Centro de Estudios
y Programas
Interamericanos

INSTITUTO TECNOLÓGICO
AUTÓNOMO DE MÉXICO (ITAM)
Río Hondo 1
Colonia Progreso Tizapán
Delegación Álvaro Obregón
México, D.F. 01080
México

Teléfono: +52 55 5628 3926
Fax: +52 55 -5628 4092
Correo: interamericanos@itam.mx

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# The Dynamics of 'Linkage': The Economic-Security Nexus in US Trade Policy

Nicola Phillips

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Nicola Phillips
nicola.phillips@manchester.ac.uk

University of Manchester, UK

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Contemporary developments in world politics appear to have created an unusually fertile environment for academic fads. The important changes arising from the particular orientation of the George W. Bush administration in the United States and from the impact of 11 September 2001 have generated a widespread anxiety to proclaim 'newness' – to understand what is seen to be a fundamentally 'new' world order with a 'new' form and deployment of US power within it. In this light, such new or reshaped concepts as unilateralism, pre-emption, terrorism, security and, most of all, empire have spawned an already huge literature. The tendency to posit 'newness' has also imbued a set of emerging contentions about political economy, which can be summarised in the argument that the economic engagement of the US in the world is marked by a qualitatively new approach centring on a process of 'securitisation', in which foreign economic policy, particularly trade policy, is deemed to be hijacked and fundamentally reordered by overarching security-related priorities and interests. It is scrutinising and, ultimately, rejecting this latter contention that is my aim in this paper. I contend that such an approach fundamentally misrepresents the substance of contemporary US foreign economic policy, the political environment in which it is articulated and the process by which it is made.

My argument is emphatically not that a nexus between economic and security policy does not exist or is not important; rather, it has always existed and has always been made explicit, both by US state and government actors and by scholars, in the notion of 'linkage politics'. Nor is it my argument that there is nothing new about the ways in which that nexus has been articulated by the Bush administration in a post-9/11 context. Rather, my central arguments here are three-fold. First, I suggest that, *in the same manner as under previous administrations*, the economic-security nexus has taken a distinctive form dictated by both the particular nature and the extent of security concerns at a given time, the condition of global and regional economic processes, and, to an extent, the particular inclinations of different administrations. Second, I argue that there is far more continuity in the contours of trade and foreign economic policy and the processes by which they are made than a thesis of securitisation and its attendant propositions permit us to recognise. Third, I demonstrate that a securitisation approach suggests a degree of systematic strategic design and coherence that has never been, and is not, characteristic of the foreign economic policy making process in the US.

The securitisation thesis can also be challenged on the grounds that US foreign economic strategies are, and always have been, driven by a range of other factors and objectives that are inadequately captured by much of the rather breathless post-9/11 re-evaluation of both world politics and the place of the US within them. In order to put forward a fuller account and explanation of the evolution of contemporary strategies, the second part of the paper addresses three key issues which, I suggest, are obscured by an emphasis on securitisation. These are (a) the form of '*ad hoc* reactivism', to use Richard Feinberg's (2003) apposite formulation, which has always pervaded trade policy making in the US and remains the hallmark of contemporary trade strategies; (b) a set of commercial and, moreover, wider economic goals designed to entrench the interests of US investors at the heart of a liberal economic order; and (c) a set of goals associated with competition for regional leadership, particularly in Asia-Pacific and the Americas, which cannot meaningfully be subsumed into notions of 'security'. A further factor, which permeates all three of these considerations, concerns the range of political, institutional and electoral political forces that shape foreign economic policy and the process by which it is made. These reveal (and permit) little in the way of the significant alteration of the 'normal' politics and processes of policy making which, as we will see in more detail shortly, are central to the concept of securitisation. I argue, on these bases, that neither the political economy of trade nor the gamut of US foreign economic policies can fully or usefully be captured within a securitisation framework.

The paper, then, proceeds in two stages. The early pages are devoted to an overview of the recent evolution of US foreign economic policies, and a sketch of what

Robert Zoellick, the United States Trade Representative (USTR) under the first administration of George W. Bush, elaborated as the 'credo' of its trade policy. The second part of the paper seeks to advance a framework for understanding these shifts, rejecting a notion of securitisation in favour of a more nuanced and historically-sensitive interpretation of linkage politics and a fuller picture of the complex forces shaping the evolution of foreign economic strategies.

## The evolution of US foreign economic policy

Since the late 1980s, US foreign economic policies have been marked by a series of important, inter-connected shifts. Throughout the post-war period, the international engagement of the US was marked by a distinctive and largely exclusive preference for multilateralism. In trade, successive US administrations consistently eschewed other modes of negotiating the construction of a (neo)liberal world order, most obviously those regional and regionalist strategies spearheaded by the European Union (EU). Bilateralist streaks were evident in post-war trade strategies, but were limited to a collection of policy instruments that were deployed in bilateral trade relationships – such as voluntary export restraints (VERs) and such trade remedies as Section 301 and later Super 301, along with bilateral arrangements in single issue areas such as intellectual property – rather than constituting encompassing bilateral trade agreements. Global economic liberalisation, for the US, remained encapsulated within a strong preference for the multilateral, rather than regional or bilateral, negotiating arena. At the same time, the historically close links between US economic strategies and multilateralism have consistently been characterised by a fundamental ambivalence in the attitudes of both government and public opinion to multilateral institutions and the rules these institutions have established, even though these rules have been developed largely under US impetus (Luck 1999). While the US has exercised structural dominance within the institutions of the world trading system, as in the international financial organisations, nevertheless its record of compliance with multilateral trade rules and procedures has been an increasingly unhappy one, particularly since the 1980s (Tussie 1998; Bergsten 2002). As the dynamism and effectiveness of multilateral trade negotiations have also declined, especially since the conclusion of the Uruguay Round, so US frustration with their ponderous and leaden-footed progress has increased. At the same time, its political dominance of the process has been complicated by increasingly fractious relations with both the EU and developing countries (Finger and Nogués 2002; Panagariya 2002; Narlikar 2003). The result of these trends has been a much greater inclination on the part of successive US governments to explore other avenues and arenas for advancing global trade liberalisation.

The turn to regionalism in the late 1980s and early 1990s – with the North American Free Trade Agreement (NAFTA), the Enterprise for the Americas Initiative (EAI) and subsequently the Free Trade Area of the Americas (FTAA) project, and extending to Asia-Pacific in the form of the Asia-Pacific Economic Cooperation forum (APEC) and the ASEAN Regional Forum (ARF) – must, in this sense, be understood as arising from a growing disaffection in the US with the progress of multilateral negotiations and, moreover, the growing political problems encountered in realising the *particular* vision of a multilateral trading order that animated US engagement in it. It was also a product of two other preoccupations. The first was that associated with perceptions within the US of a steady erosion of its global hegemony. The 'declinist' debates became prevalent from the 1970s onwards, and were epitomised by anxious concern about the apparently superior growth performances of Japanese and German capitalisms and, in particular, the associated 'threat' to the US emanating from the Japanese economy. The question of whether this was a process of actual hegemonic decline (Payne 1996) or a more conjunctural set of *perceptions* of it which proved ultimately to be unfounded (Cox 2001) is, for present purposes, secondary to the point that regionalism became incorporated into the global hegemonic strategies of the US largely as an attempt to counter the perceived threats to its economic dominance emerging from other regions and other powerful economies.

The second and related preoccupation was one which achieved particular salience towards the end of the 1990s, and is still deployed frequently in speeches by trade policy makers and others as grist to the new regionalist mill – namely, that in the negotiation of regional and bilateral trade agreements the US has consistently been, and remains, behind the curve. Echoed widely in political discourse, public commentary and congressional hearings on the matter (US House of Representatives 2001), Zoellick has frequently observed that the US has been 'falling behind' the rest of the world and, moreover, its major competitors and partners:

> … While the United States stepped aside, others moved ahead. The European Union now has 27 bilateral free trade and customs agreements, 20 of which it negotiated in the course of the 1990s, and the EU is in the process of negotiating 15 more. After NAFTA, Mexico sped past the United States to negotiate eight free trade agreements with 32 countries. Even Japan has been working on a free trade agreement with Singapore and is exploring options with Canada, Mexico, Korea and Chile. There are over 130 free trade agreements in the world; the United States is party to only two. There are 30 free trade agreements in the Western hemisphere; the United States belongs to only one (Zoellick 2001a).

The call was thus for 'prompt action' and favourable legislative disposition in order to 'clear the way for America's international trade leadership and economic interests' (Zoellick 2002a). The thinking resulting from this conjunction of concerns does not signify a retraction of a *ceteris paribus* preference for multilateral trade negotiations. But what it does indicate is that, since the late 1980s, there has been a sustained expansion of the armoury of trade policy instruments and arenas in which trade liberalisation is negotiated. We will come to a more detailed discussion of the driving and conditioning forces behind trade strategies, but for now the above serves to demonstrate a crucial point: that the Bush administration's trade policy represents a continuation, extension and acceleration of many longer-term trends in foreign economic policy that had revealed themselves since the 1970s.

This said, from 2000 onwards the strategy of negotiation on 'multiple fronts' was elevated to the status of policy 'credo' by the USTR (Zoellick 2003a), and this itself was facilitated by key changes in the political climate within which trade policy is made. The unavailability to the Clinton administration of fast-track negotiating authority, after it expired in 1994 and its renewal was refused by Congress in 1998, was crucial to the relatively scanty number of trade agreements negotiated over the 1990s, and indeed to the overall lack of defining political leadership that was characteristic of most of the ongoing trade projects in which the US was involved, notably the FTAA process. This absence of institutional and legislative hoists to the trade negotiations process was redressed early in the Bush administration in the granting, under the Trade Act of 2002, of what by then had been re-named Trade Promotion Authority (TPA). In this incarnation, however, TPA was marked by an increase in congressional input and powers of scrutiny, and as such by an enhancement of historically substantial congressional involvement in the trade policy making process. At the same time, it contained a raft of concessions to 'sensitive' domestic economic interests, such that protectionist pressures are scorched into the substance of trade negotiations from the very start. Inasmuch as TPA sets the parameters for US trade negotiators, from the outset the negotiating terrain is structurally skewed towards US interests and the framework for the negotiations is infused with distinctively US policy priorities (Phillips, forthcoming). Yet TPA did facilitate the resumption of aggressive dynamism in US trade policy that had been lacking under the preceding Clinton administration.

This, then, was the context within which the credo of achieving a 'competition in liberalisation' was elaborated. This connoted an advance towards the negotiation of trade agreements on 'multiple fronts' – multilateral, regional and bilateral – designed to place the US 'at the center of a network of initiatives' (Zoellick 2001a). The rationale was that such a strategy 'provides leverage for openness in all negotiations, establishes models of success that can be used on many fronts, and develops a fresh political dynamic that puts free trade on the offensive' (USTR 2004: 1). The element of 'competition' relates to the attempt to create what has been called a 'spiral of precedents' (VanGrasstek 2000) in which, with each successive trade agreement, the baseline requirements for subsequent agreements are ratcheted up, along with the incentives for trading partners to negotiate with the US distinctively *on its terms*. The trade policy credo, in other words, accelerates the momentum of global liberalisation by increasing the incentives for countries to negotiate bilateral trade agreements with the US, designed sequentially to raise the bar for subsequent negotiations. Given, as we will see in detail later in the paper, that the selection of countries for these negotiations is primarily reactive in nature – it is the country (or group of countries) aspiring to a trade agreement with the US which is required, in the first instance, to make its case for consideration – the expectation among US trade policy makers is that a competition among countries will consequently emerge to provide the most attractive set of incentives for the initiation of negotiations. By extension, as the dynamism in world trade shifts to bilateral negotiations, it is a distinctively US trade agenda which is thereby facilitated as the foundation for this new playing field.

The manner in which this strategy has evolved and been deployed has been conditioned by key shifts in multilateral and regional trade politics. Most notable among these have been the gradual implosion of World Trade Organization (WTO) negotiations, culminating in the collapse of the ministerial meetings in Cancún in late 2003, and the disintegration around the same time of the negotiations for a comprehensive FTAA agreement. As a result of the overriding concern with how then to establish and exercise 'leverage' in its trade negotiations and economic relationships[1], the USTR has afforded even greater priority to bilateral negotiations. With rhetoric reminiscent of that surrounding the invasion of Iraq – leading one observer pithily to cast Zoellick as a 'Donald Rumsfeld of trade policy' (Bhagwati 2004: 52) – the strategy has been to construct a 'coalition of the liberalisers': to pursue bilateral agreements with 'willing' countries, concomitantly to exclude and isolate the 'unwilling', and thereby to exert sustained pressure on 'recalcitrant' countries such as India and Brazil. Thus, in the FTAA context, Zoellick declared in 2002 that 'we want to negotiate with all the democracies of the Americas through the FTAA, but we are also prepared to move step-by-step towards free trade if others turn back or simply are not ready' (Zoellick 2002b). Precisely this occurred when the clash between Brazilian and US positions were deemed to have generated stalemate in late 2003. In the multilateral context, again in response to Brazilian-led opposition in the form of the G-20+ coalition of developing countries, Zoellick declared his government's determination not to entertain or wait for the 'won't do' countries in the multilateral system and to undermine the G-20+ by 'mov[ing] towards free trade with can-do countries' (Zoellick 2003b). The coalition splintered rapidly as the prospect of trade negotiations with the US was held out as an incentive not to participate in this grouping.

The cumulative result has been a rash of bilateral negotiations and agreements, a number of which were signed soon after TPA was granted and a greater number of which were set in train following the collapse of the Cancún meetings and the original ambition for an FTAA. In the Americas, for example, agreements with Chile and Central American countries (the latter to form a Central American Free Trade Area (CAFTA)), were ratified by the US Congress in July 2003 and July 2005 respectively. In April 2004, negotiations

[1] The issue of 'leverage' and mechanisms for achieving it permeated my extensive discussions and interviews about foreign economic policy with US government officials, representatives of congressional offices and committees, trade policy makers, representatives of key state agencies, representatives of business and labour organizations, and others. All interviews cited in this paper were conducted in Washington DC during September and October 2004, and all were conducted on a 'not for attribution' basis.

with a number of Andean countries were initiated, and Panama followed suit. In Asia-Pacific, bilateral agreements have been negotiated with Singapore (May 2003) and Australia (February 2004), and plans for an ASEAN-US agreement are under discussion in the form of the US's Enterprise for ASEAN Initiative. Elsewhere, bilateral agreements were concluded with Jordan in 2001, and with Morocco, Bahrain and the five member countries of the Southern African Customs Union (SACU) in 2004. The prospect of a Middle East Free Trade Area (MEFTA) was advanced in mid-2003. At the same time, the US government has signed a range of the Trade and Investment Framework Agreements (TIFAs) with such countries as Thailand, Brunei, Kuwait, Saudi Arabia, Philippines, Indonesia and Afghanistan, and has continued its long-standing prioritisation of Bilateral Investment Treaties (BITs) in agreements with such countries as Uruguay. The list goes on, and the queue outside the door is getting ever longer.

It should, of course, be noted that bilateralism is not new, in the US or elsewhere, and indeed is neither original nor unique to the US. This much should be obvious from the statements cited earlier lamenting the proliferation of both regional and bilateral agreements that left the US falling behind its competitors. US bilateralism was a late response to a much more widespread trend. Japan, Chile, Mexico, the EU and Canada are salient examples, along with a great many others, of countries and regions engaged in a long-standing and continuing pursuit of a wide variety of bilateral negotiating strategies (see Ravenhill 2003; Desker 2004; Phillips, forthcoming). Yet what *is* new, in the US, is the pace at which such agreements have been negotiated and, indeed, the political ease with which the USTR has been able both to attract negotiating partners and successfully conclude negotiations. Each of the bilateral agreements noted above has departed only insubstantially, if at all, from the schedule of demands that US negotiators would have brought to the first negotiating session, and many have been negotiated in a period of only a few months.

**Understanding the evolution of US foreign economic policy**

What explains the evolution of US trade strategies in the directions sketched out above? Frustration with the pace and politics of multilateral and regional negotiations constitutes only part of an explanation, inasmuch as it provides the *context* for policy decisions but tells us very little about the nature of resulting policy choices. Such an explanation also advances few insights into the complex strategic and political, as well as economic, goals which shape trade strategies, including the recent prioritisation of bilateralism. Nor does it offer much in the way of an explanation about the resulting patterns of trade policy. What explains the choice of partners with which the US government chooses to negotiate? Is there a pattern, and, if so, to what considerations or priorities does it correspond?

I contend, as outlined in the introductory paragraphs of the paper, that a full explanation of the evolution of US foreign economic strategies requires attention to a range of factors: linkage politics and the economic-security nexus; the *ad hoc* and reactive nature of the policy making process; a set of commercial and economic interests; the circumvention of regional leadership (in Asia-Pacific and the Americas); and, infusing all of these other factors, the domestic politics surrounding the policy process. Attention to each of these factors, and to the aggregate picture that then emerges, invites scepticism about the extent to which contemporary US foreign economic policies can be explained with reference to their absorption by broader security strategies. It also invites us to reconsider the proposition entailed in most observations of securitisation that the substance and processes of foreign economic policy under the Bush administration are sufficiently 'new' to require fundamentally new frameworks, or catchphrases, to explain their substance and orientation.

The dynamics of linkage

In the commendable and necessary efforts to explain the shifts in US engagement in the world that have occurred under the Bush administration, there has been a marked tendency to conceive of 'security' as the dominant concern driving this engagement, and as representing an overarching force which brings together all other policy areas for its purposes. This proposition has been extended to the realms of both globalisation and foreign economic policy, notably with the application of the interesting notion of securitisation developed by Barry Buzan, Ole Waever and Jaap de Wilde (1988). They define a case of securitisation as occurring when 'a securitizing actor uses a rhetoric of existential threat, and thereby takes an issue out of what under those conditions is "normal politics"' (Buzan *et al*. 1998: 24). In other words, 'if by means of an argument about the priority and urgency of an existential threat the securitizing actor has managed to break free of procedures or rules he or she would otherwise be bound by, we are witnessing a case of securitization' (Buzan *et al*. 1998: 25). Securitisation, in this sense, is not only about the deployment of the rhetorical device of 'security' and the location of policy discourse within that framework, but also about the capacity thereby to achieve a disruption to the normal rules, practices and politics of policy making.

Taken to the sphere of foreign economic policy, securitisation has thus been formulated as a process by which 'the securitising actors …. have sought to treat economic policy in a manner different to the normal rules and practices of economic policy making and implementation' (Higgott 2003: 4; also see Desker 2004: 19). The resulting framing of globalisation and foreign economic policy as national security issues, the linking of economic policy to overarching security objectives, and the political legitimation of policy initiatives on that basis are considered to be the hallmarks of the contemporary foreign economic engagement of the US. Both globalisation and US foreign economic policy (although the two terms are often, problematically, used interchangeably) are thus understood to have become, in essence, security issues and avenues by which a securitisation of the world order is pursued by US governments. While it is readily conceded in these analyses that a nexus between economic and security policies was evident before 9/11, nevertheless it is the central positing of a correlation between the degree of global military dominance exercised by the US, the extent of the 'new' unilateralist inclination and the deployment of economic policy as 'an arm of security policy' (Higgott 2003: 8) that is directly consistent with the argument that the post-9/11 world is qualitatively distinctive in the extent of this capturing of economic policy by the exigencies of security strategies.

Let us then consider the first assumption of this approach, namely, that foreign economic policy is shaped by an overarching set of security-related priorities and, indeed, 'sold' politically on that basis. The most immediate question that presents itself is very simple: when has it ever been any different? When has it ever been the case that economic and security concerns have not been intrinsically linked in the core foreign and foreign economic policies of the US? Indeed, the 'normal rules and practices' of foreign and economic policy making have always been explicitly about the dynamics of linkage politics, both rhetorically and in practice, and as much during the post-war, Cold War period as later during the administrations of George H. W. Bush, Bill Clinton and George W. Bush, not to mention during much earlier eras of nationalist mercantilism. One could marshal several papers' worth of empirical evidence on this point, but here it is sufficient simply to point to the examples of the inextricable linkages between economic and security interests in the Marshall Plan and the post-war reconstruction of Europe, several decades of aid policy, the deployment of economic sanctions and embargoes during the Cold War, the economic leverage brought to bear against countries such as Chile under Allende in the early 1970s, the history of Cold War economic relations with China and the Soviet Union, the evolution of foreign policy towards key oil producing regions and countries, the founding rationale of the post-war international trading and financial orders – the list could go on and on. A range of these strategies were indeed aimed at rebuilding allies and reconstructing states that had formerly been military rivals in the context of a bipolar security divide, but this cannot be taken to indicate a clear separation of economic and security policy arising from the fact that the major security rival (the USSR) was not the major economic rival of the US (Higgott 2003: 7-8): on the contrary, the economic-security nexus lay at the heart of the wider battle to contain and defeat *communism* in its various arenas and manifestations.

With the end of the Cold War, and especially under the Clinton administration, the discourse and politics of globalisation generated perceptions that the traditional Cold War-inspired balance between 'high' and 'low' politics had tipped towards the latter. Susan Strange was one of many arguing around this time that the primary form of competition in world politics was now for global market shares rather than territory or military primacy (Strange 1987; Stopford and Strange 1991). To an extent, this was undoubtedly the case. But it was so not because of a 'delinking' of economic and security strategies. What was different about the 1990s was the absence, for the first time since the end of the Second World War, of an *immediate and overarching* security threat. Cold War economic policies were very directly part of an integrated package of anti-communist strategies deployed by the US, and rhetorically were validated and facilitated by the invocation of this threat. As this immediate threat receded and gave way to a focus on economic competition between the US and the twin 'foes' of the Japanese economy and rival forms of capitalism elsewhere, the dynamics of linkage took a form that was perhaps more muted but nevertheless oriented very clearly towards the same sort of integration of economic and security policies that was in evidence in the Cold War anti-communist purpose.

What was also different during the 1990s, and again in particular under the Clinton administration, was the *nature* (as opposed to the immediacy) of perceived security threats. 'Non-traditional' threats received considerably more attention than previously they had from policy makers preoccupied with the bipolar ideological conflict and the management of *détente*. In the 1990s, in other words, the security agenda that occupied the White House, the State Department and other key US agencies shifted to encompass a range of threats which were not 'new' *per se*, but rather were long-standing security issues which had simply been accorded less priority during the Cold War or had been formulated in a different manner in this context. The associated policy shifts came to include a much less equivocal agenda for global democratisation, the management of a range of environmental threats, the prioritisation of humanitarian and peacekeeping operations as opposed to direct military intervention, the control of illegal and illicit flows of people and goods, and so on. (Energy, of course, occupied similar positions of salience in both periods.) The point is that economic and trade strategies were designed in a manner very clearly consistent with the range of key security interests identified by the various agencies of the US government and state during the 1990s, even though these interests were not primarily of the military variety that predominated during the Cold War and indeed have risen again to salience under the George W. Bush administration. Moreover, foreign economic policy was also a primary vehicle by which these security concerns were addressed, and *vice versa*.

The Americas is a fertile region for illustrative examples. US interest in the NAFTA corresponded at least as much with goals associated with political democratisation in Mexico as they did with trade and investment-related considerations; it also corresponded with a range of border security concerns, such as migration and the passage of narcotics. The Andean Trade Preferences Act (ATPA) of 1991, likewise, was articulated as a vehicle through which to 'help' Andean countries tackle the problem of narcotics production and trafficking. The Caribbean Basin Initiative (CBI) was very explicitly a part of US Cold War security strategies in that region, being introduced early in the Reagan administration as an intended remedy to the 'sea of splashing dominoes' that the Caribbean Basin was deemed to have become. The evolution of the CBI into the 1990s was heavily marked by the conditioning of continued economic and trade benefits under its auspices on cooperation with aggressive US drug control strategies and, to a lesser extent, those associated with the control of illegal migration. The deployment by the Clinton administration of economic policy primarily for broader 'diplomatic' and political/democratisation goals – seen as 'economic diplomacy at its best' (Sanger 2001) – was also evident in the Africa and China trade bills it successfully passed and the closer economic engagement with Vietnam that it set in train. The Clinton government, indeed, frequently invoked a notion of 'linkage politics' the hallmark of its strategies of global engagement.

Yet what was clearly distinctive about the Clinton administration was the strikingly low profile that trade occupied on the political and policy making agendas. An important part of the explanation for this lies in the growing 'stalemate over globalisation' (Bergsten 2002) that characterised domestic political debates in the US and fostered sceptical congressional and public opinion on the virtues of free trade. Another part of the explanation for the stalemate resides in the absence of fast-track negotiating authority, but this itself is part of the low profile afforded to trade and consequently also stands in need of explanation. The same could be said of the third possible explanation, which revolves around the intrinsically fragmented nature of the US state and the consequent difficulty to which the formulation and implementation of trade policy has always been subject. The traditional tension between the priorities of the various agencies associated with trade policy making – the Department of State being concerned primarily with overarching diplomatic and strategic goals, Commerce with the interests of specific industries, Treasury with macroeconomic issues, and so on (Destler 1995; Cohen 2000; Porter 2005) – was particularly pronounced during the Clinton administration. Indeed, the inter-agency process through which trade policy is made[2], along with the substantial congressional oversight and input functions developed in successive reforms since the middle of the twentieth century, have consistently made the US trade policy process a strikingly unwieldy, diffuse and politically delicate one. But while this constitutes another partial answer to the low profile of trade on the agenda, it also invites the question of why these tensions should have hampered effective policy making more during the 1990s than at previous times or indeed subsequently.

I suggest that what the Clinton administration lacked was the rallying call provided by an immediate and overarching security threat, and this has implications for the ways that we assess the dynamics of linkage – and indeed the securitisation thesis – under the George W. Bush administration. This is not a question of the intrinsic salience of trade or economic relationships, which, as we have noted, became central with the decline of Cold War-inspired foreign policy and the acceleration of globalisation. Rather, it is a question about the legislative and political environment in which foreign economic policy is made. The re-emergence of an immediate and pressing threat in the form of global terrorism provided again a suitable rhetorical weapon and rallying cry for foreign economic policy makers to mitigate some of the aggressive partisanship that had plagued trade policy since the 1980s, and thus achieve the legislative environment that allowed for the elaboration of more dynamic and wide-ranging trade policies. It is certainly the case that 9/11 played an important part in securing passage of TPA in 2002: until that time the political environment was sufficiently fraught for most observers to be sceptical about its prospects.

The argument that presents itself, then, is that *for a time* the re-appearance of an immediate security threat under the Bush administration acted in ways similar to previous periods of high security 'alert' in Washington to mitigate *somewhat* the divisions between state agencies on matters of trade and foreign economic policy, and indeed to

[2] The inter-agency process incorporates a wide range of state agencies, most obviously the Office of the USTR and the Departments of State, Treasury, Commerce, Agriculture and Labor, but including many Departments such as, *inter alia*, Interior, Energy, Health and Human Service, Justice and Transportation, the Central Intelligence Agency, National Security Council, National Economic Council, Environmental Protection Agency and the Office of Management and Budget. For an overview, see Huenemann (2002).

foster a bipartisan approach to those policy issues identified as relating to key national security interests. In such periods, in addition, the Executive branch characteristically assumes the loudest voice in matters of policy formulation, and in this case its inclination to tie trade strategies very concretely into the management of the security threat tended to hold sway over the more parochial interests of Commerce, Treasury and others. Likewise, despite the secular trend towards a removal of trade policy from the formal remit of the State Department, the latter's influence remains important, through the channels of the inter-agency process and through its salience in particular periods of high security threat.[3] Thus linkage politics achieved a particular type of expression under the Bush administration after 9/11 that was encapsulated in a somewhat more propitious political and legislative environment for trade than that which prevailed for much of the 1990s.

Yet, on closer examination, the notion of securitisation does not capture this dynamic particularly well. In one sense, it seems to me that the very most that we can say about the Bush administration is that there has been a process of what, clumsily, we could call a 'terrorism-isation' of foreign economic policy, as the rhetoric of the war on terror became important to the tactics of political persuasion deployed by trade policy makers. Thus, for Zoellick (2001b), the international market economy and global trade were a fundamental 'antidote to this violent rejectionism'. It is not security *per se* that has achieved a salience sufficient to warrant suggestions of the securitisation of foreign economic policy, but rather a particular version of linkage politics which has come to focus on the overarching threat of terrorism. In other words, it is the *nature* of the security agenda – the nature of the immediate security threat – that is different and 'new' in the post 9/11 period; the emphasis on security in US foreign and foreign economic policies, and the tight linkage between economic and security strategies, is emphatically not. In this sense, suggestions of a securitisation of foreign economic policy are implicitly deploying distinctively post-9/11, 'Bush-ist' understandings of security in order to denote 'newness'.

More importantly, the notion of a sudden but fundamental change, suggested by the correlation between the extent of unilateral military dominance and the extent to which economic policy is subordinated to or hijacked by security policy, appears even at this early juncture to have been over-stated. Clearly the arguments advanced by many globalisation theorists about the primacy of economic relations and the disappearance of security from the core of world politics that surged forth during this time had ultimately a limited shelf-life. Yet, even so, the rhetorical utility of overarching threat also declined very quickly, and indeed was, at best, slight in the first place. The Trade Act of 2002 (of which TPA was part) was secured by the slimmest margin of just three votes, and thus constitutes only the flimsiest of grounds for a general argument observing a shift to greater bipartisanship as a result of the security threat. Equally, in the years since 9/11, the initial drive to demonstrate consensus and unity across the agencies of state and across the branches of government has fragmented and in some cases disintegrated, and it is by no means clear in general that the war on terror carries that unifying weight that it brought to bear on US politics in the immediate aftermath of the terrorist attacks. Moreover, certainly in the realms of the trade process, there is no evidence that the framing of foreign economic policy as a national security issue led in any significant measure to a shift in the 'normal' politics and processes – and indeed the marked partisanship – that have historically been characteristic of this policy area. The Bush administration entered its second term with its foreign economic agenda facing extremely difficult political circumstances, within Congress, among business and labour interests, and indeed in public attitudes to trade.

We will return to this point shortly, but in order to do so it is necessary first to raise a further – perhaps the most telling – critique of the securitisation thesis in

[3] Interviews, officials in the Department of State.

explaining the evolution of contemporary foreign economic policy, namely, that related to the question noted earlier of a 'pattern'. An explanation of trade and investment strategies that privileges 'security' or the war on terror as their primary determinant simply disintegrates when put to the empirical test. Unquestionably, a tight link between the global war on terror and economic and trade strategies can be discerned in the recent engagement of the US in key regions and with key strategic partners. The Middle Eastern and Mediterranean regions are the clearest instances of the use of bilateral trade negotiations as mechanisms for pursuing a range of security and political objectives. Unequivocally, the USTR has framed its trade talks with Middle Eastern countries as a strategy of embracing modernising, reforming countries (such as Morocco) and encouraging the political transformations that are central to the Bush administration's global vision. As Zoellick (2004) put it, for instance, 'piece by piece, the administration is building a mosaic of modernizers with a plan that offers trade and openness as tools for Muslim leaders looking toward the rebirth of an optimistic and tolerant Islam'. The hearing before the Senate Committee on Finance in March 2004 on economic and trade policy in the Middle East endorsed such propositions wholeheartedly as responding, as Senator John McCain (R-AZ) put it, to the need to 'encourage such long overdue political, economic, and social changes in the Arab world' (US Senate 2004a).[4] The other dimension that is often highlighted by proponents of a securitisation thesis – the conditioning of trade negotiations on support for US foreign policy objectives – is also evident. Senator Max Baucus (D-MT), for example, observed in his opening statement to the same Senate hearing that '[a programme of trade preferences] would give the President the power to allow Middle Eastern countries that meet certain conditions, such as supporting the war on terrorism and reforming their economies, to export products that the President approves duty-free'.

The renewed interest in Asia-Pacific, and especially in Southeast Asia, is also an important result of the increased strategic importance of the region for the war on terror. Singapore – a case frequently used to bolster observations of securitisation – is certainly of strategic importance to the US for the use of facilities in Singapore by the US military and cooperation between the Armed Forces of each country (Desker 2004: 19). The attempts to negotiate an ASEAN-US agreement also demonstrate a close linkage of this sort, as do the range of bilateral arrangements with individual countries, the stalling tactics that have been used with others as a result of their lack of support for US foreign policy actions, and renewed US interest in the potential of APEC to contribute to the elaboration of the anti-terrorism agenda.

Yet the argument can only be pushed so far. While it is very clear that some of the trade negotiations that the US has opened and some of the economic deals that it has struck have been motivated by raw strategic considerations associated with anti-terrorism and broader foreign policy goals, there is no sufficiently visible pattern in this respect which could sustain a general argument of this nature. Singapore, for example, it is not of greater strategic significance to the US than most other countries of the region. Moreover, as in the case of Chile, this was an agreement instigated not by the Bush administration but by the Clinton administration as part of an articulated strategy of establishing selected economies from each region as cornerstones of its global liberalisation agenda. When one surveys the array of bilateral negotiations in which the US has been involved since the start of the decade, in addition, one would be hard pressed to locate such agreements as that with Chile in such a framework, or indeed the CAFTA. Neither Chile nor any of the CAFTA countries is of the major security or military importance to the US's overarching foreign policy that would, according to a securitisation thesis, explain their prioritisation. Equally, the idea that the US government has used bilateral negotiations to reward participation in its so-called 'coalition of the willing' finds very tenuous substantiation: indeed, it is difficult to trace any direct and *consistent* connection between the war on terror and patterns of foreign

[4] Also interviews, representatives of the Office of the USTR and members of key congressional committees.

economic policy. It is most certainly the case that a strong link between security and economic policy prevails, as it has always done, and that, again as in previous periods, it has taken a distinctive form in the contemporary context. Yet this is not the same as a 'securitisation' of foreign economic policy as an overarching process, and the empirical evidence supporting such a contention is both thin and contradictory.

The final argument to make concerning the shortcomings of an analysis of foreign economic policy through the lens of securitisation, which was presaged a second ago, relates to the notion of a legitimised disruption to the normal rules and practices of the policy making process. In the basic terms of the process itself, the customary routes by which foreign economic policy is made have not been altered by any invocation of urgency associated with a linking of economic and security issues; moreover, there has been no *attempt* to circumvent these processes. The inter-agency process remains intact and functioning, and has never been suspended; indeed, it was expanded on the recommendations of the National Security Council in May 2003 in order to improve the process of selecting trade partners (see GAO 2004). Likewise, congressional scrutiny of trade policy has been enhanced rather than diminished under the Bush administration, and those powers have consistently been exercised fully.

In terms of the politics of foreign economic policy, again it is difficult to assemble any robust evidence demonstrating a mitigation, through the invocation of relevance to national security, of what would be considered the 'normal' public and congressional politics surrounding trade. At the start of the second Bush administration, in the words of Senator Charles E. Grassley (R-Iowa), 'trade is more controversial than it has been for some time' (US Senate 2004b). Moreover, and of course related, there has been a striking decline in public support for trade since the start of the decade. The primary reasons for this decline are uniformly cited as the extent of the trade deficit with China (and the emerging 'threat' from the Chinese economy) and the experience of the NAFTA.[5] Much (but not all) of this decline is related to the pronounced concern about the impact of trade on the US labour market. It is interesting, in this respect, that in a fascinating recent survey of US public opinion and foreign policy (Chicago Council on Foreign Relations 2004), the *foreign policy* goal that was considered most important by the US public was protecting the jobs of American workers (78%), above preventing the spread of nuclear weapons (73%) and combating international terrorism (71%).[6] Coupled with perceptions or fears of unfair trade practices, notably dumping, and threats from freer trade to domestic producers and manufacturers, the result has been a pronounced and widespread decline in enthusiasm for existing and new trade agreements, particularly among small industries, certain agricultural sectors such as tomatoes and sugar producers, the textiles sector and many services sectors. The primary upshot has been growing calls among such groups for much more stringent application of US trade laws and opposition to the negotiation of new bilateral and regional agreements.[7] These have been matched by congressional initiatives to strengthen the enforcement of existing trade agreements, Senator Baucus calling in March 2004 for a thorough review by the GAO of current enforcement practices in response to such concerns as software piracy in India and the lax enforcement of intellectual property rights (US Senate 2004b).

The interruption to the normal rules and practices of foreign economic policy making posited by a securitisation thesis, then, are nowhere in evidence. The legislative politics and public opinion surrounding these issues would not appear to have been

[5] Interviews, members of Congress, representatives of business associations and representatives of labour unions.
[6] Only 25% of the US public considered NAFTA to be good for job security for American workers, and 42% considered NAFTA to be good for the US economy. Conversely, 69% considered NAFTA to be good for the Mexican economy and an equal number deemed it good for job creation in Mexico.
[7] Interviews, representatives of the National Association of Manufacturers and representatives of various congressional offices.

altered in any fundamental way by an invocation of the importance of trade for national security. What the above discussion tells us most of all, however, is that it is not national security concerns that dictate either the substance of trade strategies or the extent to which they are deemed legitimate and acceptable in public or political arenas. The fact that early agreements such as those with Chile, Singapore, Morocco or Australia passed through Congress with relative ease is *not* because of any direct relevance to broader foreign policy concerns, but rather because they represented little threat to labour and key sectors in the US economy. Those agreements that represent a considerably greater threat – notably CAFTA, which was eventually passed in the House of Representatives by only the narrowest margin of 217 votes to 215 – are subject to the same partisan and public battles as those which surrounded similarly sensitive agreements in the past, such as the NAFTA. If there is a 'pattern' that prevails in US foreign economic policy, then, it is explained in important part by the degree of economic 'threat', particularly to the labour market. Under the Bush administration, early trade strategies prioritised negotiations that could be concluded and ratified relatively quickly, and this was facilitated by the fact that none of the countries concerned represented excessive threats to US labour and/or the most politically sensitive parts of the US economy. Neither the substance of the strategies, nor the political environment which surrounded their articulation, nor the processes by which they were formulated and implemented are illuminated in any demonstrable way by a notion of securitisation. Nevertheless, the dynamics of 'linkage' between economic and security strategies remain, as ever, a pivotal dimension of an explanation of the evolution of US foreign economic policy.

'Ad hoc *reactivism'*

We have seen that the pattern of trade and investment relations under the Bush administration does not substantiate an explanation which rests upon securitisation. As substantiation for such a thesis, one would expect to see evidence of a systematic strategy for moulding foreign economic policy to the priorities of broader foreign and security policies. Yet, in fact, the most striking feature of contemporary foreign economic policies is the apparent lack of an identifiable pattern. Indeed, analysts and participants in the policy process have struggled to determine how and why certain countries are selected for bilateral trade and investment negotiations. The apparently *ad hoc* nature of foreign economic strategies has caused widespread comment, including in the Washington political arena itself. The USTR has been pressed continually by such congressional committees as House Ways and Means and Senate Finance to account for the manner in which it decides which trade negotiations to enter into, with frequently voiced reservations about whether the answers to those questions have ever been satisfactory.[8] For this reason, the General Accounting Office (GAO) was charged in mid-2003, at Senator Baucus' behest, with investigating and clarifying how the US government chooses its bilateral trade partners along with the resource implications of the inclination towards bilateral negotiations, leading to a report published in January 2004 (GAO 2004).

The findings of this report, consistent with the explanations offered by trade policy makers themselves[9], can be condensed into two principal observations. The first is that the selection of trade partners is not a mechanical exercise informed by systematic data, but rather one in which the USTR favours flexibility and discretion in identifying the factors that are relevant to the selection. Discussions surrounding the ways in which trade partners are selected gave rise eventually to a list of six criteria intended to guide the process.[10] The GAO's assessment demonstrates clearly that each trade agreement

[8] Interviews, members of Congress and representatives of congressional committees.
[9] Interviews, representatives of the Office of the USTR and other agencies involved in the inter-agency process.
[10] In the GAO report, these are listed as country readiness, economic/commercial benefit, benefits to the broader trade liberalisation strategy, compatibility with US interests, congressional/private sector support; US government resource constraints. In interviews, interestingly, most versions differed slightly from this list of six, but in their thrust departed only insubstantially.

has responded to different criteria, and a different mix of considerations, as highlighted earlier in the present discussion. In his written response to the GAO's report (reproduced in GAO 2004: 57-63), Zoellick also observes that while there are concrete criteria that inform the selection process, these 'can aid in the making of selections of FTA partners, but the execution of the strategy requires the careful judgment of policymakers in close consultation with Congress and private sector stakeholders'. The second is that, in the list of six criteria, the one factor which is common across the range of trade negotiations is that which the GAO (2004: 9) termed 'country readiness' – namely, the necessary political will, trade capabilities and rule of law systems. Notably too, the consideration of readiness usually follows the prior overture *from* the prospective trading partner. Most often, the list of six criteria guides the discussions once an expression of interest in negotiating with the US has been received. It is rarely the case that the six criteria are deployed in discussions about partners for the USTR to 'target' actively for negotiations in the future; rather, the initial impetus is an external request for consideration.[11]

In this sense, US trade strategies are defined fundamentally by what Feinberg (2003) has called '*ad hoc* reactivism'. In the current debate, the USTR and others have preferred the adjective 'flexible', or 'not mechanical', to '*ad hoc*', but the point remains that trade negotiations have been initiated 'generally in response to an insistent external request, not as the considered unfolding of a carefully designed internally-generated strategic plan' (Feinberg 2003: 1022). In this light, and put together with the observations about the sprawling and fragmented bureaucratic process associated with trade, a securitisation thesis about the nature of foreign economic policy assumes a degree of purposiveness and proactiveness which simply is not, and has never been, characteristic of US economic and trade policy making processes. Furthermore, the foreign economic policy process exhibits a fundamental degree of continuity in this respect which again challenges the propositions of newness and disruption to normal rules and practices posited by a securitisation thesis. A few examples to illustrate this continuity will suffice. It is well known that the NAFTA was primarily the result of Mexican pressure for the expansion of the Canada-US bilateral relationship. The forerunners of the FTAA were indeed US initiatives, but their conversion into a concrete FTAA negotiation process was the result of sustained pressure from Latin American and Caribbean (and Canadian) governments, and indeed marked by considerable reticence and disinterest on the part of the US government in the mid-1990s. The Chilean agreement was the result of nearly a decade of banging on the door by Chilean officials once the idea of NAFTA accession had been dropped by the Clinton administration. APEC was an initiative propelled by Japan and Australia. And, as noted, the US has been consistently behind the bilateral curve, responding largely to the activities of economic rivals and partners rather than driving a consistent strategic agenda in any sort of systematic way.

<u>Commercial and economic interests</u>

Within this context of reactivism, there are a range of interests which shape the particular trade strategies that emerge. One set of interests, as we have seen, relates to the broader security and foreign policy-related goals of the US government, whether these refer to the linking of trade and investment in the Caribbean with drug control strategies, for example, or to the proposal of a MEFTA in order to foster democratisation in the Middle East. An equally important set of interests, however, is specifically economic and commercial in nature. These are pivotal to an explanation of the evolution and substance of US foreign economic policies, but, I suggest, tend to be are obscured by an excessively narrow focus on security and the application of a securitisation framework. Their significance, however, is easily underestimated if one focuses too closely on the nature and distribution of US *commercial* interests as the determinants of trade strategies. The bilateral and regional negotiations in which the US has been

[11] Interviews, Office of the USTR and other state agencies involved in trade policy.

involved do not correspond clearly with a pattern of specific commercial interests. Indeed, over the 1990s and into the present decade, most of the countries with which it has opened bilateral negotiations have been of only modest importance in the overall structure of US trade. The same can be said of the major regional initiative of the FTAA, the US having only slight commercial interests in much of South America and particularly the Southern Cone (Phillips 2004a). In addition, generally speaking, countries in the Americas, Southeast Asia and other regions encounter far greater and more diverse barriers to the US market than those encountered by US exports to those countries, given the widespread processes of trade and investment liberalisation that occurred over the 1980s and 1990s. Tariff and non-tariff barriers to the US market are also highest and most intractable in sectors that are of particular importance to a wide range of its trading partners, such as agriculture, steel and textiles.

Consequently, in most of its contemporary trade negotiations, neither market access to the economies of trading partners nor trade in goods has been foremost in the interests of the US. There are undoubtedly a range of key commercial priorities that inform these trade strategies, among which the continued prevalence of tariff barriers to the export of manufactured goods (particularly salient in the Central American and Australian agreements) and the expansion of trade in services are most salient. But the far more important set of interests shaping trade strategies clusters around wider concerns with issues of trade-related *disciplines* and the various facets of the so-called 'new trade agenda'. These include, notably, issues such as investment, intellectual property, government procurement, competition policy, environmental protection and labour issues. Regional and bilateral avenues are central to the USTR's drive to entrench these broader *economic* disciplines inasmuch as they offer significant opportunities for propelling this agenda forwards at a time when the multilateral process has slowed to the point of virtual paralysis, and when these have been precisely the issues around which the major conflicts with developing countries have turned.

Trade, in a nutshell, is not only about trade. Indeed, for the US it is often not even primarily about trade. Rather, US trade interests are dictated in the main by the prospects of establishing binding agreements across a range of other economic policy areas. These are 'trade-related' inasmuch as trading arrangements necessitate, politically as well as economically, attention to a plethora of other policies. But these connections are secondary in importance to the point that trade is the *mechanism* by which the US government has chosen to pursue its priorities in these other areas. This is clear in the ways in which regional and bilateral trade agreements have consistently been articulated as 'single undertakings': market access and trade benefits come only with agreements on investment, government procurement, competition policy, intellectual property rights, and so on. One of the USTR's stipulations for undertaking trade negotiations is explicitly the clear understanding that the agreement will be comprehensive, evidence of which is also gleaned from observation of potential partners' track records in WTO negotiations.[12] It is also explicit in the criteria developed to guide the selection of trading partners and outlined in the GAO report and elsewhere. The GAO outline highlights the twin considerations of the economic and commercial benefit to the US and the degree to which a negotiation will assist in the broader trade liberalisation strategy, the latter relating to 'the prospective FTA partner's overall support for U.S. trade goals' (GAO 2004: 10). More generally, however, considerable emphasis is laid by trade policy makers on the contributions that a trade agreement will make to economic reform in the partner country, whether in the broad terms of comprehensive liberalisation (as in some Middle Eastern cases) or in particular policy areas.[13]

[12] Interviews, Office of the USTR.
[13] Interviews, Office of the USTR; also see US Senate (2004b), among many other sources, for various expressions of this emphasis.

This emphasis on economic reform and the enforcement of 'trade-related' economic disciplines is evident across the debates about the benefits of particular trade negotiations as well as in the substance of the trade agreements themselves. To take, very briefly, the illustrative example of the Chile-US agreement: aside from its commercial provisions, the agreement called forth a number of fundamental changes to Chilean economic policies and legal frameworks. The Chilean government committed itself to such measures as the elimination of a range of drawback and duty referral programmes and its 85 per cent 'auto luxury tax', and to putting in place the regulatory systems necessary for the enforcement of the US meat inspection system. Moreover, the agreement carried provisions limiting Chilean governments' future ability to impose controls on capital flows – a system of controls on the precipitous exit of capital having been a long-standing feature of the Chilean development strategy (Phillips 2004b: 78-9). These provisions represented a crucial dimension of the strategies to mould the investment environment in a manner consistent with the interests of US investors, despite an emerging consensus among respected liberal economists on the utility of such measures. In Jagdish Bhagwati and Daniel Tarullo's words, for instance, a ban on capital controls represents 'bad financial policy, bad trade policy, and bad foreign policy, and constitute a bad trade-off for increased trade and investment flows' (*Financial Times*, 17 March 2003; also congressional testimonies in US House of Representatives 2003). Both the Chile-US and Singapore-US agreements were also heralded as 'the first FTAs anywhere in the world to have specific, concrete obligations to enhance transparency and efficiency of customs procedures'[14], which went along with extensive provisions relating to regulation in such areas of key interest in the US's trade agenda as intellectual property, telecommunications and electronic commerce.

The evolution of US foreign economic policy, then, reflects in essence a *political* response to the *political* difficulties encountered in realising the USTR's particular agenda in the multilateral arena, and the prioritisation of bilateralism corresponds similarly to parallel difficulties in regional negotiations. In other words, the logic propelling a more robust pursuit of bilateral arrangements rests on the apparently greater utility of bilateralism in serving key US negotiating priorities and in serving the broader agenda of economic reform. Without exception, the bilateral agreements that trade officials in Washington refer to as 'state of the art' trade deals have been 'comprehensive' and have conformed with a WTO-plus template – that is, they seek to exceed existing multilateral provisions in all of the key disciplines of interest in the US trade agenda. Thus the issues that have proved to be particular sticking points in wider multilateral and regional trade negotiations have been largely diluted or circumvented by the shift to bilateral negotiation. Notably, the WTO-plus format is not universal in its application, inasmuch as the US has excluded from the remit of the negotiations the areas of trade remedies and agricultural subsidies. In this sense, US concessions on market access are in practice diluted by the retention and use of a range of trade remedies and the elaboration of quite extensive lists of product exemptions relating to strategically important and, moreover, politically 'sensitive' sectors in the US. The other point about the bilateral negotiations in which the US has been involved is that they have invariably been characterised by profound asymmetries in bargaining power, and very frequently have been with partners that are significantly (or in some cases almost entirely) dependent on the US market. Consequently, the political logistics of reaching agreements on distinctively US terms are significantly eased. Finally, bilateralism offered a way of enhancing the momentum of the 'competition in liberalisation' process. One of the clear considerations in the calculations of the benefits of a particular negotiation for the broader trade liberalisation agenda has been the extent to which it would contribute both to subsequent negotiations and, moreover, to the incentives for other countries to enter into similar negotiations with the US.

[14] Statement of Regina K. Vargo, Assistant US Trade Representative for the Americas, before the Senate Committee on the Judiciary, 14 July 2003.

*Competition for regional leadership*

The final dimension of an explanation of the evolution of US foreign economic strategies relates to the circumvention of competitive regional leadership aspirations, especially in Asia-Pacific (with both Japan and China) and the Americas (with Brazil). In both regions, this political dynamic has been pivotal not only in shaping the key regional projects, but also in lending momentum to the growing bilateral thrust of US trade strategies. The relevant points about the Americas and the US-Brazil relationship have been made earlier and do not require further elaboration here, save to highlight that the strategy of 'isolating' Brazil, by negotiating around it, has been effective in drawing many of the countries of the Americas into a regional agenda dominated by the imprint of US preferences and interests, contrary to the challenges to such arrangement that had been articulated consistently by Brazilian governments.

In Asia-Pacific, the element of competition for regional leadership is of longer standing, and evident both in the evolution of APEC and East Asian regionalism and in the narrower relationships between Japan and the US and China and the US. US interest in APEC was initially dictated by the fear that the Australian-Japanese initiative would lead to the exclusion of the US from a new regional order in a strategically crucial part of the world. Diverting an entrenchment of Japanese leadership and the management of Chinese power in the region were crucial reasons for the active attempts on the part of the US government to insert the US firmly into the APEC process. The subsequent competition between the US and Japan for leadership of the Asia-Pacific initiative was pivotal to the disappointing momentum that the APEC process achieved for most of the 1990s, the consistent attempts mutually to 'block' the initiatives and interests of the other country being crucial to the resulting 'under-supply of regional collective goods' (Rapkin 2001; see also Ravenhill 2001). The political problems associated with the pursuit of the US's hegemonic strategies in Asia-Pacific were further compounded by the impact of the Asian financial crises of the late 1990s.

Bilateral strategies have also been a strategic response to the processes by which key regional competitors have sought systematically to negotiate trade and investment agreements both regionally among themselves and with extra-regional partners. The concern in the agencies of the US government and state, consequently, has been that such developments threaten its economic position as preferential trading and investment relationships proliferate across the world. In this latter sense, there is a clear recognition in trade policy making circles that 'each one [of these trade agreements] sets rules and opens markets for those that have signed on and creates hurdles for those outside the agreement' (Zoellick 2002a). Equally, one of the core spurs to US activity in the Americas has been the agendas pursued by the EU in opening negotiations with key countries such as Chile and Mexico, as well as with the Mercosur. Conversely, aggressive bilateral and extra-regional negotiations by Chile and Mexico themselves, especially with Asian partners, has reinforced US inclinations to engage in similar strategies in order to retain both its economic and its strategic positions in global and regional arenas. The plethora of bilateral arrangements in Asia-Pacific has had exactly the same sort of impact. It is worth noting, for example, that US negotiations with Singapore were initiated while Japan was working on a similar free trade agreement with that country, and the exclusion of the US in new bilateral and regional arrangements in ASEAN also constituted a significant impetus to the Enterprise for ASEAN Initiative.

Most of all, the evolution of foreign economic policy in these two regions represents a core dimension of the global and regional hegemonic projects of the US. Developments in regionalist projects and in the distribution of economic power in the global political economy have generated a perception of a weakening hegemonic foothold, in the sense both of an ability to set the agenda which frames these projects and an ability to prevail over regional rivals for dominance within them. The Bush administration has systematically stated, particularly in the Defense Department's

Quadrennial Defence Reviews, that its Asia-Pacific policy is explicitly about consolidating US dominance and hegemony in the region, and doing so in a way which prevents the emergence of significant threat from either Japan or China. (Such a strategy of preventing the emergence of economic or military rivals was also articulated towards the end of the George H. W. Bush administration and, not surprisingly, associated with the figures who served in both governments.) In this sense, the prioritisation of bilateral trade negotiations with a range of partners across the Americas and Asia-Pacific has been explicitly a strategy of either competing effectively with rival regional or global leaders (as in Asia-Pacific) or (as in the Americas) isolating the opposition mounted to the entrenchment of distinctively US visions of regionalist projects and US dominance of regional political economies.

## Conclusion

The framework offered by the concept of securitisation, as originally developed by Buzan *et al*., has become particularly attractive in the post-9/11 world. It is not, of course, intended to be of peculiar relevance to this period, but the inclinations of the George W. Bush administration, coupled with events during his period in office, have been seen to imbue it with an especial relevance. Its pertinence to the evolution of, for example, migration and immigration policies in various settings has been particularly striking. Yet I have sought to argue in this paper that its application to the sphere of foreign economic policy finds only tenuous foundations. I have suggested that this line of thought is problematic *not* for its observation of a tight linkage between foreign economic and security agendas, but rather for its concomitant suggestions (a) that we are navigating new and uncharted waters in this respect, (b) that there has been a rupture of the 'normal rules and practices' of policy making and implementation in the area of trade and foreign economic policy, and (c) that securitisation provides an adequate framework for understanding foreign economic policy in its design, substance and implementation.

I have sought to demonstrate that there are few grounds for observing a fundamental shift in either the substance of foreign economic policy or the political environment in which it is made, beyond their inevitable evolution under different administrations at different historical junctures. A tight economic-security nexus has always been intrinsic to the ideological foundations of the US hegemonic project, as well as its foreign and foreign economic policies. The historical evolution of the politics of 'linkage' reflects its moulding by the conjunctural conditions of the security and economic landscapes, the particular nature and immediacy of both security and economic threats, the domestic politics surrounding both foreign and (perhaps moreover) foreign economic policy, and the particular policy and ideological inclinations of different administrations. In basing its claims of novelty primarily upon a particular understanding of security and threat – that is, as predominantly military in nature and of 'existential' significance – a thesis positing the securitisation of foreign economic policy both under-represents the gamut of 'security' threats and interests from which particular forms of linkage historically have arisen, and overstates the novelty of the forms of linkage which have taken shape under the Bush administration. Whether the threats are of the 'traditional' variety associated with the Cold War and the war on terror, or of the 'non-traditional' variety associated with migration, drugs or energy, the framing of globalisation and foreign economic policy as intrinsically related to security as well as economics has consistently been central to the articulation of US strategies of global engagement. It is changes in the nature, extent and immediacy of security threats that represent novelty and difference at particular historical junctures; the tight economic-security nexus, informing both economic and security policy, is not novel.

The substance, process and politics of US foreign economic policy also manifest fundamental continuity, in ways obscured by an explanation of its evolution based on securitisation. Indeed, I have sought to argue that there are virtually no solid grounds for positing a rupture, through the invocation of existential threat, in the normal rules and practices of economic policy making. The nature of foreign economic policy, the patterns of trade and investment relationships, the nature of the policy making process and the domestic politics surrounding that process do not evince an overarching process of securitisation, and are only inadequately explained within this framework. Rather, I have sought to draw together the complex range of factors that both shape the context of foreign economic policy and inform the particular strategies that emerge, identifying these as the politics of 'linkage' between economic and security strategies, the fundamentally *ad hoc* and reactive nature of the policy making process, commercial and (moreover) wider economic goals, and the management of competition for leadership (and the associated pursuit of hegemony) in Asia-Pacific and the Americas. In all of these areas, continuity is in ample evidence in both the forces shaping foreign economic policy and the processes by which it is made, notwithstanding the inevitable evolution of policy under different administrations in different historical periods. The foreign economic policy process in the US is, in short, much more complex and much less cohesive, consistent and systematic than the assumptions of a securitisation thesis permit us to recognise.

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