

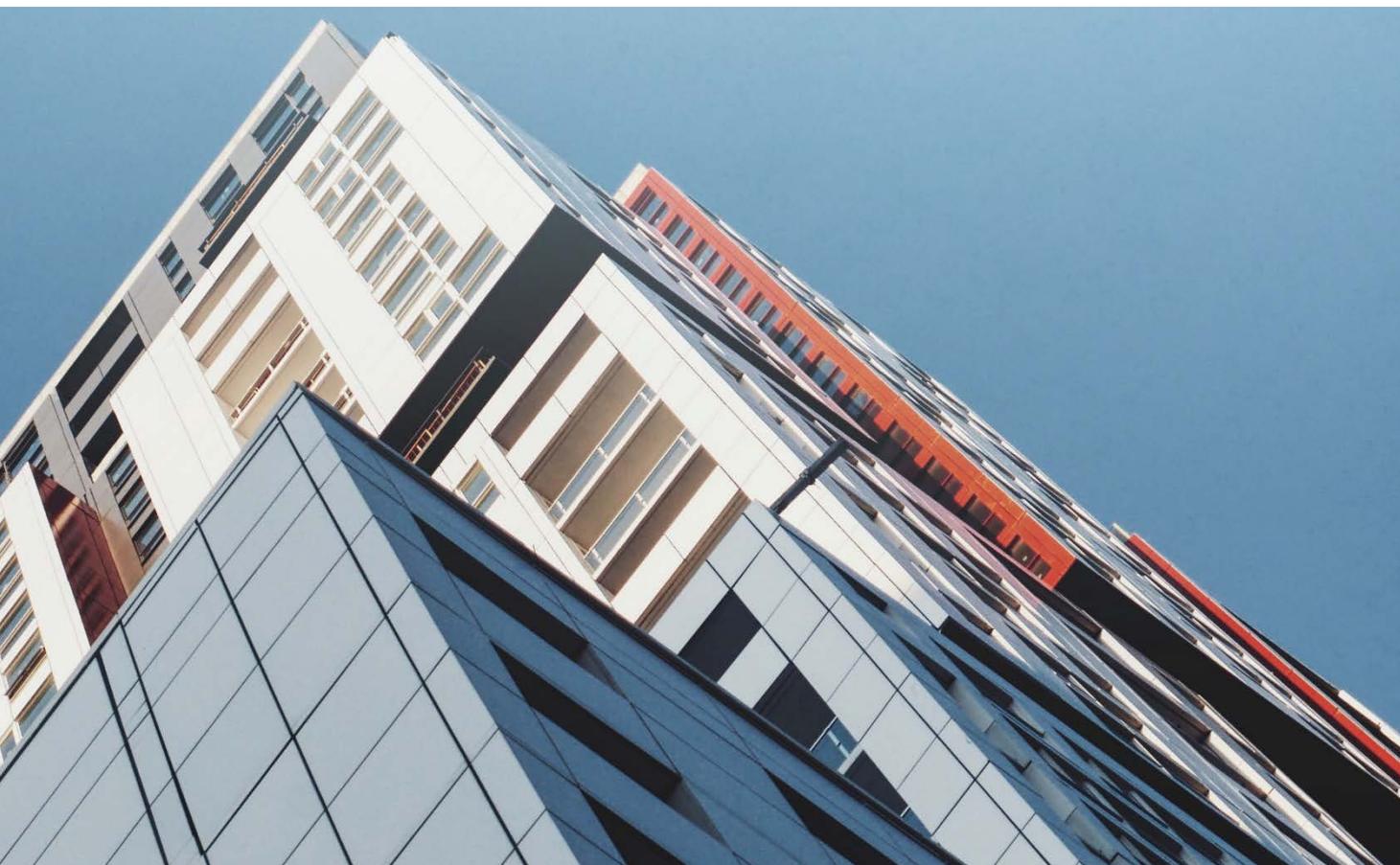


Canada's Feminist Trade Policy

An alternative to austerity trade politics?

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ABOUT US

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Introduction¹

Free trade and austerity policies are linked under the umbrella of neoliberalism. Austerity measures have been particularly evident globally in the wake of the 2008-09 financial crisis. These measures, coupled with ever-expanding free trade, have exacerbated inequalities in an increasingly integrated global economy (UNCTAD 2017). In many cases, austerity policies have become an entrenched response, or “constitutionalized” through free trade agreements (McBride 2016). And both austerity policies and free trade have a disproportionate (negative) impact on women. In recent years, however, in response to the faltering legitimacy of neoliberal/austerity policies, actors from around the globe have turned their attention to the gender-specific impacts of trade policies and have proposed measures to ensure women are among the beneficiaries of liberalized trade.

For example, in December 2017, at the eleventh WTO ministerial conference, 118 WTO members and observers agreed to support the Buenos Aires Declaration on Women and Trade. The declaration acknowledges “the importance of incorporating a gender perspective into the promotion of inclusive economic growth, and the key role that gender-responsive policies can play in achieving sustainable socioeconomic development”; and, “that inclusive trade policies can contribute to advancing gender equality and women’s economic empowerment, which has a positive impact on economic growth and helps to reduce poverty” (WTO 2017).

This type of analysis that links women’s economic inclusion to prosperity is not limited to trade policy. Canada is one of the leading actors in promoting a feminist approach to trade policy. The Canadian government of Justin Trudeau (2015- present) has adopted an explicitly feminist foreign policy, and has also committed itself to what it calls a “Progressive Trade Agenda,” which includes elements such as inclusion of such elements as “worker’s rights, environment protection, gender equality and reinforcing the continued right of governments to regulate in the public interest,” transparency and broad consultation “with a broad range of civil society and other stakeholders, including small and medium-sized businesses, women-owned enterprises, non-governmental organizations, and Indigenous peoples and northern communities” (Government of Canada 2017: 4, our emphasis).

In this paper, we analyze the Canadian government’s attempts to adopt a feminist trade policy as part of its broader Progressive Trade Agenda (PTA), and feminist foreign policy. As a leading example of this strategy of promoting gender-responsive elements into trade agreements, this study provides important insights

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into how gender discourses are wielded at the international level, possibly in an attempt to “pinkwash” or “femwash” neoliberal austerity policies. How progressive is Canada’s “Progressive Trade Agenda” (PTA)? Does—or could—a PTA contribute to an alternative to austerity? We evaluate the claims of the current government around the promotion of the PTA, as well as the response from civil society actors, with a particular focus on the gender dimensions of these proposals.

We draw upon official government statements and trade policies as well as interviews with one government official and with civil society representatives to evaluate whether this policy, as so far designed and implemented, by the Canadian government, contains elements of an alternative to austerity policies.

We argue that the Liberal government’s PTA, and more specifically the gender components of that policy, reflect both domestic and international political imperatives to make neoliberal policies more palatable. They also represent efforts to distance the current government from the previous Conservative administration of Stephen Harper and from the Trump administration in the United States and to develop a form of “progressive neoliberalism” (Fraser 2017). In this effort liberal feminist commitments are seen as appealing to electors (particularly women), but involving few costs, unlike what would be involved in adopting a more transformative feminist agenda. Nevertheless, the Canadian government has shown some willingness to adopt more substantive feminist policies in its domestic policies (for example with increased funding for child care), and while the progressive trade agenda attempts to coopt leftist policy proposals, it may provide some openings for truly more progressive trade policies in the longer term (Prügl 2016).

Progressive Neoliberalism and Trade Policy

How do we explain the widespread concern with the gendered impacts of trade, as evidenced in the WTO Buenos Aires Declaration referenced above or in the Trudeau government’s PTA? Nancy Fraser (2017) argues that before Trump, U.S. politics had been dominated by a hegemonic bloc that she labels “progressive neoliberalism”. This is a reflection of an unlikely alliance between “mainstream liberal currents” of new social movements, with “the most dynamic, high-end ‘symbolic’ and financial sectors of the U.S. economy” (Fraser 2017: 3). The “fundamentalist” version of neoliberalism associated with Ronald Reagan, she argues, could not become hegemonic in the United States because of the lingering influence of the New Deal and a range of social movements. In order to re-make this vision, these “New Democrats” borrowed superficially egalitarian and emancipatory ideas such as diversity, women’s empowerment, multiculturalism, etc. She argues, “[o]nly when decked out as progressive could a deeply regressive political economy become the dynamic center of a new hegemonic bloc” (2017: 4). Similarly, Adrienne Roberts (2015) contends that in recent years corporations have been promoting a project of “transnational business feminism” (TBF) that portrays women as “rational economic women” who, because of their responsible behaviour are more suited than men to



combating the poverty and underdevelopment that seem to threaten the future of capitalism. By deploying this instrumentalist version of feminism, she argues, states, corporations and international organizations are acting to “legitimize and reproduce the same neoliberal macroeconomic framework that has created and sustained gender-based inequality and oppression...” (2015: 211).

Elizabeth Prügl further elaborates on how feminist politics have been neoliberalised in contemporary capitalism, having “gone to bed with capitalism” rather than challenging its exclusionary dimensions. In contrast to the unabashedly negative view Fraser and Roberts bring to contemporary developments in the politics of feminism, Prügl emphasizes the multiple dimensions of neoliberalisation, which result in diverse outcomes, and contain profound contradictions, which sometimes may create openings for progressive agendas. Instead of seeing instances of neoliberal feminism as universally coopted by the logic of corporate power, she asks: “What potential productive contradictions do they set up? What alternative meanings do they open up? What spaces do they carve out for feminist politics?” (Prügl 2015: 621). These are questions we may pose regarding the Canadian government’s explicit linkage of trade and gender in its Progressive Trade Agenda.

Neoliberalising a Feminist Politics of International Trade

Since the late 1980s, Canadian trade policy has been oriented towards trade liberalization and opening of markets, based on the assumption that free trade, along with liberalization of investment, deregulation of the private sector and financial systems, and the privatization of public-owned enterprises and services, would facilitate economic growth and foster the development of productive capacities.

According to Meredith Lilly, the initial adoption of the PTA occurred in the context of the push to ratify the Canada-EU Comprehensive Economic and Trade Agreement (CETA), initially negotiated and signed by the Harper government (2006-2015), and was aimed more at an international than a domestic audience. European citizens, concerned about many provisions of the CETA, particularly the Investor State Dispute Settlement (ISDS) mechanism, were mounting opposition to the ratification of the agreement by their governments. Chrystia Freeland, at that time Canada’s trade minister, worked closely with the EU trade commissioner, Cecilia Malmström, to undertake minor changes to the ISDS chapter to address such concerns, as part of Malmström’s 2014 “Trade for All” strategy (Lilly 2018: 127-8). Freeland touted elements of the agreement, such as its inclusion of labour rights, environmental standards and the revised ISDS approach as representing a progressive version of international trade. Freeland later told a Toronto business audience, “We were able to make the case, based on who we are, that Canada is a progressive country with progressive values that would make a good partner for the EU” (cited in Lilly, 2018: 129).



The PTA agenda is designed “to ensure that all segments of society can take advantage of and otherwise benefit from the opportunities that flow from trade and investment. The PTA reflects the Government’s vision that trade policies should be responsive and contribute more to broader economic, social, and environmental development” (Government of Canada, n.d.). A government website further states:

Research shows that gender equality can create large economic benefits, as increased female labour force participation and increased female education leads to a more productive workforce and increased investment. Experience has also shown that trade agreements, and the cooperation that they have facilitated to reduce barriers to trade, have created positive economic outcomes for their signatories. However, significant gender-related barriers, which limit or distort trade, still exist. These barriers represent missed trade-related opportunities for economic growth in national and international economies. By working to remove them, women’s economic empowerment and gender equality stand to benefit.

The government’s discourse thus contains many elements of Fraser’s progressive neoliberalism, with its emphasis on the economic benefits of a gendered approach to free trade, and on the opportunity it provides to overcome barriers to economic growth, rather than to women’s social and political empowerment.

A first effort in this direction was the gender chapter in the Canada-Chile Free Trade Agreement (2017). The chapter recognizes that “improving women’s access to opportunities and removing barriers in their countries enhances their participation in national and international economies”. It establishes an agenda of shared learning and cooperation, and a joint committee to oversee progress. It includes commitments to cooperate in such as areas as “encouraging capacity-building and skills enhancement of women at work, in business, and at senior levels in all sectors of society (including on corporate boards), “improving women’s access to, and participation and leadership in, science, technology and innovation, including education in science, technology, engineering, mathematics and business; “promoting financial inclusion and education as well as promoting access to financing and financial assistance,” “advancing women’s leadership and developing women’s networks,” and “promoting female entrepreneurship”. To be fair, further down the list are such measures as “advancing care policies and programs with a gender and shared social responsibility perspective,” “conducting gender-based analysis,” and “sharing methods and procedures for the collection of sex-disaggregated data, the use of indicators, and the analysis of gender-focused statistics related to trade” (Government of Canada 2019). However, the chapter includes no mechanisms for enforcement of any of these commitments and does not attempt to develop shared standards. The Liberal government has raised the idea of a gender chapter as part of its agenda in promoting deals with China, India, and Mercosur, and the renegotiation of the deal with Israel.



Trudeau and Freeland's promotion of a feminist trade policy reflects efforts to both disarm the threat of Trump's anti-trade populism. It also is part of a political maneuver to brand the Liberal Party as progressive, and to distance the government from the anti-feminist ideology of the Harper government, while also coopting some of the traditional arguments of the left-wing New Democratic Party (NDP), particularly when the party ran on a centrist platform in the 2015 election. This project ran into problems, however, when forced to confront the Trump administration's call for re-negotiation of the North American Free Trade Agreement (NAFTA).

What Happened to Gender? The NAFTA Re-Negotiations²

Despite Freeland's early promise to include a gender chapter in the re-negotiated NAFTA, once the negotiations were seriously underway, this demand was dropped in the light of strong opposition from the U.S. Trade Representative's office. Instead, there are occasional references here and there in the text, such as in the chapter on small- and medium-sized enterprises, in which the parties agree to collaborate on promoting small businesses owned by underrepresented groups, including women, Indigenous people and youth.

The only chapter that addresses the links between gender and trade in any substantive fashion is the labour chapter. The inclusion of this chapter in the main text of the agreement, rather than as a side-agreement, does represent an improvement over NAFTA, since it means the contents of this chapter can be enforced through state-to-state dispute settlement. This means, however, that the governments would have to be willing to bring this type of case forward, a decision that cannot be separated from politics.

Importantly, the chapter recognizes the three governments' commitment to the International Labour Organization's fundamental labour rights, including "the elimination of discrimination in respect of employment and occupation," and includes the goals of eliminating discrimination in employment and occupation, and promoting women's equality in the workplace. The labour chapter includes other progressive objectives such as co-operating to address "gender-related issues in the field of labour and employment," including eliminating discrimination in employment and wages, promoting equal pay for equal work; consideration of gender issues related to occupational safety and health, including child care and nursing mothers; and preventing gender-based workplace violence and harassment.

² This section also appears in Macdonald and Ibrahim 2019.



The original text of the agreement, in Article 23.9 on discrimination in the workplace, included a commitment to implement “policies that protect workers against employment discrimination on the basis of sex (including with regard to sexual harassment), pregnancy, sexual orientation, gender identity, and caregiving responsibilities” (our emphasis). It was a significant, binding commitment, the government could justifiably have pointed to as a PTA achievement. But like the gender chapter, this provision would also not make the final cut.

The inclusion of sexual orientation and gender identity in the USMCA/CUSMA text provoked an angry reaction from some Republicans who threatened to block the deal as a result. The language was revised to ask each country to implement policies each “considers appropriate to protect workers,” effectively gutting the article by making it voluntary. The revised text also includes a footnote indicating that existing U.S. federal agency policies regarding the hiring of federal workers are “sufficient to fulfill the obligations set forth in this Article,” and therefore it requires no further action on the part of the U.S. government.

While the Trudeau government’s feminist approach has resulted in some innovative policies, the fact that this shift is coming from above, and is not a result of pressure from or consultation with Canadian feminist organizations — though arguably civil society has long been calling for a more (genuinely) progressive trade model — undermines much of the progressive potential of a feminist approach to trade policy. In addition, the decision to move ahead with renegotiating NAFTA created steep obstacles for a feminist agenda. The resulting policies reflect elitist liberal feminist priorities, and do not address the inequalities faced by most women in a globalizing political economy.

Canada’s PTA: Perspectives from Civil Society

In contrast with the progressive neoliberal character of Liberal government policies, civil society organizations present an alternative vision of a truly progressive approach to trade policy. Interviews with representatives of women’s, labour and other non-governmental organizations, have gleaned insights into questions around the gendered impacts of trade policy broadly, the nature and effectiveness of Canada’s PTA (particularly its gender component), and recommendations for improvement.

Most civil society representatives view stand-alone gender chapters in trade agreements are in theory a positive initiative. They are a symbolic recognition of (or commitment to) gender equity (Rhodes 2018; MacEwen 2018; MacLaren 2018; Rampure 2018). However, their purely symbolic quality limits their capacity to favourably impact the lives of women affected by these agreements. Based on the example of the Canada-Chile gender chapter, the language of gender chapters can be weak and purely aspirational, as provisions are largely voluntary and they lack effective enforcement mechanisms - the “teeth” required to realize the stated goals (Rhodes; MacEwen; Rampure). Furthermore, gender chapters can create the “nuts



and bolts” or lines of authority (e.g. gender committees) to actualize programs or policies to promote the rights of women and girls, but funding and processes need to be in place to for the initiatives to take effect in a timely fashion (MacLaren 2018)

As well, as indicated by Roberts’ concept of transnational business feminism, civil society representatives believe gender chapters have focused on supporting a small group of women, i.e. women entrepreneurs or business owners, to access or benefit from trade opportunities. While this may be important, it does not represent/benefit the majority of women (in fact, the majority of vulnerable workers -- those performing unpaid or low-wage, care informal, and/or precarious work -- are women) nor do gender chapters address (or ameliorate) the negative impacts of trade (Rhodes 2018; MacEwen 2018; Rampure2018). According to one trade union representative, the PTA is “a really great exercise in public relations, but there seems to be nothing of substance behind it...The gender chapter especially aligns with the general positioning of the Trudeau government. They want to be seen as the first feminist government [in Canada] and are clear on that. On trade, but also on many issues, their rhetoric is much stronger than the follow-through” (Rampure 2018).

One labour representative stated that there has been a lack of gender-based analysis or gender impact assessment of trade agreements (MacEwen 2018). There is also a lack of “meaningful consultation” with civil society, due in part to a lack of transparency. This stands in contrast to other negotiations (e.g. international climate negotiations) in which civil society is engaged, able to see draft text, and able to present alternatives (Rhodes 2018). It is worth noting that the women’s movement has seen a decline in its focus on trade issues, compared to the movement’s high level of involvement during the initial NAFTA negotiations in the early 1990s. This is likely due to limited resources and capacity in general of many organizations (Rhodes 2018; MacEwen 2018), and thus trade has diminished as a priority. As a result, there are few people actively working on trade and gender research (Rhodes; MacEwen). It can also be difficult to mobilize members, supporters or the broader public around trade issues in general due to its complex and seemingly-abstract nature. It can be difficult to grasp how international trade agreements impact one’s daily life -- there’s an “amorphousness” to trade issues that makes it very difficult to mobilize around (Rampure 2018).

As these comments suggest, there is much room for improvement in order to advance gender equity through trade policy, as well as complementary government laws and policies. (Many of the suggestions below were echoed by interview participants.)

Interview participants also suggested various ways to improve trade policy in order to advance gender equity, including the following:



- Develop a gender chapter with common standards based in international standards (like CEDAW and SDGs), budget, and effective enforcement mechanisms
- Include labour chapters with teeth to ensure the enforcement of strong labour rights, including for migrant workers. Gender based analysis of trade deals before and after agreements, as well as ongoing analysis/evaluation.
- Support for feminist organizations both in Canada and the developing world who can monitor the impact of trade agreements on women and lobby for policies that would improve their impact.
- Development of appropriate indicators and data for assessing and predicting differential impact of trade agreements on men and women
- Prior and ongoing consultations with women’s organizations and other experts/stakeholders
- A truly progressive trade agenda would require a rethinking of the fundamental objectives of a trading relationship and the current approach. This would involve placing human rights, etc. at the foundation. Currently, trade is focused on objectives of economic growth or a focus on certain sectors/groups in the economy. We need a reorientation of trade policy” (Rhodes 2018)
- Additional/complementary domestic tools, such as banning the import of certain unethically-made goods (e.g. Canada bans the imports of goods made from prison labour, but not forced or child labour) (MacEwen 2018).

Conclusion

If the Trudeau government’s rhetoric about progressive trade and inclusive growth means anything—which is an open question—then it requires a genuine rebalancing of trade treaties to better protect workers, citizens and the environment, and to confront the 21st century challenges of extreme inequality and runaway climate change (Sinclair 2018). The Liberal government’s Progressive Trade Agenda bears a strong resemblance to Fraser’s progressive neoliberalism. The failure to engage in a serious analysis of the impact of trade liberalization on more vulnerable groups in Canadian society, including women, and the adding of non-enforceable chapters onto neoliberal trade agreements does nothing directly to address the inequitable impact of these agreements.

Despite the limitations of the Trudeau government’s approach to this issue to date, it must be commended for raising issues related to gender and trade. This move has resulted in more serious public debate and commentary on this issue than ever before and has created an important example for other countries. As Prügl (2016) suggests, even progressive neoliberal policies may create contradictions and



open up space for new forms of public contestation and feminist politics. The recommendations made by civil society actors mentioned above provide fodder for the development of a more holistic and transformational gender approach to trade policy.



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