)

INTRODUCTION

This trade policy reform update is situated in a specific Rosa Luxemburg Stiftung (RLS) editorial lineage. Seven years ago, I surveyed the landscape of civil society opposition to the Trans-Pacific Partnership (TPP), the Transatlantic Trade and Investment Partnership (TTIP) and Trade Promotion Authority (TPA). [TPP & TTIP: Partners in Crime](#) (hereafter *Partners in Crime*) outlined the critiques of several sectors within the Fair-Trade movement – unions, family farm networks, faith-based groups, environmental activists, consumer advocates and even populists. Five years ago, in collaboration with the Institute for Policy Studies (IPS) and the Canadian Centre for Policy Alternatives (CCPA), RLS collected the policy aspirations of the Fair Trade movement in [Beyond NAFTA 2.0: A Trade Agenda for People and Planet](#) (hereafter *Beyond NAFTA*) a compendium of progressive goals across a spectrum of progressive policy priorities that are affected by corporate globalization.

In 2020, RLS published [The US-China Trade War](#) (hereafter *China Trade*) which describes a progressive alternative to “transform the China issue from a vulnerability into a strength for the left” and then partnered with IPS, CCPA and the Institute for Agriculture and Trade Policy (IATP) to launch [GreenNewTrade.org](#) (hereafter *Green New Trade*) because “governments are afraid to introduce climate policies that might conflict with existing trade rules.” Last year, coincident with Biden’s inauguration, RLS commissioned IATP to share some [Hopes for New Beginnings on US Trade Policy](#) (hereafter *Hopes*).

This piece is to take stock and review the progressive agenda and evaluate its current position. Are we in a stronger place? Do we have momentum in the Biden Administration and the 117th Congress? Our purpose is to influence the political debate so understanding where we stand is essential. After detailing strides made since the US Mexico Canada Agreement (USMCA) ratification and Biden’s election, this sequel to *Partners in Crime* will vector into some RLS uncharted territory – the realpolitik of trade reform, beginning with this argument:

Progressive trade policy reform is faltering in the US and especially in Washington DC. While our Congressional champions have incubated fair trade policies with some success, these same Democrats who explicitly critique neo-liberalism and reject 'free trade' are ignoring populist undercurrents and mobilization at their own, and our collective, political peril. Therefore, as the 117th Congress closes and the mid-term election looms, Democrats must distinguish themselves from right wing populism that is animated by reflexive protectionism, antipathy towards immigrants and visceral opposition to China. In short, they must offer a positive path forward.

REAL PROGRESS

To start we will evaluate our successes since 2015. [TTIP died on the vine](#), thanks to our broad opposition in solidarity with our brother and sisters across the pond. Although [Obama secured Trade Promotion Authority](#) in 2015, the Biden trade team has not used it because it is startlingly unpopular. Trump promised to pull out of the TPP, and once elected promptly fulfilled that promise. Since we published our opposition to these deals in *Partners in Crime* – the TTIP, TPP and TPA – the 'free trade' lobby has failed to advance its pro-corporate agenda.

The bipartisan ratification of NAFTA 2.0 as USMCA, though imperfect, did have some meaningful gains. For starters, investor-state dispute settlement (ISDS) was discarded between the US and Canada. Environmentalists [remain concerned](#) about the legacy cases under NAFTA; but going forward, ISDS is off the table. Further, a new stronger Labor Chapter replaced the original side agreements, a step forward from 90s triangulation. The USTR Labor Advisory committee led by the Machinists and the AFL-CIO attempted, failed, to incorporate the [ILO's Fundamental Conventions](#) by reference in the. Overall, though, as the Labor Department [correctly notes](#), the USMCA "has the strongest and most far-reaching labor provisions of any trade agreement."

USMCA also includes the creative "[Rapid Response](#)" labor dispute settlement mechanism. Biden's trade team worked closely with the new [Independent Mexico Labor Expert Board](#) (inserted by Democrats during ratification) to file the [first cases](#) against specific factories that violate workers' rights. The new US Trade Representative (USTR) has indicated that more cases are imminent and committed to making this progressive enforcement tool a "[key feature](#)" of US trade policy. Labor also celebrated

a new safeguard provision against material harm in transportation services, which secured the [support of the Teamsters](#), the first time that “America’s supply chain union” lobbied for a trade deal.

Canadian supply management also survived the perennial assault by the US dairy industry during renegotiation. Granted, the trade-off was more market access; and predictably, Big Dairy prevailed on Trump’s USTR to file the [first USMCA dispute settlement petition](#) against Canada. Fortunately, the compromise was less than US Dairy Export Council wanted; and a collateral benefit for our movement is the [new coalition of family farmers and working families](#) in the binational dairy industry that has mobilized in support of sustainable supply management.

CURRENT INERTIA

In the policy space created by those (partial) victories, we worry about a loss of momentum in trade policy reform. As [Politico](#) observed, “Joe Biden came into office hoping to chart a third way on trade — away from the economic nationalism of Donald Trump and the free-wheeling globalization that preceded him ... But by the start of 2022, that agenda was on life support.” From our perspective, the progressive trade agenda is stalled for several interrelated reasons.



US President Joe Biden addresses trades leaders at the North Americas Building Trades Unions (NABTU) Legislative Conference at the Washing-

ton Hilton Hotel in Washington, DC, on April 6, 2022. (Photo by MANDEL NGAN / AFP) (Photo by MANDEL NGAN/AFP via Getty Images)

First, some of our best advocates have gone into the Administration. Some were recruited from the Movement. For example, Thea Lee left the Economic Policy Institute (EPI) and now directs the Bureau of International Labor (ILAB) at the Department of Labor (DOL). Another is Celeste Drake, who formerly was the trade policy specialist at the AFL-CIO, and is now in the White House, where she leads the Buy America effort. Others came from the Congress — at USTR, Ambassador Katherine Tai and Deputy Ambassador Jayme White were the lead staffers on the trade committees in the House and Senate, respectively, who crafted the Rapid Response enforcement mechanism that shepherded the USMCA to its bipartisan ratification.

We need friends on the inside, of course, to implement the USMCA reforms and build upwards on its new floor. But because of their exodus from the movements into the halls of power, our base to advocate to policy makers for the full menu of progressive aspirations outlined in *Beyond NAFTA 2.0* is proportionally diminished.

Furthermore, labor is disengaging from the trade reform debate, with new leaders like Liz Shuler at the AFL-CIO and Sean O'Brien at the Teamsters (which recently laid off its long-time trade lobbyist) more focused on new organizing to harness the energy of independent, [worker-led campaigns](#) throughout the economy, from Amazon to Starbucks.

Related, the Citizens Trade Campaign that we profiled in *Partners in Crime* effectively dissolved during USMCA ratification, as unions and environmental groups divided on the biggest trade vote in its history. However, the bipartisan [Coalition for a Prosperous America](#) (which includes the AFL-CIO and Teamsters) acknowledged USMCA's improvements over NAFTA and supported ratification despite shared misgivings on behalf of American ranchers. Today, they continue to develop policy solutions to protect American workers from unfair competition, including currency misalignment — a focus of progressive economists at [EPI](#) as well.

Finally, with some exceptions noted below, there is no trade hook in what remains of the 117th Congress — Biden has not asked Democratic leadership for TPA — and therefore there are no trade policy reform around which to mobilize our grassroots coalitions. If, as [Politico](#) insists, “there’s

no denying that history is giving Biden an opening to change the paradigm on free trade," we must ask: What can we do to help our friends in government maintain momentum, access that historic opening and promote a progressive paradigm to replace corporate globalization, as was described in the Conclusion to *Beyond NAFTA 2.0*.

The answer lies outside Washington. Our strategy must balance our principled policy agenda against the practicalities of politics in the mid-term election.

TRADE POLICY REALPOLITIK

The Democrats' messaging strategy to hold onto Congress is coming into focus. They will appeal to women on abortion. They will try to turn out young voters concerned about climate. Black voters will hear about Democrats' commitment to police reform. And unionized workers will be encouraged vote their union cards, not their NRA cards. Those foreground messages, against a backdrop of GOP obstructionism, are necessary but not sufficient to win on November 8th. Rather, the margin of victory will come from a blue-collar demographic (white men over 50, no college) which the GOP candidates are wooing with anti-globalization rhetoric that neglects our critique of corporate rule or solidarity in class struggle.

To be clear: we are recommending trade policy reform issues exclusively through an electoral lens. All the topics of our previous analyses, especially the compendium in *Beyond NAFTA 2.0*, are still important. Only a few are essential, however, because they have bipartisan political appeal and will attract blue collar votes back from the GOP. We recommend three such trade-related issues in 2022.



WASHINGTON, DC – SEPTEMBER 21: Liz Shuler, AFL-CIO President, speaks as Thousands welcome back Congress by marching for Citizenship, Care, And Climate Justice on September 21, 2021 in Washington, DC. (Photo by Paul Morigi/Getty Images for CPD Action)

PROCUREMENT – BUY/HIRE AMERICAN

This issue crosses party lines and appeals to the blue-collar demographic that the Democrats will need to win tight races in November. Manufacturing workers and their union leaders understand that corporate globalization is a principal cause of out-sourcing, and that “Made in America” is a rhetorically sharp arrow in our progressive, policy quiver. Democratic candidates should own this issue.

They can start by pointing to Biden’s Executive Order that initiated the inter-agency [Made in America Council](#). If calling for US withdrawal from the World Trade Organization (WTO) plurilateral [Government Procurement Agreement](#) is policy overreach, we can suggest other approaches that will inure to the benefit of progressive candidates. For example, when the public schools reopen in the fall, Democrats should focus on the school lunch supply chains and thereby appeal to a [broad new coalition](#) of family farmers and working families that has partnered with the [Good Food Purchasing](#) networks to promote farm-to-cafeteria policies in school districts in every swing state, a winning issue at the local level.

In Washington, the Department of Agriculture should advance this popular trade policy by updating its child nutrition regulations to comply with the Buy America mandate, as the leaders of the three biggest food processing unions demanded in their [recent letter](#) to Agriculture Secretary Vilsack. In Congress, Democrats can champion the [American Food for American Schools Act](#) which will close the “significant cost differential” exception to Buy America rules. Similarly, Democrats can support mandatory county-of-origin labeling for the beef industry – for example, the [American Beef Labeling Act](#) – and campaign on these popular procurement issues, which were included among the *Hopes* we published last year, among farmers and ranchers in rural precincts.

IMMIGRATION – ROOT CAUSES

Immigration remains a divisive electoral issue in 2022 as Republican candidates drive white nationalists to the polls with fear-mongering and contemptible “replacement theory.” Democrats have offered coherent solutions to the non-trade issues including amnesty for migrant families, which will appeal to progressive voters, especially among Hispanics whom the [GOP has recently targeted](#). However, none of the “Five Pillars” of the Administration’s [Strategy for Addressing the Root Causes of Migration in Central America](#) supported upgrading our trade agreement with the that region (CAFTA-DR) to the new floor of the USMCA’s Labor and Dispute Settlement standards. As we prepare to publish this modest update, the [Ninth Summit of the Americas](#) convenes in Los Angeles; maybe a better trade deal will come up in a sidebar.

Meanwhile, as part of the larger “holistic” inter-agency approach and reliance on stakeholder inputs, the USTR reached out to its [Advisory Committee on Trade Policy and Negotiations](#) (ACTPN), which includes representatives from Labor as well as the textile and apparel industries. The ACTPN report offered a sensible trade policy initiative to address root causes of migration:

ACTPN members recommend a specific renegotiation of the CAFTA-DR to update its Chapters 16 (Labor) and 20 (Dispute Settlement) to at least USMCA standards, as a floor, not a ceiling ... The ACTPN Labor representative notes that the existing “yarn forward” rule supports domestic production of yarns and textiles in the

US ... [He] is sympathetic to the position of apparel manufacturers to the extent that adjustments to the rules-of-origin will address the root causes of migration. The ACTPN union reiterates, however, that such ROO flexibility should not be codified in an updated CAFTA-DR until and unless the labor rights and dispute settlement provisions have been upgraded to USMCA standards.

US apparel and footwear companies are eager to work with the unions to shorten supply chains to this hemisphere. They will advocate for greater labor standards and protections in a new regional trade template (CAFTA 2.0) in return for labor support for flexibilities in rules of origin that will incentivize moving production away from China. As progressive policy, this approach will inure to the benefit of Democrats and appeal to working families across demographics. It also leads organically to the last essential globalization issue which progressive candidates must reclaim in 2022.

CHINA – PROGRESSIVE PROTECTIONISM

At present, the biggest trade issue is our commercial policy towards China. In the Congress, the China competitiveness bills slouch towards compromise. In the Biden Administration, there are [inter-agency disagreements](#) whether to reduce Trump's tariffs on Chinese products. On the campaign trail, [candidates across the partisan spectrum](#) are promising voters that they will be "tough on China."

[CPA's poll](#) earlier this year revealed that 64 percent of white voters between ages 45 and 64 who did not attend college are "more likely to vote for a candidate for federal office ... [who] supports the US government imposing tariffs on China when there is a threat to a US industry or American workers." More [recent polling](#) indicates that "a plurality of Democrats no longer support reducing tariffs on China to combat elevated prices." These public opinions represent a dilemma for progressive candidates. On the one hand, they have little choice but to embrace protectionism if they are to pursue older white voters. On the other, they must distinguish the "Progressive Internationalist Alternative" outlined in *China Trade* from the merely mercantile agenda of corporate-backed Republicans. Democratic messaging must be simultaneously progressive and

protectionist, especially in states that have lost the most manufacturing jobs since China's accession to the WTO.

In focusing on "[dignity of work](#)" as a progressive value, Democratic incumbents might remind voters that they passed the [Uyghur Forced Labor Prevention Act](#), which creates a rebuttable presumption, starting on June 21st, that merchandise from the Xinjiang Region is produced with forced labor and therefore "prohibited from importation." That date is a good press hook for Democrats and their union allies to distinguish labor rights grounded in international worker solidarity from the reflexive xenophobia of the "America First" right wing.

Representative Tim Ryan, the Democratic nominee to replace retiring Ohio Senator Rob Portman, has shown a potential path in his recent [campaign ad](#), tweeting, "China is out-manufacturing us left and right and it's time we fight back." The subtle political double-entendre of "left and right" helps frame the bipartisan appeal of the China trade issue and also anticipates Democrats' challenge to the "populist" mantle of the Trumpian Right. This positionality aligns with the labor movement and its singular focus on workers' interests, as evidenced by the recent [LAC letter](#) on the tariff question. All of this shows there is a potential path for a progressive protectionism that is populist, as long as it is animated by class consciousness, not nationalism.

TRADE POLICY REAL POPULISM

Thus, while the two parties wrestle over China trade policy in pursuit of working class voters who are fed isolationist talking points over and over again about cheap Chinese imports and the export of American jobs, we can step back and ask: *Which Populism Will Prevail?*

That is, if progressive anti-globalism has enjoyed recent, measurable momentum, but is now faltering, then the instant challenge to the grassroots on the Left is to avoid ceding the field to the so-called populists of the Right, who were condemned in *Beyond NAFTA 2.0* as "right-wing, xenophobic, isolationist political movements promising a return to a mythical economic golden age."

Because trade policy reform crosses party lines, a section in *Partners in Crime* focused on "Populists" in which we surveyed conservative voices that oppose 'free trade' from Pat Buchanan, to Phyllis Schlafly, to Ross Per-

ot, to the Tea Party activists who were our strange bedfellows fighting the TPP. We quoted [Naomi Klein](#) with approval: “True populist movements always draw from both the left and the right.” That was then.

Now we are at a precipice, a crossroads. Progressive candidates must explain and proclaim our international populist opposition to the neo-liberal agenda of the corporate elites, which subordinates the aspirations of working families to the bottom lines of transnational capitalism. For the Democrats and the AFL-CIO, the mid-term election is a clear opportunity to engage the white working class swing voters who might otherwise be seduced by the nativist rhetoric of the GOP right-wing and, rather, mobilize working families at the grassroots level to vote their class interests in the global economy.

CODA: DISPATCH FOR PROGRESSIVE DEMOCRATS

“Dispatch” is the last item in any [good strategic plan](#), when we all agree to collaborative next steps to realize tactical objectives that are necessary to achieve our goals. The strategy we propose, based on the foregoing analysis, is two-fold. At a wholesale level, progressives must win rhetorically by globalizing the narrative that [Thomas Frank](#) remembers: “the real story of populism is an account of enlightenment and liberation; it is the story of American democracy itself.” At the retail level, the Labor movement and our Fair Trade coalition allies can mobilize volunteers and voters to elect candidates who sign a “Fair Trade Pledge.”

As the DNC and AFL-CIO are aware, only eleven of the thirty-two most vulnerable House incumbents represent districts in states that are also Senate battlegrounds – where the polls predict “toss-ups” and the margin of victory will be determined through strategic voter targeting and get-out-the-vote programs. Those districts are AZ-02 (Flagstaff), AZ-04 (Phoenix), GA-02 (Columbus), NH-01 (Manchester), NV-01/03/04 (all Las Vegas), OH-09 (Toledo), PA-06 (Philadelphia suburbs), PA-07 (Allentown) and PA-08 (Scranton).

These are the communities where the progressive coalitions that we described in *Partners in Crime*, led by Labor, can prove the argument we posed in the Introduction – if those networks are organized at the grassroots level. Campaign materials will be straightforward, with perhaps less emphasis on [bird-dogging and townhalls](#) and more focus on swing voters, especially among blue-collar demographics that the other side is also

targeting, before the mail-in ballots start dropping in the fall. With a good strategy and volunteer-driven implementation, on November 8th we will elect Fair Trade candidates to maintain our momentum and build in the 118th Congress and beyond.

If successful, this will be the story of the mid-term election.

[Mike Dolan is an organizer](#)

RELATED





Articles June 2022

Solidarity Cities: Learning from Housing Movements in Barcelona and NYC



Articles June 2022

The Quest for Space: Entirely out of Public View

Johannes Streeck



Publications May 2022

The Successes and Shortcomings of Occupy, 10 Years Later

Jenny Stanley



Janet Abou Elias



Julia Auf dem Brinke



Alexander Bertschi
Wrigley



Sasha Bhatnagar



Francesco Buscemi



Jordan Cohen



Gonzalo Croci



Devin EntriKin



Ryan Fletcher



Carter Goodwin



Robyn Harris



Hanna Homestead



Matt Korda



Alexandra Kuimova



Yanitra Kumaraguru



Xiaodon Liang



Charlie Linney



Sigrid Lipott



Gabriel Mondragón
Toledo



Erica Mumford



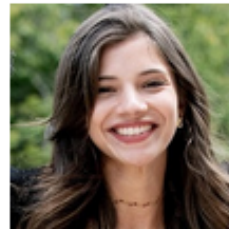
Osebhahiemen
Okooboh



Hannah Papachristidis



Michael Picard



Aline Shaban



Olena Shumska



Articles Apr. 2022

Emerging Experts of the Forum on the Arms Trade

Rosa Luxemburg was a radical leftist—a crime punishable by death in her occupied Polish homeland and cause for constant persecution in her adopted home of Germany. She left and continues to leave no room for indifference. She lived out her convictions loudly and without compromise. With human warmth and an intoxicating temperament, she was able to win over many people who accepted her without prejudice. Those who did not see her as an equal, however, responded with fear.

[Learn More](#)

Tweets by [@rosaluxnyc](#)

Rosa Luxemburg NYC Retweeted



Paul Chislett

[@paul_chislett](#)

"Damjanov deems companies like [@SpaceX](#) to represent a “state-funded private sector,” which will ultimately prove to be even more dangerous to the ideal of space as an open place than the effort of

Home

About

[Rosa Luxemburg Stiftung](#)

[Our Mission](#)

[Team](#)

[Global Network](#)

[Rosa Luxemburg](#)

[Contact Us](#)

Our Work

[Global Solidarity](#)

[Transatlantic Left Voices](#)

[Climate Justice](#)

[History from Below](#)

[United Nations](#)

Publications

[Publications](#)

[Articles](#)

[Multimedia](#)

Events

Privacy Policy

275 Madison Ave., #2114
New York, NY 10016
United States

info.nyc@rosalux.org

©2020 Rosa Luxemburg