Trade and Sustainable Development

**Semester:** Fall semester - HS 2020

**Root Number:** 457079

**ECTS:** 3

**Lecturers:** Dr. Damian Raess & Dora Sari

**Dates:** 13 - 17 July 2020 (18 July: take-home assessment).

**Time:** Monday – Friday 9:00 – 11:00; 13:00 – 15:00

**Location:** In response to the COVID-19 pandemic and following the guidelines established by the University of Bern, all courses of the 2020 WTI Summer Academy will be online. This course will have live sessions on Zoom.

**Audience:**

- Government officials; Embassy staff; people working for international organisations and NGOs
- Master of Advanced Studies of International Law and Economics (MILE) Students. Joint LL.M. / Diploma of Advanced Studies Trade and Investment Law (TRAIL+) Students - World Trade Institute / Faculty of Law, Unibe
- Certificate of Advanced Studies / Diploma of Advanced Studies in International Law and Economics (CAS ILE & DAS ILE) Students - World Trade Institute, Unibe
- Students from different universities across Switzerland
Course Description

This course will primarily focus on the relationships between international trade and the social dimension of sustainable development. It asks: Is globalization good or bad for social development and the protection of labor rights. Is the level of labor protection a curse or a blessing for economic development? To answer these questions, the course will focus on the interlinkages and potential trade-offs between the economic and social dimensions of sustainable development – an issue that is also at the core of Sustainable Development Goal #8 on decent work and economic growth.

More specifically, the course will address the key avenues through which labor rights are governed and protected in the global economy. The main objective is to provide a better understanding of how international trade (and cooperation) can contribute to achieving the SDG #8, particularly to the promotion of decent work for all. The course will cover public and private approaches to protecting labor standards under globalization, as well as the role of the International Labour Organization. Specifically, it will outline and assess state strategies to link and enforce labor standards through trade agreements, voluntary codes of conduct by multinational enterprises (MNEs) governing labor standards in their supply chains, and the role of the ILO in setting, promoting and upholding international labor standards. Moreover, the course will refer to the governance, public and private, of the environment through trade.

The course will make extensive use of and make available 2 state-of-the-art datasets (co-) developed by the instructors in recent years: a) the Labor Provisions in Trade Agreements (LABPTA) dataset (Raess and Sari 2018); and b) the Labour Rights Indicators (Kucera and Sari 2019), used as the base methodology for SDG 8.8.2 indicator.

Based on the screening of the documentary American Factory (2019), the course will conclude by opening up the discussion to the new challenges and opportunities for workers and the decent work agenda presented by developing country outward foreign direct investment into advanced economies.

Lecturers

Damian Raess

Damian Raess is SNSF Assistant Professor at the World Trade Institute, University of Bern, where he leads the project ‘BRICS globalization and labor protections in advanced and emerging economies’. Trained as a political scientist (BA, University of Lausanne; MA and PhD, University of Amsterdam), he specializes in international and comparative political economy, with particular research interests in the nexus
between globalization and labor, the politics of inward foreign direct investment, labor markets and industrial relations, and crisis responses in comparative and historical perspective, especially fiscal policy responses. He has been a visiting scholar in the political science department at MIT and in the Labor and Worklife Program at Harvard University, and a lecturer at the University of Geneva and the University of Reading. He has been visiting lecturer at KU Leuven, the University of Amsterdam, and the Graduate Institute in Geneva. He recently led a collaborative and interdisciplinary research project on the causes and consequences of labor provisions in trade agreements funded by the Swiss Network for International Studies.

Dora Sari

Dora Sari is a Freedom of Association and Collective Bargaining specialist at the International Labour Organization and currently oversees the work on SDG 8.8.2 indicator. She has close to 15 years of work experience on the field of international labor regulations. She co-developed the Labor Rights Indicators (used as the base methodology for SDG 8.8.2) and has extensive experience working with various international organizations on labor- and social-related issues. She was a research fellow at Harvard University’s Labor and Worklife Program and is currently pursuing her PhD degree in political science at the University of Geneva focusing on labor provisions in trade agreements and global labor governance issues.

Learning Outcomes

By the end of the course students should be able to:

- Outline the complex relationships between trade and labor standards, including its history
- Explain and assess the effectiveness of public and private approaches to protecting labor standards under globalization
- Introduce the International Labour Organization (ILO) as a norm-setting and enforcing body
- Conceptualize and analyse labor provisions in trade agreements, and communicate adequately the main findings in a presentation ("deep dive")
- Identify, discuss and use relevant sources of data, particularly the LABPTA dataset and the Labour Rights Indictors
- Raise public awareness on social sustainability, that is students are able to present the aspects of sustainable development in relation to trade and the ILO
- Evaluate recent policy developments in trade (and investment) and social sustainability in Europe and beyond in light of the SDGs
- Reflect upon the interlinkages and potential trade-offs between the economic, social and environmental dimensions of sustainable development and the value orientation of various disciplines involved (economics, law, and political science) based on their respective research questions and findings ("big picture")
Exams and Grades

Take home assignment

- Students’ knowledge will be assessed on the basis of an open book, take home exam which needs to be completed on an individual basis. The exam will consist of essay questions.
- Take home assignment made available on Friday after class and to be submitted before Saturday by 20:00
- Carries a 80% weight in final course grade

In-class exercise (assessment criteria to be provided in class)

- Mapping of labor provisions in a PTA followed by short presentation of result
- Carries a 10% weight in the final course grade

Quiz

- Quiz questions on reading material
- Carries a 10% weight in the final course grade

Course Overview

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<th>Lecturer/s</th>
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<td>13 July</td>
<td>Monday</td>
<td>9:00 - 11:00</td>
<td>D. Raess</td>
<td>Trade and labor: theoretical and historical considerations</td>
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<td></td>
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<td>13:00 - 15:00</td>
<td>D. Raess</td>
<td>Labor clauses in trade agreements: purpose, design and evolution</td>
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<td>14 July</td>
<td>Tuesday</td>
<td>9:00 - 11:00</td>
<td>D. Raess</td>
<td>Labor clauses in trade agreements: determinants and impact</td>
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<td>13:00 - 15:00</td>
<td>D. Raess</td>
<td>TSD chapters in trade agreements: in need of reform?</td>
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<td>15 July</td>
<td>Wednesday</td>
<td>9:00 - 11:00</td>
<td>D. Sari</td>
<td>Introduction to the ILO</td>
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<td>13:00 - 15:00</td>
<td>D. Sari</td>
<td>The ILO and globalization</td>
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<td>16 July</td>
<td>Thursday</td>
<td>9:00 - 11:00</td>
<td>D. Sari</td>
<td>Freedom of association and collective bargaining rights</td>
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<td>13:00 - 14:30</td>
<td>D. Sari</td>
<td>The ILO and the SDGs: guest lecture by Ms. Kirsten-Maria Schapira-Felderhoff (ILO)</td>
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<td>17 July</td>
<td>Friday</td>
<td>9:00 - 11:00</td>
<td>D. Raess</td>
<td>Private regulation of labor standards</td>
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<td>13:00 - 15:30</td>
<td>D. Raess &amp; D. Sari</td>
<td>Screening of ‘American Factory’, followed by discussion</td>
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<td>18 July</td>
<td>Saturday</td>
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<td>Take-home assignment</td>
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Monday, July 13, 2020

Lecturer: Damian Raess

Morning session

Topic: Trade and labor: theoretical and historical considerations
- Trade – labor nexus: theory and history

Afternoon session

Topic: Labor clauses in trade agreements: purpose, design and evolution
- The purpose and design of labor provisions in trade agreements
- Evolution of the content and stringency of labor provisions over 1990-2019
- Models based on monitoring/capacity building (EU) & sanctions (US, Canada)
- Environmental provisions in trade agreements

Compulsory Reading Material

Optional Reading Material:


Lecturer: Damian Raess

Morning session

Topic: Labor clauses in trade agreements: determinants and impact

- Determinants of the inclusion of labor provisions in trade agreements
- Social, economic and political impact

Compulsory Reading Material


Optional Reading Material:


Afternoon session

Topic: Trade and Sustainable Development (TSD) chapters in trade agreements: in need of reform?

- Debate on the effective implementation of TSD chapters in EU trade agreements (2018)
- Dispute settlement in trade-labor matters under US trade agreements (US vs. Guatemala dispute)
- Level playing field rules as a stumbling block in EU-UK trade negotiations (2020)

Compulsory Reading Material

Optional Reading Material:


Lecturer: Dora Sari

Morning session

Topics: Introduction to the International Labour Organization

The morning session will provide a brief introduction to the International Labour Organization (ILO) both from a historical and institutional perspective. Students will be familiarized with the key historical moments and their relevance to the development of the ILO; the organization’s underlying principle of tripartism; its structure and governance and its unique supervisory system. The session will allow for a discussion of the (in)effectiveness of the ILO’s supervisory mechanism through various examples and case studies.

Compulsory Reading Material


Optional Reading Material:


**Afternoon session**

**Topics: The ILO and globalization: from the 1998 Declaration to the decent work agenda and sustainable development**

The afternoon session will focus on the past 30 years of the ILO and its role in the increasingly globalized world. Students will be familiarized with the historical context and relevance of the ILO 1998 Declaration on Fundamental Principles and Rights at Work, the debate surrounding the role of labor rights in trade and the WTO and the ILO’s response to the challenges posed by globalization. The concept of Decent Work Agenda and its role under the broader development framework.

**Compulsory Reading Material**

Optional Reading Material:


Lecturer: Dora Sari

Morning session

Topics: Freedom of association and collective bargaining rights and SDG 8.8.2 indicator

Building on the previous day, the morning session will focus on the right to freedom of association and collective bargaining (FACB) and the methodology developed to measure countries’ compliance with those rights. Students will gain a better understanding concerning the importance of those rights, often referred to as enabling rights and will be provided with a short summary of the data and current trends of trade union rights in the world.

Compulsory Reading Material


Optional Reading Material:


Afternoon session

Topic: The ILO and the SDGs

Guest lecturer: Ms. Kirsten Maria Schapira-Felderhoff
Senior Multilateral Cooperation Specialist at the Multilateral Cooperation Department, ILO

Compulsory Reading Material

- ILO. ILO Implementation Plan 2030 Agenda for Sustainable Development. 30 pages.

Optional Reading Material:

United Nations Sustainable Development Goals:
ILO SDG8
Friday, July 17, 2020

Morning session

Lecturer: Damian Raess

Topic: Private regulation of labor standards

- The rise of MNEs' voluntary codes of conduct governing labor standards in their supply chains
- Under what conditions does factory compliance with voluntary initiatives lead to the improvement of labor standards? Does social auditing of factories help protect workers?
- Is there a business case for social compliance with voluntary initiatives?

Compulsory Reading Material


Optional Reading Material:


Clean Clothes Campaign (2019). *Fig leaf for fashion: How social auditing protects brands and fails workers.*


**Afternoon session**

Presentation of documentary ‘American Factory’, followed by discussion
SATURDAY, JULY 18, 2020

Take-home assignment