

Globalization, Four Paths of Internationalization and Domestic Policy Change: The Case of EcoForestry in British Columbia, Canada¹

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Introduction

Governments appear increasingly constrained in their ability to make independent policy choices in an era of global economic finance and communication. As a result, scholars are more closely examining how actors, institutions and economic forces that extend beyond state borders can influence domestic public policies and politics. This scholarship on “globalization” and “transnational relations” serves as a corrective to a comparative public policy literature that has tended to treat external pressures as either exogenous shocks, or as simply other interests to which the state must respond.²

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2 For example, Peter A. Gourevitch, “The Second Image Reversed: The International Sources of Domestic Politics,” *International Organization* 32 (1978), 881-911; Gourevitch, *Politics in Hard Times* (Ithaca: Cornell University Press,

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The “globalization” literature, however, suffers from confusion on two counts. First, the influence of transnational actors, international institutions and global economic forces are often conflated as part and parcel of increasing “globalization.” Second, existing research is divided over which factors best explain the conditions under which transnational actors and international institutions affect domestic policy making. This article addresses these shortcomings by developing hypotheses on how actors and institutions from beyond state borders directly influence domestic policies and policy making. Conceptual clarification is required since different authors focus on particular sources of nondomestic influences to the exclusion of others, producing contradictory findings and making cumulative research difficult.

To overcome this confusion, we identify four distinct paths of nondomestic influence on public policy: use of the global market; international rules and regulations;³ changes in international normative discourse;⁴ and infiltration of the domestic policy-making process.⁵ We focus especially on transnational actors and international institutions as sources of change. The former refer to nonstate actors who regularly engage in interactions across national boundaries and do not operate on behalf of a national government or intergovernmental organization.⁶ Such actors—ranging from corporations and business associations to activist groups, scientific associations and individuals—are important because they often engage in deliberate attempts to change domestic policies. International institutions, broadly defined, are relatively enduring and connected sets of rules and norms that define and prescribe standards of behaviour, and structure patterns of activity among states, or that cross or transcend borders.⁷ Institutions serve as both resources for transnational actors and as independent sources of influence. We argue that many of the seemingly contradic-

1986), esp. chap. 3; and Peter J. Katzenstein, *Small States in World Markets: Industrial Policy in Europe* (Ithaca: Cornell University Press, 1985).

3 David Vogel, *Trading Up: Consumer and Environmental Regulation in a Global Economy* (Cambridge: Harvard University Press, 1995).

4 Margaret E. Keck and Kathryn Sikkink, *Activists Beyond Borders: Advocacy Networks in International Politics* (Ithaca: Cornell University Press, 1998); and Richard Price, “Reversing the Gun Sights: Transnational Civil Society Targets Land Mines,” *International Organization* 52 (1998), 613-44.

5 Thomas Risse-Kappen, ed., *Bringing Transnational Relations Back In: Non-state Actors, Domestic Structures and International Institutions* (Cambridge: Cambridge University Press, 1995).

6 Risse-Kappen, “Introduction,” in *ibid.*, 3.

7 See Robert O. Keohane, *International Institutions and State Power* (Boulder: Westview Press, 1989); and Alexander Wendt and Raymond Duvall, “Institutions and International Order,” in James Rosenau and Ernst-Otto Czempiel, eds., *Global Changes and Theoretical Challenges* (Boston: Lexington Books, 1989), 51-74.

Abstract. Confusion over how forces from beyond state borders affect domestic policy occurs because analysts often conflate different nondomestic factors, or focus on particular sources of influence to the exclusion of others. To remedy this problem, the authors make a distinction between the structural economic forces associated with rising levels of trade, finance and investment (globalization), and the increased activities or influence of transnational actors and international institutions, and the ideas they promote (internationalization). A focus on how transnational actors and international institutions influence domestic policy reveals four distinct pathways through which internationalization produces policy change—the use of markets, international rules, normative discourse and infiltration of domestic policy-making processes. The authors develop hypotheses to show the conditions under which influence is successfully achieved along each path. The case of ecoforestry policy change in the 1990s in Canada’s Pacific Coast province, British Columbia, is used to illustrate the validity of the hypotheses.

Résumé. La façon dont les forces extra-territoriales influencent les politiques domestiques demeure confuse parce que, souvent, les spécialistes confondent des facteurs externes différents ou restreignent leur investigation à certains déterminants externes spécifiques. Afin de remédier à ces problèmes, les auteurs établissent une distinction entre la globalisation, c’est-à-dire les forces économiques structurelles liées à la croissance des investissements et des échanges commerciaux et financiers et l’internationalisation, c’est-à-dire l’expansion des activités, de l’influence et des idées des acteurs transnationaux et des institutions internationales. L’analyse du second processus révèle que l’internationalisation entraîne un changement des politiques à travers quatre canaux : l’utilisation des marchés, les règles internationales, le discours normatif et l’infiltration du processus d’élaboration des politiques domestiques. Les auteurs formulent diverses hypothèses en vue d’expliquer les conditions qui assurent l’exercice fructueux de cette influence. La validité de ces hypothèses est vérifiée par l’étude des changements de la politique éco-forestière en Colombie-Britannique, Canada, dans les années quatre-vingt-dix.

tory findings in the literature result because each pathway above offers different incentives and obstacles for these nondomestic sources of policy change.

We demonstrate the utility of distinguishing these paths by exploring the way transnational actors and international institutions affected ecoforest policy change in the Canadian province of British Columbia in the early to mid-1990s. The advantages of this case for illustrating our argument are fourfold. First, environmental policy is a primary example of a policy area formerly considered a domestic concern that increasingly faces pressures from nondomestic forces. Second, ecoforest policies in BC underwent a series of well-publicized changes in the 1990s that coincided with intense international scrutiny of the government and forest companies, and changing norms on forest practices promoted internationally. High-level state officials, including the premier of British Columbia, have acknowledged that many of their forest policy initiatives were at least partly a response to these international influences. Third, the case of ecoforestry policy allows us to distinguish influences of structural economic forces versus actor-based and institutional forces, since the forestry sector in BC has been subject to global economic pressures for some time, but only

came under pressure from transnational actors in the 1990s.⁸ Finally, given the variety of transnational actor and international institutional influences in this case, it provides useful illustrations of conditions under which various paths are likely to produce policy change. Although a single case cannot give definitive answers on the question of whether such forces will always produce policy change, the argument highlights the need to be more explicit about how such forces operate, and it provides illustrations to aid in theory building.

The article is divided into four main sections. First, policy change is operationalized to allow clear evaluations of the effects of non-domestic influences. Second, a fundamental distinction is made between *globalization* which concerns increasing economic transactions that transcend borders, and *internationalization* which primarily concerns the increased activities and influence of actors, ideas and institutions from beyond state borders. This analytic distinction allows us to show the independent effects and interaction of these two phenomena. Third, hypotheses are developed relating to the four paths of internationalization. Fourth, this study illustrates the utility of the hypotheses for identifying the conditions of successful policy change by applying them to the BC case.

Measuring Policy Change

In evaluating responses to external pressures, we focus mainly on policy decisions (statutes, regulations and policy statements that carry the force of the state). Although formal policies are just one stage of the policy-making process,⁹ anything less fails to indicate the actual choices of governments.¹⁰ The effects of policy change on behaviour “on the ground” and on performance (for example, reducing environmental degradation) are important areas of research, but they fall out-

8 The BC forestry sector has a long history of dependence on foreign markets for its products, and significant foreign ownership. See Patricia Marchak, *Green Gold: The Forest Industry in British Columbia* (Vancouver: University of British Columbia Press, 1983); and Richard Schwindt and Terry Heaps, *Chopping Up the Money Tree: Distributing the Wealth from British Columbia's Forests* (Vancouver: The David Suzuki Foundation, 1996), 80-81. On the high level of foreign direct investment, see “Ownership and Inter-Corporate Linkages of Selected Forest Companies in British Columbia,” *Forest Planning Canada* 9 (1993), 34-35.

9 Other stages include agenda setting, policy formation, implementation and evaluation. See Michael Howlett and M. Ramesh, *Studying Public Policy: Policy Cycles and Policy Subsystems* (Toronto: Oxford University Press, 1995).

10 In contrast to Keck and Sikkink (*Activists beyond Borders*), we treat getting an item on the public agenda but failing to influence policy making as an insufficient indicator of a policy response or change.

side the scope of this study. We do, nonetheless, make reference to behavioural changes in our case study as appropriate.

Transnational actors and international institutions influence policies by bringing norms generated or promoted in the international sphere into the domestic political arena. Such efforts may be aimed at a hazardous substance or its trade, creating or enforcing standards in areas such as human rights or labour, or changing a specific social practice such as female genital mutilation. Accordingly, this article measures policy change in terms of the degree to which new policy initiatives conform to the new goals or values promoted by transnational actors or international institutions. Indications of change include attempts by policy makers to institutionalize new goals either by creating new policy structures or new laws, or attempts to de-legitimize former practices.¹¹ We hypothesize below that all four paths can lead to such change, but the conditions of successful change differ along each path, indicating different logics of influence.

Disentangling Internationalization and Globalization

Before turning to these pathways, it is important to distinguish between “globalization” and “internationalization” in order to clarify the role of various nondomestic pressures and to show the value added of focusing on transnational actors and international institutions as sources of policy change. We use the term *globalization* to refer specifically to structural economic factors, mainly “rising levels of trade, finance and foreign direct investment.”¹² Others, such as Jan Aart Scholte, have defined globalization more broadly as “a growing transcendence of borders,” with manifestations that include increased global trade, finance, communications, organization, ecology and con-

11 A blunt measure of policy change was chosen because we are interested primarily in the general direction of change. Although “learning” literature in comparative politics and international relations suggests some related measures of change, we avoid this terminology because it remains mired in conceptual debates such as whether organizations or just individuals can “learn,” whether it always means positive change, or how to differentiate learning from other changes. See Jack S. Levy, “Learning and Foreign Policy: Sweeping a Conceptual Minefield,” *International Organization* 48 (1994), 279-312; and Colin Bennett and Michael Howlett, “The Lessons of Learning: Reconciling Theories of Policy Learning and Policy Change,” *Policy Sciences* 25 (1992), 275-94. For an application of “learning” to the BC forests case, see Ken Lertzman, Jeremy Wilson and Jeremy Rayner, “Learning and Change in the B.C. Forest Policy Sector: A Consideration of Sabatier’s Advocacy Coalition Framework,” this JOURNAL 29 (1996), 112-33.

12 Suzanne Berger, “Introduction,” in Suzanne Berger and Ronald Dore, eds., *National Diversity and Global Capitalism* (Ithaca: Cornell University Press, 1996), 9.

sciousness.¹³ His definition captures the underlying logic of reduced transaction costs that has enabled increases in activities that transcend borders, which makes globalization different than mere economic interdependence among states. However, for the purposes of analyzing its influence on domestic policy—the specific focus here—grouping together these various manifestations of globalization creates confusion since all factors do not necessarily push domestic policy in similar directions.

Thus the definition of globalization is limited here to its economic manifestations. In contrast, the term *internationalization* is used to refer to when policies within domestic jurisdiction face increased scrutiny, participation, or influence from transnational actors and international institutions, and the rules and norms they embody.¹⁴ The concern is less with terminology¹⁵ than with the analytic distinction between economic factors on the one hand, and actors and institutions on the other. A definition as broad as Scholte's risks conflating these factors, while distinguishing them allows an assessment of their independent influences and interactions.

This distinction also partially remedies contradictory findings in the existing literature on globalization over whether it leads to domestic policy convergence,¹⁶ and whether that convergence is likely to be "upward" or "downward."¹⁷ For example, many theoretical and em-

13 Jan Aart Scholte, "Global Capitalism and the State," *International Affairs* 73 (1997), 427-52.

14 For a similar definition, see G. Bruce Doern et al., "The Internationalization of Canadian Public Policy," in G. Bruce Doern et al., eds., *Border Crossings: The Internationalization of Canadian Public Policy* (Toronto: Oxford University Press, 1996), 2.

15 Others use the terms differently. For example, Robert O. Keohane and Helen Milner, eds., *Internationalization and Domestic Politics* (Cambridge: Harvard University Press, 1996) use "internationalization" as we use globalization.

16 Policy convergence may result (or be resisted) owing to many factors, only some of which are economic. See Colin J. Bennett, "What Is Policy Convergence and What Causes It?" *British Journal of Political Science* 21 (1991), 215-33; and Berger, "Introduction." On convergence in the North American context, see Keith Banting, George Hoberg and Richard Simeon, eds., *Degrees of Freedom: Canada and the United States in a Changing World* (Montreal: McGill-Queens University Press, 1997).

17 See Berger and Dore (*National Diversity*) for a range of views; Keohane and Milner (*Internationalization*) who generally support the convergence hypothesis, with the caveat that domestic institutions may intervene; Louis W. Pauly and Simon Reich ("National Structures and Multinational Corporate Behavior: Enduring Differences in the Age of Globalization," *International Organization* 51 [1997], 1-30) who demonstrate a lack of convergence where one would expect it most strongly, in multinational corporations; and Geoffrey Garrett ("Global Markets and National Politics: Collision Course or Virtuous Circle?" *International Organization* 52 [1998], 787-824), who argues that different aspects of globalization constrain differ-

pirical findings support Suzanne Berger's proposition that in the absence of international rules and norms to the contrary, increased market integration and capital mobility (globalization) place *downward* pressure on "wages, working conditions . . . or environmental protection,"¹⁸ or encourage companies to relocate where standards are low. If left unchecked, companies will have an incentive to invest in those regions/countries with lower wages, taxes and regulations. Yet, others find that standards may harmonize up as easily as down in response to free trade.¹⁹

We argue that these different findings stem in part from the conflation of structural economic factors with actors and institutions so that the independent effects of each are poorly understood. In other words, global economic factors alone generally do not determine the direction of domestic policy responses. David Vogel's work, for example, supports this argument by showing that trade liberalization can actually lead to domestic consumer and environmental protection when "wealthy, powerful states" prefer such standards.²⁰ He demonstrates that actors within and across borders, the ideas and identities they promote, and the institutions through which they work can all influence state preferences. Protection of standards may then occur if trade liberalization is accompanied by agreements among states to co-ordinate their regulatory policies, which can occur in strong institutional settings such as the European Union; and where nongovernmental organizations successfully influence powerful governments to require or permit regulatory protection in international agreements.²¹ Seen in this light, Vogel's argument is in part about the potential of internationalization to counter the trends of globalization.²²

A second set of factors that can mediate the effects of globalization on domestic policy, according to a growing number of scholars, is differences in the nature of the state, society, policy-making institutions and

ent economic policy choices to greater or lesser degrees, but finds little evidence of a pervasive "race to the neoliberal bottom" in OECD countries.

18 Berger, "Introduction," 12, although this finding is not unanimous. For example, Garrett, while not denying the incentives created by globalization, argues that other economic incentives, generated by domestic factors, may simultaneously push in other directions ("Global Markets").

19 Vogel, *Trading Up*. However, integration of financial markets may militate more strongly than increased trade against harmonization up because it increases the threat of capital flight (see Garrett, "Global Markets").

20 Vogel, *Trading Up*, 5.

21 *Ibid.*, 2-5.

22 There is nothing inevitable about this process—Vogel argues that it only occurs when organized interests in rich and powerful countries pressure their leaders to negotiate such international agreements (*Trading Up*, 268).

values.²³ But more needs to be known as well about the conditions under which various domestic factors mediate internationalization; that is, how they mediate why and how transnational actors and international institutions have influence.

For answers, we turn to a resurgent literature on transnational relations that explores various ways in which transnational actors and international institutions interact with the state-centred world to produce domestic policy change. For example, Thomas Risse-Kappen focuses primarily on the mediating role of domestic policy networks (the relationships between the state and societal actors in policy making); Margaret Keck and Kathryn Sikkink, Martha Finnemore and Richard Price focus on international normative discourse; and Vogel, as noted above, concentrates on binding international rules and regulations.²⁴ These authors share an emphasis on examining the deliberate action of transnational actors as a potentially important source of domestic policy change, but largely speak past one another because they focus on different processes.²⁵

Our paths of influence below are an attempt to generate distinctions in order to reveal the varying logics and degrees of influence that different nondomestic forces exhibit. They distinguish transnational actors as agents of change from the rules and norms that institutions embody in order to illustrate how these various aspects of internationalization interact, as well as how they interact with economic factors associated with globalization, in influencing domestic policy.

The hypotheses below also make two assumptions. First, they assume that transnational actors are interested in producing change. Sometimes that interest stems from domestic groups “going international,” while in other cases it arises because the policy in question affects global well-being (protecting global commons, for example) or appears to violate emerging or entrenched international standards,

23 See note 17.

24 Risse-Kappen, *Bringing Transnational Relations Back In*; Thomas Risse-Kappen, “Exploring the Nature of the Beast: International Relations Theory and Comparative Policy Analysis Meet the European Union,” *Journal of Common Market Studies* 34 (1996), 53-80; Keck and Sikkink, *Activists beyond Borders*; Martha Finnemore, *National Interests in International Society* (Ithaca: Cornell University Press, 1996); and Price, “Reversing the Gunsights.”

25 We draw on authors concerned specifically with transnational influences on domestic policy. In contrast, literature on “global civic society” downplays the state altogether (for example, Paul Wapner, “Politics beyond the State: Environmental Activism and World Civic Politics,” *World Politics* 47 [1995], 311-40), while scholarship on nongovernmental organizations often focuses on international negotiations or direct influence on local activities. For a recent review of transnational relations and environmental politics, see Michael Zürn, “The Rise of International Environmental Politics: A Review of Current Research,” *World Politics* 50 (1998), 617-49.

such as human rights norms. The hypotheses focus less on why non-domestic groups decide to target particular policies (although we discuss why they did in the case study itself), than on their ability to affect domestic policy. Second, we assume that ideal as well as material interests can influence domestic policy choices.

Four Paths of Internationalization

We identify four paths of internationalization: *market dependence*, *international rules*, *international normative discourse* and *infiltration of the domestic policy-making process*. The first three paths potentially challenge state autonomy, and possibly even state authority associated with Westphalian conceptions of sovereignty, because they bind or push governments to make policy choices in response to direct pressures from outside the domestic political jurisdiction.²⁶ The first two paths elicit change through international coercion or constraint, while action along the third utilizes international norms, which then permeate the discourse or normative framework of the target country's policy-making process.

The fourth path is distinct, because actors following it do not directly pose an external challenge to state autonomy or authority, nor do they coerce or directly use international mechanisms. Instead, this path requires "infiltration" of the domestic policy-making process by attempting to alter the balance of power among existing domestic organized interests and their participation in policy networks. Transnational actors accomplish their mission through the sharing of resources, ideas and expertise with existing groups, or by facilitating the creation of new groups or coalitions.

Globalization, to the degree that it creates dependence on foreign markets,²⁷ is a necessary condition of the first path and is often²⁸ pre-

26 The degree to which market integration, trade agreements, international institutions, or transnational activity actually limit or displace the authority of states is widely debated. For example, see Susan Strange, *Retreat of the State* (Cambridge: Cambridge University Press, 1996); and Stephen D. Krasner, *Sovereignty: Organized Hypocrisy* (Princeton: Princeton University Press, 1999). Whether or not state authority remains resilient, internationalization and globalization appear to be influencing the shared understandings of authority, autonomy and inviolability that underlie sovereignty. See Thomas J. Biersteker and Cynthia Weber, eds., *State Sovereignty as Social Construct* (Cambridge: Cambridge University Press, 1996).

27 Whether globalization necessarily leads to the vulnerability and sensitivity associated with economic interdependence is subject to debate. See Jean-Marc F. Blanchard and Norrin M. Ripsman, "Measuring Economic Interdependence: A Geopolitical Perspective," *Geopolitics and International Boundaries* 1 (1996), 231-41.

28 Globalization, as we define it, is not always present since states may create rules

sent in the second since many international rules result from attempts to manage economic interdependence. Globalization is not required, however, with the third and fourth paths.

Like transnational actors, international institutions play different roles along each path. For example, they provide forums for governmental, subgovernmental and transnational actors to interact, which facilitates rule creation along path two, but also learning about and promotion of new norms of appropriate behaviour along path three, or coalition building that may be important along paths one and four. Although many international institutions, and the organizations often at their core, play multiple roles, the distinction among different paths highlights that different institutions play these roles to varying degrees.

Path One: Market Dependence

Along this path, transnational actors directly use global markets to force policy responses, conforming to what Keck and Sikkink label “leverage politics.”²⁹ Boycott campaigns are the most common strategy, in which a company or government faces market loss and economic hardship if it does not bow to demands of consumers in other countries. Sometimes domestic groups initially bring the issue to the attention of transnational actors. For example, the Canadian James Bay Cree, with the help of environmental organizations and elected representatives in the United States, used this tactic when they brought their battle against a hydro electric dam in Quebec to the intended consumers of its electricity in the US. The campaign succeeded in convincing major consumers to cancel Hydro-Quebec contracts and contributed to the indefinite postponement of the James Bay II project announced in November 1994.³⁰

In such cases, domestic politics are largely bypassed. The key factor is the ability of transnational actors to convince consumers of the need to change the target’s “detrimental” policies. Strategies to achieve this goal may vary depending on what works best in consuming countries, but can include education, influencing media coverage, normative/moral arguments and even targeting suppliers of the foreign product in the domestic market (who themselves are coerced into sup-

to manage non-economic problems such as the spread of human rights, or common security concerns, such as nuclear proliferation.

29 Keck and Sikkink use “leverage politics” to include normative influences as well (*Activists Beyond Borders*, 23-24).

30 Mary L. Barker and Dietrich Soye, “Think Locally Act Globally? The Transnationalization of Canadian Resource-Use Conflicts,” *Environment* 36 (1994), 12-20, 32-36; and “Quebec Shelves Great Whale Project: Cree Leader Lauds PQ’s Decision on Huge Hydro Development,” *Globe and Mail* (Toronto), November 19, 1994, A1, 7.

porting a boycott or risk being boycotted themselves). While strategies in boycotting countries may be important, the causal mechanism here is primarily the threat or reality of economic reprisals. This strategy is largely coercive, rather than based on moral suasion. Domestic coalitions or international norm development are not required here, but actors may employ them to help build support for an economic boycott. This path does require globalization to the degree that the target government or firms must be relatively dependent on the external markets in which the boycotts are launched.

On the market path, domestic politics does not influence the strength of this pressure, since it emanates from external markets. While domestic politics influence the specifics of the policy response, the relationship among the state, business and nonbusiness interests (the policy network) is relatively unimportant for success because the coercive force of the market dependence path affects business interests as much as the state.³¹ Only in a political system so fragmented that it lacked the most basic governing authority would policy networks be a significant factor. On this path, the struggle for power shifts to consumer countries, with the targeted government and industry associations often participating as a counter lobby to the environmental or consumer boycott campaign.

Importantly, this path does not reverse the downward effects of globalization.³² Rather, these international pressures act as countervailing forces; the strength of each will influence the type of policy responses considered by the domestic government. For example, targeted companies and/or governments may weigh the costs in lost income and reputation against the risks of being standard-leaders or the loss of competitive advantage that may result by foregoing practices or policies allowed in other countries that push prices lower.

In addition, consumer groups or governments with jurisdiction over destination markets sometimes attempt to change the incentive structure to offset the countervailing economic forces. For example,

31 If domestic political interests make the government more willing to endure economic losses to avoid political losses or make political gains, then domestic politics may matter more in this path. Nonetheless to illustrate the logic of influence along different pathways, and to the degree that firms are motivated to seek profits, external market pressure can be seen to be the primary causal factor along this path.

32 Although Garrett's work (for example, "Global Markets and National Politics") shows the importance of domestic factors (such as strength of organized labour, domestic institutions and the role of economic goods produced by the welfare state) in mediating the "downward" pressure of globalization, for the limited purpose of this hypothesis we assume, other things being equal, that globalization does bring downward pressure. Our focus is on how internationalization interacts with globalization prior to entering the domestic arena, although future research might also look at the interaction in the domestic arena to take Garrett's hypotheses more explicitly into account.

environmental groups can organize buyer groups for products that meet a higher standard and governments in consumer countries can set high local standards. These market adjustments can minimize the benefits of short-term pressures to lower labour or environmental standards, although actions by governments risk being actionable under international trade rules. Also, jurisdiction over larger markets or numbers of consumers may be necessary to reduce the risk to target companies or governments of being standards leaders.³³

Upward policy responses to either positive or negative market pressures could be relatively unstable if transnational groups vacated this path. This path alone is therefore unlikely to result in the kind of value changes sought by transnational actors that we hypothesize can make policy changes more durable.

Path One Hypotheses:

1. When transnational actors use market dependence to force change, domestic political factors are largely insignificant.
2. Relative dependence on foreign markets and the success of transnational actors in altering consumer behaviour in those markets are key determinants of policy influence.
3. The durability of policy responses is conditional upon maintaining transnational pressure. If pressure is not maintained, all things being equal, we would expect to see “downward” measures in response to globalization.
4. Normative changes in response to such pressures alone are unlikely.

Path Two: International Rules

This path highlights the importance of international policy-making processes, such as issue-specific treaties, trade agreements or policies of powerful international organizations. Sometimes even nongovernmental organizations or organizations that include nonstate representation—the International Organization for Standardization for example—can also be an authoritative source of rules to which states or firms commit.³⁴ Success here occurs when rules and regulations commit signatory countries to change their domestic regulations.³⁵

33 Vogel labels this phenomenon the “California Effect,” in reference to the ability of California, owing to its power and market size, to drive up standards through competition with other jurisdictions (*Trading Up*, 5-8, 248-70).

34 Jennifer Clapp, “The Privatization of Global Environmental Governance: ISO 14000 and the Developing World,” *Global Governance* 4 (1998), 295-315.

35 Unlike the competition-driven California Effect, along this path “powerful countries can strengthen the regulatory standards of their trading partners through . . . political mechanisms” (*ibid.*, 268). Although Vogel focuses primarily on do-

That this path matters to domestic policy is self-evident in highly institutionalized settings such as the European Union, where, in some policy spheres, enforceable EU decisions govern domestic policy.³⁶ Depending on the strength of such institutions, states may feel constrained or bound by international law to their rules. In addition, regional trade agreements and the World Trade Organization are important battlegrounds for regulatory decisions, even in related areas such as environment or labour standards. However, activist groups fighting to raise standards generally face an uphill battle because corporate actors remain privileged in the formulation of such rules compared to other transnational actors.

Issue-specific treaties, such as the Convention on International Trade in Endangered Species or the Montreal Protocol on ozone-depleting substances also bind states to particular standards or practices. Internationalization can also result in powerful international organizations such as the International Monetary Fund and World Bank requiring recipient countries to adopt environmental or other standards as a condition of lending (although “conditionality” more often includes stringent economic prescriptions that critics claim produce the opposite effects).³⁷

Transnational actors increasingly help construct this pathway through treaty negotiations and directly participating in the development of international rules.³⁸ Unlike path one, they generally need not maintain constant pressure since rules reflect legitimate authority. Thus, they only need to visit this path when non-compliance occurs. Although rule-following alone does not indicate the deep change in goals or values that transnational actors often seek, policy makers may feel obligated to respond with substantive changes in order to comply, and the resulting changed practices may become institutionalized over time.

The importance of domestic politics is largely limited along this path to the stage of rule creation/ratification and to the decision of whether to comply or not in specific circumstances. In the two-level game of international negotiations, governments balance, and sometimes play off, the interests of their negotiating partners and domestic

mestic actors in large countries as drivers of change, such actors may also create coalitions across borders or influence negotiations in partner countries. Similarly, Robert Putnam identifies the process of “reverberation,” when international negotiations tip the balance for particular domestic interests (“Diplomacy and Domestic Politics: The Logic of Two-Level Games,” *International Organization* 42 [1988], 427-60).

36 See Risse-Kappen, “The Nature of the Beast.”

37 On attempts to link foreign aid to environmental protection, see Robert Keohane and Marc Levy, eds., *Institutions for Environmental Aid* (Boston: MIT Press, 1996).

38 Zürn, “The Rise of International Environmental Politics,” 642-48.

constituencies.³⁹ Domestic policy-making structures are also important when states require domestic ratification of international agreements or implementing legislation.

However, once rules are in place, assuming states view them as legitimate, they create a “pull toward compliance”⁴⁰ regardless of domestic political factors. Contravening the rule could result in costly disputes in international adjudication bodies or domestic courts or sanctions of various sorts. It could also erode the legitimacy of other related rules that a state may want others to obey or, in utilitarian terms, erode general reciprocity that creates a broad incentive to obey international rules in the long run. The rule also becomes a resource on which transnational and/or coalitions of domestic actors can draw when governments do not comply. For example, they can publicize noncompliance, pressure governments to live up to their commitments or press governments to launch disputes against other countries which do not fulfil their obligations.⁴¹

Globalization plays two roles here: as a cause of international trade and related agreements; and indirectly as an incentive for complying with international rules, if breaking such rules could eventually result in loss of markets. Following this logic, trade agreements might be forced to accommodate or respond to higher domestic standards if they exist in larger or more powerful markets.

Unlike the market dependence path, this path could actually directly reverse the downward effects of globalization if agreed-upon rules were so strict that they effectively removed incentives to companies to move to other countries in order to avoid higher environmental and consumer regulations and wages. However, binding international rules are only beginning to make inroads in regulating “up,” with the notable exception of the EU.

Path Two Hypotheses:

1. International agreements affect domestic policy to the degree they create binding obligations on states through enforceable or widely accepted rules of international law.
2. Domestic politics broadly speaking, once rules are in place, have little discernible effect on whether internationalization along this path leads to policy change, but can influence the decision whether to comply in specific circumstances.

39 Putnam, “Diplomacy and Domestic Politics.”

40 Thomas Franck argues that legitimacy is a property of a rule “which itself exerts a pull toward compliance on those addressed” whether or not rules are accompanied by enforcement (*The Power of Legitimacy among Nations* [New York: Oxford University Press, 1990], 16).

41 Price, “Reversing the Gunsights,” 636-37.

3. Transnational and/or domestic coalitions for change can activate rules in cases of noncompliance.
4. For trade or foreign capital dependent countries under conditions of increasing globalization, fear of losing market share and investor confidence acts as an added incentive to comply with international rules.

Path Three: International Normative Discourse

Path three directs attention to normative discourse developed internationally for the express purpose of influencing domestic practices. Keck and Sikkink outline a series of strategies that transnational actors can undertake to encourage states to follow norms, including the politics of “information,” “symbolism,” “leverage” and “accountability.” They focus especially on principled values that underlie a subset of transnational actors they label transnational advocacy networks, who “are distinctive in the centrality of principled ideas [and] their strategies aim to use information and beliefs to motivate political action.”⁴²

Contrary to Risse-Kappen, Keck and Sikkink downplay the importance of domestic policy-making structures. Domestic policy networks matter only to the extent that when they exclude domestic groups from policy making, they can cause a “boomerang effect” where domestic groups seek transnational allies and bring international scrutiny.⁴³

They argue instead that “dynamic” factors in domestic politics, such as the “fit” of proposals for change with other related policies, the changing positions of governments, dominant ideologies or cultural discourse and practices better account for the success of transnational campaigns for change. Their research found that “how activists’ messages carried and resonated with domestic concerns, culture, and ideology at the particular historical moment in which they campaigned was crucial.”⁴⁴ Countries most susceptible to transnational pressure under this path “are those that aspire to belong to a normative community of nations.”⁴⁵ As such, this path is more dependent on a country’s concern for reputation than on its place in the international political economy (globalization). The success of actor strategies here depends on their sensitivity to domestic factors noted above, regardless of the policy networks encountered. This focus on discourse, and especially framing,⁴⁶ suggests that creative transnational coalitions in internation-

42 Keck and Sikkink, *Activists beyond Borders*, 30.

43 *Ibid.*, 10-16.

44 *Ibid.*, 73.

45 *Ibid.*, 29.

46 See also Karen Litfin, *Ozone Discourses* (New York: Columbia University Press, 1995).

alized policy areas can escape domestic structural constraints of path four.

Agents of change along this path, whether activists, scientists or coalitions of business leaders, often explicitly aim to reframe or change the discourse around a problem or to create or reinforce new normative commitments. Such changes often include broadening a policy field or linking it to other goals that then require major changes in practices. For example, expanding the treatment of forestry as a sector of economic production to include environmental conservation and Aboriginal rights can be an important source of change.

Norms can also be institutionalized internationally so as to frame domestic policy discourse and strengthen domestic coalitions advocating compliance. A growing body of “constructivist” literature in international politics notes that norms, even when they are not binding on states, can alter state identities and interests.⁴⁷ Finnemore’s work on how international organizations can socialize or “teach” states about the utility of a norm, for example, shows how international institutions have influenced state policies in science policy, poverty reduction and the conduct of war.⁴⁸ In the environmental arena, one could make a similar argument that the 1972 United Nations Conference on the Human Environment and the United Nations Environment Program taught states the importance of environmental protection by fostering the growth of national environmental ministries/departments from 25 in 1972 to over 125 in 1990.⁴⁹ Legitimizing norms affect domestic policy when they permeate domestic institutions or lead to societal value changes.

Along this path, international institutions matter because they embody norms of appropriate behaviour. This path thus emphasizes that even if an institution appears weak along one dimension, such as providing binding rules, it may still play a powerful normative role that would be overlooked if institutions were treated monolithically. Because binding rules and regulations may not accompany norms, this path operates primarily through moral suasion and communicative action rather than coercion or enforcement. Keck and Sikkink assert that policy initiatives resulting from this path are more durable than policy responses to material leverage because of this path’s emphasis on changing understandings of policies rather than coercion.

47 For a good review, see Emanuel Adler, “Seizing the Middle Ground: Constructivism in World Politics,” *European Journal of International Relations* 3 (1997), 319-63.

48 Finnemore, *National Interests*.

49 Mark Imber, *Environment, Security and UN Reform* (London: Macmillan, 1994), 71.

Path Three Hypotheses:

1. Normative internationalization strategies depend on the moral vulnerability of the target state, and the ability to engage other states and actors in placing the issue on the global agenda, whether by reformulating current norms and ideas, or introducing new ones.
2. Success depends on resonance with domestic ideology, culture and broader policy goals, not targeting particular actors or domestic policy networks.
3. Successful policy changes resulting from travelling this path are likely to be more durable than others to the degree they successfully create value-change.

Path Four: Infiltration of the Domestic Policy-Making Process

The fourth path of influence concerns efforts by transnational actors to participate in the domestic policy-making process, in effect internalizing the external influence. Two related factors are key in this regard: the structure and membership of domestic policy networks, and the ability of transnational actors to penetrate networks in such a way that does not directly raise domestic concerns over violations of popular sovereignty (the idea that government authority ultimately derives from the people being governed).

We use the term policy network to refer to the nature of exchange between the state and societal interests in policy making over a particular issue.⁵⁰ International relations scholars have turned to the domestic policy network literature because it helps explain why some transnational actors are more successful than others in their efforts to penetrate directly domestic policy-making processes.⁵¹ We identify three network characteristics as most important: the degree of openness, state autonomy and state capacity.

Openness refers to the ability of the existing networks to accommodate new organizations and interests into network deliberations. Where networks are closed and rigid, transnational influence will be difficult. In these cases blockage will usually occur

50 This definition draws from William Coleman and Grace Skogstad, "Policy Communities and Policy Networks," in William Coleman and Grace Skogstad, eds., *Policy Communities and Public Policy in Canada: A Structural Approach* (Mississauga: Copp Clark Pitman, 1990), 14-33.

51 Risse-Kappen, *Bringing Transnational Relations Back In*. See also Matthew Evangelista, "The Paradox of State Strength: Transnational Relations, Domestic Structures, and Security Policy in Russia and the Soviet Union," *International Organization* 49 (1995), 1-38; and Andrew P. Cortell and James W. Davis, Jr., "How Do International Institutions Matter? The Domestic Impact of International Rules and Norms," *International Studies Quarterly* 40 (1996), 451-78.

and groups will be forced to find other more open networks, or other paths.⁵²

Related to but distinct from openness is the degree of state autonomy within a given network. We follow the policy network literature by defining autonomy more broadly than Eric Nordlinger's classic conception, where states are considered autonomous only if state actors realize their own goals and decisions *independently* of any societal interests.⁵³ Instead, state autonomy here refers to the *degree* of independence of state officials from societal actors when realizing goals and making policy choices, which is most often manifest when state officials' choices depart from the goals of traditional business interests.⁵⁴ In this treatment, state officials often deliberate upon an array of societal pressures, rather than ignoring them.⁵⁵

The greater the relative autonomy of state officials from traditional business interests, the more potential there is for transnational actors' arguments for change to be considered. Even in the case of relatively closed networks, the argument holds since transnational actors can use persuasion on autonomous state decision makers, although direct access, or access of domestic coalition partners, would be limited. When networks are characterized by openness and autonomy, strategies of coalition building and direct action through networks becomes possible. However, where state officials rely on a business association for advice and expertise on a particular policy, and are not autonomous from such an association, other organizations' proposals will face difficulty in getting consideration from state officials, whatever the strategy employed.

State capacity refers to the ability of state actors to implement policy choices. Where state structures are fragmented and/or decentralized, policy success will be more limited than in those networks

52 Whereas some research asserts that a single national-level policy network exists, our research supports studies that find different policy networks within the same country, and often within the same policy sector. In broad policy areas such as natural resource, forest and environmental policy, an array of closed and open networks are often found, allowing transnational actors to seek the most accommodating networks.

53 Eric Nordlinger, *On the Autonomy of the Democratic State* (Cambridge: Harvard University Press, 1981), 1.

54 Following the orientation of the policy network literature, our conceptualization of autonomy focuses on state independence from business interests, even though, conceivably, a state agency could have little autonomy from nonbusiness interests, or society as a whole.

55 Indeed, much of the policy network literature rejects a pure "statist" approach, focusing instead on the nature of the relationship between the state and societal interests. See Coleman and Skogstad, "Policy Communities and Policy Networks," 27-29.

where authority is concentrated, because relatively quick and wide-ranging decisions are possible.⁵⁶

On this path, transnational actors provide resources, knowledge, training and financing to existing domestic groups, or help organize or finance new domestic-based groups or coalitions. Resources and expertise are important, for even if the network is open and state autonomy is high, new organizations must also be able to participate in the often highly technical policy networks.

The preceding arguments about the path four policy network structure could just as easily apply to non-internationalized policy making, except for the fundamental issue of sovereignty. Since action along this path occurs through existing domestic structures, the threat to popular sovereignty is more conspicuous than on other paths, even if state autonomy or authority is challenged less. A charge that foreign organizations have violated sovereignty or domestic control over internal decisions is a powerful slogan that domestic opposition groups could employ in order to counter transnational influence. Here, Risse-Kappen offers the argument that transnational groups' successes depend largely on their coalition building strategies—particularly with domestic groups able to penetrate existing networks.⁵⁷ Coalition building and other indirect methods somewhat shield transnational organizations from charges of violating sovereignty because they can work with or through domestic organizations. Coalition building, in turn, depends on transnational actors' knowledge of extant policy network structures and the persuasiveness of their beliefs on potential domestic allies. In addition to sharing resources and other coalition strategies listed above, transnational groups might also engage in behind-the-scenes quiet lobbying.

Unlike path one, globalization is not a prerequisite for influence since strategies here rely on “tipping the scales” within domestic struggles rather than on taking advantage of or manipulating economic vulnerabilities.

Path Four Hypotheses:

1. In order for transnational groups to infiltrate the domestic policy-making process, policy networks must be at least partly open to nonbusiness interests. Where access is blocked, groups will be forced to take other paths (boomerang effect).⁵⁸
2. When policy networks do allow access, the potential for influencing policy will depend on the degree of state autonomy from tradi-

56 For a detailed discussion on the way centralized and decentralized structures mediate international influence on domestic policy, see Cortell and Davis, “How Do International Institutions Matter?”

57 Risse-Kappen, *Bringing Transnational Relations Back In*.

58 See note 43.

tional business interests and the capacity to implement policy choices. Where authority is fragmented, successful penetration of policy networks will still lead to only minimal policy influence.

3. Owing to popular sovereignty concerns, success of transnational actors requires either linkages (coalition building) with existing domestic groups or the creation of new domestic groups. Limited direct policy advocacy can be used only sparingly, behind closed doors, and in a more co-operative, less confrontational fashion.
4. Transnational groups require a detailed knowledge of existing policy networks to be effective in this path.

The attraction of the analytic distinctions and hypotheses offered here is that they highlight that each path of internationalization encounters different obstacles and opportunities in influencing domestic policy making. We have not argued that domestic politics does not matter, though we note that its importance is much greater in the third and fourth paths, and that different aspects of domestic politics and society matter in each. Similarly, we revealed that globalization does matter, but not in all cases of internationalization and not to the same degree. By breaking transnational actors' and international institutions' influences into their component parts, we are able to improve our understanding of how an increasingly large transnational population influences domestic policy making. We examine the case of ecoforestry to illustrate these arguments.

Internationalization and Change in British Columbia EcoForestry Policy

Transnational actors became interested in BC forest policy in the early 1990s for three reasons. First, many US-based environmental groups and foundations focused on BC after successful efforts in the US Pacific Northwest to increase forest preservation and regulations and improve practices.⁵⁹ Second, international media coverage of the 1993 decision to allow widespread logging in Clayoquot Sound's old-growth forests heightened criticism by environmental groups and negative public opinion in Europe and the US of BC forest practices. Third, intensified global concern over the state of the world's forests led many actors to scrutinize British Columbia, as it contained much of the world's remaining old-growth temperate rainforests.

We use the BC case to illustrate that each of the four paths offers different opportunities and constraints for transnational actors, who had varying degrees of influence on key policy responses. We use process tracing to provide evidence that transnational actors and inter-

⁵⁹ Steven Lewis Yaffee, *The Wisdom of the Spotted Owl: Policy Lessons for a New Century* (Covelo, Calif.: Island Press, 1994).

national institutions affected policy change, but no systematic attempt is made to give weight to these forces, or to argue that they were the only source of change. Our purpose is to show how factors along each path conditioned success or failure in influencing policy change.

Policy Responses

In the early 1990s, the New Democratic party government undertook a host of forest preservation/land use (where to log) and forest practices (how to log) policy initiatives following the October 1991 election.⁶⁰ Policies addressed land use issues through three mechanisms: the Protected Area Strategy (PAS); the Commission on Resources and the Environment (CORE); and Land and Resource Management Plan (LRMP) processes. PAS focused on attaining the stated target of preserving 12 per cent of the province's land. The latter two initiatives were designed to facilitate regional consensus-oriented land use planning processes that would offer specific advice on which areas to preserve. In areas not covered by CORE or LRMPs, local Protected Area Strategy processes were developed to advise on which areas to protect from logging.

The government largely addressed forest practices through the Forest Practices Code. It promised a new way of managing the forests through the inclusion of Ministry of Environment officials and the incorporation of biodiversity norms over previous conceptions such as sustained yield or "multiple use" management. The Code also created new rules, including maximum clearcut sizes and no logging "riparian zones" in fish-bearing streams. The government also dramatically increased the price for logging publicly owned timber, and used some of the increased revenues to offset the negative effects of the Code on forest employment. Sharp increases in the cost of logging also affected forest practices, as did audits that reduced the traditional annual allowable cut (AAC). Beginning in 1996, the government backtracked in some areas, streamlining the Code and reducing stumpage rates. These policy fluctuations permit an examination of the durability of policy responses to transnational pressures.

60 For a detailed treatment, see Jeremy Wilson, *Talk and Log: Wilderness Politics in British Columbia* (Vancouver: University of British Columbia Press, 1998); Benjamin Cashore, "Governing Forestry: Environmental Group Influence in British Columbia and the US Pacific Northwest" (unpublished doctoral dissertation, University of Toronto, 1997); and George Hoherg, "The Politics of Sustainability: Forest Policy in British Columbia," in Ken Carty, ed., *Policy, Politics, and Government in British Columbia* (Vancouver: University of British Columbia Press, 1996), 272-89 (plus notes).

This study also focuses on the local area of Clayoquot Sound which received international scrutiny after the BC government's decisions on the Sound's development in 1993 and 1995. The first decision permitted widespread logging in the area. But, following intense international and domestic protests, the government embraced ecosystem management principles for Clayoquot, representing the most comprehensive and wide-ranging normative changes among all policy responses. Below, we examine how action along each pathway influenced these policy areas.

Path One: Markets

Transnational actors began to travel the market dependence path with vigour in the early 1990s after the BC government opened two thirds of Clayoquot Sound to logging. They launched boycott campaigns in two of the province's largest markets: Europe and the United States.⁶¹ Greenpeace UK, Greenpeace Germany, Greenpeace International, the World Wildlife Fund (UK) and the UK Women's Environmental Network led European boycotts.⁶² The California-based Rainforest Action Network orchestrated the US boycotts, which included the active participation of the Natural Resources Defense Council (NRDC). The BC-based Western Canada Wilderness Committee (WCWC) supported both boycotts.⁶³ The campaigns criticized BC forestry policy, using the Clayoquot example to argue that the province did not protect enough of its old-growth forests, and that forest companies conducted most of their harvesting by "clearcutting," a method most environmental groups strongly opposed.

The provincial government responded to the boycotts in two ways: it announced that it was in the process of reforming its forest practices rules and it lobbied European nations to counter transnational criticisms. As the first path hypotheses predict, the use of the market path led the government to lobby consumer countries, and loss of markets motivated state actors. As Premier Mike Harcourt explained in the summer of 1994: "In California, legislation has been proposed to ban BC forest products. *The New York Times* is under pressure to stop printing on BC paper. In England, Scott Paper sus-

61 The United States accounts for 59 per cent of BC's forest products export market, the European Union 11 per cent and Japan 21 per cent (Natural Resources Canada, *The State of Canada's Forests: 1997-1998* [Ottawa: Government of Canada, Natural Resources Canada, 1998]).

62 W. T. Stanbury, Ilan B. Vertinsky, and Bill Wilson, *The Challenge to Canadian Forest Products in Europe: Managing a Complex Environmental Issue* (Vancouver: Forest Economics and Policy Analysis Research Unit, University of British Columbia, 1995), Appendix 2.

63 *Ibid.*, 11.

pending a \$5.5-billion wood-pulp contract. In Europe alone, \$3-billion a year in BC forest exports are on the line.”⁶⁴

Reflecting later, Harcourt noted that transnational groups’ efforts had led to European Parliament scrutiny, and that prominent US activists had mobilized political support there. Harcourt felt he had no choice but to go to Europe and the US to “acknowledge we made mistakes” and to fight the boycott efforts, not by defending previous practices, but by showing how things had changed.⁶⁵ The Forest Practices Code allowed him to make swift changes. While industry officials quibbled over the exact nature of the Code, most forest industry associations supported the need to demonstrate forest practices reform.⁶⁶ The BC forest industry’s newly created Forest Alliance association also sent senior officials to Europe and the US to fight boycotts. They argued that the Code was “proof” that forest practices reform was being undertaken.⁶⁷ Indeed, the BC forest industry lobbyists in Europe hailed Harcourt a “hero” for going to Europe and using the Code to fight boycott efforts.⁶⁸

While sorting out domestic from international pressures in producing the Forest Practice’s Code proves difficult in this case, evidence shows that actors travelling this path facilitated the New Democratic party government’s promotion of its Code, as well as other forest policy reforms noted above.⁶⁹ The government’s response supports the hypothesis that domestic policy networks matter very little under the market path, as formulation of the Code actually bypassed previous closed industry/government collaborative relationships. Such changes

64 Miro Cernetig, “BC Park Plan Will End Loggers’ Jobs: Harcourt Says Province Must Yield to Global Pressures on Harvesting,” *Globe and Mail* (Toronto), June 23, 1994, A1, A4. By not renewing its contract with MacMillan Bloedel, the *New York Times* joined Scott Paper and UK-based Kimberly Clark in suspending contracts over BC clearcutting (“Costs of Clearcutting,” *Environment* 38 [1996], 21).

65 Personal interview, April 1996. See also Jim Hume, “Harcourt Steady under Fire,” *Victoria Times-Colonist*, February 8, 1994, A5. Later the same year, the BC forest minister also traveled to Europe to fight the boycott campaigns. See Stanbury and Vertinsky, *The Challenge to Canadian Forest Products*, 63.

66 Personal interview, senior official, BC Council of Forest Industries, Vancouver, November 1994.

67 Personal interview, senior official, Forest Alliance of BC, Vancouver, November 1994. See also Forest Alliance of British Columbia, *UK Tour Report* (Vancouver: Forest Alliance of British Columbia, 1994).

68 “Premier Called a Hero for Fighting Greenpeace,” *Victoria Times-Colonist*, February 4, 1994.

69 Interviews with senior government officials also emphasized that boycotts strengthened the government’s resolve to carry through with Forest Practice Code reforms. Jeremy Wilson argues that international pressures may not have been the primary cause of the Code, but did provide “leverage” to persuade reluctant companies and workers of the necessity for change (*Talk and Log*, 302-03).

were partly undertaken in order to facilitate a quick response by the BC government to international boycott efforts.⁷⁰

These transnational boycott pressures also contributed to the provincial government's ultimate 1995 Clayoquot Sound policy, in which it reversed its 1993 decision, permitting only limited logging under an "ecosystem management regime." While transnational pressure was by no means the only cause of this decision, its influence was apparent. The BC premier personally contacted the NRDC, one of the lead supporters of the US boycott campaign, to explore its views on the BC government's Clayoquot policy response deliberations.⁷¹

The BC case also provides some corroborating support for the durability hypothesis and the independent effects of the market dependence route. For example, when the BC forest industry headed into a painful downturn in 1996, accelerated by the Asian economic collapse, the provincial government announced a series of changes to the Forest Practices Code and stumpage rate decreases that environmental groups felt significantly weakened ecoforestry reforms.⁷² These measures occurred at a time environmental groups, buoyed by apparent successes, had allowed boycott efforts to wane. Such policy reversals support the hypothesis that coercive pressure must be maintained to be durable, and that the "downward" effects of globalization do not disappear under this route. In response, transnational actors launched a new round of boycotts in the late 1990s, the influence of which was offset by the continued decline in the province's forest industry.⁷³ Thus the market path did not appear to produce responses aimed at long-term policy change, but primarily to preserve markets. When an economic downturn threatened markets, corporate profitability and jobs, the government moved swiftly to alter the very policies it initially used to pacify path one pressures. Path one strategies are only likely to produce durable policy change when combined with action along other pathways. For example, the policy reversal was limited on the Forest Practices Code to the degree that action along the normative pathway legitimated new values (for example, ecosystem management) that governments could not easily completely abandon.

70 Personal interviews, senior officials, Ministry of Forests and Environment, Lands and Parks, March, April and May 1995.

71 Personal interview, senior attorney, NRDC, June 1994.

72 Gordon Hamilton, "Don't Lower Stumpage, US Tells BC," *The Vancouver Sun*, April 11, 1997, D1.

73 In May 1996, the San Francisco-based Rain Forest Action Network launched a new advertising campaign denouncing clearcutting in this area. Efforts were renewed in the fall of 1998. See Hal Bernton, "Coalition for Forests Gets Help of Firms," *The Oregonian* (Portland), December 9, 1998.

Finally, to offset globalization pressures, transnational actors including World Wildlife Fund, the Rainforest Alliance and Greenpeace, with varying degrees of success, started to support forest and forest product certification and the creation of buyer groups for certified products.⁷⁴

Path Two: International Rules

The “international rules” path was not well travelled in the BC forestry case, largely because there were few existing rules directly affecting forestry.⁷⁵ Such limitations led to the creative use of existing rules by transnational actors, and attempts to forge new ones. In the former case, groups allied with US forest companies who used US trade law to argue that British Columbia and other Canadian provinces subsidized their forest industries through below-market prices for the rights to harvest publicly owned timber.⁷⁶ Environmental groups believed that by assisting US industry in its efforts to reduce BC softwood lumber exports to the US and increase BC prices, they could minimize negative impacts on BC’s forest ecosystems. As a result, they shared information with US industry officials about the nature of forest policy change, and used a Canada-US compromise deal over the dispute as a way to minimize reductions in stumpage fees and downward pressure on the Forest Practices Code. However, little evidence exists that such activities did much to change BC forestry. Indeed, these efforts may have hurt the credibility of some environmental groups with the provincial government.⁷⁷ The limited opportunities available along this path appear to have led groups to grasp at controversial tactics. For example, while some transnational groups attempted to use US trade law in their efforts to reduce softwood lumber exports to the US, other groups opposed and litigated against the

74 For details of such schemes, see Fred Gale and Cheri Burda, “The Pitfalls and Potential of Eco-Certification as a Market Incentive for Sustainable Forest Management,” in Chris Tollefson, ed., *The Wealth of Forests: Markets, Regulation and Sustainable Forestry* (Vancouver: University of British Columbia Press, 1998), 278-96.

75 Limited international rules have not stopped transnational actors such as the California-based Pacific Environment Resources Center from studying how international law might be used to put pressure on BC to improve its forest practices (Paul Kibel, “Canada’s International Forest Protection Obligations: A Case of Promises Forgotten in British Columbia and Alberta,” *Fordham Environmental Law Journal* 6 [1995], 231-52).

76 Benjamin Cashore, “Flights of the Phoenix: Explaining the Durability of the Canada-US Softwood Lumber Dispute,” *Canadian-American Public Policy* 32 (1997), 20-22; 30-36.

77 “Protestors Playing into Hands of US, Minister Says,” *Vancouver Sun*, October 20, 1994, 20, B10.

US government for signing the most recent agreement limiting Canadian softwood lumber exports to the US.⁷⁸

Efforts by transnational actors to forge new multilateral and national rules included their major role in the as yet unsuccessful effort to achieve a binding global forestry convention. A convention might provide international rules according to which transnational actors could influence domestic forest policies, including British Columbia's, although the poor prospects of achieving an agreement with strong rules turned many groups against a convention.⁷⁹ At the national level, US environmental groups considered lobbying to change US trade law to directly challenge BC forest practices.⁸⁰ Groups have also turned toward the North American Commission on Environmental Cooperation (NACEC) to influence BC forest policy change, but no influence has yet to be felt on BC forest practices using NACEC rules.

Path Three: International Normative Discourse

Transnational actors used this path primarily to try to reframe forest policies in terms of new norms of biodiversity and ecosystem management. They also used global concerns over Aboriginal rights and tropical deforestation to paint BC practices as equivalent to practices in other parts of the world about which Canadians had concerns. Reflecting Keck and Sikkink's argument, activists attempted to frame international pressures to resonate with the "changing positions of governments, dominant ideologies and cultural discourse." Recognizing that the new NDP government's ideology predisposed it toward environmental and Aboriginal cultural issues, transnational actors used international institutions to promote emerging norms concerning Aboriginal rights, sustainability, biodiversity and ecosystem management. Such efforts began with the World Wide Fund for Nature's promotion of protected areas in BC by using the Bruntland Commission's notion of sustainable development and its explicit call for 12 per cent of the world's land to be protected.⁸¹ The new government's Protected Area

78 Northwest Ecosystem Alliance, *Conservationists Sue Feds over Trade Agreement: Lawsuit Alleges Softwood Lumber Agreement Fuels Deforestation, Undermines Species Recovery* (Seattle: Northwest Ecosystem Alliance, 1998).

79 Global Forestry Project (New York), "Over 80 Organizations from Six Continents Announce Opposition to Global Forest Convention," press release of February 10, 1997.

80 The US NRDC met with the US timber lobby to discuss the possibility of jointly lobbying Congress to change US trade law so that they could directly challenge BC's environmental forestry regulations (personal interviews, June 1994; December 1996).

81 Personal interview, senior official, WWF, Toronto, July, 1994. See also World

Strategy's goal of 12 per cent came directly from this UN-sponsored report.⁸²

Transnational actors continued efforts to preserve BC forestry through the promotion of international norms that they believed fit with the current domestic climate. Using the 1992 Earth Summit in Rio de Janeiro as a platform, transnational groups actively communicated to the BC and Canadian governments the value in preserving forest biological diversity, which gained increased global legitimacy during negotiations leading to the signing of the Convention on Biological Diversity at Rio. Transnational actors' emphasis on "biodiversity" held importance because it recast the conception of forests as a land subject to "multiple-uses" and competing demands that policy makers must balance, to a view that all forests contained an underlying support mechanism for the world's ecosystems.⁸³ Although the Earth Summit did not succeed in producing binding rules on forests, its non-binding "Statement of Forest Principles" also embraced the principle of biodiversity, giving some added legitimacy to transnational groups supporting the norm as a basis for forest management.⁸⁴

Transnational actors who supported these norms found allies in BC government officials who had been involved in the treaty discussions up to and including the Earth Summit.⁸⁵ They also sought to relate these

Wildlife Fund Canada, "Making Choices: A Submission to the Government of British Columbia Regarding Protected Areas and Forest Land Use" (Toronto: World Wildlife Fund Canada, 1993).

82 Personal interview, John Cashore, former BC minister of environment, lands and parks, September 1994. See World Commission on Environment and Development, *Our Common Future* (Oxford: Oxford University Press, 1987), chap. 6. Similarly, the Ontario government announced it would add 378 new parks and protected areas to reach the Brundtland goal of protecting 12 per cent of its territory (Ministry of Natural Resources of Ontario, "Ontario's Living Legacy: A Complete Park System," press release of March 29, 1999).

83 The meetings leading up to Rio provided a forum for governmental learning about the concept of biodiversity, which transnational groups such as the NRDC and WWF promoted in British Columbia. Domestic forest environmental groups in turn used these concepts in BC in the late 1980s and early 1990s. They focused most of their efforts on shaping the ideas of the opposition NDP, who they correctly predicted would win the next election (personal interviews, BC environmental groups and NDP cabinet members, September, November, December 1994; March and November 1995. According to one government official, until the late 1980s the term "biodiversity" was never even used in the province (personal interview, senior official, Ministry of Environment, Lands and Parks, April 1995).

84 "Non-legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests" (UNCED A/CONF.151/6/Rev.1).

85 Those who attended included Environment Minister John Cashore and Chief Forester John Cuthbert.

ideas to British Columbia's cultural discourse through increased communication and interaction with BC-based organizations.⁸⁶

These experiences support path three hypotheses that the way arguments are framed influences transnational success. Indeed, biodiversity became a popular concept in the 1990s, and biodiversity guidelines accompanied the BC Forest Practice Code. This framing of discourse paved the way for related concepts such as "ecosystem management," a new terminology already dominant in the United States.⁸⁷ Indeed, the BC government's 1996 decision to embrace holistic ecosystem management in Clayoquot Sound appeared to be a product of these new norms since the concept, unheard of only a decade before, formed the basis of the most fundamental forest policy reform in the province.⁸⁸

The NRDC's decision to take advantage of the new government's sensitivity to Aboriginal issues provides another example of transnational group efforts along this path. The NRDC brought Aboriginal peoples from Clayoquot Sound to the United Nations, the White House and the US Congress in the fall of 1993, using its political connections to criticize BC forest policy, but also to reframe the debate as an Indigenous peoples' rights issue. By linking forest preservation concerns to Aboriginal issues, the NRDC successfully drew broader support internationally, and then used this support in its efforts to recast the debate in British Columbia. The social democratic NDP government was sensitive to its international reputation for both practical and moral reasons, particularly with respect to Aboriginal issues, which it had repeatedly raised when in opposition, prior to forming government.

It is difficult to weigh the impact of these normative influences as the new government was already favourably disposed to Aboriginal issues, having promised to settle Aboriginal land claims in the province. However, the important factor was transnational actors' attempts to link more directly forestry and Aboriginal issues, thereby expanding the forest land-use debate beyond one between environmentalists and industry. A similar pattern characterized Clayoquot Sound decisions, where Aboriginal cultural values were given prominence in ecosystem management harvesting techniques.⁸⁹

Campaigns to cast BC forest practices as equally damaging to the

86 Personal interviews, NRDC, WWF, June and July 1994; January 1995.

87 Much of the approach was borrowed from the US experience in implementing ecosystem management in the Pacific Northwest. Key members of the Clayoquot Sound Scientific Panel included US experts on ecosystem management. See Lertzman et al., "Learning and Change."

88 Ibid.

89 Scientific Panel for Sustainable Forest Practices in Clayoquot Sound, *Sustainable*

global environment as tropical deforestation clearly also resonated with the government's concern over its international reputation. As Harcourt put it, had his government not responded to transnational pressures, "we would be [known] as 'Brazil of the North'" a legacy the premier had no intention of leaving.⁹⁰

As predicted, this normative path is less affected by policy networks than by the fit between international and domestic norms. While the BC case illustrates the way in which norms entered the domestic arena, it also highlights the fact that domestic contestation over norms is often ongoing. Whereas biodiversity and ecosystem management became important goals, they never superseded older, less holistic norms that focused on sustained timber production and, recently, biodiversity norms appear to have become subservient to them. For example, the Code's biodiversity field guides were rewritten to limit their effect on harvesting levels. This partial normative change in the BC case suggests that more work might be done on how deeply institutionalized such change must become to prove durable.

Path Four: Infiltration of the Domestic Policy-Making Process

In addition to exerting international material, regulatory and moral pressures, a host of transnational groups and organizations sought to influence BC policy by infiltrating the domestic policy-making process. As path four hypotheses predict, the structure of domestic policy networks mediated the type of influence that transnational actors could achieve. Indeed, transnational groups only began to travel this path after some traditionally closed, business-dominated forest policy networks changed in the early 1990s.⁹¹

Three groups of policy network structures emerged in the province in the 1990s. Forest land use policy networks, characterized by a high degree of state autonomy and capacity to implement their policy choices, were the most open to new interests. These networks became open largely because new institutions required the accommodation of diverse actors in policy choices.⁹² Consequently, these networks received the most attention by transnational actors. The forest practices rules network was only marginally open, but a high degree of

Ecosystem Management in Clayoquot Sount: Planning and Practices (Victoria: Government of British Columbia, The Scientific Panel for Sustainable Forest Pratices in Clayoquot Sound, 1995).

90 Personal interview, Michael Harcourt, Vancouver, April 1996.

91 Cashore, "Governing Forestry," chap. 8.

92 Just why networks adapt or remain durable has been subject to extensive theoretical and empirical research, but for the purposes of this article we treat network structure as given. For a detailed account of why we characterize particular networks as we do, see *ibid.*

state autonomy and capacity resulted in well-calculated attempts to influence state deliberations. The local forest management networks, where the government relied most heavily on industry for advice and policy implementation, were the least open, and exhibited only limited state autonomy. As a result, they received scant attention from transnational actors.

Aware of the changes in network structure in the early 1990s, transnational actors undertook a variety of resource-sharing and coalition-building strategies. For example, the US Wilderness Society lent expertise and resources to assist the Sierra Club of Western Canada in a joint production of an expensive mapping project of Vancouver Island forests. In turn, the Sierra Club used this expertise to become a policy participant in land use policy networks.⁹³ International institutional settings such as Rio also promoted coalition building by providing a forum for contacts among domestic and transnational groups. As one US activist working on BC forest policy explained, “one thing that came out of the Rio Earth Summit was really a much stronger network of environmental and native people working together on these issues.”⁹⁴

Other groups used their expertise to become directly involved in policy networks. For example, the WWF became heavily focused on protected areas in BC in the late 1980s.⁹⁵ Conscious of concerns of national sovereignty, the WWF established a BC office in 1992 called “BC Spaces for Nature,” and hired a well-known BC protected area advocate, with instructions to become an active, but low-key member of the forest land use policy network. The openness of most post-1991 land use policy networks facilitated this entry. Knowledge of network structures, sovereignty sensitivities and detailed technical expertise led BC Space for Nature to a dominant place in the land use policy network.⁹⁶ As a result, this organization became highly successful in removing from the industrial forest land base many of the specific areas sought by the WWF.⁹⁷

Groups such as the US-based Eco-trust, also sensitive to sovereignty concerns, entered the regional protected area policy network concerning the Kitlope Valley quietly, after first building a coalition with Haisla Nation leaders living in the area and developing an array

93 Government cabinet ministers have noted that the maps provided by the Sierra Club provided new sources of information their own bureaucratic officials could not produce (personal interviews, September 1994).

94 Personal interview, June 1994.

95 WWF Canada, *Making Choices*.

96 Interview with provincial officials and cabinet ministers noted the effectiveness of this strategy.

97 Personal interview, BC Wild official, March 1995.

of economic and ecological expertise.⁹⁸ When the organization decided to expand its focus to other protected area and forest policy networks, it created a BC office in order to act as a domestic group.⁹⁹

One of the most striking post-1991 developments was that transnational actors directly assisted in the creation of new domestic groups to increase domestic actors' involvement in policy making. For example, in 1991, US foundations provided financial support to create the Sierra Legal Defence Fund (SLDF).¹⁰⁰ It provides the environmental community with specialized legal expertise to assist groups who participate in open forest policy networks. For example, SLDF lawyers undertook a detailed critique of the Forest Practices Code on behalf of the BC environmental movement and conducted extensive studies detailing logging since the Code.¹⁰¹ Its research on riparian zones also facilitated advocacy efforts in the forest practices rule network to increase logging restrictions near streams. Though access to this network was only slightly open, SLDF's technical expertise convinced provincial officials to revise upward riparian rule standards, which they did quickly owing to the high degree of state autonomy and concentrated authority that characterized this network.

US environmental groups also convinced key US foundations to expand their funding efforts beyond Pacific Northwest forestry to British Columbia, and part of their mission was to increase access to the domestic policy process. Well aware of sovereignty concerns and network structures, US foundation officials in turn asked prominent BC environmental activists to join a province-wide organization through which funds could be channelled and the activities of BC's environmental groups strategically co-ordinated.¹⁰² They thus created BC Wild in the early 1990s, whose board of directors included leaders of some of BC's most high profile environmental groups.¹⁰³ Among its

98 Eco-trust chose the Kitlope after a computer search revealed that it represented the largest remaining intact rainforest in the North America.

99 Glenn Bohn, "Reporter Gets Job with Group that Saves Forest," *Vancouver Sun*, November, 16, 1994.

100 Personal interview, Sierra Legal Defence Fund, November 15, 1994. See also, Sierra Legal Defence Fund, "SLDF Introduces Itself," *Sierra Legal Defence Fund Newsletter* 1 (1992).

101 Sierra Legal Defence Fund, Greg McDade and Mark Haddock, "The Forest Practices Code of British Columbia Act: A Critical Analysis of Its Provisions" (Vancouver: Sierra Legal Defence Fund, 1994); SLDF, *British Columbia's Clear Cut Code: Changing the Way We Manage our Forests?* (Vancouver: Sierra Legal Defence Fund, 1996); and SLDF, *Stream Protection under the Code: The Destruction Continues* (Vancouver: Sierra Legal Defence Fund, 1997).

102 Even then, however, a coalition of BC labour and business groups launched a public attack on the environmental movement in 1998 when they revealed the amount of money US-based foundations had invested in the province.

103 BC Wild, "Report as of October 31, 1994" (Vancouver: BC Wild and Earthlife Canada, 1994).

activities, BC Wild transferred expertise and resources to local and provincial environmental groups so they could effectively participate in the new regional land use policy networks across the province.¹⁰⁴ After deliberating upon different societal pressures, the state used its high level of autonomy and capacity in many of these networks to establish an array of new protected areas and “low impact” harvesting zones.

Conclusion

Our distinction between globalization and internationalization has allowed us to explore important nondomestic causes of policy change ignored by much of the literature that focuses on economic aspects of globalization. Structural economic factors do affect domestic politics and policies, but actors, ideas and institutions from beyond state borders often interact with forces of globalization, channelling them in ways not predictable by economic logic alone. We focused especially on the role of deliberate attempts by transnational actors to influence domestic policy outcomes, and showed how they interacted with global markets, binding international rules, international normative discourse and domestic policy networks.

Whereas the analytic distinctions between various paths highlighted the obstacles and opportunities for nondomestic influences, they were not meant as determining predictors of specific policy outcomes. Domestic policy develops in response to a variety of factors, of which transnational and international institutional pressure is but one. Indeed, paths three and four result in a convergence of domestic and international pressures, making causal weight calculations difficult, even irrelevant.

Nor is each pathway mutually exclusive—actors may choose to traverse one, two, three or even all four paths. This partly explains why previous literature has failed to uncover these paths: they were hidden beneath an array of activities of international institutions and transnational actors that appeared to be doing many things, with varying success. Identifying the four paths revealed something quite different taking place, where each path exhibited a unique logic of influence.

The case of BC ecoforest policy illustrates the utility of analyzing nondomestic influences along these four paths in a particular case. It also shows preliminary support for the hypotheses generated, suggesting that their logic may be usefully applied to explain the success or

104 For example, a high profile environmental activist at the CORE regional Cariboo table was a full time employee of BC Wild.

failure of external pressures for domestic policy change in other cases, in issue areas such as human rights, labour or Aboriginal issues. Even economic issues such as trade or competition policy may be subject to competing pressures of globalization and internationalization. More work might also be done comparing these influences in developed and developing country cases, where domestic political circumstance and vulnerability to nondomestic factors may vary markedly.

Our hypotheses do not cover the full range of nondomestic influences on public policy. The purpose in this study has been to clarify a number of disparate observations in the literature on what we label internationalization and to contribute to the ongoing debate about how global economic and political forces increasingly influence domestic policy making. Further empirical and theoretical research might reveal other pathways of influence or interactions with domestic politics not covered here.

Internationalization is by no means the only source of domestic policy change, but it can be an important one. Furthermore, the unique nature of such pressures cannot simply be added onto existing theories of public policy. In response to a policy environment that increasingly faces pressures from beyond state borders, it seems reasonable to suggest that comparative public policy research more regularly take such pressures into account.