

When does the EU act like an international actor and when it is more of a forum for other actors to make policy?

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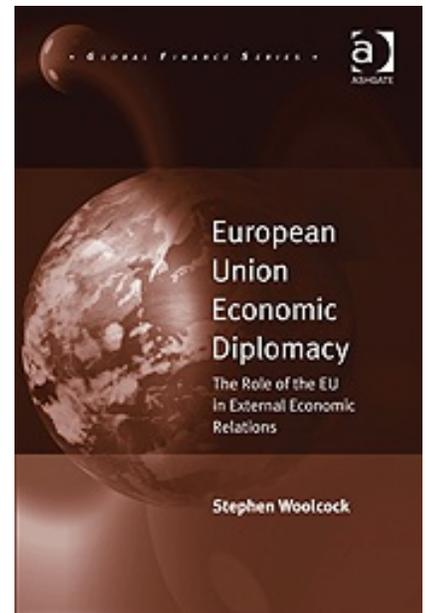
*The European Union is a key player in international economic relations, but its exact role and how it goes about making decisions and negotiating is often poorly understood within and especially outside the EU. **European Union Economic Diplomacy** provides a comprehensive analysis of the factors that determine the role of the EU in economic diplomacy. **William Knighton** finds this book will be valued by practitioners, academics and all others trying to understand the complex structures of the EU.*

European Union Economic Diplomacy. Stephen Woolcock.
Ashgate Publishing. January 2012.

All mentions of the EU in the press seem currently to be coupled with 'crisis', and yet the EU remains a hugely important player in the international economic world order. But just how are decisions taken in Europe? And perhaps more importantly, when is the EU more effective, and when is it less effective during international economic negotiations? When does the EU behave more like a proper actor, and when is it more like just one forum among many in a complex international system playing host to diverse interests?

These are the questions this important work from the LSE's Dr Stephen Woolcock sets out to answer. Woolcock applies a framework for better understanding the process of the EU's economic diplomacy through four case studies. Each of these case studies generate interesting insights and provide a clearly signposted path for further analysis. They are admirably detailed and provide a helpful historical overview of the development of the EU's policy structures, although the analysis does not venture far beyond testing the framework.

Woolcock's framework lays out those factors which will have an impact on the effectiveness of the EU as an actor in international economic diplomacy. It is recognised that these factors will vary in importance according to the particular issue under consideration, something that the disparate case studies amply verify. The relative economic size, or relative market power, of the EU is



highlighted as a particularly important factor for the eventual success of negotiations particularly in trade negotiations, even when there is not a willingness to make use of this advantage.

Woolcock reflects usefully on the negotiating culture of the EU, which tends to be more focused on “value creating” strategies of reciprocal liberalisation and mutual benefit over “value claiming” strategies which may seem more zero-sum. Additionally the nature of EU decision-making ensure changes to the status quo are difficult, especially where the status quo has powerful players with a strong interest in its preservation, as with the Common Agricultural Policy (CAP).

The formal competence of the EU over a particular policy area will also affect the way that decisions are taken and the effectiveness of the EU as a forum for decision making. As Woolcock notes, exclusive EU competence in a policy area – as is the case in trade and Foreign Direct Investment – does not mean that decisions are taken by the Brussels-based Eurocrats of popular imagination, but through the structures of the European Commission, the Council and the European Parliament operating through what is now called the Ordinary Legislative Procedure (previously the co-decision procedure).

The framework also includes systemic factors and external drivers of action in a given policy area; member state interests; sector interests; and how well developed the *acquis communautaire* (formal norms) is in the specific area being considered. A number of institutional factors beyond formal competence are also identified, with an understanding of decision-making in practice (de facto competence) just as important as a thorough understanding of what the treaties say. The autonomy of the negotiator will also affect the shape of the eventual outcome by potentially circumscribing or even undermining the negotiation process.

This framework is applied to four areas of economic policy – trade and investment (where the EU has exclusive competence), climate change, financial regulation (where competence is shared with the member states) and development policy (also with shared competence, but with a larger role for the member states). These chapters make up the majority of the book and effectively convey both the immense scale of the EU’s external economic policy-making interests and also reveal the highly varied nature of EU activity. Indeed, one of the central questions the book seeks to develop is when does the EU act like an international actor, and when it is more of a forum for other actors to make policy. This debate about “actorness” has been a constant theme in the academic debate on the EU – Woolcock’s work is a valuable addition to that literature.

The changes made to the Lisbon Treaty are incorporated in the analysis. However, those looking for a “first glimpse” of the European External Action Service (EEAS) will be disappointed. Woolcock admits that at the time of writing it remains too early to evaluate the first two years of the EEAS’s operations. Nevertheless, the decision-making landscape into which the EEAS was born is usefully explained in the book. It will take further research at a later date to evaluate the success of the EEAS and understand how far it transforms the effectiveness of EU economic diplomacy and

what effect it may have in terms of the framework outlined in this work. Helpful diagrams of the structures of the organisations involved in these complex areas, as well as charts outlining the processes through which decisions are taken, make this book useful for non-specialists seeking a grounding in EU decision-making.

Woolcock notes that the decision making processes of the EU can often be seen as “arcane”, “complex” and “frustrating”, both for those outside the decision-making process but even for those inside. This book more than adequately explains the development and practice of EU economic diplomatic decision-making, explaining that which is arcane, bringing illuminating analysis to that which is complex and dispelling that which is frustrating. Practitioners, academics and those trying to understand the complex EU structures will all find this book valuable.

William Knighton graduated from King’s College London with a degree in War Studies in August 2011. Since then he has worked for an MP, BBC Radio and the Institute for Government. In October 2012 William will be starting an International Relations MPhil at Cambridge University, focusing in his research on the extent of the impact that the structures of the European Union have in shaping member states’ foreign and security policies. [Read more reviews by William.](#)

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