ACCOUNTABILITY AND INTERNATIONALIZATION


Graham K Wilson
La Follette Institute for Public Policy
University of Wisconsin-Madison

Accountability and Internationalization

Democracy and the nation state developed together; they are both products of what has been termed “the long nineteenth century.” Although there may have been a few precocious exceptions such as England[1], it is generally agreed that nationalism developed in Europe in the nineteenth century after the French Revolution. The long nineteenth century witnessed the creation of nation states such as Germany and Italy and concomitantly the decline of the multi ethnic European Empires such as Austria Hungary and Turkey. aided if not caused by factors such as the spread of print journalism[2], conscription for the armed forces, and universal education[3]. The nineteenth century also witnessed the development of democracy. By the end of the nineteenth century the process of expanding the suffrage was well advanced in the United States, France and Britain though women in all countries and African Americans in the US were still denied the vote. Even in countries that are not typically classified as democracies at that period such as Germany, representative institutions had taken root.

The relationship between these two developments is of course complex. Greenfeld suggests that development of English nationalism is indeed linked to the development of democracy in that country; the sense that the nation was the embodiment of the English people made it harder to resist calls that those people, not their monarch, should govern their nation. The French Revolution advanced both the ideas of popular sovereignty and the idea of the nation state. The experience of other countries, however, such as Germany and Italy reminds that there is no necessary relationship between nationalism and democracy. In our own time, we have come to think of nationalism as antagonistic to democracy as demagogues (for example in Serbia) use nationalism to fend off
pressures for democratization.

Yet if nationalism has existed without democracy, modern democracy has not existed without a notion of the nation state. Given what is at least an historical contingency linking the emergence of democracy and the emergence of the modern nation state, those who have sort to advance popular sovereignty have always done so within the framework of the nation state. The nation state took on a particular significance for social democrats (and, one might add, reform liberals whose agenda of social reform was close that of the social democrats.)

Many have seen here an irony given that social democrats and progressive liberals were generally committed rhetorically to an internationalist position. The agenda of social democrats can summarized as a struggle to capture democratically the institutions of the nation state in order to advance goals such equality and social security. Social democrats therefore needed a powerful nation state. It was the power nation state that social democrats would use to overcome the inegalitarian tendencies of markets. Historians have noted the tendency of social democrats to defend the autonomy nation state against, for example, multi national organizations such as the European Union: social democrats in Germany as well as Britain were deeply suspicious of the EEC and were mostly hostile to attempts to develop a united Europe. Earlier this century, social democrats in Germany and Britain had generally acquiesced in, or indeed supported, mobilization for the First World War. Commentators have generally, and understandably, mocked this victory of nationalism over socialist ideology. It is less frequently noted, however, that the practice of social democracy presumes a strong state, and that supporting the state is not therefore as incoherent a position for social democrats as is often supposed.

If social democrats aspired to use the institutions of the nation state to counteract economic forces, it is not surprising that they should be disturbed by threats to the power of the nation state. In the 1990s, many on the left have expressed profound alarm about the possibility that the forces of globalization will strip away from nation states the capacity to adopt laws that advantage workers over capitalists, consumers and environmentalists over corporations. Opposition to joining the EU in Norway, the NAFTA in the USA, Canada and Mexico and the successful campaign against an international treaty on the rights of investors are all examples of the defense of national sovereignty[4] by those on the left who see in it their best hope of resisting and defeating global economic forces.
Globalization is often used to refer to any international influence or force operating on public policy or an economy\[5\]. Globalization did not happen in a vacuum without reference to the policies of national governments. The growth in world trade and capital movements are both linked to the policies of nation states; if nation states had not cooperated to reduce tariffs to close to zero and had not more or less eliminated controls on capital flows, globalization would not have been a powerful force.

Even if globalization is itself at least in part the product of national policies, it is still worth distinguishing it, however, from internationalization. Globalization is a set of influences and circumstances that once put in place subordinate the governments of and economies of nation states to economic and cultural forces that over ride national boundaries. Internationalization is the deliberate transfer of authority to an organization or body that nation states entrust with a range of tasks but that typically involves either the direct involvement of nation states in the making of policy decisions or the actions of international officials taken under a delegation of authority by member states. These delegations of authority can be quite narrow or specific. The regulation of aspects of fishing, shipping or air transport are cases in point. Interpol has been careful to limit the range of crimes that it seeks to combat. The transfer of authority can also be quite extensive, however. The World Trade Organization’s power to decide that a nation is breaching international trade law potentially involves reviewing an enormous range of public policy covering environmental and consumer protection regulations that could be interpreted as non-tariff barriers (NTBs.\[6\]) The European Union has such wide ranging responsibilities and tasks that it comes close to having the character of a nation state. European Union legislation can cover environmental and consumer protection, anything that bears on the free movement of capital and labor, agricultural policy and, since the Treaty of Maastricht, measures to combat crime.

International organizations seem to raise fewer problems than globalization for nation states. In the case of globalization, once the gini is out of the bottle, the power of nation states is reduced. Nation states may have caused or created globalization, but once globalization is under way, their capacity to make policy autonomously is undermined. Internationalization, however, seems to involve less of a reduction in the sovereignty of nations. While nation states may in practice have little option to leave some international organizations (such as the EU), there are others (such as the International Whaling Commission) from which exit is a real possibility. More frequently, international organizations such as the EU do provide member states with the opportunity to be
involved in policy making up to and including the all night bargaining sessions for which the EU is famous. If member states assent to a policy, there is, in contrast to the consequences of the disembodied forces of globalization no problem of legitimacy. Indeed, in so far as we talking about nations that are democracies, there are no problems of accountability, either. The governments of the member nations are accountable for their policies to their electorates and this accountability should include policies that they negotiate in international organizations. Indeed, international organizations can be seen as the means for saving nation states form powerlessness. By pooling sovereignty, nation states are better able to control international forces that would otherwise reduce attenuate their capacity. The EU provides for the “rescue of the European nation state”[7] not its demise precisely because the EU is large and powerful enough to control international forces. Corporations may threaten plausibly to refuse to invest in a single country that adopts stringent regulations to protect workers or the environment. It is much less plausible for corporations to threaten to boycott an entire continent. One response to globalization on the left has been to support the growth of regional organizations such as the EU as means of reducing the gains from globalization that capital would otherwise enjoy. The change in attitude to the EU in the British Labour party, for example, was caused partly by this approach.

Yet internationalization does indeed change the nature of the policy making process. Several changes are important to consider.

First, internationalization changes the participants in the policy process. Foreign representation is far from being the monopoly of the diplomatic service; large numbers of government agencies are involved in overseas representation these days. However, the fact remains that diplomatic services continue to play an important role in the coordination of representation even within the EU, where links between equivalent departments from different member states are strong. Diplomats continue to dominate the most strategic decision making bodies such as COREPER, the committee of permanent representatives that settles many contentious issues. The EU also illustrates the fact that nation states need to coordinate strategies for handling and prioritizing the numerous negotiations and disputes that are occurring simultaneously. The mechanisms member states establish for coordinating the handling of different issues inevitably bring a range of actors – diplomats, heads of government and their staffs, cabinet committees -- into policy areas once characterized by more specialist policy networks.

Second, the ubiquity of bargaining clouds accountability. Bargaining clouds accountability in two
ways. First, it is generally all but impossible to tell whether or not the best bargain possible has been attained. Bargaining usually takes place in secret. After an agreement is reached it will be “spun” to the maximum advantage for every government leader. Agreements will be hailed as ‘a great bargain for Britain/France/Germany’ but if reflection suggests that the bargain is not all that good, it will be too late to do anything about the issue. Second, bargaining internationally generally crosses issue areas: I give up my fish for greater cooperation from you on air transport policy. To the extent that our forms of accountability are specific to particular policy areas (Congressional committees, ministerial accountability to parliaments et cetera), cross policy area bargaining fits ill with lines of accountability.

Third, international policy making raises the bar for interest group participation thus raising the barrier to entry for interests groups and increasing problems in achieving pluralism. It is noted frequently that many interest groups, particularly public interest groups, have difficulty meeting the expenses of operating in national capitals. Indeed, exactly how public interest groups manage to obtain necessary funding has been a matter of some controversy in the interest group literature over the relative importance of member contributions, government grants and foundation awards. There is little debate, however about the fact that public interest groups struggle for enough resources to be effective actors at the national level. The costs of operating internationally are of course even greater. Opening an office in Geneva to monitor the work of the World Trade Organization (WTO) is a daunting expense for an interest group that can barely afford to keep one open in Washington.

Fourth, international organizations have a policy bias that may affect the outcome of debate. International organizations are not neutral structures that give equal weight to all policy considerations but are rather set up with particular purposes in view and with a predisposition to promote certain values. The WTO, for example, was established to liberalize trade. Its objectives, personnel and the values they share are all predisposed towards liberalizing trade. When the WTO hears complaints that environmental laws are non tariff barriers to trade the organization is more used to thinking about barriers to trade and how to remove them than about protecting dolphins or sea turtles. Similarly, international environmental organizations might be less adept at thinking of issues of employment and growth than of environmental issues with which they are familiar.

Fifth, international bargaining may provide national leaders with the opportunity for using the
screen of international negotiations to make changes in domestic policy that would have wished to maker otherwise but lacked the political strength to achieve. This may sound very conspiratorial, but there are real world examples. One of the most interesting concerns the run up to the implementation of the Treaty of Maastricht and the introduction of the EMU. Italy’s governing groups that had long wanted to contain domestic expenditures and inflation used the opportunity of the targets for government expenditures included in the treaty at the request of Germany to compel a revision of the budget more drastic than anyone had imagined the Italian political system could achieve.[8]

We have long been aware of the tension between international and domestic politics that has been described by Putnam using the analogy of two level games.[9] Government leaders must play simultaneously an international game with each other (for example, in negotiations) and a domestic political game in which they must calculate what measures or policies they can secure in the face of possible challenges from the usual political actors with whom they interact such as legislatures, interest groups, parties and voters. It is obvious that some policies may be viable at one level but not the other. It is less obvious how the two games affect each other. Somewhat counter intuitively, it has been generally agreed that a weak government that faces severe difficulty in winning at the domestic level may fare better in international negotiations than a strong government; other government will know that there is little point in holding it to a hard bargain because its capacity to have a hard bargain adopted domestically may be minimal.

Important and helpful as Putnam’s “two level game” formulation is, it does not capture every aspect of internationalization. In particular, it fails to capture the degree to which processes of internationalization cut across or coincide with policy networks or communities as well crossing national boundaries. Internationalization does not always pit neatly an international political context against a domestic, but rather may pit combinations of international and domestic actors against each other. Farmers organizations in the EU, for example, are likely to ally with each other and elements of the EU bureaucracy and leaders of some nation states against other national leaders, finance ministries and trade oriented interests who wish to cut subsidies and accept American demands for freer trade in agriculture. Human rights activists supported by some politicians form links across national boundaries to seek freedom in Myanmar or, in the past in South Africa.[10] Corporations with an economic stake in trading with these countries unite with sympathetic politicians and bureaucrats to oppose “mixing trade with
politics.” Such struggles are not new. As Hugh Thomas has described, free traders such as Cobden argued against the use of the British navy to suppress the slave trade. Free African Americans and humanitarian organizations urged British leaders such as Palmerston to continue to attack slave traders even when these attacks violated national sovereignty and international law. [11] Yet as internationalization grows, conflicts between transnational alliances become more common. In recent fascinating court cases, the EU supported by transnational corporations and the US State Department has sought to have US courts declare illegal the adoption by American cities and states of policies that punish corporations for having commercial links with nations whose policies are regarded as unacceptable. Naturally the EU has been opposed not only by those cities and states but by internationally oriented human rights organizations that promote the adoption of such policies.

Consequences of Internationalization: Qui Bono?

We might suppose from the preceding discussion that internationalization is always to the disadvantage of groups such as environmentalists and labour unions and correspondingly to the advantage of corporations. Such fears are indeed often expressed by public interest group leaders who see their prospects for success at the national level ruined by the internationalization of a policy issue. Their fears are sometimes linked to the more amorphous pressures of globalization which are not discussed in this paper but which, as noted above, by promoting the free movement of goods and capital, might encourage a “race to the bottom” as nation states compete for investment by lowering taxes and easing regulations that business dislikes. Fears of internationalization are not limited, however, to fears of globalization but may also include the concerns that we have discussed above.

A striking feature of internationalization, however, is that just as in domestic politics,[12] business does not in fact always win; public interest groups and labour do not always lose. The ruling against the USA in the “tuna/dolphin” case brought under GATT by Latin American nations prevented by the Marine Mammal Protection Act from exporting tuna to the United States by the that had not been caught in a “dolphin friendly” manner is often cited by public interest groups such as the Nader organizations as proof of the biases of
internationalization against them. The slogan “GATTzilla versus Flipper” evoked the dangers of a world in which international organizations undermined domestic environmental gains. In fact, GATT did not succeed in compelling a straightforward repeal of an American law; Congress modified the law only after a coalition of five US environmental organizations had negotiated a settlement in which the Latin American nations agreed to more dolphin friendly fishing techniques in return for the support of the groups in securing a change to the law that would give them access to the US market. American businesses were dismayed by the agreement that was signed in Kyoto to restrict emissions of gases that contribute to global warming. There was no doubt that many US corporations and industries regarded Kyoto as a substantial defeat. David Vogel has argued more generally that internationalization results more commonly in a “trading up” of standards in which nations converge on the highest or best practices, not in a race to the bottom.[13]

Why, in the face of all the disadvantages that face public interest groups and labour, do they sometimes win at the international level? A variety of mechanisms are involved.

First, as Vogel has[14] argued, countries with the best practices have a compelling interest in obliging competitors to comply with the same cost increasing regulations. In what Vogel calls the “California effect” manufacturers in states that obliges them to adopt costly scrubbers on smokestacks or similar environmental measures have an interest in avoiding losing out in competitive markets to manufacturers in states that do not adopt such laws; the name for this effect derives from the fact that California generally has higher standards than other states. Similarly, in international commerce countries such as Germany or the USA with high but costly environmental laws have an interest in imposing similar costs on competitors elsewhere.

Vogel noted the crucial role played in his argument by the strength of environmental movements in Germany and the US. One obvious theoretical possibility is that the United States and Germany might seize the opportunity provided by international negotiations to lower their environmental standards. It is domestic politics that makes this theoretical possibility infeasible. Vogel’s formulation was too general, however, treating nations as theoretically equal in international politics when they manifestly are not. The United States is the hegemonic power in the world, the only surviving super power and the vital force behind many international organizations. It is commonly remarked that international military action is unlikely without the active involvement of the US (Kosovo) or at least quiet logistical and moral support (East Timor.) Yet this American dominance is
not limited to the military sphere. It is highly unlikely that much progress could be made by the WTO, for example, without American support. Further trade liberalization since the Uruguay Round has not occurred because of the absence of American leadership. When international organizations decide against the United States, the result is as likely to be embarrassment for the organization as compliance. The United States has yet to comply with a WTO ruling against its ban on shrimp imports from countries that failed to protect sea turtles adequately. The European Union was persuaded not to pursue a case in the WTO against American laws such as Helms Burton that seek to regulate trade with Cuba by non American corporations on the grounds that the only result of winning such a case would be to damage the credibility of the WTO; the United States would simply ignore the ruling. More or less the only power that other nations have over the United States in bodies such as the WTO is to point out that American non compliance weakens an organization that the United States fostered as a means of promoting its general policy of trade liberalization.

It is therefore particularly important to consider not how the domestic politics of any nation interacts with internationalization but with how American domestic politics interacts with internationalization. The world may have always had a hegemonic power (at least during eras of relative international stability.) However, the United States is a very unusual hegemon, and several aspects of its political system that are unusual for a hegemon are worth noting.

First, its political system is unusually open to observation and to pressure. Hegemons are often thought to be able to act to stabilize the international system, relatively free from domestic oversight and domestic constraint. Although the growth of the presidency during the long crisis of the Second World War and the Cold War changed the situation somewhat, American institutions have rarely afforded policy makers much secrecy or autonomy; even the “secret” bombing of Cambodia by Nixon was not secret for long and in the period since Vietnam, presidents are rarely taken on trust when they say that the United States should take decisive action. some issues are more likely than others to arouse unusually strong feelings in the United States. American policy is also conspicuously open to contestation by a wide range of interests. We have already mentioned the activities of human rights groups. Corporations are much better endowed with resources and do not hesitate to deploy them in Washington. Even foreign countries such as Canada and Mexico supplement diplomacy with hired lobbyists.
A second way in which the interaction of internationalization with American domestic politics is important is that inevitably some groups are much better organized in the United States and more likely to exert leverage they are than in other countries. Groups representing environmentalists are, as Vogel noted, unusually strong in the USA. So are groups representing feminists and certain ethnic groups such as people of Cuban and Irish ancestry. Conversely, other groups are somewhat weaker. For example, concerns about the working conditions and pay of workers in industries supplying the United States with textiles and apparel were slow to develop and did so only partly by being linked to concerns such as the treatment of women that were better established in the US. So long as labour issues were associated only with the relatively weak labour unions of the USA, the issue made little headway.

The third aspect of the American political system with international implications is that many interest groups and political coalitions are able to block policies with which they disagree. The political system provides numerous veto points and the costs of mobilizing to use them are relatively low. We have already encountered the example of the tuna/dolphin ruling in which although the Latin American countries won their case before GATT they were obliged to accept a compromise deal with American domestic environmental groups; environmentalists were able to prevent Congress repealing the Marine Mammal Protection Act because of the support they had there, particularly in the Senate. So called “right to life” groups have been able to block the funding of international organizations that provide information about abortion.

One possible consequence of these features of United States as hegemon is to strengthen a propensity that may already be present for cultural reasons in American foreign policy to favor a highly institutionalized world environment. Given the difficulty that American policy makers may experience in securing approval for specific policy decisions, it may be wiser for American policy makers to seek to create an institutional framework that will reduce the opportunities for domestic actors to exert leverage. Comprehensive policy deals such as the Uruguay Round of GATT and NAFTA both redefine issues into more general principles such as free trade that reduce the power of narrow interests to win their case and establish international institutions that in theory can resolve numerous issues in the future.

Yet although American domestic politics and institutions are of particular importance to the development and operation of international organizations, the domestic politics of other countries are also significant. Indeed,
one reasons why transnational corporations can lose internationally is that their opponents are able to “forum shop” too. Environmental groups unable to challenge a corporation effectively in one country may be able to do so in another. A fascinating example was the Brent Spar case. Shell wished to dispose of an oil storage unit that had reached the end of its working life by towing it into deep waters and sinking it. The corporation persuaded the British government, then led by John Major, that this was the most ecological option available. The British government gave its approval (Brent Spar was in the British zone of the North Sea) and Major even defended the decision against strong criticism from other government leaders, particularly Chancellor Kohl of Germany, at EU meetings. Shell having triumphed was forced to retreat, however, in the face of strong protests and a boycott of its petrol stations in Germany and the Netherlands.[15] The moral of the story is that transnational corporations must consider their political vulnerability not only where they are head quartered but in every country in which they have significant interests.

The most obvious reason why apparently weak interest might fare surprisingly well in international settings is that it is at least sometimes more advantageous for national leaders to lie than to be unpopular. Consider the case of a leader who takes a strong stand on a policy issue at an international meeting because a proposal is poor public policy. It is highly likely that media coverage of the issue will be highly simplified and will risk losing votes at home. Vice President Gore had no intention of returning from Kyoto with the television news proclaiming that the former environmentalist had blocked international agreement on greenhouse gases. It is far wiser for national leaders to sign international agreements that they know will not be enforced than to court unpopularity by taking a strong stand. The Italian government has often voted for regulations within the EU that it has neither the will nor the capacity to enforce. Yet to vote against the regulations would merely invite the sort of criticism lavished on the British in the past.

Finally, international organizations may themselves be part of epistemic communities of like minded people.[16] This is all the likelier given that international organizations tend to be composed of specialists who may share a common training, background and concept of what makes for good public policy. Notions of what is best current practice are likely to be seen in these contexts as obviously desirable practices without interference from central administrative units such as budget or finance ministries that might take the view that the policy, though desirable, is too expensive to be adopted. Indeed, in an international epistemic community there
may be a significant fear of embarrassment in arguing for a policy that is below the best current practice. A fear of seeming backward may propel national leaders forwards.

**Internationalization and Accountability**

It is clear that internationalization raises problems for democratic accountability. As we have seen, international policy making is frequently secretive, concerned with highly complex technical issues, dependent largely on inter state bargaining for settling major issues and almost never open to review by legislatures or other representative bodies. (The fact that the United States Congress is an exception is another testimony to the advantages of American hegemony.)

Yes it is also important to bear in mind that internationalization, whatever its imperfections, is more conducive to democratic accountability than is globalization. Globalization is a process that has been unleashed at least in part by the decisions of democratically accountable politicians, the politicians who abolished capital controls, lowered tariffs and took other measures that made freer movement of goods and capital possible. However, once unleashed, globalization is a set of forces that politicians cannot contain. Internationalization, however, retains an element of political decision, though admittedly that decision is often constrained. The European leaders decide to maintain or change the Common Agricultural Policy (CAP) they may or may not be making a wise decision, but they are making a decision for which they can be held accountable. When central banks raise interest rates to stabilize their currency on the foreign exchanges, they are merely bowing to the inevitable. Even public interest groups have been able to gain access to international organizations. Using their leverage in the United States, public interest groups have been able to compel the World trade Organization to allow them to file briefs in cases with environmental implications and to open a dialogue with them on balancing trade and environmental protection. The EU and the United Nations have more institutionalized procedures for consulting with non profit organizations and public interest groups.

We must also be wary of comparing accountability in international policy making with an idealized picture of accountability in domestic policymaking. Accountability is, as we all know, problematic in familiar domestic policy areas. Many important economic issues are decided behind the scenes; the degree to which politicians
accept accountability in practice even in those systems that seem to provide for very clear lines of accountability such as the British is limited.

It may be worth closing with three hopeful points. First, internationalization may actually increase domestic accountability by disrupting closed and unrepresentative policy communities. The need to bargain internationally drags spending decisions out of obscurity (as in policy making on agricultural subsidies and into the light. Just as budget scarcity can overcome the insulation of policy communities because scarce resources are at stake, so can the need to use scarce diplomatic capital in international bargaining. The need to bargain internationally over a policy might prompt reconsideration of its value.

Second, even if it is hard to achieve accountability through international bargaining at the time that agreements are being made, political leaders may still be subject to some democratic accountability for those decisions subsequently. Students of voting behaviour peg many of their hopes for accountability on retrospective voting in which a governing party is punished or rewarded for its past performance, not its promises. Retrospective voting may be hard to achieve in regard to international negotiations on subjects that are regarded by most voters as arcane, much less related to their lives than, for example the state of the economy. None the less, this may be the best that can be achieved in terms of direct accountability to voters.

Third, a wide variety of organizations called by a variety of names non governmental organizations, civil society, or, as I prefer, interest groups, have shown tremendous vitality and effectiveness on issues ranging from the treatment of political prisoners to the protection of the rain forests. Interest groups concerned with international organizations – the EU, the WTO or with issues such as human rights are fast improving their ties to both these organizations and each other. Humanitarian interest groups such as British and American abolitionists were surprisingly successful at maintaining contacts with each other in the nineteenth century. Though we invoke technological developments such as the fax, the jet plane and the internet some what too readily as influences on modern life, there can surely be little doubt that the reduction in the costs of communication that such developments have caused increases the opportunity for public interest groups to influence the results of internationalization.

Internationalization, in short, does pose problems for accountability. those problems are not
necessarily insuperable, however, and internationalization may be better for democratic accountability than its cousin, globalization.

[2] Benedict Anderson Imagined Communities
[8] I ma indebted to Alberta Sbragia for this point. See her forthcoming contribution to a symposium on globalization in Governance in 2000.
[15] Peter Haas “introduction: Epistemic Communities and International policy Coordination” in Knowledge,
Power and International policy Coordination special issue of International Organization 46 (Winter 1992) 1-36.