

# FREE TRADE RULES

Leading Opinion Pages Provide Scant Space to Critics



**MEDIAMATTERS**  
ACTION NETWORK

1625 MASSACHUSETTS AVE. NW, SUITE 300  
WASHINGTON, DC 20036  
(202) 756-4100

[WWW.MEDIAMATTERSACTION.ORG](http://WWW.MEDIAMATTERSACTION.ORG)

## EXECUTIVE SUMMARY

The current crisis on Wall Street has aptly demonstrated the degree to which global economies are integrated, as economic fissures in the United States sent shockwaves around the globe too big for financial institutions in any one country to contain. In this context, *The Boston Globe* reported in an October 9 [article](#) that there are now “second thoughts on globalization,” calls for a “new model for global trade,” and perhaps even efforts “to overhaul the global finance system conceived at the 1944 summit in Bretton Woods.”

But as we have witnessed, the current model of global trade and finance, which is now embodied in institutions such as the World Trade Organization (WTO) and the North American Free Trade Agreement (NAFTA) that are geared toward removing barriers to capital mobility and foreign investment, has sparked contentious debates over the past decade, most visibly at global trade summits, where demonstrators from around the world have gathered to protest. Indeed, academics, interest groups, businesspeople, and workers have been engaged in a vigorous debate over the impact of free trade on job loss, income inequality, wage stagnation, working conditions, human rights, environmental degradation, corporate profits, public health, transparency, democracy, national sovereignty, and freedom itself.

One might expect such contentiousness to be reflected in the public debate over trade in the United States. However, in one key discussion forum – the opinion pages of the three most important newspapers in America – there is no debate. Instead, there is a striking consensus in favor of free trade, and scant space is granted to critics of the current model of global trade.

The past three years have been a period in which major trade-related treaties, summits, and legislation should have prompted a vigorous airing of contrasting views, yet readers of *The New York Times*, *The Wall Street Journal*, and *The Washington Post* were offered a steady stream of editorials and opinion pieces touting the virtues of trade liberalization and lambasting critics as head-in-the-sand whiners. Of the 302 editorials and op-ed columns that focused on trade during this period:

- 82 percent supported the current global trade model without qualifications or proposed non-trade-related strategies to mitigate any negative consequences resulting from free-trade policies.
- Only 7 percent criticized the current global trade model, argued against the ratification of pending trade deals, or suggested a “time-out” in trade negotiations.
- 4 percent supported the current global trade model but expressed reservations about radically opening markets or proposed modifications to existing free-trade agreements such as enforceable environmental or labor standards.
- 8 percent were neutral – that is, they did not take an identifiable position.
- While all three papers tilted overwhelmingly to the pro-trade position, the most one-sided paper was *The Wall Street Journal*, which devoted 85 percent of its editorials, op-eds, and columns to promoting the current global trade model, with only 1 percent to criticism.

## INTRODUCTION: GLOBAL TRADE, A CONTENTIOUS ISSUE

Trade and capital flows have been steadily deregulated over the past three decades. In 1995, the establishment of the WTO marked a milestone in this process, instituting a system for the negotiated removal of trade barriers worldwide (including so-called non-tariff trade barriers such as domestic environmental, labor, and product safety laws) and a mechanism for resolving disputes between countries. The 14 years of its existence have been marked by sustained controversy as increasing globalization produces both positive and negative effects around the globe.

The idea that reducing trade barriers benefits everyone – the fundamental premise underlying the current trade regime – has been subject to intense criticism in both rich and poor countries. As a result, supporting the trade status quo is now just one among a broad range of views about the role that governments, commercial entities, and civil society institutions might play in international trade. Some people, for example, call for the abolition of global trade and finance institutions and a reprioritization of human needs over corporate profits.<sup>1</sup> They reject the basic tenets of trade liberalization and view the current global economy as unsustainable. Arguing that multilateral trade institutions (and financial ones like the International Monetary Fund and the World Bank) are primarily beholden to – and protective of – global elites who use the institutions to enact self-serving policies that ensure that economic risks and costs are born by others, they seek greater public accountability at the WTO by pressuring member states to withdraw from the institution until it includes mechanisms for broad public participation and serves people more directly.

And the “abolitionist” view is not alone: Opposition to the free-trade agenda can be found in a diverse set of organizations and individuals, from think tanks to Nobel prize-winning economists<sup>2</sup> to activists. These critics share an understanding of the current trade model as prioritizing corporate profits and private-sector prerogatives over social and environmental values. They see the WTO decision-making process as undemocratic and insulated from accountability to the vast global population and propose that solutions to common problems be approached from the perspective of those that suffer the most destructive effects of economic development. These critics do not utterly repudiate the global trading system, generally preferring to take a make-capitalism-work-better approach, but they do acknowledge the significant harm resulting from global integration and consider themselves to be forceful challengers of the status quo.

Wherever one falls in this debate, few would dispute the contention that individuals on either side have reasonable cases to make – cases that deserve to be heard and considered. But what we see in some of the most important media forums is almost no debate at all. Readers of the nation’s leading editorial and opinion pages are offered little other than the opinions of free-trade supporters, who generally claim that free trade is a “win-win” between countries.

Insofar as indicators such as growth in national income go, there is evidence to support free-trade advocates on that claim. However, gains at this macro level are not evenly distributed. In fact, millions of workers can be directly and permanently harmed, for example, as the importation of lower-priced goods results in the loss of manufacturing jobs, which, in turn, drives down wages in other industries as laid-off workers compete for jobs in those sectors. Indeed, the idea that integrating a rich economy such as the United States’ with poorer economies will harm many workers in the rich economy is actually predicted by conventional economic theory. Trade between countries may produce net gains, but there are significant losses as well, and they are not necessarily confined to the manufacturing sector.<sup>3</sup> But as the results below demonstrate, one would be hard-pressed to find this very simple point being made in the opinion sections of the newspapers surveyed.

---

1 Wood, Angela (2001) “Options for Reforming the IMF’s Governance Structure,” Briefing, January 19 [Online] Available: <http://www.brettonwoodsproject.org/topic/reform/sapimf.html>

2 [http://nobelprize.org/nobel\\_prizes/economics/laureates/2001/stiglitz-autobio.html](http://nobelprize.org/nobel_prizes/economics/laureates/2001/stiglitz-autobio.html)

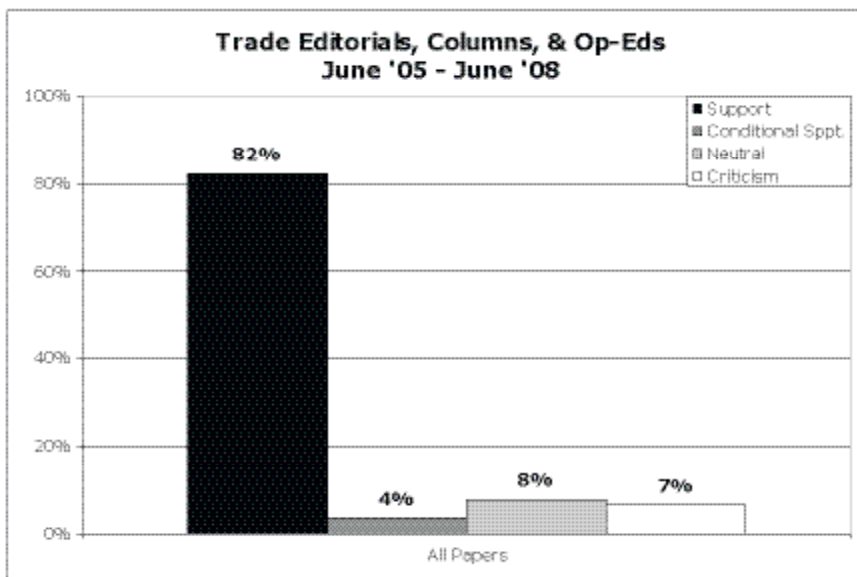
3 L. Josh Bivens, “Globalization and American Wages: Today and Tomorrow,” *EPI Briefing Paper #196*, October 10, 2007. <http://www.epi.org/content.cfm/bp196>

## RESULTS

To determine the range of opinion on the issue of trade in key media outlets, we coded every editorial, column, and op-ed appearing in *The New York Times*, *The Wall Street Journal*, and *The Washington Post* over the last past three years. During this time, numerous trade deals and policies were discussed, and a total of 302 pieces on trade appeared in these papers' opinion pages. The results show a debate that could hardly be more skewed.

Overall, 82 percent of editorials, columns, and op-eds in the *Times*, the *Journal*, and the *Post* during this period were supportive of the current model of global trade. Among other things, these articles advocated passage of particular trade agreements, often extolling the virtues of past trade agreements to buttress their position. Supporters also questioned the motives of critics, for example describing Democratic presidential candidates Barack Obama and Hillary Clinton as "pandering to organized labor and other antitrade activists on the left" when they raised questions about the effects of NAFTA<sup>4</sup> and averring about free-trade critics, "Sometimes it seems that our elected representatives in Washington are not all that bright ... or they don't always act with the best interests of the American people in mind."<sup>5</sup>

Pieces that were critical of free trade made up a mere 7 percent of the opinion pieces examined.



Articles in the "Support" category argued for the continuation of global trade talks, taking vehement stands, for example, against those who would delay or reverse agreements at the WTO. The ideas that existing WTO trade rules should be fixed before moving toward additional free-trade rules and that the proposed rules would exacerbate the current world food crisis were not entertained. Nor was the idea that the collapse of the latest round of WTO negotiations in Doha, Qatar, would be a victory for small farmers, civil society, and developing nations. Instead, the stalled talks were lamented in somber, funeral tones.

Rare was the article that discussed the downside of trade liberalization. While there is plenty of evidence that the process in recent decades has exerted downward wage pressure and exacerbated poverty and inequality within countries and between them,<sup>6</sup> one would have to look very hard to find any evidence of this in the papers surveyed. To the extent that the papers acknowledged any shortcomings of trade deals (e.g. workers who lose their jobs due to trade rules that incentivize offshoring), they typically argued that non-trade mitigation strategies could be adopted, such as increased unemployment benefits, job retraining, and portable health care, among other ideas.

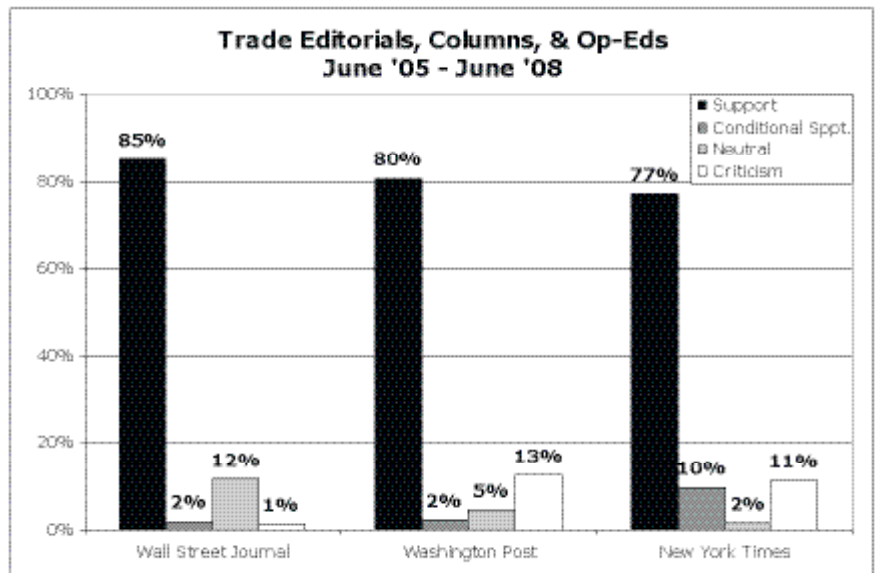
4 Rod Hunter, "The Democrats and Trade," March 6, 2008, *The Wall Street Journal*, Page A14. [http://www.hudson.org/index.cfm?fuseaction=publication\\_details&id=5476](http://www.hudson.org/index.cfm?fuseaction=publication_details&id=5476)

5 Mary Anastasia O'Grady, "Don't Close the Door on Free Trade in the Andes," November 17, 2006, *The Wall Street Journal*, Page A21. <http://online.wsj.com/article/SB116372947230525865.html>

6 See World Bank, Draft Policy Research Report: Globalization, Growth and Poverty: Facts, Fears and an Agenda for Action (Washington, D.C.: World Bank, 2001) [http://siteresources.worldbank.org/INTGGP/Resources/2871\\_governance\\_woolcock.pdf](http://siteresources.worldbank.org/INTGGP/Resources/2871_governance_woolcock.pdf); United Nations Conference on Trade and Development (UNCTAD), *Trade and Development Report* (Geneva, Switzerland: UNCTAD, 1997) [http://www.unctad.org/en/docs/tdr1997\\_en.pdf](http://www.unctad.org/en/docs/tdr1997_en.pdf); Lawrence Mishel, Jared Bernstein, and John Schmitt, *The State of Working America 2000/2001* (Ithaca, N.Y.: Cornell University Press, 2001); Robert E. Scott, "Our Kind of Trade: Alternatives to Neoliberalism That Can Unite Workers in the North and South," in *Workers in the Global Economy - Project Papers and Workshop Report* (Ithaca, N.Y.: Cornell University School of Industrial Relations: 2001).

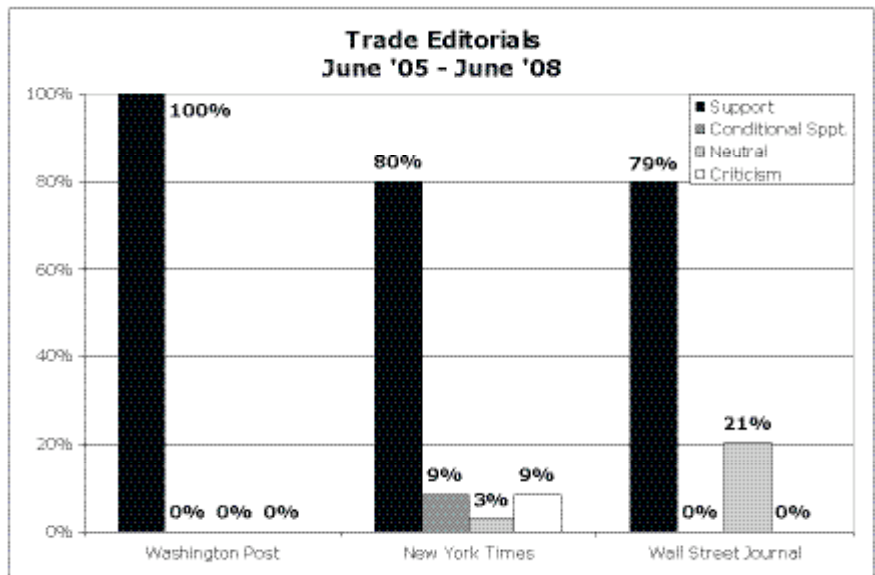
## RESULTS BY OUTLET

As the following graph shows, the most heavily tilted paper was *The Wall Street Journal*, with 85 percent of its editorials, columns, and op-eds supportive of the current trade regime and a mere 1 percent allotted to critics. *The Washington Post* and *The New York Times* gave more space to critics (13 percent and 11 percent respectively), but each paper still devoted the vast majority of space – 80 percent and 77 percent respectively – to proponents of free trade.



## EDITORIALS

While *The Wall Street Journal* published the most editorials supportive of the current trade model and the fewest editorials critical of it, *The Washington Post* distinguished itself by supporting free trade in 100 percent of its editorials. The *Journal* failed to reach the 100 percent mark only because some of its editorials on the topic were presented in a neutral fashion. The *Times* published a small percentage of editorials raising critical questions about trade deals.



## CONCLUSION

Despite declining sales and competition from cable television and proliferating news outlets on the Internet, newspapers are still one of the main sources of information for people, and editorials and op-ed columns function as key mechanisms for influencing voter attitudes and setting the national policy agenda.<sup>7</sup> Thus, when newspaper editors and publishers freeze out legitimate voices from their opinion pages, they prevent their readers from weighing the validity of policies that have far-reaching impacts on their lives.

While free-trade ideas enjoy relatively low levels of public support,<sup>8</sup> they dominate the nation's major opinion pages. A majority of Americans want NAFTA renegotiated,<sup>9</sup> and believe that globalization is bad for the U.S. economy, bad for job security for American workers, bad for creating jobs in the U.S., and bad for the environment,<sup>10</sup> but those views are rarely reflected in the opinion pages of America's three most important newspapers. In those pages, anxiety over the effects of globalization is explained away as a combination of misguided beliefs, whining, and susceptibility to grandstanding politicians. But whatever stance one takes on trade, one thing is sure: The public deserves an honest debate that includes dissenting views and speaks to legitimate economic concerns. But in some of the most important news outlets, they get nothing of the sort.

## METHODOLOGY

For this study, we quantified the views on trade published in editorials, columns, and op-eds in the opinion pages of three major U.S. newspapers. The idea of "free trade" – like its counterpart, the "free market" – is a clumsy concept full of contradictions. For example, during the past decade or so of progress at the WTO, barriers for the exchange of intellectual property *increased*.<sup>11</sup> Similarly, the WTO's Agreement on Agriculture forces developing countries to eliminate safeguards for small farmers while allowing developed countries to subsidize large agribusinesses. To avoid confusion, we define the concept operationally as the current model for the negotiated removal of trade barriers and the settlement of trade disputes between countries, embodied in the WTO as well as other bilateral and regional free-trade agreements such as NAFTA.

In order to compile all trade-related editorials, columns, and op-eds, we conducted searches using the Nexis news database (for *The New York Times* and *The Washington Post*) and Factiva (for *The Wall Street Journal*) for the period of June 2005 through June 2008. To ensure that all relevant pieces for the three-year period surveyed would be included, we used the following search terms: free trade; trade agreement; trade rules; trade pact; trade treaty; trade treaties; trade deal; fair trade; global trade; WTO; outsourcing; offshoring; NAFTA; CAFTA; Washington consensus; FTAA; trade critics; trade liberalization; antiglobalization; protectionism; protectionist; trade barriers; trade tariffs. For the sake of brevity, we did not include financial liberalization topics such as currency exchange rates or capital controls, even though these are closely related topics.

We then eliminated from the database pieces that did not focus on trade: those that merely mentioned trade or trade-related issues in passing were eliminated. Pieces that used trade issues as a key example among other examples for the point they were making were also eliminated. Pieces that discussed globalization in general terms without discussing trade specifically were eliminated. After this culling process, 302 pieces remained.

## CODING SYSTEM

We classified pieces according to whether they were supportive, supportive with reservations, critical, or neutral with regard to the current global trade model.

7 See Kim Fridkin Kahn and Patrick J. Kenney (2002) "The Slant of the News: How Editorial Endorsements Influence Campaign Coverage and Citizens' Views of Candidates." *American Political Science Review* 96: 381-394; Philip Habel, "The Importance of Newspaper Editorials in the Policy-Making Process," Prepared for the 2006 Annual Meeting of the Midwest Political Science Association, April 20-22.

8 See <http://www.pollingreport.com/trade.htm>. Accessed on November 6, 2008.

9 See Chicago Council on Global Affairs (2008). "Anxiety Over Energy, Jobs, and Wealth Shakes America's Global Economic Confidence" [http://www.thechicagocouncil.org/UserFiles/File/POS\\_Topline%20Reports/POS%202008/2008%20Public%20Opinion\\_Economic.pdf](http://www.thechicagocouncil.org/UserFiles/File/POS_Topline%20Reports/POS%202008/2008%20Public%20Opinion_Economic.pdf)

10 <http://www.cepr.net/index.php/transcript-latin-america-s-electoral-leftward-shift/>

*Supportive* pieces were those that favored extending the current global trade model. These included pieces that advocated passage of pending trade agreements, advocated the negotiated removal of trade barriers at the Doha Round of the WTO, made generic arguments in favor of free-trade agreements, touted the general benefits of free trade, or argued that any negative effects of free trade should be ameliorated outside of the realm of trade (through social insurance policies, for example).

*Conditionally supportive* pieces favored extending the current global trade model but qualified their support with various caveats. These included writers who would allow developing countries greater latitude to protect domestic industries or to enact other development strategies that may be at odds with the current global trade model.

*Neutral* pieces focused on international trade but were either too ambiguous on the issue to determine the author's viewpoint or did not take an explicit position regarding the existing or proposed trade policy under discussion in the piece.

*Critical* pieces were those that expressed fundamental problems with the current global trade model, including those that made generic arguments against the current global trade model; debunked the general benefits of free trade; questioned the basic tenets of trade liberalization; highlighted the negative effects of free trade; argued against passage of particular trade deals; proposed major modifications to existing trade deals; advocated a "time-out" or "pause" in current trade negotiations; advocated abolishing or renegotiating existing trade agreements and institutions; or advocated a wholly different approach to global trade than the current model.