INFORMATION TO USERS

This manuscript has been reproduced from the microfilm master. UMI films the text directly from the original or copy submitted. Thus, some thesis and dissertation copies are in typewriter face, while others may be from any type of computer printer.

The quality of this reproduction is dependent upon the quality of the copy submitted. Broken or indistinct print, colored or poor quality illustrations and photographs, print bleedthrough, substandard margins, and improper alignment can adversely affect reproduction.

In the unlikely event that the author did not send UMI a complete manuscript and there are missing pages, these will be noted. Also, if unauthorized copyright material had to be removed, a note will indicate the deletion.

Oversize materials (e.g., maps, drawings, charts) are reproduced by sectioning the original, beginning at the upper left-hand corner and continuing from left to right in equal sections with small overlaps.

ProQuest Information and Learning
300 North Zeeb Road, Ann Arbor, MI 48106-1346 USA
800-521-0600

Neoliberal Globalization and its Critics: Theory, Practice and Resistance in the Americas

By

Luis F. Hidalgo
Department of Political Science
McGill University, Montreal

November 2000

A thesis submitted to the Faculty of Graduate Studies and Research in partial fulfillment of the requirements of the degree of Master of Arts in Political Science.

Abstract

This paper advances a theoretical construct entitled "neoliberal globalization" to explain the transformations in state form since the late 1970s which have been inspired by neoliberalism, an ideology privileging market mechanisms for capital accumulation and social organization. The essay will then examine the phenomenon of Canada's and Quebec's integration into the North American and the hemispheric economies since the mid-1980s. The following section will focus on the impact of neoliberal globalization on Quebec's idiosyncratic modalities of state organization and social integration. Lastly, the essay will investigate a transnational resistance movement in the Americas opposing neoliberal hemispheric integration, as well as recent mutations on Quebec's social and political left. The growth of cross-border coalitions opposing the Free Trade Area of the Americas (FTAA) and transformation of left politics in Quebec will be accounted for by reviewing theories of social movement internationalism.

Résumé

Ce travail utilise le cadre théorique de la « mondialisation néolibérale » pour expliquer la transformation de la forme étatique depuis la fin des années 1970 inspirée par le « néolibéralisme », une idéologie qui privilégie les mécanismes du marché en vue de l'accumulation du capital et pour l'organisation sociale. Cette étude examine le phénomène de l'intégration du Canada et du Québec au sein de l'économie nord-américaine et continentale depuis le milieu des années 1980. L'impact de la mondialisation néolibérale sur les modalités spécifiques du Québec en matière d'organisation de l'état et d'intégration sociale est aussi étudié. Enfin, l'auteur approfondit un mouvement de résistance transfrontalier dans les Amériques s'opposant à l'intégration continentale néolibérale, ainsi que les mutations récentes de la gauche sociale et politique au Québec. La popularité croissante des coalitions transfrontalières qui s'opposent à la Zone de Libre Échange des Amériques (ZLEA) et la transformation de la politique de gauche au Québec seront expliquées par une critique des théories de l'internationalisme des mouvements sociaux.

Dedicated to the memory of Josée Piché (1969-2000)
With love and resolution –Luis

Table of Contents

Introduction

The present essay aims at identifying and even-handedly examining the major social, political and economic issues related to globalization for Canada that have been raised by theorists and political actors from both pro- and anti-globalist perspectives. In pursuing this end, I will articulate and elaborate a definition that underscores globalization's present neoliberal form. This theoretical framework in place, I will then document the emergence of a new contentious politics which opposes the dominant neoliberal model of globalization, employing as case study the emergence of a transnational social movement in the Americas resisting integration as well as recent mutations on Quebec's social and political left.

Taken strictly as an macro-economic structural process, globalization refers at once to the global integration and internationalization of production and services. Global integration of production means that firms are able to coordinate production and source components and materials world wide to take advantage of low cost factors, as well as market them globally (Courchene 1992: 110). *Internationalization* here refers to a process that starts when at least one aspect of production and finance begins to depend on or be affected by forces beyond the borders of the state. We may properly speak, then, of the internationalization of a corporation, a sector of the economy or the public policy of a provincial or federal government.

For the purposes of this essay, neoliberalism is understood as an ideology calling for the deregulation of markets, privatization of state enterprises and cuts in social spending as the favored means for achieving economic growth and successful state integration into the globalized world economy (i.e., "national competitiveness").

While general agreement on a *functional* definition of globalization is not very difficult, there is an intense debate on globalization's impact on civil society and its desirability in advanced post-industrial societies like Canada. Proponents of neoliberal globalization argue that the competitive pressures inherent in the emerging global market are beneficial because they sweep away inefficient industries and free up resources for high-quality, high value added enterprises that are competitive on a world level (Banting 1996: 36). Neoliberal globalization's critics view globalization as a profound threat to equality, social justice and democracy. Moreover, international economic integration under neoliberalism undermines state sovereignty (Banting: 37). While both neoliberals and their political opponents agree on the gravity of the changes brought about by globalization, they vehemently agree on what is to be done.

Economic regionalism is an essential component of neoliberal globalization in that continental integration has been central to the Canadian strategy in facing these transformations as well as the focal point of contention by anti-globalization groups in Canada. Regionalism in the Americas provides the context for understanding the issue of Canadian and Quebec governments' capacity to balance the demands of social and political regulation with the structural constraints that confer economic development to the private sector. This essay evaluates the viability of the neoliberal model of social and political integration within an emerging global system whose evolutions are determined less by states and more by the increasingly planetary forms of market organization under the aegis of transnational corporations (TNCs) and international economic institutions. The great political question of the twenty-first century concerns the capacity of states to manage interdependencies within a neoliberal normative framework.

Section 1.1 will first offer a working definition of neoliberal globalization, and then identify the ideological and political points of contention between those promoting and resisting this macro-structural process. Section 1.2 will contextualize the present neoliberal political, economic and social order in Canada within the framework of regionalism and propose that Canada's transformation from keynesian welfare state to neoliberal "competition" state is in largely a response to the exigencies of integrating Canada into the US-dominated North American market. Section 1.3 considers Quebec as an anomalous case in globalization. Hence, we will examine Quebec's idiosyncratic modalities of political and social regulation in the era of neoliberalism to consider whether social and political actors in that province have been able to formulate and implement a model of social integration and political regulation that bridges the so-called "democratic deficit" lamented by anti-globalists. Section 1.4 constructs a coherent theoretical framework to account for the emergence of a transnational resistance movement in the Americas involving civil society actors who oppose the economic integration of Western Hemisphere markets under neo-liberalism. Section 1.5 corroborates the claims of social movement theorists by citing evidence indicating at once the growth of cross-border coalitions in the Americas opposing the present model of regionalism, and mutations in politics at the infrastate level which suggest a "transformation of national and local sites of politics," to paraphrase André Drainville (1999), due to globalizing forces. Quebec will be employed as a case study in infrastate political mutations.

To my knowledge there has yet to appear a scholarly study of the transnational mobilization linked to the Free Trade Area of the Americas (FTAA) to be effective in

2005. Moreover, a case examination of how structural macro-processes associated with globalization have dynamized left politics in Quebec has not yet been attempted. This case study of resistance to neoliberal hemispheric integration is a modest contribution towards constructing an agenda on transnational social movements in the Americas.

1.1. A theory of neoliberal globalization: a fusion of perspectives.

This section will attempt to integrate various accounts of globalization of production and finance into a coherent framework that will at once highlight the structural changes bringing about the transformations in the rationality of public policy in Canada and Quebec since the 1980s, and serve as a point of reference for conflicting interpretations by pro- and anti-globalists. This conceptual tool will be employed in Section 1.4 to account for the emergence of a transnational resistance movement opposing neoliberal globalization. To the end of articulating and elaborating such a theory, various accounts of the transformation of the state in the wake of globalization will be synthesized.

McBride and Shields (1997) identify neoliberalism as the dominant political response to the crisis of permanent recession experienced by advanced market democracies beginning in the mid-1970s. These two authors understand neoliberalism as the theoretical and practical rejection of the keynesian welfare state that emerged in the postwar and its replacement by free market doctrines and practices (McBride and Shields: 18). Neoliberalism can be reduced to its constituent elements of its determination to reduce the state's redistributive role and rely increasingly on market mechanisms rather than collective approaches to economic and social problems (McBride and Shields: ibid.).

Moreover, McBride and Shields identify neoliberalism as a key factor in exacerbating Canada's perennial national unity crisis in that the pursuit of market-oriented approaches to the resolution of economic problems enhance the disintegrative tendencies emanating from regional, cultural and national tensions (McBride and Shields: ibid.). Indeed, the main thesis of their book *Dismantling a Nation: The Transition to Corporate Rule in Canada* (1997) is that the pursuit of neoliberal policies in Canada will threaten the continued existence of Canada as a nation in the 21st century.

The core ideological thrust of neoliberalism is classical liberal economic doctrine. This resurgence of laissez-faire economics resulted from developments in economics theory and its application to political questions. McBride and Shields identify monetarism and supply-side economics as providing both policy advice and ideological sustenance to neoliberal doctrine. *Monetarism* focuses on the role of money in the economy and contends that government actions designed to stimulate or contract the economy will have little effect on unemployment unless the money supply is altered (Bucholtz 1989: 227). Inflation results from sustained growth in the money supply above the rate of growth of national output, and recessions and unemployment are induced by "unanticipated reductions of money growth"(McBride and Shields: 23).

Addressing itself to the relationship between state spending and its financing, monetarism postulates that deficit financing has negative inflationary consequences (Hoover and Plant 1989: 156). Monetarists claim that keynesian attempts at intervening in the economy through government spending inevitably lead to inflationary pressures because increased government securities on the international financial markets necessitates increased money supply, which eventually drives up prices. From a

monetarist standpoint, inflation causes industry to be less competitive, which in turn leads to higher unemployment (McBride and Shields 1991: 178). From a monetarist perspective, then, eliminating unemployment is not a realisable, nor even desirable goal, but controlling inflation through fiscal restraint and deflationary interest rate policy are most worthy objectives.

The antipode to keynesian demand-side economics, *supply-side economics* focuses upon supply and production rather than consumption. It is based largely on Say's law of the market which holds that "supply creates its own demand," i.e., business engaged in healthy levels of production are going to be in the best position to buy more. Hence, policies stimulating production rather than consumption is the key to prosperity. Bartlett (1982) credits the emergence of supply-side economics at the end of the 1970s with shifting policy focus from the keynesian emphasis on economic equilibrium to the unabashed pursuit of economic growth through producer-oriented incentives. Following Say's law which suggests that *grosso modo* supply and demand are equalized if the market is allowed to operate unencumbered, neoliberals argue that the primary role of state governments is to create the conditions that facilitate aggregate production and supply.

Price flexibility, another desiderata of supply-side economics, leads governments to address themselves "towards the taxation and income maintenance side of budgetary policy" (Thompson 1986: 86). Supply side economists contend that tax cuts should be directed towards the wealthy and business to induce savings and investment, rather than to low and middle income taxpayers, which does nothing to increase the supply of goods and results in inflation.

In sum, supply-side theory translates politically into an agenda of tax relief for business, as well as labor market and welfare policy reform. Generous welfare benefits and trade unionization distort the natural price flexibility of the marketplace in that the former keeps people out of the labor market, while the latter undermines the natural tendency of labor unit costs to drop in times of recession. Thus, government policy ought to be centered on eliminating price inflexibility stemming from existing labor and social legislation.

Neoliberal economic doctrine represents a synthesis of what has come to be known as the "new neo-classical economics", which is informed by a monetarist critique of keynesian policies, as well as its assumptions about "the relationship between unemployment, inflation, expectations and the supply side of the economy"(Fusfeld 1990: 179). Indeed, Hoover and Plant (1989) make an extremely cogent argument that, in practice, monetarism and supply-side economics complement one another "by leading naturally to a critique of public expenditure and the principles and values which have underlain its growth since the Second World War"(Hoover and Plant: 33).

The emergence of neoliberalism must be understood within the context of increases in oil prices, a structural decline in the rate of profit (Gonick 1987: 341-42), capital flight and the related phenomenon of disinvestment in advanced countries' basic productive capacity (Bluestone and Harrison: 1982) and the technical revolution. McBride and Shields cite globalization as intimately connected to these changes in the world economy since the 1970s and intimate that globalization and the rise of neoliberalism stand in symbiotic relationship.

This temporal conjuncture also witnessed the setting up of the Trilateral Commission as well as the reemergence of classical liberal economics in policy making circles due in part to the resurgent influence of think-tanks such as the Mont Pelerin Society, an organization championing Austrian economist's August von Hayek's philosophy of monetarism. Gauging monetarism's sociological impact, monetarism sought to set the terms by which social relations in national social formations was to be subjugated to a new path of money growth defined in the world economy in response to new structural conditions of "stagflation" (the contradictory phenomenon of inflation with economic stagnation and high unemployment), as well as falling productivity which had emerged in the world economy by the 1970s.

Intimately connected with the tripolarization of the global economy is the notion of *global governance* advanced by André Drainville (1998) to designate the attempt to construct a global civil society. Note that this crucial aspect of globalization is not a macro-economic process, but rather a political one. According to this theory, political integration complements economic globalization by increasingly autonomous transnational organizations managing and reproducing the conditions of global accumulation. Global accumulation refers to the globalized process of capital accumulation which is no longer grounded in national social formations, thus necessitating the legitimation afforded by the concept "global civil society." The present attempt to legitimize the neoliberal globalization project is rooted in the Bretton Woods crisis of the 1970s, which Drainville (1998) characterizes as the crisis of the regime which had guided global capital accumulation since the end of World War II.

On the ideological terrain, more recent manifestations of post-crisis plans for order is identified by the notion of global governance, which Drainville (1998) qualifies as "an attempt to define global notions of civility and settle matters with selected transnational partners." At the institutional level, commentators such as Cox discern the outlines of an emerging *nébuleuse*, the organs of management of the world economy whose task it is to find solutions to specific crises confronting global accumulation.

The most enduring legacy of the Bretton Woods crisis is that the elaboration and articulation of the conditions of capital accumulation increasingly take place at the supranational level. Thus, institutions such as the International Monetary Fund (IMF), Organization of Economic Cooperation and Development (OECD) and the Bank for International Settlements (BIS) constitute some of the discrete locales of the new regulatory regime wherein private institutions have become autonomous centers of power (Sinclair 1994). Lastly, the Bretton Woods crisis was a significant milestone in the development of global capitalism in that it represented a new phase of the historical growth of transnational capital, the beginning of its so-called "autonomisation" (Freitag 1999).

The new globalized capital accumulation regime necessitated the creation of what Drainville calls "*espaces maîtrisés*" (representing the spatial forms of new social compromises) for its legitimacy. In an incisive observation, Drainville (1995a: 58) points out that recent *nébuleuse* problem solving efforts reveal that the political transformation of the world economy entails a double process at the state level: (1) the transformation of political relationships within national social formations; and (2) the reaffirmation of the state as the privileged site of political attachments while legitimizing its new rationality

in the age of neoliberal globalization by internationalizing elements of its apparatus. At the institutional level, then, globalization has had the paradoxical effect of increasing the importance of state-bound democracies as the centers of validation for the imperatives of global accumulation. The political transformation of the world economy, however, may not necessarily entail a re-mooring of civil society within the space of the nation-state, in that recent efforts by a regional *nébuleuse* in the Americas to construct hemispheric civil society under neoliberalism may in fact achieve the desired political transformation of the world economy. Notwithstanding this qualification, globalization's crowning irony is that despite the profound transformations in the productive process and capital accumulation, the world economy may remain socially rooted within the space of the nation-state and politically dependent on its ability to strike new social compromises.

Drainville indicates a potentially rewarding path for future research by calling into question the assumptions of transnational bourgeois hegemony. He also exposes the "Achilles heel" of nation-states in the age of globalization in his observation that the political transformation of the world economy (i.e., the creation of global civil society) relies on (1) the confinement of political and social relationships to the space of national social formations; (2) the capacity of states to structure political participation; and (3) curtailing transnational political possibilities (Drainville, 1995a: 70). Elements (1) and (3) must be qualified, since the emerging cross-border coalitions in the long run may actually reinforce the neoliberal integration project as Drainville suggests in his articles (1995b) (1999) dealing with hemispheric integration in the Americas. But as we shall see in Section 1.4, the transnational resistance movement in its most radical form questions

both the legitimacy of the project of political transfomation of the world economy as well as states' capacity to achieve this restructuring of political discourse.

Open Marxism proposes to move beyond 'marxist fundamentalism' (i.e., orthodox marxism) and to articulate a sweeping general critique of positivist, mechanical and economistic perspectives within Marxism and other traditions (Drainville 1994: 107).

Influenced by the *école de la régulation*, Open Marxism posits that since the end of WWII, two transcendent formulas or "comprehensive concepts of control," have shaped the parameters of global capital accumulation: (1) keynesianism; and (2) neoliberalism. For Open Marxist scholars, both keynesianism and neoliberalism represent a constructed general interest arising from the particular interest of the more innovative and rapidly fractions of capital at a given temporal conjuncture. Drainville (1998) contends that from the early 1980s onward, the advanced capitalist countries and international organizations of the emerging *nébuleuse* eschewed keynesianism in favor of an increasingly coherent neoliberal accumulation regime centered around the long-term interests of transnational financial capital. Kees Van der Pijl (1988) (1989) presents the neoliberal concept of control as the global political project of transnationalized money capital, installing the long-term interest of transnational money capital as the general interest of capital. Transnational structures of political authority such as the WTO, executive free trade agreements and credit rating agencies "represent" capital. Open Marxism advances the proposition that transnational strategies are applied and 'translated' nationally and national politics are contained within parameters set by an elite reading of the conditions of accumulation (Gill et al. 1992: 16). The internationalization of the state and of political authority are represented as the literal expression of the

globalization of production and finance (Gill et al.: 8). For Open Marxism, the era of neoliberalism is a historical moment when transnational political structures have installed the demands of global accumulation as a political prerequisite (Drainville 1994).

In one of its more controversial points, Open Marxism conceptualizes the world economy as a planned and organized process wherein dominant and self-conscious fractions of capital attempt to impose on civil society their pecuniary interests as universal norms. Open Marxism attempts to discover the universal norms shaping civil society on behalf of dominant fractions of capital (Cox 1983: 172), and insists that global accumulation is the specific social practice of identifiable agents who are the bearers of structures. For their part, the anti-globalization movement makes much of this *pensée unique* which is a pillar of their critique of globalized capitalism.

Drainville (1994) trenchantly observes, however, that Open Marxist scholarship assumes an organic unity of global élites and the political cogency of transnational concepts of control that may be exaggerated. Political alliances and shared institutional points of contact such as free trade agreements, international organizations as the WTO and OECD do not necessarily imply the cohesion of a transnational fraction of capital, as averred by Stephen Gill (1991). Thus, global circuits of social capital and global politics have a more tenuous bond than Open Marxist scholars assume, and the relationship between national social formations and the world economy are less linear. Neoliberalism is both a broad strategy for restructuring and an ad hoc succession of negotiated settlements depending on the relationship of social forces at a given place and time.

Adopting neoliberal doctrine to the Canadian context, McBride and Shields (1997) enumerate the "neo-liberal foundations" of Canadian governments' economic and

social strategy since 1984: (1) unchaining market forces through the Free Trade Agreement (FTA) and weakening social services and trade unions; (2) targeting deficit reduction and inflation rather than employment generation as the primary government objective by downsizing the state (a trend accelerated since 1995); (3) revamping the tax structure to make them beneficial to capital; and (4) attacking the statist tradition through privatization and deregulation (McBride and Shields: 28).

McBride (1996) makes the argument that when economic crisis struck from the latter half of the 1970s onward, the political left in Canada was never able to advance a distinctive "post-keynesian" social democratic political economy that could have challenged the ideological ascendancy of neoliberal doctrine. For McBride, the failure of the Canadian left to popularize an alternative economic analysis at that critical juncture has resulted in the political retreat of social democracy in Canada over the last two decades.

McBride and Shields advance an argument for the inevitability of structural processes in creating the conditions for neoliberalism in Canada. First, the foundations and support system for the post-war social contract have been undermined. The dismantling of trade and investment barriers call for a radical overhaul of institutions to accommodate the dramatic changes in world trade. Simeon (1991; 47-48) observes that keynesian fiscal and monetary policy is rendered largely ineffective in open global financial markets. Johnson, McBride and Smith (1994: 2) write that the erosion of nation-state capacity should be understood in terms of the transition from fordism to a post-fordist accumulation regime driven by international trade and competitiveness.

The central question for Thomas Courchene pertains to the political reorganization of Canada to meet the global competitive challenge while preserving its identity and polity into the 21st century. Implicit in Courchene (1992) is a functional conception of globalization which impacts states in the form of a transfer of political and economic power both upwards and downwards from nation-state. Courchene surveys some of the varieties of globalization with a view towards fortifying this conception.

The emergence of the transnational corporation (TNC) as the primary actor of globalization reflects the fact that globalization is presently a private sector-driven phenomenon. TNCs have thus far been the only organizations that have been able to globalize themselves (Petrella 1990). The functionalist (or economic) approach to globalization, i.e., the process of the increasing global integration of manufacturing and services, is implicit in all the conceptions of globalization that Courchene cites.

Drucker (1986) documents three fundamental changes or "uncouplings" that have occurred in the fabric of the world economy: (1) the uncoupling of the primary products economy from the industrial economy; (2) the uncoupling of production from employment within the industrial economy; and (3) the uncoupling of trade in goods and services from the generator of the world economy due to the emergence of the "symbol economy" (capital movements, exchange rates and credit flows) as the new "flywheel" of the world economy. These three uncouplings are all interrelated in that they all stem from the globalization process. For Courchene (1992), these three displacements may serve as indicators for the future evolution of the global economy and challenge Canada's ability to adapt to the nascent political economy.

The first uncoupling has particular relevance to the Canadian case. Given its historical dependence on raw material exports and their increasing marginality to developed economies, the challenge confronting Canada is to successfully make the transition from a resource-based culture to a human-capital-intensive one. As Courchene points out, "economic arguments for free trade with the US rest on productivity, market access and investment opportunities, and the implications of these for longer term employment and standard-of-living prospects" (Courchene 1992: 113).

Regarding the second uncoupling, Drucker argues that "a country, an industry or a company that puts the preservation of blue-collar manufacturing jobs ahead of being internationally competitive...will soon have neither production nor steady jobs" (Drucker 1986: 32). The existence of a global market independent of national markets implies that success in this new environment demands that nation states put their competitive position in the world economy as the first priority of their policies. As we will see in Section 1.4, the anti-globalization movement challenges such "temporal foundations" of the plans for global order, i.e., the arguments that economic restructuring in the short term will lead to prosperity in the medium to longer term.

Regarding the third uncoupling, the "financialization" of the world economy has led state governments to prioritize macro-economic reform over all other policy goals. The closely intertwined phenomena of the internationalization of finance, US-Canada integration and Drucker's "symbol economy" all combine to force a complete reappraisal of macro (or stabilization) policy. This autonomization of capital is a central preoccupation of the anti-globalization movement.

Courchene (1992: 130) cites two internal challenges to Canadian federalism arising from globalization: (1) the impact of the FTA and (2) the decentralization triggered by Ottawa's fiscal burden. These two factors point in the direction of circumscribing the policy freedom of the federal government.

Courchene (1992: 119) affirms that state governments remain relevant, but points out that the nature of the role they can play is highly circumscribed and different from that of a decade ago. Courchene distinguishes "loss of autonomy" from the "ceding of sovereignty", arguing that the new constraints of an international agreement may result in a loss of autonomy, but the entry into executive agreements by a small, open economy such as Canada may reinforce Canadian sovereignty in that all signatories of such agreements are similarly constrained and that there are now clear and generally well defined rules.

Rather than characterize free trade agreements as representing a curtailment of provincial powers *per se*, Courchene views initiatives directed toward freeing up internal markets as merely a "curtailing of provincial measures designed to mount barriers to the free trade of goods, services and capital across the nation" (Courchene 1992: 109). Courchene claims that the national treatment provision in the FTA merely ensures that government intervention will not privilege local or national enterprise, thus ensuring that genuinely provincial or national objectives motivate such intervention.

As a principle, Courchene (1992: 139) asserts that the preeminent role of national governments in the new global economic order is to maximize the opportunities for Canadians to enhance and employ their human capital. Courchene (1992) speculates that maximizing the human capital potential of all Canadians, along with the Charter, will

serve as the new social cement for the Canadian polity, transcending any north-south integration with the United States. This role, however, will prove difficult because, as Ricardo Petrella (1990) notes, postwar welfare states were really products of *national* industrial production economies. For Petrella (1994), the challenge is to construct a renewed national social contract that is consistent with the exigencies of the world economy.

In his essay "Path dependency, positive feedback and paradigm warp: a Schumpeterian approach to the social order", Courchene (1993) addresses social policy challenges facing Canada in terms of imperatives emanating from fiscal crisis, globalizaton, the related phenomena of the rise of the knowledge-information economy and the regionalization of the national market. All these factors are driving the evolution and change of social policy and public sector reform. Courchene observes that the unprecedented economic expansion during the postwar allowed Canada to develop a comprehensive and inward looking social policy network. But facing a cumulative federal deficit that was to reach the $300 billion dollar range by the mid-1990s, the imperative facing Canadian policymakers was to reintegrate the social and economic spheres of public policy in order to rekindle the faltering engines of economic growth. (Courchene 1993: 48). In spite of the fact that virtually all the structural conditions underlying the social policy initiatives of the postwar have disappeared, the old framework and culture of social policy advocacy groups remained largely intact into the 1990s. To explain this phenomenon, Courchene posits a "paradigm warp" between the social and economic spheres of policymaking stemming from "positive feedbacks" and "path dependence" which have played a crucial role in transforming the postwar

conception of the welfare state into the very fabric of how Canadians think about their economy and society (Courchene 1993: 51).

In addition to the fiscal crisis, the emerging internationalization, structural unemployment and the shift of emphasis toward human capital rather than physical capital render the existing incentives in the "social envelope" obsolete and counterproductive. Social policy must be reoriented in terms of developing human capital since it is a crucial ingredient of a competitive economy.

Courchene views centralism from Ottawa as an impediment to the necessary Schumpeterian process of "creative destruction" which he believes should inform social policy reform, and favorably cites provincial initiatives of the early 1980s to contain health costs as examples of how decentralization can help to adapt the social envelope to the emerging realities stemming from globalization.

Social policy must now contend with the fact that production is now international and trade is flowing increasingly north-south. Policymakers should now divest from maintaining the wages of low-skilled jobs while upgrading and deploying human capital to the fullest so that productivity increases stem from technical change and an enhanced skills mix (Courchene 1993: 70). Moreover, economic integration and the proliferation of free trade agreements implies that the allocative system can no longer be employed to achieve distributional goals. In the final analysis, Courchene is confident that a revamped social envelope consistent with the imperatives of the new economy can still affirm a distinctive "communitarian" approach to globalized capitalism that would serve as the social cement of the Canadian polity. Implicit here is the notion that despite

neoliberal economic restructuring, social spending levels in Canada will remain superior to those in the United States, an unfounded assumption.

It is a truism in political economy literature that "fordism" –the accumulation regime premised on linking mass production and mass consumption by maintaining high levels of business, government and consumer demand – was the preeminent mode of economic and social reproduction during the postwar era. In a remarkable theoretical piece, Jessop (1993) characterizes the role of the state under fordism as promoting full employment in a relatively closed national economy primarily through demand-side management, and generalizing norms of mass consumption through welfare rights and new forms of collective bargaining.

Jessop (1993) identifies four economic trends underlying the crisis of fordism and the shift to a yet ill-defined "post-fordist" regime: (1) the emergence of capital and knowledge-intensive technologies as the dynamic force of economic expansion; (2) the increasing permeability of national economies to cross-border trade and capital flows which render integration of a national economy into the world economy as crucial for its survival; (3) the shift from mass production to "lean" (i.e., flexible) production; and (4) the declining salience of the nation-state in economic planning as the larger regional economy increasingly overdetermines the organization of production. All these factors contribute to a mutation of the state's form. For Jessop, the state's new economic and social objectives consist in the promotion of product, process, organizational and market innovation; the enhancement of the structural competitiveness of open economies mainly through supply-side intervention; and the subordination of social policy to the demands of labor market flexibility and structural competitiveness (Jessop: 9).

Philip G. Cerny (1997) characterizes globalization as the transformation of the nation-state into what he calls "a competition state" wherein both state and market actors are attempting to reinvent the state as a "quasi-enterprise association" in a wider world context. Cerny observes that, contrary to many theorists who announce the decline of the nation-state, this process of the transformation of the nation-state may actually necessitate the actual expansion of *de facto* state intervention and regulation in the name of competitiveness and marketization (Cerny, 1997: 251).

In contrast to the post-war national welfare state, whose essence was its capacity to insulate key elements of economic life from the market, the "competition state" has increased "marketization" in order to make economic activities located within the national territory more competitive in international and transnational terms (Cerny: 259). The main elements of this process include reducing government spending in order to minimize the "crowding out" of private investment by state consumption, as well as the deregulation of economic activities, especially financial markets, the result of which has been the rise of a new discourse and practice of "embedded financial orthodoxy"(Cerny: 1994).

In the residual state, the pursuit of some more profound form of common good is eschewed in favor of competitiveness and growth, and this movement is recasting social bonds around and through other structures and processes. Indeed, Cerny identifies the production of social cohesiveness in the new neoliberal state as a fundamental challenge confronting governments. As we will see in Section 1.4, it is precisely this project that the anti-globalization movement has called into question.

Cerny notes that while embedded state forms, contrasting modes of state interventionism and divergent state/society arrangements may persist, they are only feasible where they constitute relatively efficient alternative modes of adaptation to economic and political globalization. However adaptive these measures may be, pressures for homogenization are likely to erode these different models where they prove to be economically inefficient in world markets and consequently unattractive to state and market actors (Cerny: ibid.).

Gilles Bourque, Jules Duchastel and Eric Pineault (1999) claim that this process of the "decentration" of politics in the production of today's societies is characterized by the subordination of legislative deliberations to a regulation of a techno-legal nature which is taking place under the aegis of the executive branch of government. In the following section, we will examine the key role played by the executive in Canada in approving and signing into law the trade and investment liberalization agreements that institutionalize (i.e, codify social practice in a set of rules) this process of de-politicization. The now familiar themes of globalization and the erosion of the nation-state can be understood as the affirmation of the trend towards the deference of the institutions of representative democracy to extraparliamentary authorities of a technocratic and legal nature (i.e., "juridification"). We are presently witnessing the submission of political regulation within a national framework to a techno-legal regulation that is performed in a "multidimensional and ex-centered space," to use Bourque et. al's expression. Ian Robinson has observed that the executives of nation-states have been participating for some years in a movement to reverse the relations between the legislature and the judiciary (Robinson 1995b).

Bourque et al juxtapose *government* and *governance* in order to show how the latter preempts political regulation falling within the scope of the representative institutions of political modernity in favor of technolegal regulation.

> « Gouvernance apparaît ainsi comme un gouvernement en dehors du politique. Elle s'active à l'aménagement de consensus produits directement entre les acteurs, dans le cadre d'institutions extraparlementaires où sont désormais définies les règles de la pratique sociale, soit en amont des assemblées législatives... soit en aval des assemblées» (Bourque et al. : 50).

Bourque et al. advance the argument that governance participates in a movement of the reconfiguration of social spaces. It deploys itself in a globalized space at the heart of which the multinational corporation is the central actor. Governance involves itself in a type of regulation that privileges the form of treaties signed into law by executives at the federal level that set into operation supra-national techno-bureaucratic institutions such as NAFTA, IMF and the WTO. As a general rule, techno-legal regulation in the form of treaty imposes itself increasingly as preconditions (or "metarules") for the exercise of political regulation by national legislative institutions (Cerny 1997) (Chesnais 1998) (Strange 1996). This theory of governance has become operationalized in the Canadian context with the effects of reducing the capacity of provincial governments to represent the interests of their constituents.

This development within the neo-liberal state has fostered the rule of corporations over national societies on the basis of their capacity to exercise their legal personality and technocratic expertise. Bourque et al. argue that in taking the forms of subsumption of the legislative and the constitutionalization of the rights of persons, corporations avail themselves of their organizational power and legal capacity to "regulate political regulation" in sanctioning legislative production by mobilizing courts to invalidate or

transform laws. In addition to this essentially negative work of limiting legislative capacity, there is a positive work of extending the reach of the rights of moral persons in view to consolidate the social power of corporations vis-à-vis other social actors in the civil space such as labor unions, popular groups, environmentalists and employees (i.e., physical persons), or to submit political regulation to techno-legal regulation (Bourque et al 1999: 58). To gain a sense of the mounting social power of the system of corporations, it must be understood that this endeavor to subordinate the legislatures to the prerogatives of investors is the policy cornerstone of executive agreements.

In their discussion of mutations of citizenship, Bourque et. al identify the inversion of relations between law and democracy and between the judiciary and legislature (Bourque et al 1999: 46). This transformation of political regulation is part and parcel of a larger passage from the keynesian welfare state to a new form known as the neoliberal state.

As will be demonstrated in the analysis of the Macdonald Royal Commission of Inquiry's recommendations in Section 1.2, the advent of free trade during the 1980s saw the emergence of new modalities of political regulation that obey a logic quite different than the one that dominated during the post-war. Bourque et al. observe that this operationalization of the logic of market self-regulation and the desocialization of the relations of inequality inform the current process of repartition of public and private spheres.

1.2 Regionalism: Canada's response to globalization.

This section will apply the theory of neoliberal globalization advanced in the previous section to the Canadian context.

Two articles by Christian Deblock and Dorval Brunelle on regionalism in the Americas (1997) (1998) focus upon the role of U.S. international commercial policy in overdetermining the policy trajectory of Canadian and Quebec governments over the last two decades. In their insightful essay "Les États-Unis et le régionalisme économique dans les Amériques" (1998), Christian Deblock and Dorval Brunelle identify the United States as the principle vector of hemispheric regionalism in the Americas, and observe a remarkable continuity in US international economic policy since the end of the Second World War.

During the postwar period, U.S. international economic policy was centered around goals of opening of global markets and establishing the rule of law in commercial relations worldwide. To reach its policy goals, the United States employed three policy tools: (1) ecomomic regionalism; (2) bilateralism; and (3) multilateralism. During the immediate postwar period, this strategic policy of the United States was necessary in order to sustain the growth and expansion of the network of U.S.-based multinational firms, just as these strategies continue to be vital to American interests today (Deblock and Brunelle 1997).

This continuity, however, has had to contend with important structural changes in the world economy: (1) the phenomenal growth of the US commercial deficit, which was to throw doubt on the long term capacity of the US to maintain sustainable growth and preserve its position as the world's principal investor; (2) a retightening of the link

between "security" in the traditional sense of the term and economic security *stricto sensu*, due to the recent emergence of rival trading blocs in Europe and east Asia and the implosion of Stalinism at the end of the 1980s; and (3) the appearance of a new economic regionalism that has, along with bilateralism, become a crowning piece of US international economic policy (Deblock and Brunelle 1998: 297).

In response to the dilemma confronting its multinational corporations, US economic policy since the beginning of the 1980s has been oriented in the two complementary directions of reviving domestic growth and its international financial position within the broader foreign policy framework of forcing open and securing overseas markets for US products and investment. Then president Ronald Reagan was concerned about revitalizing the U.S. economy and the reestablishment of "fiscal health" and employed a more aggressive commercial policy vis-à-vis its partners Canada and Mexico to meet the challenges confronting the nation (Deblock and Brunelle: 1997).

Today, the main priorities of U.S. international economic policy consist of setting up of an ensemble of international economic institutions whose goals are to normalize international markets and establish the primacy of the rule of law in international economic relations. The institutional progeny of efforts by the U.S. and other advanced market economies to create a global market economy governed by a uniform set of rules include the World Trade Organization (WTO), the successor of the Uruguay Round of the General Agreement of Tariffs and Trade (GATT), and bilateral and multilateral economic integration agreements such as U.S.-Canada Free Trade Agreement (FTA), the subsequent North American Free Trade Agreement (NAFTA), and the aborted attempt at multilateralism embodied in the Multilateral Agreement on Investment (MAI).

U.S. economic policy since the 1980s has also been characterized by a recourse to regionalism and bilateralism. There are several reasons for this policy evolution. First, the tripolarization process, or the coalescing of the world economy into three rival economic trading blocs, may ultimately render the WTO incapable of arbitrating the growing number of commercial disputes. Secondly, the signing of bilateral agreements serve U.S. interests in that these specific engagements regarding commerce constitute "building blocks" for the multilateral level (e.g., NAFTA's Chapter 11 on investments serving as a model for investment chapters within the MAI and FTAA). For Deblock and Brunelle (1997) the bilateralism embodied in the FTA plays a key role in the overarching US commercial strategy in that it serves as a "precedent" for future executive agreements by considerably altering the position of other signatory countries. Moreover, regionalism is also significant in that the preferential advantages enjoyed by the signatories of bilateral agreements disappear as the agreements multiply. The expansion of free trade within the context of executive agreements favor regroupings and harmonizations within a tri- or multilateral agreement framework. To counter (or complement) the consolidation of the world economy into three rival trading blocks, regionalism in the Americas as well as bilateral agreements permit the United States to weave its own complex network in which it occupies the center as "privileged interlocutor" (Deblock and Brunelle: 1997).

The US strategy of regionalism has consisted in three principal steps. The first commenced with the opening of bilateral commercial negotiations between Canada and the United States at the "Shamrock Summit" held in Quebec City in March, 1985 whose final product was the Canada-U.S. Free Trade Agreement (FTA). The next major step in

the new U.S. strategy began on June 10, 1990 with the announcement by US president George Bush and Mexican president Carlos Salinas de Gortari of the opening of negotiations towards a prospective bilateral free trade agreement which Canada soon joined. The most tangible fruit of regionalism thus far has been the signing of the North American Free Trade Agreement (NAFTA), a trilateral agreement bringing in Mexico in 1993, effective January 1, 1994. President Bush's announcement of a prospective bilateral agreement with Mexico was followed later the same month by his launching of the "Initiative for the Americas" where he proposed to extend negotiations to the hemisphere as a whole with the aims of arriving at hemispheric free trade, encouraging economic reform, reducing debtloads and promoting environmental programs (Deblock and Brunelle 1998: 302).

The third and final step in the evolution of regionalism in the Americas was undertaken at the "Miami Summit" in December 1994 bringing together the thirty-four democratically elected heads of state of the Western Hemisphere to arrive at an agreement on a "plan of action" consisting of 23 initiatives and 150 concrete measures grouped around four principle themes: (1) the preservation and strengthening of the Community of Democracy of the Americas; (2) the promotion of prosperity by economic integration and free trade; (3) the elimination of poverty and discrimination in the hemisphere; and (4) the guarantee of sustainable development and environmental conservation (Deblock and Brunelle 1998: 303). Taken together, the Initiative for the Americas and NAFTA constitute two important precedents that have established the foundations for a new hemispheric economic order centered around the US, and will have a powerful effect on the course of integration in the Americas. The negotiations

surrounding the FTAA are novel in that they rest not only on states and subregional initiatives but also in significant measure on social actors from a posited civil society, particularly NGOs since the second commerce ministers of the Americas meeting held in Belo Horizonte, Brazil in May 1997. The FTAA is only a constituent element of the Initiative for the Americas which concerns itself with the broader project of establishing a hemispheric political regime.

In the final analysis, the American approach concerns itself with shoring up the market power of U.S.-based multinationals vis-a-vis its trading partners and overseas rivals, the establishment of a neo-liberal legal order in the world economy and the harmonization of the national policies of its principal trading partners. This pattern falls into the proposed theoretical framework of neo-liberal constitutionalism (Gill: 1998), the deplacement of political institutionalization from the legislative to the judiciary branches, and the removal of policymaking prerogative from national governments to supranational institutions (Bourque, Duchastel and Pineault: 1999). It is also important to emphasize the permanent character of the free trade agreements. On an immediate, tactical level the opening of commercial negotiations with the United States guard against any future eventual rise of protectionism.

The enthusiasm for regionalism in Latin America must also be understood in terms of a strong desire by state governments to undo the constraints to export-oriented growth in order to reconcile demands of modernizing economies with the strategic advantages afforded by trade and investment liberalization agreements such as increased security of market access (CEPAL: 1994). Within this context, the hemispheric project promoted by the United States remains the best of all possible alternatives in the long

term for Latin American economies (Deblock and Brunelle 1998: 305-306). For Deblock and Brunelle, economic regionalism in its present form is primarily about consolidating and strengthening relations with the dual aim of enlarging the margin of manoeuvre in a more competitive world and creating large economic spaces in which TNCs may find the most favorable conditions to compete.

Deblock and Brunelle (1998) complement Harry Arthur's (1999) interpretation by speculating that the potentially deeper significance of trade and investment liberalization agreements lies in the fact that they serve to implant a more open and secure normative framework within which a new model of integration obeying a strictly competitive logic is taking form (Deblock and Brunelle 1998: 324).

Canada was one of the first countries to call into question the keynesian parameters which undergirded its full employment macro-economic when in the fall of 1975 then Prime Minister Pierre Trudeau imposed price and wage controls and gave free latitude to the Bank of Canada to pursue and gradual re-tightening of monetary reserves. By the 1970s there had developed serious complexities associated with the management of Canadian-style keynesian macro-economic policy that would eventually lead to the questioning of this normative framework. First, keynesian macro-economic policy in Canada fostered a duplication of services which led to eleven Canadian economic policies, one for Ottawa and one for each province. This inevitably led to frictions in federal-provincial relations. Furthermore, accompanying declining economic growth and increasing unemployment was a mounting debtload at both the federal and provincial levels. Exacerbating this situation was the perennial openness and consequent vulnerability of the Canadian economy to the exigencies of world markets. Related to

this last factor was the deterioration of Canada's economic position vis-à-vis its trading partners and its growing economic and ideological dependence on the United States. At the political level, there was increasing uncertainty over the country's future following the election of the Parti Québécois (PQ) in Quebec in 1976, a separatist formation committed to achieving a greater degree of political autonomy from Ottawa. In a sovereignty referendum held in May 1980, the PQ managed to garner 40% popular support in Quebec on a plebiscite to negotiate sovereignty-association with the Ottawa. All of these factors will lead to the setting up of the Macdonald Commission, whose recommendations will have enormous implications for the representation of socio-economic interests and the notion of citizenship in Canada.

The Macdonald Commission

Stated in the broadest terms, the Macdonald Commission represents the redefinition of the fundamental parameters of Canadian society, in that it put into question the keynesianism that had been applied in Canada since the end of the Second World War. The present discussion of the Macdonald Commission will link its recourse to the parameters of neoliberalism to the rearticulation of powers and responsibilities between the different levels of government. The idea to be conveyed here is free trade as quasi-constitutional reform. Just as was the case before with Rowell-Sirois, which led to a new division of powers and responsibilities between Ottawa and the provinces by means of constitutional amendment, the Macdonald Commission recommended that the federal government undertake a *quasi*-constitutional revision of the sharing of responsibilities and prerogatives between the orders of government under the institutional aegis of a free trade agreement. In this regard, Brunelle emphasizes the importance of

free trade in the redefinition of a national political economy, in that in country after country the transition to neoliberalism had either been preceded or followed by modifications to that given country's constitution (Brunelle, Deblock and Belanger: 1999). Canada, of course, is no exception to this rule. The Macdonald Commission was inaugurated by then Prime Minister Pierre Eliot Trudeau in October 1982, barely five months after the repatriation of the Constitution containing the *Charter of Rights and Freedoms* in May of that same year. Finally, the codification of the Macdonald Report's recommendations in the FTA should be understood within the context of the ideology of free trade, a strategy inspired by neoliberalism which dictates that governments facilitate the competitiveness of their respective transnational corporations (TNCs), and consequently, the competitive integration of national economies into the global economy.

By way of interpretation, the Macdonald Commission represents the throwing overboard of the interventionist parameters of the Rowell-Sirois Report in that it proposes a new frame of reference for confronting a new global context. It makes a scathing critique of Keynes and rejects the pursuit of an internal equilibrium as the goal of state intervention. According to the Macdonald Report, Canadian keynesianism fostered provincial autonomy and undermined federal supremacy in the socio-economic domain. Following this logic, Canada needed an alternative economic and social philosophy to meet the economic challenges associated with the tripolarization of the world economy. The Macdonald Report articulates in its new definition of political economy the philosophy of a recourse to the capitalist market as central actor in economic development, as well as the principle mechanism for distributing social goods in society.

The overarching significance of the Macdonald Commission is that it called in question the modalities and traditional organizations that once expressed the relations of social solidarity in Canada. Brunelle writes that in this regard, the parameters of the new public policy issued from the Macdonald Report go beyond the previous compromise founded on the successive incorporation in social policies, notably of the notions of right, merit or need, and opens up a wholly new dimension in the redefinition of the links of sociation (Brunelle, 1997: 89).

According to the new parameters of public policy in Canada, social integration is henceforth based on the law of the market and "charters of rights" that manage systemic inequalities. Discrimination is now based on identities or orientations, whereas previously, the approach to public management was founded on the management of legal subjects possessing rights. Today, the order of the market has the preeminent function as ultimate arbiter over society that assigns gains and losses to individuals according to their efforts, while before it was perceived as an independent entity and vector of potentially perverse effects against which the state was obligated to protect its citizens. In conclusion, the Macdonald Commission's sanction of the new parameters has put back into operation the capitalist market's vast mechanisms of exclusion that were at the heart of the old liberal order before the state intervention of keynesianism (Brunelle, 1997: chapter 3).

Perhaps the most perverse effects of free trade on citizenship and representation in Canada and Quebec has been "the imposition of a general framework of theorization and functioning which operationalizes neo-conservative-inspired economism as the ultimate rationale for individual and social behavior" (Brunelle 1999a). Over the course of the

last two decades neo-conservative philosophy has in large measure guided the reorientation of social programs and education policy. Brunelle has observed that in spite of the tremendous burdens that federal reductions in the CHST have brought upon provincial governments, the latter have eschewed exercising their historical prerogatives of guaranteeing economic cohesion and common welfare in favor of subscribing to the policy of "deficit zero" (Brunelle, 1999b)

Moreover, over the course of the 1990s, Canadian federal and provincial governments founded their legitimacy on the sole basis of attracting investment and job creation, regardless of the number and quality of jobs eliminated or lost due to economic integration (Brunelle, 1999b), or the number, wages, working conditions and security of those jobs in fact created. Implicit in this present critique is that the provinces need not be in agreement with Ottawa on political economy. In fact, commonality of provincial concerns against the federal government may herald the beginning of a critical reexamination of the neoliberal policy paradigm in place for the last two decades.

Free trade and Canadian federalism

Returning to a consideration of the relationship between the liberalization of trade and Canada's constitutional regime, the following general points should be made. A cursory glance at the relevant provisions will reveal their effects on provincial powers. The principle innovations of NAFTA with regard to the FTA can be found in Chapter 10 on public markets, which applies to "public entities of provinces and states," and Chapter 11 on investments, in particular that which concerns repatriation of profits and benefits, and compensation in case of a expropriation. Chapter 11 of NAFTA also gives private

investors, both institutional and individual, new legal rights by providing for an "investor-state" dispute process that will permit them to go before an international tribunal with binding arbitration powers, or to the domestic courts, if they believe they have been discriminated against. It is significant that all of these three provisions had been subsequently incorporated in the MAI negotiated within the Organization of Economic Cooperation and Development (OECD) but shelved in October 1998.

The free trade agreements and Canadian federalism interact with the globalization processes by creating a further concentration of power in federal hands in those areas affected by the free trade agreements. The free trade agreements erode provincial government powers by imposing unprecedented legal restrictions on their policymaking and by increasing market restraints faced by provincial governments. (For instance, NAFTA attaches an even stronger federal obligation to enforce prior restrictions on provincial measures than the FTA). Ian Robinson (1995a) advances the thesis of the centralization of federalism by quasi-constitutional reform on the basis that Ottawa exercised its exclusive right to make international treaties to sign an agreement legislating in areas of provincial jurisdiction. This has led to profound changes in the division of powers between federal and provincial governments without formally amending the constitution, and in doing so undermines the "federal spirit." The imposition of market restraints on provincial governments reduces their capacity to act effectively on behalf of their electorates, as well as reduces the bargaining power of both federal and provincial governments vis-à-vis transnational corporations. But perhaps most significant for citizenship and representation, the increased capital mobility of the free trade agreements (which Robinson believes is their *raison d'être*) weakens the economic and political

power of the labor and social movements as well as that of other collective actors (Robinson, 1995a: 246).

Secondly, the free trade agreements have determinant effects on national economic policies. The authorities have increasing recourse to privatizing public bonds, deregulating and liberalizing prices and reforming social policy. The animating principle of government policy under a neoliberal policy regime has been the adjustment of the internal dimension to demands determined at the external level. Under this new principle, the federal government must engage itself in finding the means to extend the agreement's provisions to the provinces. The issue remains the same, that of the free trade agreements representing a consolidation of power in the hands of the federal government, or an exercise in quasi-constitutional reform.

It must be noted, however, that the areas of NAFTA affecting provincial prerogatives don't take effect until the provinces sanction the accord. It is a little known fact the negotiations surrounding the setting in operation of NAFTA have not finished (Brunelle, 1999b: 14). At some point, each government must choose to either sanction or disapprove the terms of the agreements which fall under their domains of legislative competence. Up until now the provincial governments themselves have not had any unified divergent strategy from that of Ottawa, since they possess the same neoliberal prerogatives as the federal government. Quebec in particular has been a "model student" with regards to the application of the provisions of NAFTA and, it should be added, its two parallel agreements on labor and the environment. All three agreements have rapidly been codified into the province's legislation (See for example, *Loi concernant la mise en oeuvre des accord de commerce international*, voted June 13, 1996).

In the near future, there could be a vast consultation concerning the social aspects of trade liberalization as well as the jurisdiction of provinces. The project of deepening the multiple integration of the 34 countries of the hemisphere previews extending integration to several other domains regrouped into four principle themes: economic integration, democracy and the human rights, poverty, and education (Brunelle, 1999b: 16). The first *Conférence des Parliamentaires des Amériques* (COPAM) held in Quebec City in late 1998 might indicate the future trajectory of policymaking in the Western Hemisphere, in that it signifies the emergence of the community of interests that will henceforth link the legislatures of all Western Hemisphere infrastate governments vis-à-vis the economic integration process thus far led by the executive branch of government (Brunelle, Deblock and Belanger, 1999). This phenomena of *executive democracy* has had pejorative consequences for citizenship and representation in Canada. Be that as it may, the looming possibility here is that of renegotiating economic integration in light of concerns relating to the demonstrable impact of free trade on the economies and societies of the Americas.

This leads to the question of what strategies the provincial governments, particularly Quebec with its special needs of preserving its uniqueness, are going to adopt in this discussion of provincial powers under the free trade agreements. At this point, the Quebec, Manitoba and Alberta governments have all enacted legislation calling for the enforcement of NAFTA's terms, although Quebec issued a public declaration condemning the prospective Multilateral Agreement on Investment (MAI), but only after Ottawa broke off negotiations in late 1998. The point here is to demonstrate the potential capacity that provincial units of governments possess to become political actors in the

ongoing trade liberalization process, operating from either a neoliberal theoretical framework or not.

Deblock and Brunelle (1997) recount how the free trade agreements, the instruments of regionalism, have been promoted in Canada and Mexico as enabling these countries to take advantage of privileged access to American markets, capital and technologies in an effort to rebuild the conditions for economic growth in an international context with new types of constraints. Official Canadian government documents claimed that for Canada, free trade would preserve, enlarge and improve access to the U.S. market and create a more favorable environment for investment and commerce and job creation, and "respond to the more fundamental necessity to stimulate the restructuring of the Canadian economy to allow it to better face international competition" (Canada: 1985a) (Canada: 1985b).

Christian Deblock and Dorval Brunelle (1997) measure these claims of free trade proponents included in the Macdonald Commission against statistics representing the actual experience of Canada and Mexico under free trade. They suggest that the promoters of trade and capital liberalization overestimated the economic advantages that Canada and Mexico would able to enjoy with the United States under free trade with regards to job and wealth creation, and underestimated the systemic negative effects of an agreement that, in liberalizing trade between the three countries, has enlarged the space of rationality of firms and consequently reduced the margin of manoeuvre available to governments in policymaking (Cf. Robinson: 1995a). Thirdly, Deblock and Brunelle emphasize how recent economic trends such as the record commercial surpluses realized by Canada and Mexico with the United States lend themselves more to the devaluation of

their respective currencies than to growth in productivity. Related to this last point is that export growth reveals itself to be much less job creating than economic studies indicate (Deblock and Benessaieh: 1997). Finally, Canadian businesses have gained much in the areas of degree of autonomy vis-à-vis internal politics and of facility of establishing operations in the United States (Deblock and Brunelle: 1997).

Lest the writings of Ian Robinson on NAFTA's impact on government policymaking areas be considered redundant, the same issues raised in his articles continue to be salient in the proposed FTAA. Bachand (2000) extends Robinson's critique of free trade agreements to the present day by cautioning that future investment agreements modelled on NAFTA's Chapter 11 will have pernicious effects on government policymaking capacity, citing provisions such as clauses on investor rights, an enlarged definition of government expropriation and dispute resolution mechanisms which give investors the option of an additional legal forum if they believe they have been injured by a discriminatory government action. Moreover, clauses concerning transfers of capital favor the privatization of profits and the socialization of costs in that increased capital flows have sparked numerous currency crises in recent years. In this way, investment agreements as presently written force states to abandon their prerogative to formulate economic and social development and lend themselves to maximizing the profits of foreign investors.

Bachand contends that trade liberalization agreements represent the interests of international investors in that they seek a legal definition of "investment" that would include not only direct investments but also encompass more intangible rights such as intellectual property, *les créances et prêts*, and portfolio investments. Portfolio

investments, often purely speculative, are much less stable than traditional direct investment and can be pulled out of a host country much more swiftly which results in phenomena such as capital flight and financial crisis that struck Mexico in 1994 and in much of east Asia in late 1997 (Weisbrot: 1998; Robinson: 1998).

Bachand (2000) argues that, taken together, the enlarged scope of the investment agreements as well as investment treatment and protection norms force states to define their development strategies primarily in function of international private capital. The two major obligations concerning the treatment of foreign investors, the "national treatment" and "most favored nation" principals, render states incapable of independently defining their development policy. Related to this point, investment agreements provide for the abolition of performance requirements which have been traditionally used by Canadian governments to develop the country's industry and create employment. This has been achieved with the inclusion of Article 1106 in NAFTA. Lastly, treatment of investment clauses concerning capital transfers impede states from intervening in the event of capital flight.

Clauses of free trade agreements pertaining to the protection of investments would pre-empt the legislative, executive and judiciary powers of host countries. In recent years, traditional common law definitions of government expropriations have been jettisoned in the interest of extending investors' rights. Bilateral investment agreements and NAFTA widen the definition of "expropriation" by adding the qualifiers "directly or indirectly" and extend government takings to include "measures equivalent to nationalization or expropriation". By virtue of this redefinition, depossession is no longer limited to government seizure of assets of a foreign investor, but is now extended

to include measures depriving them of the possibility of making profits. Secondly, investors now have the option of recourse to international arbitration tribunals if they believe that a country hosting investment has neglected their obligation to protect foreign investment and that this negligence has resulted in actionable damages. Opponents of neoliberal globalization believe that this new mode of dispute resolution contained in bilateral investment treaties and NAFTA would preempt decisions made by governments aiming to protect the environment or set in place alternative development strategies at the local, provincial or national level.

Harry Arthurs (1999) argues that Canada confronts "time and space specific" constraints which dramatically narrow its room for policy maneuver. These constraints are now embedded in Canadian political culture, social consciousness and institutional structures to the point where they operate as a virtual constitution. According to Arthurs, Canada has in recent years been constitutionalizing the assumptions and values of neo-conservatism as well as its relationship with the United States (continentalism), which seriously compromises its capacity to respond to new analytical insights, a future economic environment or a new political consensus. In addition to these two factors which he terms"the two TINAs," –acronym for "There Is No Alternative" and "Trapped Inside North America" –Arthurs proposes that the "deep structures of Canada's institutions of governance are also being transformed by the endogenous forces of decentralization, juridification and populism" (Arthurs: 19). Thus, according to Arthurs, "Canada is incorporating the key assumptions and values of neo-conservatism and continentalism into its system of fundamental principles, and reconfiguring its public and

private institutions, processes and policies to ensure that they are embedded deeply and permanently into its polity, economy and society" (Arthurs: 20).

Arthurs neatly summarizes Deblock and Brunelle's work on regionalism by characterizing the North American case of globalization by the political and cultural hegemony of the US and a long historical movement toward integration of the three countries. NAFTA serves as North America's *de facto* constitution (Clarkston 1998) in that it "builds upon, formalizes and facilitates a pre-existing reality of a hub-and-spoke economic relationship between Canada, Mexico and the United States"(Arthurs: 32). In addition to the NAFTA provisions themselves, ongoing sectoral consultations are paving the way for additional legislative adjustments in the interests of more complete harmonization (Wolfe 1998).

NAFTA has acted as an explicit constraint on public policy formation in Canada in episodes such as the abandonment by the Bob Rae ONDP government (1991-1995) of plans to institute public auto insurance and the federal Liberals lifting the ban on MMT and the cross-border movement of PCBs (McCarthy 1998) (*Globe and Mail* 1997). Assessing continentalism's implicit effects, Arthurs argues that "as the NAFTA economies become more fully integrated, virtually all trade issues become linked to each other and to non-trade issues, regardless of whether NAFTA speaks directly to them or not" (Arthurs: 34). Arthurs claims that as continental integration under NAFTA deepens, it begins to generate non-economic side effects in diverse realms and the logic of systematizing the relationship becomes increasingly compelling. Arthurs also observes that cross-border capital flows facilitated by NAFTA has reinforced the *de facto* linkage between Canadian and US economic policies.

While there is nothing novel in Arthur's interpretation of continentalism as a transformative agent in Canada's political institutions and social consciousness, his account is original in that it conveys the unavoidable nature of the neo-liberal regime emerging in North America. If Arthurs is correct in his assessment, then the left Canadian nationalist critique championing Canadian autonomy is obsolete. The implications rising from Arthurs's thesis would be that the next logical focal point of a social-democratic project would have to be at the regional level. The Canadian nationalist critique of continental integration a mythical Canadian sovereignty that globalizing forces render impossible, while a new generation of the Canadian left that views perceives itself as part of a transnational community.

1.3 The "Second Quiet Revolution" and its discontents

In this section, the theory of neoliberal globalization will be employed to account for Quebec's so-called "second Quiet Revolution," the dismantlement of the postwar welfare state which began during the Parti Québécois's second mandate, and the turn of the PQ leadership toward free trade ushering in the transformation of Québécois nationalism. Secondly, this section will critically examine Quebec's idiosyncratic approach to the construction of the neoliberal competition state which includes a reaffirmation of national solidarity while recasting the relationship between state and society (Bourque and Duchastel 1997; Graefe 1997). As we will see in Section 1.5, the social and political in Quebec directs a special critique against those who claim that the Quebec model avoids the most pernicious effects of globalization.

There are two deeply interrelated phenomena with which Bourque and Duschastel (1997) concern themselves with in their discussion of the impact of globalization on Quebec politics and society: the capacity of the Quebec state to (1) advance social progress and social justice and (2) successfully forge a common political culture that would affirm a chosen vision of Quebec identity. Bourque and Duchastel (1997) emphasize the precariousness of constructing a political community in Quebec, noting how, just as in the Canadian case, Quebec has been deeply affected by the transformations of the state's role and the erosion of the nation-state's capacity in the wake of globalization. Bourque and Duchastel recount how the transformation of Quebec nationalism after 1960 became closely linked to the affirmation of the keynesian welfare state. The implication is that the "production and liberation of the Quebec space" –to use Bourque and Duchastel's phrase- would have been impossible were it not for the decisive role conferred to the state in the organization of social relations during this period. The question preoccupying Bourque and Duchastel concerns the ability of the Quebec state to maintain its uniqueness in the age of globalization.

Peter Graefe (1997) seeks to replace the erroneous conceptions of many analysts in political economy who posit a "retreat of the state" from the early 1980s onward in light of changes in the international economy by proposing that it is more accurate to speak of a *transformation* in state forms and practices. He hypothesizes that the changing regime of capital accumulation in the world economy fostered a homologous transformation in state regulation which resulted in the observed "shift" in the state's rationality. In the Quebec context, this metamorphosis of the state can be traced back to a series of Quebec government working papers dating back to the mid-1970s. Graefe's

argument also weakens alternative interpretations of a nascent indigenous bourgeoisie as well as unilateral economic constraints on state policy as causative factors for the Quebec state's "retreat" during the 1980s.

Graefe employs a regulationist approach for explaining the evolution of the state vis-à-vis the structures of the economy in which "the state," in any given mode of accumulation, "plays a central role in organizing the expanded economic and social reproduction of capitalism" (Graefe: 7). Within the regulationist approach, Yates argues, the state's role is to strike an optional coupling between the accumulation regime and the society in which it is embedded through the construction of social compromises around practices and institutions (Yates: 7-9). This proposition will form the basis of efforts by Quebec political institutions to impose on Quebec society a vision of nationalism defined by competitiveness and flexibility, as well as the focal point of contention of Quebec's political and social left who oppose this vision of nationalism advanced by the province's political and economic elites.

Graefe asserts that during the 1960s, the Quebec state cultivated the development of indigenous capital squarely within the fordist growth model, with its emphasis on sustaining and deepening domestic demand (Graefe: 9; Brunelle and Deblock 1989: 150-151). Lending crucial insight in how factors rooted in political economy prompted the Quebec state to pursue the free trade growth model, Graefe cites "significant limitations" impeding the construction of the fordist model in Quebec. These include variables such as the deflationary monetary policies aimed at combating inflation, which had the effects of restricting economic and employment growth in Quebec, as well as driving up the costs of servicing the province's already burgeoning debt. In this way, increasing debt

loads and continued state expansionism drained the Quebec state's ability to pursue fordism by the early 1980s.

Moving beyond structuralist orthodoxies, Graefe insists that the structural changes in the international economy provide new opportunities for policy innovation and state intervention. Hence, Graefe is consistent with Jenson's (1995) conception of the interaction between political economy and societal actor. Related to this thread of analysis, a Quebec government policy paper known as the Tetley Report, released in 1973, presages the state's form in the age of neoliberalism by recommending a state role of facilitating innovation through "specific interventions to aid firms in gaining an excellence, a distinctive character or competitive capacity" (Quebec 1973: 46-47, 54-55, 96, 98). A Ministère de l'Industrie et du Commerce working paper released in 1974 (the Vézina Report) announces a new economic nationalism based on national competitiveness, qualified in the paper by the state "mobilizing internal resources in order to make invention possible and to exploit these inventions on the international market"(Quebec 1974: 23). Such arguments based on competition through innovation and specialization are cogent for small economies such as Quebec's, given such structural factors as its tiny internal market and the liberalization of trade.

Graefe intimates that state managers of small scale economies that could never fulfill the fordist ideal of growth through the deepening of domestic markets were often the first and most ardent converts to the new state modes and practices premised upon export-oriented growth. Such an insight would explain the pro-free trade orientation of Quebec political and economic elites from the early 1980s onward.

Graefe observes that this new supply-side, innovation-oriented state form has a social component. Enhancing private sector performance, competitiveness and innovation requires the state to create an environment where costs can be contained and productivity fostered, which state policy accomplishes by placing a cap on wages. In the case of Quebec, idiosyncratic practices such as *concertation* serve this function as well as legitimize the policies.

From his survey of Quebec government policy documents, Graefe concludes that the Quebec state has enacted the strategic plan formulated in the industrial policy documents of the 1970s. Graefe, however, shares Drainville's critique of Open Marxism in that he doesn't visualize a disembodied state existing above and apart from society, unilaterally setting the mode of regulation, but rather conceives the state negotiating and organizing governance with other social forces. In the final analysis, a balanced review of the literature reveals a more nuanced and multilevel approach to internationalization in the Quebec context.

Gilles L. Bourque (1999) observes that the second half of the 1980s was marked by an important transformation of quality, identity and participation conventions in economic life. G. L. Bourque (1999) asserts that the first Quebec Liberal Party (QLP) government under Robert Bourassa (1985-1989) attempted to radically reconfigure the Quebec model of development along "ultraliberal" lines. This can be discerned from Bourassa's appointment of commissions whose mandate it was to redefine the borders between the public and private sectors in the area of economic activity. The three resulting reports, the so-called *Rapports des sages* represent the high tide in the neoliberal critique of the Quebec model of development dating back to the Quiet Revolution of the

1960s. In their entirety, these three reports interpreted the crises of the productive system and public finances as stemming from the inadequacy of the keynesian development model to successfully respond to the challenges of globalization and the technology revolution, and proposed a new strategy based on business principles to recreate the conditions of growth (G.L. Bourque: 20). The development strategy proposed in the *Rapports des sages* revolve around three principles: the privatization of state corporations, economic and social deregulation and the rollback of the state. G.L. Bourque contends that throughout its two mandates, however, QLP industrial policy would not carry out the plan of action sketched out in the reports.

Most significantly, G.L. Bourque contends that the redefinition of relations between public and private sectors outlined in the *Rapports des sages* is accompanied by the mutual exclusion of the social from the economic spheres, hence following the Anglo-Saxon model of state-society relations.

While Brunelle (1997) claims that these reports were determinative for QLP government policies and continue to determine the policies of the Quebec government to the present day, G.L. Bourque (1999) claims that the approach advocated in these reports were jettisoned after the first Liberal mandate.

Like Graefe and Jenson, G.L. Bourque posits the thesis that strong trends associated with globalization engender new "opportunities" for diverse social actors. Globalization has meant the erosion of the Quebec state's powers to direct development of its constituent regions, a regional mobilization has emerged in this vacuum to respond to the crisis of employment and underdevelopment in disfavored areas (Zeitlin: 1989). Courchene (1992) intimates that this represents a net shift of power to citizens while left

critics in Quebec view social economy as government structured discourse. G.L. Bourque points out that this trend of localization is most pronounced in Quebec. Although G.L. Bourque mentions the accompanying loss of the nation state's powers to supranational organizations and mechanisms, he doesn't believe that this mutation of the nation-state undermines his argument for "globalocalization," i.e., the accruing of power to the local level. As we shall see, anti-globalization groups in Quebec contests G.L. Bourque's portrayal of harmonious power sharing among economic actors in Quebec.

According to G.L. Bourque, concertation contributes to social cohesion in that within this framework, economic actors privilege conventions that reject hyper-individualism in favor of an "*économie solidaire*", thus representing an alternative to anglo-saxon social regulation patterns. G.L. Bourque attributes difficulties in reaching a stronger partenarial approach within the Quebec model to divisions within the labor movement, the lack of public confidence in employer associations, as well as the strong presence of foreign firms in Quebec. It is A.B. Tanguay's (1990) thesis that Quebec's social economic summits of the 1980s were denounced by the majority of participants that the government wished to integrate into the social-political process. G.L. Bourque attributes this adversarialism of the economic actors to the legacy of the old hierarchical state form within the context of the crisis of fordism. Bourque's interpretation rests on the problematic presumption of the state as neutral arbiter of ostensibly conflictory but ultimately reconcilable interests, and on a facile characterization of the trade unions' obstinacy as the residual organizational culture of the fordist era. Underlying G.L. Bourque's model of *concertation* is the notion that the two antagonist logics of capital and labor are gradually replaced by the recognition by both actors of diversity and the

search for new compromises on the basis of common objectives within the processes of concertation and partenarial relations (G.L. Bourque: 25).

G.L. Bourque asserts that during the first QLP mandate there was a renewed desire for concertation from the principal economic actors that was to coalesce in the widening of "associative governance," the most visible instance of which were the economic summits. G.L. Bourque calls attention to the economic summit of 1982 as being a decisive moment of associative governance in that it expressed the more formal integration of interest groups to administrative councils of main public corporations (G.L. Bourque: 19). The new dynamic that began during the first QLP mandate would support the formation of new networks between the principal institutions of state and associative governance, thus opening the way to an important renewal of the Quebec model of development (G.L. Bourque: 22).

G.L. Bourque claims that by the end of the first QLP mandate civil society actors reappropriated the public space due to their capacity to reformulate the principles of the "general interest" of which state actors made dubious use. This was done in the concertation movement represented by the project *Forum pour l'emploi* first brought together in the spring of 1988. G.L. Bourque cites the events accompanying the debut of the 1990s –deep economic recession, the FTA and the crisis in federal-provincial relations following the demise of Meech Lake –as precipitating the appearance of a set of "offensive strategies" by diverse social actors. For instance, the FTQ launched the FSTQ which in the 1990s became the key component of the Quebec model and gave the trade union movement an influence never before felt.

According to G.L. Bourque's formulation, the retreat of the state does not take the form of privatization, but rather a transfer and a new division of responsibilities consistent with the notion of partnership (Klein: 1992).

G.L. Bourque's thesis that innovations in industrial policy, regional development policy and labor relations aided by the presence of more nationalistic actors in Quebec represent a radical divergence in public policy is based on juxtaposing it with the strategy elaborated at the beginning of the first QLP mandate in the *Rapports des sages*. He does not see how the Quebec model's compatibility with neoliberalism undermines his claims of Quebec uniqueness in social regulation. Section 1.4 will problematize G.L. Bourque's claim that concepts such as society, patrimony, cultural heritage and nationalism, in other words *collectivities*, serve as potential bulwarks against the neoliberal project put forward by the *Rapports des sages*.

1.4. "Opposing the System": A theory of anti-neoliberal social movements

This section will examine recent developments in social movement theory to account for the emergence of a transnational social movement in the Americas opposing neoliberal hemispheric integration. At the infrastate level, social groups seeking to transform national politics is a corollary of this transnational social movement theory, with Quebec as a case study.

Drainville (1995a) advances the thesis that the new left internationalism has its roots in the ongoing global crisis of accumulation represented in recurring currency devaluations, debt, budgetary and monetary crises. As discussed in Section 1.1, this crisis led to the emergence of the world economy as locus of capital accumulation, as

well as to the acceleration of the global integration of production and the consolidation of the world economy into three rival trading areas. These phenomena may be understood as ruptures in the structures that had previously generated growth and disciplined accumulation in the world economy during the keynesian era.

Drainville (1995a) also cites the crisis of fordism and the growing transnational segmentation of production as contributing to the reinvention of left internationalism as a transnational movement of resistance in that these two macro-processes have turned all social actors into reluctant citizens of the space of the world economy and have consequently widened the material basis of a transnational resistance movement. The crisis of fordism refers to the crisis of transnationally coordinated, but nationally regulated, accumulation and the crisis of relevance for the nation state. Another significant factor contributing to the transformation of left internationalism is the changed dynamic of interstate relations due to the tripolarization of the global economy and the disappearance of actually existing socialism with the implosion of the Soviet Union in 1991. This development has brought about the decline of Marxist-Leninism in left internationalism.

Peter Waterman (1988) characterizes the new grass-roots internationalism of social movements as the "spontaneous and somewhat prepolitical internationalism of those shaken by the constant restructuring of production in the world economy." The new left internationalism distinguishes itself from previous generations of transnational movements such as the Communist internationals in that it is not shaped by shared allegiances to political blueprints or constrained by the exigencies of international relations, but is rather dictated by the specificity of lived situations inside the general

framework of the world economy (Drainville 1995a). Drainville (1995a) observes that the new left internationalism does not possess a critical understanding of world economy and offers little in terms of blueprints or programs, which may be attributable to the decline of Marxist-Leninist socialist internationalism. As we will see in Section 1.5, however, a critical examination of recent literature emerging from the transnational resistance movement may in fact reveal a coherent alternative vision of economic integration containing elements of programmatic unity.

Waterman's characterization will serve as part of the theoretical underpinning of our case study dealing with the emergence of cross-border coalitions opposing neoliberal integration in the Americas, as well as mutations in Quebec's political and social left.

Waterman (1988) advances the proposition that in the post-fordist era, social relations have become a category of global accumulation and thus serve as a multfaceted starting point for a broader, more varied internationalism. Drainville (1995a) claims that the new internationalism of social movements can be understood as a resistance movement involved in challenging the capitalist organization of social production within the world economy. One must keep in mind, however, that this transnational resistance movement is in fact a politically heterogeneous amalgam of groups, many of whom do not question the prerogative of multinationals to control and organize social wealth, but merely want to create for civil society entry points into the institutions of neoliberal globalization.

In his profile of the new left internationalism, Drainville (1995a) characterizes the movement as the successor of Marxist-Leninist inspired socialist internationalism whose perspective is piecemeal reformism. Although the greater part of these groups qualify as

reformist, the socialist project, no longer encumbered by the Soviet legacy, lives on in the form of a non-Marxist-Leninist, utopian socialism influenced by anarchist theory with an infusion of ideas stemming from the ecologist movement. For instance, to counter attempts of the *nébuleuse* to construct global civil society, radical theorist of international relations Cox (1991) proposes building new, national historic blocs that will eventually become strong enough to form an alternative base of polity. Groups within the anarcho-communist wing of the transnational resistance movement are ideologically committed to avoid incrementalism and struggles waged for specific gain (Cox: 1983). In Quebec, Michel Chossudovsky (2000) echoes these sentiments in his opposition to electoralism, revealing the impact of the new left internationalism in the province's political discourse. In its most radical form, the new left internationalism calls into question both the spatial and temporal foundations of the world economy, as well as the capacity and legitimacy of transnational capital to arrive at a consensual, spatially and temporally-grounded order. Regarding the spatial element of global capital accumulation, the new internationalism's championing of the political subject "citizen" confronts the national, racial, ethnic, gender and regional particularizations and compartmentalizations that form anchoring points for the free circulation of capital in the world economy. Perhaps the potentially most radical and far-reaching theoretical contribution of anarchism to contentious politics in the twenty-first century will be its rejection of the identity-based discourse of NSMs during the postwar. This theoretical innovation of the new generation of NSMs, however, may have harmful repercussions for the national question in Quebec.

Another defining characteristic of the new left internationalism is its *modus operandi* of episodic defensive struggles (also known as direct action) to the pressures

generated by the ongoing transnational restructuring of production and capital accumulation.

Notwithstanding the existence of an anarcho-communist wing, the new internationalism in its essence concerns itself with defending established spaces, boundaries, social practices and ways of life endangered by transnational restructuring. The new left internationalism seems to be the spontaneous defense of *specificity* in the wake of globalization's universalizing tendencies, but not necessarily *nationalistic* in the traditional sense of the word.

The perspective of the new left internationalism also belies the facile criticism of leftists and neoliberals alike that the resistance of social actors like trade unions to restructuring is simply a narrow nationalist, protectionist-inspired defense of self-interest (Cf., Robinson: 1994).

But perhaps the most significant aspect of the new left internationalism is that it is the political expression of "the new reality of a shared existence in the new economy," revealing the fragility of the social foundations of the new world order. The thesis advanced by Drainville is an essentially democratic critique of neoliberal globalization which states that the new organs of regulation of the world economy, insulated from civil society, are attempting to override local specificities of global accumulation. This displacement of policy making prerogatives from national social formations, the "superstructures of civil society," to supranational regulatory institutions leaves no alternatives to the marketization of social relations (Drainville, 1997: 229). The new generation of left internationalism in significant measure eschews economic analysis, although an economic critique of neoliberal integration has been made in *Canada Under*

Free Trade (Cameron and Watkins 1993) and *Dismantling a Nation* (McBride and Shields 1997).

In his article, "Continental Integration and Civil Society in the Americas"(1995b), Drainville looks at the social embeddedness of integration in the Americas and asks if recently unveiled projects for regional integration herald a hemispheric civil society in formation. Drainville (1995b) comments that inquiries into the social alliances of regional integration provide useful tools for the analysis of social relations in the age of globalization.

Drainville speculates about the consequences of integration for new social movements, recounting first how social movements are always rooted in the most immediate of contexts. Despite the variance in the historical and social conditions of their emergence, cohesiveness, membership and chosen means of political expression, NSMs share in common their focus on immediate concerns and their objective in seeking to transform the political context (Drainville 1995b: xxx). For Drainville, "the necessities of NSMs struggles force them to adjust quickly to new contexts, forge new alliances and reshape their political and social agendas to suit new possibilities" (Drainville, 1995b: 121).

Applying his thesis of "agencies of global order" endeavoring to set the terms of a sociable partnership between transnational capital and civil society to the Americas, Drainville observes that both state and civil society actors posit the existence of a fully formed hemispheric civil society. On one side, state actors believe that social movements can be enlisted in the construction of a hemispheric civil society, while on the other, social movements act as if hemispheric civil society already existed as a political reality

which could be mobilized in the construction of a sustainable hemispheric pact. These groups' assumptions of global civil society imply the political strategy of *cosmopolitan reformism* which rests on the claim that social movements in the world economy have, through their international conferences, global networks and grass-roots contacts, actualized (sic) humanity as a political agent and constructed an *alternative project of world order* that can be negotiated with international organizations and internationalized market agents (Drainville, 1995b: 135). Drainville (1995b) observes how groups embracing cosmopolitan reformism assume that global civil society and alternative projects of world order are already finished products waiting to be activated on the political stage. Drainville (1995b) is skeptical about the prospects of cosmopolitan reformism because similar points of departure do not naturally and immediately bring forth the political coherence of social movements, nor is the maturing of transnational alliances into regionalizing social networks linear or inevitable. Drainville seems to point instead to more autonomous groupings as representing the socially transformative potential of civil society.

Gilles Bourque (1999) undertakes an analysis of social economy *qua* social movement that can be applied to the anti-globalization movement. He first notes that since social economy is more oriented to the market than nourished by state distribution, it cannot overdetermine the neoliberal accumulation regime in a significant way. Secondly, social economy is driven by dominated social actors, acting according to democratic rules on the basis of a solidarist ideology. Bourque asserts that the significance of social economy *qua* social movement rests on the will of actors to generalize and institutionalize alternative practices in the economic domain. Applying

Bourque's conceptual framework to the anti-globalization movement, the emergence of anti-neoliberal groups represent a reformist project originating from socio-economically dominated actors ("those shaken by restructuring") who aim at a differentiated insertion into a market economy driven by globalized capitalism. Parenthetically, this definition excludes socialist formations, since they represent a revolutionary and anti-capitalist project.

The anti-globalization movement is socially progressive in that it, to paraphrase Bourque, seeks to preserve democratic political society and reinstitutionalize political regulation, i.e., the democratic process of the definition of rules of the institution of society (Bourque 1999: 37). This necessarily implies the rethinking of the present relationship between the public and private sphere under neoliberalism. For Bourque (1999) these tasks would imply the creation of supranational political institutions that permit the democratic debate of the issues of globalization and the discussion of the political regulation of "financialized" capitalism. Resistance to neoliberalism implies turning toward the public sphere (a longtime tactic of the left) to create the conditions necessary for the enlargement of the public space and the affirmation of an effective and participative citizenship. Bourque believes that social movements should have as their ultimate objective the reinforcement and enlargement of the institutions of representative democracy, since he believes that they are the best venues for the most open and widest discussion of the relationships of power and domination.

Turning to an appraisal of this new generation of social movements, three observations can be made. First, the new left internationalism is ideologically divided between social democracy and anarcho-communism, hence based on different rationales.

these groups oppose the neoliberal model of regional integration, but for different reasons. Second, in spite of their "transnational" character, these coalitions of social movements opposing integration are in fact nationally-centered. Drainville hints that this "national-centeredness" of cross-border coalitions (as opposed to "nationalism") may be attributable to the distinct impacts that the free trade agreements have had on each signatory country. This is the case because the context and hence the issues are different for each country engaged in the process of integration into the globalized world economy.

Third, these groups are fighting for the defense of idealized notions such as nationally-bounded "community sovereignty" and "recovering the social content of the state" (Cárdenas: 1992), (Cf. Robinson: 1993;1994). In this way, the free trade agreements have encouraged social movements to come together but as a collection of distinctively *national* coalitions that have worked to redefine the meaning of national sovereignty. This is significant in that it represents a shift from nation state sovereignty to popular sovereignty. [discuss Ian Robinson's notion of popular sovereignty]

Ian Robinson (1995b) distinguishes three strands of democratic critique of neoliberal integration: (1) the "scope" critique; (2) the "quality" critique, and (3) the institutional and process critique (also known as the "democratic deficit" critique). The first argument focuses on the ways in which the scope of democratic control over economic and social policy decision is narrowed by these agreements. In Canada, this critique has taken on a strongly nationalistic quality, fetishizing state power. McBride and Shields even go so far as to define Canadian nationhood in terms of a strong interventionist state. The second strand of analysis contends that neoliberal economic integration fosters increasing social and economic polarization within and between nation

states and consequently undermines the quality –and ultimately the stability –of democracy.[1] The last thread examines the new supranational state institutions created –or omitted –by neoliberal economic integration agreements and processes by which those institutions were negotiated and ratified (Robinson 1995b: 163).

There is much overlap among these three democratic critiques and tendencies in the anti-globalization movement combine elements from more than one critique.

Within the process critique, criticism in North America has centered on the powers, composition and procedures of quasi-juridical bodies such as NAFTA's dispute resolution panels and the political processes that created such institutions. Robinson observes that the "democratic deficit" critique often conflates nation-state sovereignty with democratic principles in that it assumes that national (and subnational) legislatures should remain the sole loci of democratic decisionmaking. To answer this objection, Robinson makes the case for "popular sovereignty" which he understands as "the degree to which popular majorities are able to organize their societies and set their priorities in accordance with their basis commitments and preferences" (Robinson 1995b: 175). He argues that that if social, labor and environmental standards can be protected from social dumping pressures more effectively at the supranational level than at the national level; and this is a desiderata of citizen majorities in all concerned nation-states; and efforts to enact such measures have been frustrated by the inability of national governments to resist international market pressures to reduce standards, then transferring power to interpret and enforce international minimum standards in these areas to a quasi-judicial commission would constitute a significant increase in "popular sovereignty" vis-à-vis market forces (Robinson 1995b: ibid.). Robinson tempers misplaced enthusiasm for a

[1] For a presentation of the "quality " critque of neoliberal economic integration, see Robinson (1993).

more inclusive consultation process by his cogent observation that democratic-deficit critiques focusing on increased transparency in negotiations are unlikely to alter the content of these agreements unless governments championing a different economic ideology are elected.

Drainville (1999) examines the impact of emerging political and economic *codes of reciprocity* in the Western Hemisphere on "the prepolitical dimensions of everyday life," to use Alberto Melucci's phrase. Free trade agreements' harmonizing provisions which preempts national legislation inconsistent with "hemispheric exigencies" has had unintended consequences for social movements in the Americas. Drainville's thesis of international organizations interpreting social movements as elements of a global civil society in the making can be extended to the hemispheric level with the setting up of the OAS as a consultative forum. Ultimately, the rationality of regional institutions is to legitimize neoliberal integration in the Americas. Drainville's critique would reproach self-proclaimed NGOs and other "grass roots" formations of the Hemispheric Social Alliance for their discourse of a "hemispheric civil society," as well as for their claims that their perspectives would significantly alter the capital accumulation regime. But in all fairness, the significance of this movement lies not in its economic transformative potential, but rather its politicizing of the present relationship between public and private spheres under neoliberalism.

The social-democratic wing assumes that tripolarization is ultimately compatible with democracy and human development, but the democratic potential of regionalism is the yet-unanswered riddle of the twenty-first century.

Drainville derives his criticism of resistance movement pretentions from a characterization of civil societies as resulting from "the maturing of associational life – a gelling of socially established principles of common life which only come from sustained relationships" (Drainville 1995b: 123). Civil society is shaped by and dependent upon economic, legal and political institutions that codify rules of behavior. From this analysis, one can conclude that the transnational resistance movement in the Americas is in fact severely limited in its subversive capacity by the constraints of "codes of reciprocity" and existing practices, revealing the weight of U.S. hegemony in overdetermining the possibilities for social transformation in the Americas. At present, the political and market codes of reciprocity of NAFTA serve as the models for the FTAA. FTA and NAFTA clauses on intellectual property rights...become the formative elements of a tendentially hemispheric political and social cadre of life."(Drainville 1995b: 129) Nicely complimenting Harry Arthur's essay (1999) on continentalism, Drainville claims that "treaty clauses, bilateral agreements and subregional institutions complementing NAFTA's regulatory framework define components of an emerging hemispheric social framework" (Drainville, ibid.). Drainville concludes that "the move from subhemispheric alliances and arrangements toward FTAA will likely [embed] and entrench existing neoliberal provisions" (Drainville, 1995b: ibid). In this way, one can see how the coalescing of civil society in the Americas is in large measure shaped by U.S.-led initiatives for hemispheric integration.

Drainville (1995b) hypothesizes that initiatives for regional integration have promoted the growth of cross-border coalitions of social movements opposing regional integration and encouraged the formation of sectoral transborder cooperation ventures

which may eventually lead to the emergence of "societal norms of resistance." As a result of initiatives for regional integration such as the FTAA, the immediate context that activates the politics of social movements and shapes their agenda becomes increasingly hemispheric. In this way, Drainville concludes, the conditions of daily life are increasingly structured by forces operating on a hemispheric level.

Applying his profile of the new left internationalism in (1995a) to the Americas, Drainville observes that while the hemisphere's social movements opposing integration share an antipathy to free trade and investment conditions as well as a vague desire for "the true prosperity for all," but few choices have been made by them as a collectivity. For Drainville, the discourse of the hemisphere's social movements do not indicate that an original political synthesis has been made at the hemispheric level, nor that continental social parameters have been forged out of the relationship between national coalitions of social movements.

Drainville concludes that "social movement internationalism is a collection of reluctant, limited and episodic ventures with little programmatic, strategic or political coherence" (Drainville, 1995b: ibid.). This is because, in structuralist vernacular, global civil society is determined neither by state actors nor by social movements, but rather by conditions in the specific sites of the world economy. The argument to be considered in Section 1.5 is that a relatively coherent alternative vision can be discerned from what has thus far been advanced by elements of the transnational resistance movement in the Americas.

In their overview on recent research on the effects of globalization on social movement mobilization and political opportunities, McAdam, Tarrow and Tilly (1996)

assert that economic integration reduces the mobilizing potential of national political opportunity structures. Such findings are doubly significant for Canada, a country particularly vulnerable to the effects of globalization by virtue of its small population and proximity to the United States. The underlying significance of new cross-border alliances that emerged within the context of NAFTA negotiations of the early 1990s is that the nation-state is no longer the sole constraint or supporter of movements (McAdams et al.: 30).

Canadian opposition to integration is in large measure the struggle to construct a national collectivity –struggle over historicity. On the basis of his empirical study, Ayres (1998) claims that each stage of the process of continental economic integration has been accompanied by discernable changes in both strategy and consciousness for groups that mobilized across Canada to oppose free trade. To illustrate, Ayres traces a shift in protest strategies and tactics adopted by Canadian popular sector groups from a state-centered approach that mobilized around concepts of nation and national sovereignty to broader collective campaigns emphasizing transnational democracy and popular sovereignty (Ayres: 135). Ayres's observations conform with Bruce Magnusson's (1999) argument that the constraints imposed by globalization have "decentered the state," providing new avenues for critical social movements outside the traditionally conceived boundaries of the Westphalian state system. Related to this approach is the "globalization of social movements thesis," which claims that governments have diminished capacity to manage the polity and its resources (Tarrow 1998). At the infrastate level, Ayres recounts that the unfavorable political opportunity structure in Canada in the 1990s had become less favorable to the sustained pan-Canadian national campaign and mobilization leading up

to the 1988 federal election, so Canadian popular groups have by necessity become internationally oriented in their activity. By the 1990s, the Council of Canadians eschewed its earlier mildly center-left position in favor of a more far-reaching critique of the forces of globalization and governmental straitjacketing because of the unregulated power of TNCs, and began to call for "a new era of citizen politics in Canada" (Barlow 1997). The appearance of the COC's *Citizen's Agenda for Change* in 1995 represents the organization's transition from promoting national sovereignty and pressuring governments on free trade to challenging TNCs and cultivating social links with co-thinkers in other countries (Ayres: 139).

Robinson (1995b) argues that international social movements may be the most promising agents of a gradual strengthening of supranational identities. Transnational coalitions will eventually transform national politics in that increasing numbers of citizens from different nations participating in these movements will work to build support for social-democratic globalization initiatives within their respective nation-states. These ideas will be the product of interactions with like-minded people within these transnational coalitions, but from distinct experiences rooted in diverse national and subnational communities. As more citizens participate in transnational politics, their supranational collective identities will strengthen and state governments will have to respond by negotiating and adhering to the new forms of international cooperation necessary to realize these new citizen preferences. and act in accordance with these broader loyalties in national politics (Robinson: 173-174).[2]

---

[2] Richard Falk argues that global social movements are already transforming domestic and international politics and will become even more influential in the future. See R. Falk (1992), *Explorations at the Edge of Time: The Prospects for World Order.* Philadelphia: Temple University Press.

The left Canadian nationalist critiques of McBride and Shields (1996) and Cameron and Watkins (1993) is obsolete in the face of an integrated continental economy. It is now more productive for civil society groups to focus energies on improving human rights, social welfare and democracy in the tri-national communities within the continental economic space.

Work by Inglehart et al. (1996) and Nevitte, Basanzy and Inglehart (1995) suggests some movement among the broader publics in Canada, the United States and Mexico in the direction of a common North American consciousness and identity, but Ayres believes that North Americans "remain rooted in the collective image of the sovereign nation state in the face of the dramatic and ongoing integration at the financial, trade and policy levels" (Ayres: 142).

Finally, Ayres observes that in contrast to the European case, there is a relative dearth of literature on the topic of the transnationalization of protest in connection with the NAFTA. The evolving transnational mobilization linked to the FTAA invites further contributions towards building a research agenda on transnational social movements in the Americas.

1.5. Case Study: Resistance in the Americas and recent mutations on Quebec's social and political left

In Section 1.5, the writings of the GRIC on the social aspects of hemispheric integration will be compared against Drainville's portrayal of the new left

internationalism to arrive at an assessment of the anti-globalization movement's significance.

In his article "Social Movements in the Americas: Regionalism from below?" Drainville (1999) outlines a theory of social movement internationalism in the Americas, interpreting the proliferating transnational campaigns of resistance in the Western Hemisphere as the American variation of the "new grass roots internationalism of social movements" described by Waterman. It is Drainville's (1999) central contention that hemispheric integrationist schemes in the Americas have brought about two separate but intimately related phenomena: (1) the transformation of national and local sites of politics, and (2) the growth of a wide variety of cross-border coalitions and networks, and international and transnational social movements and institutions (Drainville, 1999: 227-228). He trenchantly observes that while social movements in the Americas have kept a primarily national focus, they also contain a latent internationalist dimension in that these mutations of national groups are in part dynamized by international transformations. For Drainville, social movement opposition to the neoliberal model of integration rests upon a national variant of Gramsci's "economic-corporatist consciousness" of specific interest and particular, primarily national, position in an integrating market (Drainville, 1999: 220).

Brunelle and Deblock (1999) observe "a meaningful and original rapprochement" between trade union organizations and other social movements within national coalitions opposing integration being put in place in both North and South America. In Mexico and Canada, social movements have "pushed inward" and encouraged the broadening of opposition to integration in their respective civil societies. Considering recent

developments in Mexico, for example, the *Red Mexicana Frente al Libre Comercio* (RMALC), a nationwide network consisting of the non government-aligned trade union umbrella organization *Federacion Autentico del Trabajo* (FAT), indigenous groups, left academics and the social-democratic *Partido de la Revolucion Democratica* (PRD) has since its inception in 1994 labored at broadening opposition to NAFTA in Mexican civil society and engaging in a reflection on an alternative model of integration. Moreover, anti-NAFTA campaigns conducted by RMALC have served as anchoring points for the current movement for democratizing Mexico's traditionally one-party dominant political system.

Ayres (1998) contends that in the years following the 1988 "free trade" election, groups affiliated with the broad anti-FTA mobilization such as the Pro-Canada Network (PCN) and the Council of Canadians (COC) were confronted with an unsupportive domestic political context. This reduced national political opportunity structure, however, gave away to new *transnational* political opportunities for political protest and popular sector coalition building which arose within the context of NAFTA negotiations (Ayres: 117). During this period, the PCN (renamed the Action Canada Network in 1991) no longer limited their attention to the domestic political context in Canada but expanded the scope of political exchange and intervention to the United States and Mexico.

Ayres argues that the NAFTA negotiation process prompted several important developments in the evolving popular mobilization, including (1) the dissemination throughout the US and Mexico of the Canadian experience with coalition building tactics gained during the 1988 anti-free trade campaign; and (2) the emergence of sustained

institutions of popular exchange and cooperation across the North American community (Ayres: ibid.). After the 1988 federal election, there was a significant shift in the mindset and strategy in the PCN. Erstwhile left nationalist anti-free trade groups and individuals in Canada became more willing to reach across borders and cultivate alliances with US and Mexican groups similarly opposed to NAFTA. Ayres claims that this strategic shift reflected in part an increasingly constrained "political opportunity structure" following the 1988 federal elections. Anti-free trade groups in Canada lost the erstwhile support of the Liberals with the latter's' full conversion to free trade in 1991 with the election of Jean Chrétien as party leader; and the federal NDP suffered a crisis of public confidence stemming in significant measure from provincial NDP governments in Ontario and Saskatchewan initiating unpopular social spending cuts.

Representatives of the PCN assisted by Common Frontiers, a Toronto-based working group on economic integration, began meeting with Mexican popular groups as early as mid-1990 in anticipation of the opening of NAFTA negotiations. In October 1990, a conference called the "Canada-Mexico Encuentro" brought together dozens of Canadian and Mexican groups to discuss the impact of an eventual NAFTA on Mexican sovereignty and democracy. This meeting helped produce RMALC (*Red Mexicana frente al libre comercio* – Mexican Action Network on Free Trade) which today is perhaps the broadest and most developed national coalition of popular groups opposing neoliberal integration of the three NAFTA countries. A second watershed event in the tri-national coalition-building process was the International Citizen's Forum, a meeting in Zacatecas, Mexico of over three hundred popular sector representatives from the Canada, the United States and Mexico in October 1991. This conference was noteworthy in that

the tri-national representatives endorsed a declaration that proposed an alternative to NAFTA for continental development covering areas such as trade, democracy, self-determination and elevation of living standards (Clarke 1991). As Ayres points out, Both RMALC and the US Citizen's Trade Campaign "borrowed noticeably from the Action Canada Network's coalition-building tactics against the FTA when they launched broad-based protests against NAFTA"(Ayres: 128).[3] Ayres credits Common Frontiers' cross-border diffusion of movement strategy with stimulating the development of formal working relationships between Canadian, Mexican and US coalitions.

In Canada, popular contention against continental free trade transformed national politics in that popular opposition resulted in new historical precedents for popular sector groups such as the formation of "wide-scale national and intersectoral coalitions," as well as a new pattern of non-cooptation of these groups by ruling elites and their parties. But perhaps the most enduring legacy of this movement has been that their interventions have served to expand the scope of legitimate Canadian political discourse and action, as well as lay the foundation of the transnational movement presently opposing FTAA. Ayres cautions, however, that anti-free trade groups and transnational coalitions cannot shy from negotiating with the state and the party system, drawing attention to the continuing impermeability of the Canadian state, party system and electoral process to the concerns and critiques of the popular sector.

Since the 1980s, the Canadian trade union movement and many social groups have called attention to the changes to employment, labor and social legislation that would follow the signing of a free trade agreement with the United States. Brunelle and

---

[3] For a more detailed account of interventions by US popular groups opposing NAFTA, see Davis (1992) and Kilborn (1993)

Deblock (1999) note that in the Canadian case, government institutions have long been well informed of the collateral effects of free trade with the United States on Canada, and the recommendations of the Macdonald Report have played a significant role in fostering the emergence of trade union coalitions opposing continental integration. The Macdonald Commission recommended "exclusions" of some sectors of the Canadian economy deemed critical to Canadian vital interests, as well as called attention to how free trade agreement provisions had the effect of weakening provincial policy tools.

In Quebec, the *Coalition Québécoise sur les négociations trilatérales* (CQNT), forerunner of the *Réseau Québécois sur l'Intégration Continentale* (RQIC) was formed in 1991 to criticize the "reductionist" approach of the three parties then negotiating the NAFTA, popularizing the free trade debate in Quebec civil society and participating in meetings and exchanges with labor organizations, associations and groups at the hemispheric level sharing their critical approach vis-à-vis the FTA (Brunelle and Deblock 1999: 9). Today, the RQIC, the CQNT's successor organization, brings together sixteen Quebec union, environmental, international cooperation and human rights organizations, as well as university research groups.[4] It has developed links and exchanges with similar networks in Mexico, Canada and the United States, and more recently with Brazil, Chile, Peru and Central America. The RQIC' s platform includes promoting the democratic participation of Quebec civil society in the debates on hemispheric integration and free

[4] The RQIC is composed of the following organizations: Alternatives, Association canadienne des avocats du mouvement syndical, l'Association Québécoise des organismes de coopération internationale (AQOCI), le Centre d'études sur les régions en développement (CERD-McGill), la Centrale de l'enseignement du Québec (CEQ), le Centre international de solidarité ouvrière (CISO), le Centre Québécois du droit de l'environnement (CQDE), la Confédération des syndicats nationaux (CSN), le conseil central de Montréal métropolitain (CSN-CCMM), CUSO-Québec, Développement et Paix, la Fédération des travailleurs et travailleuses du Québec (FTQ), le Groupe de recherche sur l'intégration continentale (GRIC-UQAM), le Réseau québécois des groupes écologistes (RQGE), Solidarité populaire Québec (SPQ) et la Ligue des droits et libertés.

trade agreements, as well as the renegotiation of NAFTA to include measures for social, cultural, democratic and environmental development of societies in the Americas. At the hemispheric level, the RQIC is collaborating with its homologues throughout the hemisphere in the construction of a "social forum of the Americas" opposed to neoliberal policies and capable of putting forward its social, cultural, environmental and democratic preoccupations. Lastly, the RQIC promotes exchange links and actions between Quebec social organizations and of those of other Western Hemisphere countries.

In the United States, Brunelle and Deblock (1999) observe that the American trade union umbrella organization AFL-CIO is now collaborating with trade unions in the Americas opposing their respective governments, breaking the historical pattern during the cold war of aligning themselves with often authoritarian governments, thus revealing another aspect of how the implosion of the Soviet Union is still reverberating throughout the world of interstate relations. At the MERCOSUR presidents' meeting held in Fortaleza in December 1996, the AFL-CIO and the Interamerican Regional Labor Organization sent representatives to support the South American trade union organizations that were in agreement to commemorate an international day of struggle for workers rights of MERCOSUR (RQIC 2000). In the U.S. itself, the AFL-CIO is now working with environmental organizations with whom they once clashed over sustainable development issues. In addition, the American umbrella union organization is politicizing broader social questions rather than confining themselves to their former practice of business unionism.

At the regional level, the second meeting of Western Hemisphere ministers of commerce held in Carthagena, Colombia, in 1996 included the trade union movement of

the Americas who elaborated a new reflection document pertaining to the recognition and promotion of workers' rights in the Western Hemisphere in an attempt to pressure their respective government representatives. At the third ministerial meeting held in Belo Horizonte, Brazil in May 1997, representatives of the hemispheric trade union movement, along with delegates from national anti-free trade coalitions, reiterated their pledge to develop common positions and constructing alternatives to neoliberal integration, and committed themselves to launching a "hemispheric social alliance," i.e., a broad and deep coalition based on the construction of viable and concrete alternatives to the tentative FTAA (Brunelle and Deblock 1999: 11). The following year, the main national coalitions succeeded in organizing the first "Peoples' Summit of the Americas" held in Santiago, Chile in April 1998 parallel to the second "Summit of the Americas" of Western Hemisphere chiefs of state. The popular summit was called together at the instigation of five national anti-free trade coalitions: the Alliance for Responsible Trade (ART) from the United States; RMALC (Mexico); Common Frontiers (Canada); RQIC (Quebec); and *Red Chile por una Iniciativa de los Pueblos* (RECHIP) from Chile.[5] At the infrastate level, each of these national coalitions are rallying together a growing number of organizations.

The reflection document released in the wake of the first "Peoples' Summit" held in Santiago, Chile in May 1998, *Des Alternatives pour les Amériques*, represents an important milestone in this ambitious project of founding a social alliance encompassing the largest possible number of sectors and actors within the Americas' civil societies.

---

[5] At the beginning of 1999, Brazil furnished to the Hemispheric Social Alliance the *Red Brasiliera sobre integraçao dos povos* (REBRIP). After the joining of REBRIP, Central American coalitions *Initiativa Civil para la Integracion Centroamericana* (ICIC), as well as the Latin American Congress of Rural Organizations joined the Hemispheric Social Alliance (RQIC 2000: 6-7).

Given the stated objectives of laying the foundations for a wide and far reaching alliance, the proposals outlined in the document do not stem from a sole ideology. The authors claim that the document is a "living text" subject to amendment and that its proposals are flexible enough to be applied to a wide array of situations and national contexts.

The working paper attempts to elaborate "viable and concrete alternatives" to the FTAA in the interests of the "peoples of the hemisphere" and addresses the impact of neoliberalism and free trade agreements on Western Hemisphere countries. The document presents concrete proposals for each of the subjects included on the official agenda of the FTAA negotiators[6], while including additional areas of social import not covered at the official summit. These are: human rights, environment, labor, immigration, role of the state, and energy.

The "general principles" of *Des Alternatives pour les Amériques* deserve to be cited at length to give the reader an idea of the occupations of the Hemispheric Social Alliance.

> Commerce and investment should not constitute ends in themselves, but lead us towards fair and sustainable development. It is essential that citizens exercise their right to participate in the formulation, the implementation and evaluation of the hemisphere's social and economic policies. The central objectives of such policies should be the promotion of economic sovereignty, the collective welfare and the reduction of inequalities at all levels (Hemispheric Social Alliance 2000: 8).

The working paper's chapter on the role of the state elaborates a principle of the state serving as an instrument of "popular sovereignty," moving the idea of sovereignty beyond the protectionist notion of "interests." The authors advance the principle that economic integration agreements should not weaken the capacity of the nation-state to

---

[6] These were: investment, finance, intellectual property rights, agriculture, access to markets and dispute resolution.

respond to the social and economic needs of its citizens. However, the purpose of national economic policy instruments is not to defend "classic protectionism," but rather to promote fair and sustainable economic development, albeit within the context of trade and investment liberalization. Accordingly, trade and investment liberalization agreements should allow the nation state to preserve public sector corporations and appropriation policies that respond to national development objectives (Hemispheric Social Alliance: 9).

The Hemispheric Social Alliance, and by extension, the RQIC, emphasizes the "democratic scope" critique of McBride and Shields but eschews their left Canadian nationalism in favor of a transnational politics aiming at a social-democratic vision of globalization in American civil societies, as well as a new pan-American identity. *Des Alternatives pour les Amériques*, the Hemispheric Social Alliance's reflection document, is a hybrid of Robinson's "scope," "democracy" and "process" critiques with a particular emphasis on the scope argument's preoccupation with the narrowing scope of democratic control over economic and social policies. Also explicit in the Hemispheric Social Alliance critique is a link between neoliberal economic integration and deepening economic and social inequality, which ultimately erodes the quality of democratic politics and hence the legitimacy of democratic political institutions.

In light of their recent experience with socio-political initiatives and the collapse of MAI negotiations in 1998, Western Hemisphere heads of state have since set up a "consultative group" on civil society participation that has been placed under the oversight of the OAS. The rationale underlying this initiative is that the MAI negotiations collapsed because of their secrecy, and that if the opaqueness of

international agreements negotiation processes is remedied, civil societies of the signatory countries would support these projects (RQIC: 6) (Deblock and Brunelle: 1999).

Transnational networks emerge from both regionalist organizations, and from episodic contacts and alliances between nationally-centered movements that, once regularized and solidified, will help transform social movement politics within distinct national realms (Drainville, 1999: 224). Drainville identifies at least two levels of NGO orbit around interstate organizations that he terms "regional affiliates" of the *nébuleuse* managing the world economy. At the center, regional organizations like the International Development Bank (IDB) and the Organization of American States (OAS) have set up a variety of outreach, consultation and direct support programs that have encouraged a recentering of NGOs and social movements.

One increment removed from the center reside an assortment of networks, coalitions and organizations assembled by national coalitions in reaction to integrationist schemes. The Hemispheric Social Alliance and member networks Common Frontiers and the RQIC are the representative organizations of this genre, although they are as not as isolated as this classification suggests, since the coalitions originating from Canada are funded by both federal and provincial governments. Still farther out from the regional affiliate core lie a multiplicity of fleeting actions, gestures of solidarity and short-lived and narrowly-focused campaigns (Drainville 1999: 224-227). In Quebec, the more autonomous and radical SalAMI and *Convergence Des Luttes Anti-Capitalistes* (CLAC) are the principle vectors within this category.[7]

[7] Both SalAMI and CLAC have been predominant in organizing the recent series of street demonstrations at meetings of international institutions, official government proceedings throughout Quebec such as the G

Drainville (1999) categorizes the ideology associated with the NGO grouping closest to the interstate organization center as *a priori* regionalism, that is, groups gravitating around the regional *nébuleuse* function to recast global agendas to suit the particularities of capital accumulation in the Americas. Civil society interlocutors selected within the context of the Enterprise for the Americas Initiative's plan of action would qualify as *a priori* regionalist. The transnational coalitions of nationally-centered groupings further out than the state-sponsored organizations would be characterized by a so-called "reluctant regionalism" born of necessity. Drainville (1997) identifies a brewing struggle between bounded reformist attempts to settle social relations and a potentially radical reinvention of civil society, and extends this analysis to the Americas in observing a political struggle in the relationship between *a priori* and reluctant regionalism.

In the final analysis, Drainville prognosticates that elements of a "hemispheric social contract" will crystallize from compromises reached between regionalist grand plans from both below and above. Such a compromise would have the political effect of qualifying, validating and socializing a neoliberal conditioning framework..

Afef Benessiah (1999) exhaustively documents at the institutional level how United States foreign policy initiatives underlie the construction of a convivial civil society in the Americas. He claims that the US State Department is employing regional and international institutions to pursue a new series of US foreign policy objectives represented by a "project of the Americas." This Project of the Americas is promoting

---

20 finance ministers conference in Montreal held October 23-25 2000 and the *Sommet du Québec et de la jeunesse* February 21-24, 2000. These two organizations are the Quebec mouthpieces of a transnational direct action movement whose tactics consist of protesting, and if possible, disrupting meetings of

democratization in Latin America as a means of legitimizing US neoliberal policy initiatives and structuring political discourse in that region. The United States is pursuing this policy goal by means of a series of initiatives by US federal agencies and interamerican institutions located in Washington, in particular the Interamerican Development Bank (IDB), the Organization of American States (OAS) and the United States Agency for International Development (USAID). Benessaieh (1999) hypothesizes that the development of democratic consolidation and civil society participation is part of a larger US strategy of *récupération politique* that aims at enlarging popular consensus vis-à-vis (1) the establishment of a liberal political and economic order defended by the US; and (2) the setting in place of an FTAA would allow the social and institutional consolidation of the economic and political reforms put into action in Latin America since the 1980s and thus create a bona fide hemispheric political regime (Benessiaeh: 2). Benessiaeh studies the social project underlying the plan of action that advocates a new form of social pact that would secure both the pursuit of reforms as well as popular support for the project of integration in the Americas.

Benessiaeh contends that the Project of the Americas is about putting in place "the rules of the game" establishing when, how and where these very organizations will be able to intervene and how to direct their commentaries. The OAS has been assigned the task of putting in place an "Interamerican strategy" for participation which seeks to promote among Latin American governments public participation in decision making processes related to sustainable development (OÉA 1996). Accordingly, the OAS, charged in 1996 with setting up the Interamerican Network for Democracy, eventually

---

international institutions. Recent interventions include Seattle (November 1999), Washington (April 2000), Windsor, Ontario (June 2000) and Prague (September 2000).

organized thirty NGOs. This official parallel structure to the FTAA, however, did not invite the numerous pre-existing civil networks to join, nor are any of member organizations critical of the OAS project. Moreover, at the second "Summit of the Americas" held in Santiago, Chile in April 1998, numerous civil organizations from the United States, Canada, Quebec, Mexico, Chile, and Brazil set up a parallel forum that perfected a common strategy and adopted a declaration addressed to the chiefs of state at the conference, but this document was never formally accepted, nor has any reference has been made to it in documents published since Santiago. Benessiah concludes from this evidence that while these institutions address official directives to Latin American governments to consult with their societies and open public spaces to civil organizations, they do not recognize social and critical initiatives, thus revealing the nature of participation sought after by US federal agencies and regional institutions (Benessiaeh: 6-7). US project democratic project in the Americas is about the United States exercising a certain control over civic activism by means of selective cooptation by governments, in order to bypass the bona fide opposition to the tentative FTAA.

Benessiaeh asserts that the principle now guiding US foreign policy in the Americas is a philosophy integrating economic developmentalism with a socio-political approach claiming that individuals and social organizations ought to be organized as the "active agents" of their own development.

Within the context of the implosion of the Stalinist bloc and the increasingly organized expression of popular contention, the US is employing the concept "participative democracy" as a tool of social legitimization in the Americas. Benessiaeh claims that the countries of Latin America have responded favorably to the "participative

democratization" policy of the US because the term participative democracy is not perceived as a US invention, but rather the recognition of the US of an alternative conception of democracy that emerged in the 1970s in reaction to both liberal democracy and Stalinism. Moreover, certain left tendencies have rallied for this purported "third way" (Baker 1998).

Benessiaeh claims that since the 1980s, Latin American literature on the subject of participative democracy has promoted a new political, academic and activist consensus forged around the notion of civil society as a space of "contra-hegemonic" political action capable to challenging an increasingly contested state. Baker (1998) attributes this sudden enthusiasm for civil society in Latin America as an alternative sphere of political action to the influence of southern European and French post-Marxist thought to which numerous exile intellectuals were exposed beginning in the mid-1970s, as well as to anti-statism stemming from the experience with military rule.

Benessiaeh recounts how the idea of participation has been seized upon by diverse sociological and theological currents that envisage the individual as the only true agent of his own liberation. According to this methodological proposition, individuals unconsciously hold the solutions to their own problems and outside intervention ought to consist in helping them to identify problems and to lead them to define solving strategies and eventually support them in putting them into action (Benessiaeh: 17). Benessiaeh contends that this notion of participation was adopted by non-governmental and international organizations involved in cooperation and development in the 1980s, and has since made its way into international economic institutions in the early 1990s, albeit in a non-ideological form.

Benessiaeh writes that the widest possible civic participation in public affairs would secure for the US and Latin American political leaders domestic stability in the face of neoliberal economic policies that are always capable of fostering contention. The US democratic project in the Americas aims at establishing a new social pact capable of ensuring the durability of the liberal economic order. Instrumental to this goal is the setting in place of concertative mechanisms that will legitimize these public policies by individuals and social organizations (Benessiaeh: 19).

Recent mutations on Quebec's social and political left

This analysis of social movements pressing into national coalitions may also be extended to the infrastate level. If one looks at recent developments on Quebec's left, one will observe increasing coordination of activities among the province's heterogeneous social and political left such as the recent Rassemblement pour l'Alternatif Politique (RAP)-sponsored "Unité de la gauche" conference held at the University of Quebec at Montreal (UQÀM), May 25-26, 2000 and the Coalition Autonome Populaire Jeunesse-sponsored parallel youth at the *Sommet du Québec et de la jeunesse*, February 21-24, 2000.

The RAP colloquium, bringing together representatives of progressive forces from across the province to discuss left unity and possible electoral collaboration at the next provincial elections, indicates at once a surprising acceleration in consolidation of the Quebec left, but at the same time portends profound theoretical and programmatic divisions which may ultimately fracture the fledgling national coalition.

At the Colloquium there was a general agreement among representatives of left political parties, organized labor and the anti-globalization movement on the necessity of

breaking with the historical tendency on the left to privilege ideological debate over unity of political action. In this way, the anti-globalization movement's innovation of "unity of action" among forces sharing ideological convergence have filtered into the discourse of Quebec's left parties and trade union movement. Militants from these groups believe that it is possible to build a "common front" by seeking points of commonality among disparate groups while at the same time preserving their independence. But such a perspective rests on the doubtful assumption that there are more points unifying these groups than dividing them.

To give an idea of the endemic divisiveness, University of Ottawa professor and noted activist Michel Chossudovsky directed harsh criticism toward social movements who collaborate with international organizations of the *nebuleuse* and in so doing legitimize their project for constructing a global civil society governed by neoliberal parameters. Chossudovsky expressed the view of the anarco-communist wing of Quebec's anti-globalization movement in disparaging electoralism as responsible for the present impasse befalling the left in the age of neoliberalism. He insisted that the task facing the left in the twenty-first century is to construct a "parallel power base" in which otherwise disparate groups sharing ideological convergence on broad thematic questions form tactical alliances outside of the institutions of capitalism. Those presently seeking to build such a coalition in Quebec eschew debates over the national question as divisive rather than unifying, and counterproductive in that it draws attention away from the more immediate struggle against globalization and neoliberalism and the threat they pose to the left's survival. An important repercussion of this present mutation is that theoretical issues such as the national question, once of paramount importance for elements of the

Quebec left, are becoming increasingly arcane as the restructuring left attempts to build a "rapport de force" to challenge neoliberalism.

Trade union militants present at the roundtable discussion on May 27 considered the future of "*concertation*" in Quebec, the practice of organized labor collaboration with big business under the sponsorship of government at critical economic junctures. Serge Roy, president of the SFPQ (Union of the Quebec Civil Service) called for convergence within the trade union movement on the necessity of breaking free from this pattern of class collaboration, as well as alignment of organized labor with the province's popular groups and social movements to construct a "*rapport de force*" ("power relationship") to eventually challenge the "concertationist" model of Quebec state-society relations.

CSN (National Confederation of Unions) activist Jacques Létourneau raised the critical programmatic conflict within the Quebec labor movement over the national question versus the social question. The leadership of the Quebec trade union movement has historically privileged the struggle for Quebec independence over making a break of organized labor from the Parti Québécois (PQ) and its pro-business policies. This support of the PQ has resulted in the legitimation by organized labor of neoliberal government policies such as eliminating thousands of government posts and eroding working and living standards of trade union members. Létourneau proposed that trade union militants create a new counter-discourse separate from that of collaborationist leaders and agitate for a "project of society" based on a political alternative to neoliberalism in lieu of getting bogged down in divisive and counterproductive theoretical debates over the national question. Independentist elements in attendance

expressed reservations that such a "neutral" position on the national question would only weaken the Quebec sovereignty movement.

The RAP wishes to gain the support of all progressive social forces in Quebec in its project of forming an electoral party in November 2000 as a left alternative to the governing PQ, Quebec Liberal Party (PLQ) and the right wing protest party Action Démocratique du Québec (ADQ). The RAP's sponsoring of the Colloquium was based on its core belief that links between the political left and the collection of progressive social forces are necessary for the success of a political alternative to neoliberalism. These links are expected to take the form of dialogues, exchanges, consultations on the RAP's program, support in struggles and unity of action on the ground, while at the same time respecting the autonomy of each group. Forums like the "Left Unity Conference" are envisioned as venues which will permit exchanges and debates on questions crucial for the renewal of the left and the political future of Quebec.[8]

Perhaps the most significant mutation within the left in Quebec is the emergence of a new grass-roots movement opposing globalization. The proliferation of such groups is the political expression of the new reality of a shared existence in the globalized economy and reveals the fragility of the social foundations of the new world order. At the conference, this escalating anti-globalization movement was represented by SalAMI and ATTAC-Quebec.

Formed in the popular mobilization against the Multilateral Agreement on Investment (MAI), SalAMI is a social movement committed to creating a new social power base capable of opposing and reversing the dynamics of impoverishment and environmental destruction associated with neoliberal globalization. Since the shelving of

the MAI in late 1998, SalAMI has shifted the focus of its interventions to the Free Trade Area of the Americas (FTAA), the tentative agreement for hemispheric free trade and investment by 2005. SalAMI may be classified as the anti-globalization social movement *par excellence* since it operates under the animating principles of "nonviolence, education and transparence" shared by homologous groups proliferating worldwide. Social groups like SalAMI and ATTAC-Quebec can be understood as part of a transnational resistance movement involved in challenging the capitalist organization of social production in the world economy.

In Quebec, social movements like SalAMI and ATTAC-Quebec seek to unify the resistance movement against neoliberal globalization by creating tactical alliances with political parties and the trade union movement, while at the international level forging transnational coalitions with homologous grouping in other countries. In spite of the ideological heterogeneity of these groups, unity of action takes precedence over ideological conformity. This is both the weakness and strength of this resistance movement. This principle of eschewing sectarianism in favor of unity of action is being translated into the discourse of the Quebec left with eventful consequences.

International opposition to schemes of regional and hemispheric integration in the Americas have begun to transform politics in Quebec. Resistance to neoliberal integration in Quebec rejects the legitimacy of neo-corporatist arrangements promoted by recent Quebec governments such as the PQ social-economic summits of 1996 and the *Sommet du Québec et de la Jeunesse* of 2000. The perspective of the social and political left in Quebec is revelatory of the growing influence of an emerging "transnational

---

[8] From RAP intervention paper presented at "Unité de la gauche" conference at UQÀM, May 26-27, 2000.

resistance movement" resulting from the global integration of production and emergence of a global capital accumulation regime.

The anti-globalization movement in Quebec opposes both neoliberal hemispheric integration *and* the role of Quebec's governing institutions in this process by calling into question the legitimacy of the Quebec state's project to impose neoliberal modalities of social integration on Quebec society. It also must be noted that the anti-globalization movement in Quebec does not see any role for Quebec sovereignty in resisting neoliberalism, revealing perhaps the Parti Québécois' appropriation of the concept.

On the occasion of the *Sommet du Québec et de la jeunesse* (Quebec Youth Summit) held in Quebec City, February 22-24, 2000, CAP Jeunesse (*Coalition autonome populaire jeunesse*), an umbrella organization of community, trade union and student groups throughout Quebec, organized a "counter-summit" which brought together several hundred participants, mostly cegep and university students and youth.[9] The goal of this parallel summit was to boycott the official event and popularize an alternative interpretation of the four principle themes (called *chantiers*) on which the PQ-sponsored summit was based.

CAP Jeunesse's interpretation of the *chantiers* is essentially a democratic critique of neoliberal hemispheric integration model applied to the Quebec context. CAP Jeunesse's denounces the central position that the *chantiers* confer to the private sector within Quebec's economy and society and rejects ongoing efforts by the provincial government to reinvent Quebec society according to the demands of the globalized market. Thus, in a CAP Jeunesse pamphlet published for the intervention, the principal

themes of the Quebec Youth Summit were denounced as forcing youth to adapt to the market according to the desires of business, centering the education debate on privatization and reform in accordance to the exclusive needs of business, and reaffirming the Quebec government's commitment to integrate oneself into the neoliberal integration project represented by the FTAA.[10]

CAP Jeunesse caracterized the Quebec Youth Summit consultation process as an exercise in government-structured discourse where policies already formulated by the PQ government are approved by carefully selected interlocutors from Quebec civil society. Autonomous social groups as well as those critical of PQ policies are necessarily excluded. Also worthy of note is CAP Jeunesse's use of the Hemispheric Social Alliance tactics of "shadowing" the proceedings of policymakers with a popular summit, as well as its strategy of forming broad coalitions and popular education on the issues of globalization and neoliberalism.

Conclusion

Throughout this essay, I have sought to convey the neolliberal form that global integration and regionalism have taken on since the mid-1980s under the aegis of economic integration agreements and international institutions. The proliferation of transnational coalitions in the Americas resisting this mode of regionalism and the

---

[9] A noteworthy document to emerge from this event is a collection of polemics entitled *L'Essor de nos vies: parti pris pour la société et la justice* (2000), published by Collectif étudiant UQÀM. Montréal: Lanctôt.

[10] For a more developed critical analysis of Quebec Youth Summit's four *chantiers préparatoirs*, see Regroupement des organismes communautaires autonomes jeunesse du Québec (2000), *Le Sommet du Québec...et pas tellement de la jeunesse.* Montréal : ROCCAJQ.

ongoing development of their critique of neoliberal integration seriously throws doubt the long term political viability of the present integration project.

The present account of neoliberal globalization emphasizes how political elites in the Americas have defined the "national interest" as promoting the profitability of domestically-owned TNCs and attracting foreign direct investment, and accordingly pursue further trade and investment liberalization under the aegis of international executive agreements. The forgoing analysis should make clear that the state, far from retreating in the age of globalization, has changed its form in order to translate structural economic trends into the state's economy and society. My qualification of globalization with "neoliberal" is not so much an attempt to emphasize the power of ideology in shaping the policy trajectory of governments as it is an effort to show how neoliberalism represents the long term interests of transnationalized money capital. In this sense, then, class is still relevant.

These same macro-processes, however, have also created transnational resistance movement of reluctant social actors shaken by globalization who are waging defensive struggles against restructuring efforts by both internationalizing elements of nation-state and the international institutions of the *nébuleuse*. The transnational resistance movement outlined in the previous pages represents an effort by social actors to renegotiate of the terms of partnership between transnational capital and civil societies. Transnational coalitions opposing neoliberal hemispheric integration seek to achieve this goal by politicizing the present relationship between state and civil society under neoliberalism. More specifically, anti globalization groups take issue with the devolution of democratic power to TNCs by neoliberal integration agreements through legal

restrictions that they impose on government policymaking and enhanced market pressures.

Bibliography

ARTHURS, H.W.(1999), "Constitutionalizing Neo-conservatism and Regional Economic Integration: TINA x 2", in *Room to Manoeuvre? Globalization and Policy Convergence*, Thomas J. Courchene, ed., Montreal and Kingston: McGill-Queens University Press, pp. 17-74.

AYRES, Jeffrey M. (1998), *Defying Conventional Wisdom: Political Movements and Popular Contention against North American Free Trade.* Toronto: University of Toronto Press.

BACHAND, Rémi (2000), « Les dangers pour le Québec d'un accord sur les investissments dans la ZLÉA copié sur le Chapitre 11 de l'ALÉNA », Montreal : GRIC, cahier de recherche 00-05, septembre 2000.

BAKER, Gideon (1998), "From Structuralism to Volunteerism : The Latin American Left and the Discourse on Civil Society and Democracy," *Contemporary Politics*, 4(4), p. 391.

BARLOW, Maude (1997), "The Road Ahead: Politics as Usual Won't Restore Democracy," *Canadian Forum*, July and August.

BARTLETT, Bruce (1982), *Reaganomics : Supply-side Economics in Action*, New York : Quill.

BENESSAIEH, Afef (1999), « Le projet des Amériques : marché, démocratie participative et légitimation sociale », Montréal : GRIC, cahier de recherche 99-9, decembre 1999.

BLUESTONE, Barry and Bennett HARRISON (1982), *The Deindustrialization of America*, New York : Basic.

BOURQUE, Gilles et Jules DUCHASTEL et Éric PINEAULT (1999), "L'incorporation de la citoyenneté », in *Sociologie et Sociétés*, vol. 31, no 2, automne 1999, pp. 41-64.

BOURQUE, Gilles et Jules DUCHASTEL (1997), «Démocratie et communauté politique supranationale », in *Cahiers de recherche sociologique*, no 28, pp. 149-167.

BOURQUE, Gilles (1999), « L'économie sociale entre l'économie et le politique », *Cahiers de recherche sociologique*, no 32, pp. 37-45.

BOURQUE, Gilles L. (1999), « La politique industrielle au Québec : une reconfiguration de l'espace publique du développement économique (1985-1994), *Cahiers de recherche sociologique*, no 32, pp. 13-35.

BRUNELLE, Dorval, (1999a), « Les illusions du libre-échange au Québec », *Le Monde Diplomatique*, février, p. 6.

BRUNELLE, Dorval (1999b), « L'ALENA cinq ans après : un bilan critique » (unpublished). An identical analysis can be found in BRUNELLE, DEBLOCK and BELANGER (1999)

BRUNELLE, Dorval (1997), *Droit et Exclusion,* Montreal, Harmattan.

BRUNELLE, Dorval (1995), « Les causes de la dislocation du fédéralisme canadien : une interprétation sociologique », (unpublished). An identical analysis of the passages cited may be found in *Droit et Exclusion*, Chapter 3.

BRUNELLE, Dorval et Christian DEBLOCK (1999), « Les mouvements syndicaux d'opposition à l'intégration économique par les marchés : de l'ALE à la ZLEA vers la constitution d'une Alliance sociale continentale », Montréal : GRIC, cahier de recherche, www.unites.uqam.ca/gric

BRUNELLE, Dorval et Christian DEBLOCK (1997), "Free Trade and Trade-Related Issues in Quebec: The Challenges of Continental Integration", in *The American Review of Canadian Studies*, vol. 27, no 1, pp. 63-86.

BRUNELLE, Dorval and Christian DEBLOCK (1989), *Le libre-échange par defaut*, Montréal : VLB Éditeur.

BRUNELLE, Dorval et DEBLOCK, Christian and BÉLANGER, Yves (1999), « L'intégration économique continentale et ses effets sur les gouvernements infra-étatique : de l'ALE à l'ALENA et au-delà », in *Cahiers de recherche sociologique*, vol. 32, pp. 85-117.

BUCHOLZ, Todd G. (1989), *New Ideas From Dead Economists : An Introduction to Modern Economic Thought.* New York : Plume.

CAMERON, Duncan and Mel WATKINS (eds.) (1993), *Canada Under Free Trade.* Toronto: James Lorimer.

Canada (1985a), Ministère des Affaires extérieures, *Compétivité et sécurité. Orientations pour les relations extérieures du Canada.* Ottawa.

Canada (1985b), Ministère des Affaires extérieures, *Négociations commerciales canadiennes. Introduction, documents de base, bibliographie.* Ottawa.

CARDENAS, Cuauhtémoc (1992), "The Continental Development and Trade Initiative," *Social Justice* vol.19, no 4 (Winter), pp. 284-291.

CEPAL (1994), *Le régionalisme ouvert en Amérique latine et aux Caraibes. L'intégration économique au service de la transformation du processus de production dans un climat d'équité*, Santiago du Chile, Nations Unies, février.

CERNY, Phillip G., (1997), "Paradoxes of the Competition State : The Dynamics of Political Globalization", in *Government and Opposition*, vol. 32, no 2, p. 251-274.

CHESNAIS, François (1998), *La Mondialisation du Capital.* Paris : Syros.

CHOSSUDOVSKY, Michel (2000), Lecture at "Face au néolibéralisme, un projet de société alternatif : la nécessité de l'unité de la gauche politique et des forces progressistes », colloquium organized by the Rassemblement pour l'Alternative Politique, Montreal, May 26-27.

CLARKE, Tony (1991), "International Forum Highlights," *Action Canada Dossier* 34 (November-December 1991), pp. 6, "Alternative Proposals to Development and Trade" *op. cit.* p. 13-15.

CLARKSTON, Stephen (1998), "Somewhat Less than Meets the Eye: NAFTA as Constitution," unpublished paper delivered to the International Sociological Association, Research Committee on the Sociology of Law, Working Group on the Sociology of European Union Law, Montreal, July 27.

COLLECTIF ÉTUDIANT UQÀM (2000), *L'Essor de nos vies: parti pris pour la société et la justice.* Montréal : Lanctôt.

COURCHENE, Thomas J., (1993), "Path-dependency, positive feedback and paradigm warp : A Schumpeterian approach to the social order," in *Income Security in Canada: Changing Needs, Changing Means*, Elisabeth B. Reynolds, ed., Montreal, Institute for Research on Public Policy, pp. 43-79.

COURCHENE, Thomas J., (1992), "Global Competitiveness and the Canadian Federation", in *Rearrangements : The Courchene Papers*, Oakville, Mosaic Press, pp. 108-144.

COX, R.W. (1991), « The Global Political Economy and Social Choice," in *The New Era of Global Competition: State Policy and Market Power*, Daniel Drache and Meric S. Gertler (eds.), pp. 335-350.

COX, R.W. (1983), "Gramsci, hegemony and international relations : an essay in method," in *Millenium: Journal of International Studies*, vol. 12, no 2 (summer), pp.162-175.

DAVIS, Bob (1992), "US Grassroots Coalition Unites against NAFTA," *Globe and Mail*, 26 December.

DEBLOCK, Christian and Afef Benessaieh (1997), « Commerce extérieur, croissance et emploi: l'expérience du Canada », GRIC-Montréal, document ronéotypé.

DEBLOCK, Christian and Dorval BRUNELLE (1999), « Globalisation et nouveaux cadres normatifs : le cas de l'Accord Multilatérale sur l'Investissement », in *Le monde enchaîné : Perspectives sur l'AMI et le capitalisme globalisé*, Michel Freitag and Éric Pineault (eds). Montréal : Nota bene, pp. 95-150.

DEBLOCK, Christian and Dorval BRUNELLE (1997), « De ALE à la ZLEA: Régionalisme et sécurité économique dans les Amériques », *Études internationales*, vol. 28, no 2, June, pp. 313-344.

DEBLOCK, Christian et Dorval BRUNELLE, (1996), « Le Régionalisme économique international : de la première à la deuxième génération », in *Tous pour un ou chacun pour soi : Promesses et limites de la coopération régionale en matière de sécurité*, Michel Fortmann, S. Neil MacFarlane et Stéphane Roussel (eds)., Institut québécois des hautes études internationales, pp. 271-315.

DOERN, G. Bruce, Leslie A. PAL and Brian W. TOMLIN (1996), "The Internationalization of Canadian Public Policy," in *Border Crossings: The Internationalization of Canadian Public Policy*, G. Bruce Doern, Leslie A. Pal and Brian W. Tomlin, eds., Don Mills, ON, Oxford University Press, pp. 1-26.

DRAINVILLE, André C., (1999), « Social Movements in the Americas : Regionalism from Below?", in *The Americas in Transition: The Contours of Regionalism*, Gordon Mace and Louis Bélanger, eds., Boulder, Lynne Rienner.

DRAINVILLE, André C., (1998), "The Fetishism of Global Civil Society : Global Governance, Transnational Urbanism and Sustainable Capitalism in the World Economy," in *Transnationalism From Below*, Michael Peter Smith and Luis Eduardo Guarnizo eds., pp. 35-63.

DRAINVILLE, André C., (1995a), "Left Internationalism and the Politics of Resistance in the New World Order," in D. Smith and J. Böröcz eds., *A New World Order? Global Transformation in the Late Twentieth Century.* Westport, CN: Praeger.

DRAINVILLE, André C., (1995b), "Of Social Spaces, Citizenship and the Nature of Power in the World Economy," in *Alternatives* 20 (Spring), pp. 51-79.

DRAINVILLE, André C., (1995), « Continental integration and Civil Society in the Americas," in *Social Justice*, Spring, pp.120-148.

DRAINVILLE, André C., (1994), « International political economy in the age of open Marxism," in *Review of International Political Economy*, vol. 1, no 1, pp. 105-132

DRUCKER, Peter F. (1986), "The Changed World Economy," in *Foreign Affairs* (Spring), pp. 3-17.

FREITAG, Michel (1999), « La Globalisation contre les sociétés. Par delà l'échec circonstanciel de l'AMI : La portée historique de l'automisation du capital financier », in *Le monde enchaîné*, Michel Freitag and Éric Pineault (eds.), Montréal : Nota bene, pp. 231-318.

FUSFELD, Daniel (1990), *The Age of the Economist*, 6th Ed., Glenview IL: Scott-Foresman.

The Globe and Mail (1997), "PCB Export Ban Lifted," July 7, A4.

GILL, Stephen, Cox, Robert, and Van der Pijl, Kees (1992),. "Structural change and globalizing elites: political economy perspectives in the emerging world order," Paper presented at the international conference on "Changing World Order and the United Nations System," Yokohama, Japan (March 24-27).

GILL, Stephen (1998), "New Constitutionalism, Democratization and Global Political Economy," in *Pacifica Review*, vol.10, no.1, pp. 23-38.

GILL, Stephen (1991), "Historical materialism, Gramsci and international political economy, in Craig N. Murphy and Roger Tooze (eds.), *The New International Political Economy*, International Political Economy Yearbook, vol. 6, Boulder, CO: Lynne Rienner.

GONICK, Cy (1987), *The Great Economic Debate*, Toronto: James Lorimer.

GRAEFE, Peter, (1997), "The Retreat of the Quebec State? The roots of Quebec's post-Fordist industrial strategy," in *Cahiers du PÉQ*, numéro 10, Montreal: Programme d'études sur le Québec de l'Université McGill.

HEMISPHERIC SOCIAL ALLIANCE (1998), *Des Alternatives pour les Amériques : Vers un accord entre les peuples du continent.* Montréal : Réseau québécois sur l'intégration continentale.

HOOVER, Kenneth and Raymond PLANT (1989), *Conservative Capitalism in Britain and the United States*, London : Routledge.

INGLEHART, Ronald, Neil NEVITTE and Miguel BASANEZ (1996). *The North American Trajectory: Cultural, Economic and Political Ties among the United States, Canada and Mexico.* New York: Aldine de Gruyter.

JENSON, Jane (1995), « Mapping, Naming and Remembering : Globalization at the end of the Twentieth Century," in *Review of International Political Economy* Vol. 1, no 2.

JESSOP, Bob (1993), "Towards and Schumpeterian Workfare State? Preliminary Remarks on Post-Fordist Political Economy," *Studies in Political Economy*, 40, pp. 7-39.

KILBORN, Peter (1993), "Opposites in California Join to Fight Trade Pact," *New York Times*, 20 May.

KLEIN, J-L (1992), "Le partenariat: une réponse à l'exclusion", in C. Gagnon et J-L Klein (dir.), *Les partenaires du développement face au défi local*, Chicoutimi, GRIR, pp. 1-18.

LATOUCHE, Daniel (1993), "Quebec, see under Canada: Quebec Nationalism in the New Global Age," in *Quebec: State and Society* (2nd Ed.), Alain-G. Gagnon, ed., Scarborough: Nelson.

MAGNUSSON, Bruce (1994), "De-centering the State, or Looking for Politics," in *Canadian Politics* (2nd Ed), in James B. Bickerton and Alain-G. Gagnon eds. Peterborough, ON: Broadview Press.

McADAM, Douglas, Sidney TARROW and Charles TILLY, "To Map Contentious Politics," in *Mobilization: An International Journal*, 1, no. 1, pp. 17-34.

McBRIDE, Stephen (1996), "The Continuing Crisis of Social Democracy : Ontario's Social Contract in Perspective," in *Studies in Political Economy*, No 50 (Summer), pp. 65-94.

McBRIDE, Stephen and John Shields (1997), *Dismantling a Nation: The Transition to Corporate Rule in Canada*, Halifax: Fernwood.

McCARTHY, S. (1998), "Threat of NAFTA Case Kills Canada's MMT Ban," *The Globe and Mail*, July 21, A1.

NEVITTE, Neil, Miguel BASANEZ and Ronald INGLEHART (1995), "Directions of Value Change in North America," in *NAFTA in Transition*, Stephen J. Randall and Herman W. Konrad, eds. Calgary: University of Calgary Press, p. 343.

ORGANIZATION OF AMERICAN STATES (1996), *Inter-American Strategy for Public Participation in Environment and Sustainable Development: Decision Making in the Americas*, (ISP), Washington D.C.

PETRELLA, Ricardo (1990), "Facteurs et impacts sociaux et culturels" in *Penser Globalement/Think Globally*, Diane Wilhelmy and Pierre Coulombe (eds.), Proceedings of the 42nd Annual Meeting of the Institute of Public Administration of Canada, Toronto: IPAC, pp. 14-39.

QUEBEC (1974), Ministère de l'Industrie et du Commerce, *Une politique économique québécoise*, Ministère de l'Industrie et du Commerce.

QUEBEC (1973), Comité interministériel sur les investissements étrangers, *Le cadre et les moyens d'une politique québécoise concernant les investissements étrangers*, Québec : Éditeur officiel du Québec.

REGROUPEMENT DES ORGANISMES COMMUNAUTAIRES AUTONOMES JEUNESSE DU QUÉBEC (2000), *Le Sommet du Québec...et pas tellement de la Jeunesse.* Montréal : ROCAJQ.

ROBINSON, Ian, (1998), "The MAI and the Provinces." *Dismantling Democracy: The Multilateral Agreement on Investment (MAI) and its Impact.* Andrew Jackson and Matthew Sanger, eds. Toronto: Lorimer.

ROBINSON, Ian (1995a), « Trade Policy, Globalization and the Future of Canadian Federalism », in *New Trends in Canadian Federalism*, François Rocher and Miriam Smith (eds.), Peterborough: Broadview, pp. 234-269.

ROBINSON, Ian (1995b), « Democratic Critiques of the Institutions and Processes of Neoliberal Economic Integration: An Assessment », in *Cahiers de recherche sociologique*, no 24, pp. 161-182.

ROBINSON, Ian. (1994), « NAFTA, Social Unionism, and Labour Movement Power in Canada and the United States." *Relations Industrielles/Industrial Relations*, vol. 49, no 4, pp. 657-693.

ROBINSON, Ian, (1993), *North American Trade as if Democracy Mattered : What's Wrong with NAFTA and What are the Alternatives.* Ottawa: Canadian Centre for Policy Alternatives.

RESEAU QUÉBÉCOIS SUR L'INTEGRATION CONTINENTALE (2000), « La Zone de libre-échange des Amériques et l'Alliance sociale continentale ». Montreal : Alternatives.

SINCLAIR, Timothy J. (1994), "Passing judgement: credit rating processes as regulatory mechanisms of governance in the emerging world order," in *Review of International Political Economy*, vol.1, no 1 Spring 1994, pp. 133-159.

STRANGE, Susan (1996), *The Retreat of the State: The Diffusion of Power in the World Economy*. Cambridge: Cambridge University Press.

TANGUAY, A.B. (1990), *Rediscovering Politics: Organized Labor, Business and the Provincial State in Quebec, 1960-1985*, doctoral dissertation, Carleton University.

TARROW Sidney (1998), "Fishnets, Internets and Catnets: Globalization and Transnational Collective Action," in *Challenging Authority: The Historical Study of Contentious Politics*, Michael Hanagan, ed. Minneapolis-St. Paul: University of Minnesota Press.

THOMPSON, Grahame (1986), *The Conservatives' Economic Policy*, London: Croom Helm.

VAN DER PIJL, Kees (1989), "Ruling classes, hegemony, and the state system: theoretical and historical considerations," *International Journal of Political Economy:* "Transnational relations and class strategy" vol. 19, no 3 (Fall), pp.7-35.

VAN DER PIJL, Kees (1988), "Class struggle in the state system and the transition to socialism," Amsterdam: University of Amsterdam, Faculty of Political and Social Sciences, in the series "Current Research on Capital and Strategy, September.

WATERMAN, Peter (1988), "The New Internationalisms: A More Real Thing than Big, Big Coke?," *Review (Fernand Braudel Center)* 11, no. 3: 289-328.

WEISBROT, M (1998), "Globalization for Whom?", *Cornell International Law Journal*, vol. 31, p. 631ff.

WHYTE, John (1990), "The Impact of Internationalization on the Constitutional Setting," in *Penser Globalement/Think Globally*, Diane Wilhelmy and Pierre Coulombe (eds.), Proceedings of the 42nd Annual Meeting of the Institute of Public Administration of Canada. Toronto: IPAC,

WOLFE, R (1998), "Regulatory Diplomacy and the WTO: Accommodating Domestic Regulation and the Trading System," paper presented to the ADM Network on Regulation and Compliance, Canadian Centre for Management Development, Ottawa.

YATES, Charlotte (1993), *From Plant to Politics.* Philadelphia: Temple University Press.

ZEITLIN, J., dir., (1989), "Special Issue: Local Industrial Strategies," *Economy and Society,* vol. 18, no 4, November.